



IL&FS TRANSPORTATION NETWORKS LIMITED

**20TH
ANNUAL REPORT**

2019-20

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CORPORATE INFORMATION

Board of Directors

Mr. C. S. Rajan
Chairman

Mr. Bijay Kumar
Director
(upto August 7, 2020)

Mr. Vineet Nayyar
Director
(upto October 31, 2020)

Mr. Nand Kishore
Director

Mr. Subrata Kumar Mitra
Independent Director
(effective November 11, 2020)

Dr. Jagadip Narayan Singh
Independent Director
(effective November 11, 2020)

Company Secretary

Krishna Ghag

Auditors

SRBC & Co LLP
Chartered Accountants

Committees of the Board

Audit Committee

Mr. Subrata Kumar Mitra,
Chairman
(effective December 2, 2020)

Mr. Nand Kishore
(as Chairman upto December 2, 2020)

Mr. Vineet Nayyar
(upto October 31, 2020)

Mr. C. S. Rajan
(upto December 2, 2020)

Dr. Jagadip Narayan Singh
(effective December 2, 2020)

Stakeholders' Relationship Committee

Mr. Subrata Kumar Mitra,
Chairman
(effective December 2, 2020)

Mr. Vineet Nayyar
(as Chairman upto October 31, 2020)

Mr. Nand Kishore
Mr. C. S. Rajan

Nomination and Remuneration Committee

Dr. Jagadip Narayan Singh,
Chairman
(effective December 2, 2020)

Mr. C. S. Rajan
(as Chairman upto December 2, 2020)

Mr. Subrata Kumar Mitra
(effective December 2, 2020)

Mr. Vineet Nayyar
(upto October 31, 2020)

Corporate Social Responsibility Committee

Dr. Jagadip Narayan Singh,
Chairman
(effective December 2, 2020)

Mr. Vineet Nayyar
(as Chairman upto October 31, 2020)

Mr. Nand Kishore
Mr. C. S. Rajan

Senior Management

Mr. Dilip Bhatia
Chief Executive Officer

Mr. S. C. Mittal
Head – Implementation

Ms. Shaivali Parekh
Chief Financial Officer
(upto January 31, 2020)

Mr. Mohit Bhasin
Chief Financial Officer
(effective February 01, 2020)

Mr. Krishna Ghag
Vice President & Company Secretary

Registered Office

The IL&FS Financial Centre, Plot No C22, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400051.

Tel: +91 22 26533333

Fax: +91 22 26523979

Website: www.itnlindia.com

Email: itnlinvestor@ilfsindia.com

CIN: L45203MH2000PLC129790

Registrar & Share Transfer Agent

Link Intime India Private Limited
C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400 083. Telephone No: +91 22 4918 6200 / 1800 2208 78
Fax: +91 22 4918 6060
Email: rnt.helpdesk@linkintime.co.in

BRIEF PROFILE OF THE PRESENT BOARD OF DIRECTORS:

Mr. Chandra Shekhar Rajan (DIN 00126063), Chairman is an IAS Officer of the 1978 Batch, who retired as Chief Secretary, Rajasthan, on June 30, 2016. He then served as Deputy Chairman, Chief Minister's Advisory Council till December 2018.

During his 38 years in the IAS, Mr. Rajan has served for around 14 years in various capacities in Agriculture and Rural Development, 12 years in Infrastructure sectors like Power, Roads, Industries, 5 years in Finance and 5 years in General Administration. He has co-authored a book on "Farmers Participation in Agricultural Research and Extension". Mr. Rajan has also briefly served as a Consultant with the World Bank.

Mr Rajan was appointed as Director of Infrastructure Leasing and Financial Services Limited ("IL&FS") by the Government of India w.e.f. October 3, 2018. Presently he holds the position of Managing Director, IL&FS w.e.f. April 3, 2019.

Mr. Nand Kishore (DIN 08267502), Director is a 1981 batch officer of Indian Audit and Account Service. He retired as Deputy Comptroller and Auditor General (Dy. CAG) in the rank and pay of Secretary to Government of India. As Dy. CAG he looked after audit of Defence, Railways and Communications ministries of Government of India including their departments and public sector units.

Mr. Kishore holds a Bachelor of Engineering (Electrical) degree from University of Roorkee (now IIT Roorkee) and is also a Certified Internal Auditor from The Institute of Internal Auditors, Florida, USA.

Mr. Kishore was appointed as Director of Infrastructure Leasing and Financial Services Limited ("IL&FS") by the Government of India effective October 1, 2018. Mr. Kishore is also the Chairman of the Audit Committee of IL&FS and the Company.

Mr. Subrata Kumar Mitra (DIN 00029961), Independent Director, has been a senior banker and has been in senior positions across financial services sector.

Mr. Mitra holds M.Sc degree from University of Calcutta and an MBA from the USA.

Mr. Mitra has been on Boards and Committees of several reputed companies comprising diverse industries as an Independent Director. He has been an Advisor to a large international bank and also a few Private Equity and Start Up ventures. He has been associated with several international and domestic NGOs, Committees and Chambers in India. He has also been a regular contributor to reputed domestic and international financial publications.

Dr. Jagadip Narayan Singh (DIN 00955107), Independent Director is an IAS Officer (Retd) of the 1983 Batch. He completed his tenure as the Chief Secretary of Gujarat State in November 2019 after serving for more than three years.

Dr. Singh is a graduate from JNU and Ph.D. from MS University. He is also a Management graduate from the Asian Institute of Management, Manila, Philippines. He held many important portfolios including as Collector & District Magistrate, Junagadh, Member

CORPORATE INFORMATION

(Administration), Gujarat Electricity Board, Joint Secretary, Government of India, Member (Finance) National Highways Authority of India, Managing Director, Sardar Sarovar Nigam Limited, Addl. Chief Secretary in several departments like Revenue, General Administration and Finance before superannuating as Chief Secretary.

He has served largely in Infrastructure & Finance sector namely in the areas of Industrial Infrastructure, Power, Telecom, Highways, Water and State Finances. Dr. Singh has also served on several state owned companies like Gujarat Gas, Gujarat State Petronet, GSFC, GACL, GNFC, Gujarat Maritime Board as Chairman and/or Managing Director.

NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of IL&FS Transportation Networks Limited will be held on Thursday, December 31, 2020 at 3.00 p.m. IST through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS:

- (1) To receive, consider and adopt the Audited Standalone Financial Statements for the year ended March 31, 2020 together with the Reports of the Board of Directors and the Auditors thereon; and

SPECIAL BUSINESS:

- (2) **Ratification of remuneration payable to Cost Auditors for FY 2020-21**

To consider and, if thought fit, to give assent or dissent to the following resolution to be passed as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, (including any statutory modifications(s) / re-enactment(s) thereof, for the time being in force), and based on the recommendation of the Audit Committee and approval of the Board of Directors of the Company, the remuneration payable to M/s. Chivilkar Solanki & Associates, Cost Accountants, Mumbai (Firm Registration No.: 000468) appointed as Cost Auditors of the Company to conduct the cost audit of the records of the Company for FY 2020-21 amounting to Rs. 2,00,000/- (Rupees Two Lakhs only) plus taxes as applicable and reimbursement of out-of-pocket expenses incurred in connection with the aforesaid audit be and is hereby approved.”

- (3) **Appointment of Mr. Subrata Kumar Mitra (DIN: 00029961) as an Independent Director**

To consider and, if thought fit, to give assent or dissent to the following resolution to be passed as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, read with Schedule IV of the said Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors, Mr. Subrata Kumar Mitra (DIN: 00029961) who was appointed as an Additional & Independent Director of the Company with effect from November 11, 2020 under Section 161 of the Companies Act, 2013, be and is hereby

appointed as an Independent Director of the Company to hold office for a year upto November 10, 2021.”

(4) Appointment of Dr. Jagadip Narayan Singh (DIN: 00955107) as an Independent Director

To consider and, if thought fit, to give assent or dissent to the following resolution to be passed as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, read with Schedule IV of the said Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors, Dr. Jagadip Narayan Singh (DIN: 00955107) who was appointed as an Additional & Independent Director of the Company with effect from November 11, 2020 under Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for a year upto November 10, 2021.”

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

Sd/-
Krishna Ghag
Vice President &
Company Secretary

Mumbai, December 7, 2020

Membership No. F4489

Registered Office:
The IL&FS Financial Centre,
C-22, G-Block, Bandra – Kurla Complex,
Bandra (East), Mumbai 400051

CIN: L45203MH2000PLC129790

Note:

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 monetisation and restructuring activities and meeting 'going concern' requirements. Further, challenges are being faced by the respective subsidiaries in terms of valuation of underlying assets insufficient quorum on the board, outbreak of COVID 19 and the lockdown restrictions imposed and consequent extended timelines for finalizing and adopting audited financial statements. In view of the above, the Financial Statements of the subsidiary companies will not be available before the Annual General Meeting of the Company. 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. Further, an application has been filed by the holding company to the competent authority seeking an exemption for IL&FS Group including the Company from presenting its consolidated financial statement.

Further, pursuant to the order dated January 1, 2019 of the National Company Law Tribunal, Mumbai, the books of accounts of the Company have been reopened and the financial statements for the past five financial years (from FY2013-14 to FY 2017-18) are to be recast under Section 130 of the Companies Act, 2018. In furtherance thereof, vide order dated August 9, 2019 of the Hon'ble NCLT, M/s G. M. Kapadia has been appointed to reopen and recast the books of accounts of the Company for the last five years and M/s M. M. Chitale has been appointed for auditing the said reopened and recast accounts. The aforesaid chartered accountants have commenced the work to reopen and recast the accounts and the said work is currently in progress. Please note that the Audited Standalone Financial Statements for the year ended March 31, 2020 are subject to any modifications or qualifications in the recasted financial statements of FY2013-14 to FY 2017-18, whenever the same are finalized and shall be subject to approval of the recasted financial statements by the Hon'ble NCLT in terms of the provisions of Sections 130 of the Companies Act, 2013 and its order dated January 1, 2019.

Other Notes:

1. In view of the continuing COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and August 17, 2020, physical attendance of the Members to the EGM/AGM venue is not required and Annual General Meeting (AGM) be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circular No. 14/2020 dated April 08, 2020 through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members

will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

3. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative pursuant to Section 113 of the Companies Act, 2013 to attend the AGM through VC / OAVM on its behalf and cast their votes through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to evoting@mehta-mehta.com with a copy marked to evoting@nsdl.co.in
4. Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
7. In compliance with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.itnlindia.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
8. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”), under Item Nos. 2 to 4 of the Notice is annexed hereto. The relevant details as required under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standard 2 (SS-2) on General Meetings

issued by the Institute of Company Secretaries of India for persons seeking Appointment/Re-appointment as Director is also annexed

9. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will remain closed from Friday, December 25, 2020 to Thursday, December 31, 2020 (both days inclusive).
10. The Register of Directors and Key Managerial Persons and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the AGM upon request from any member after due credentials check by the Company.
11. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the Members at the AGM upon request from any member after due credentials check by the Company.
12. Members are requested to immediately intimate changes, if any, in their registered addresses along with pincode number to the Company or the Registrar & Share Transfer Agents. Members holding shares in dematerialised mode are requested to intimate the same to their respective depository participants.
13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.itnlindia.com. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to the Company in case the shares are held in physical form.
14. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate risks associated with physical shares.

According to SEBI Circular, except in case of transmission or transposition of securities, request for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form, Accordingly, the members holding shares in physical form are requested to dematerialised the shares

15. 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, FY 2011-12 and FY 2012-13 lying in the Company's bank account for a consecutive period of seven years amounting to ₹ 1,90,229, ₹ 1,87,900 and ₹ 5,62,324 was transferred to the Investor Education and Protection Fund (IEPF) on November 5, 2018, December 2, 2019 and September 24, 2020 respectively.

Accordingly, the details of shares transferred to IEPF during FY 2019-20 are as follows:

Financial Year	Number of Shares transferred
2010-11	514
2011-12	3,953
2012-13	1476

The details of which are available on the weblink: http://www.itnlindia.com/invrelation.aspx?page_ID=24&Sec_ID=5.

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 2013-14, which has remained unpaid/unclaimed for a consecutive period of seven years is also due for transfer to IEPF Account on September 27, 2021. The underlying Equity Shares would also be transferred to the demat account of IEPF on the said date. Members who have not yet claimed the dividend are required to send request for claiming the dividend to RTA immediately. The details are available on the weblink: <http://www.itnlindia.com/pdffiles/DV/MCA2013-2014.pdf>

Members having queries on the subject matter and the Rules, they may contact the Company's RTA, Link Intime India Private Limited, Unit – IL&FS Transportation Networks Limited, C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400 083; Tel. No.: +91- 22-49186270; Fax No.: +91-22-49186060; E-Mail: iepf.shares@linkintime.co.in

16. Pursuant to Circular No. 14/2020 dated April 08, 2020 issued by the Ministry of Corporate Affairs, the Notice of AGM along with the Annual Report FY 2019-20 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories.
17. At the Seventeenth AGM held on August 29, 2017, the Members had approved the appointment of SRBC & Co. LLP, Chartered Accountants (Firm Registration No. 324982E/E30003) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 22nd AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at this AGM.
18. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.
19. Members intending to require information or clarifications on the Financial Statements or any matter to be explained at the Meeting are requested to inform the Company at least a week in advance to enable the Company to compile the information and provide replies at the Meeting.

20. E-Voting Instructions for Equity and Preference Shareholders and Instructions for joining the AGM are as follows:

(A) Voting through electronic means:

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
- ii. The remote e-voting period commences on Monday, December 28, 2020 (9:00 a.m. IST) and ends on Wednesday, December 30, 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on December 24, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- iii. The Board of Directors have appointed Ms. Ashwini Inamdar (Membership No. F9409) and failing her Mr. Atul Mehta (Membership No. F5782), of M/s. Mehta & Mehta, Practicing Company Secretaries as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.
- iv. Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- v. The voting rights of Members shall be in proportion to their share in the paid up share capital of the Company as on the cut-off date i.e. December 24, 2020.
- vi. Any person, who acquires shares of the Company and becomes a Member of the Company after sending the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- vii. A Member will be entitled to vote only through remote e-voting.
- viii. **How do I vote electronically using NSDL e Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

- Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**
Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open

the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to evoting@mehta-mehta.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.
4. In case of any grievances connected with facility for e-voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, ‘A’ Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. Email: evoting@nsdl.co.in/pallavid@nsdl.co.in, Tel: 91 22 2499 4545/ 1800-222-990

Process for those Equity and Preference shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

Physical Holding	Send scanned copy of the following documents by email to Registrar and Share Transfer Agent / Company at rnt.helpdesk@linkintime.co.in or itnlinvestor@ilfsindia.com ; a) Signed request letter mentioning name of Shareholder, Folio No. and complete address; b) Scanned copy of the share certificate (front and back) and c. Self-attested copy of PAN Card and AADHAR Card
Demat Holding	Please contact your Depository Participant (DP) and register your email address in your

	demat account, as per the process advised by your DP
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THE INSTRUCTIONS FOR EQUITY AND PREFERENCE SHAREHOLDERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

(B) INSTRUCTIONS FOR EQUITY AND PREFERENCE SHAREHOLDERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed.

Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further, Members can also use the OTP based login for logging into the e-Voting system of NSDL.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND RULE 15(3) OF COMPANIES (MEETINGS OF BOARD AND ITS POWERS) RULES, 2014

Item no. 2

The Board of Directors on the recommendation of the Audit Committee, had approved the appointment of M/s. Chivilkar & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for FY 2020-21.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor for FY 2020-21 is required to be approved by the Members of the Company. Accordingly, the Members are requested to approve the remuneration payable to the Cost Auditor for the financial year ending March 31, 2021, as set out in Resolution No. 2 of the Notice.

The Board of Directors recommend the Resolution No. 2 to be passed as an Ordinary Resolution as set out in the accompanying Notice for approval of the Members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in the resolution, except to the extent of their equity shareholdings in the Company.

Item no. 3 & 4

Mr. Subrata Kumar Mitra and Dr. Jagadip Narayan Singh were appointed as Additional and Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Nomination and Remuneration Committee and Board of Directors of the Company on November 11, 2020 to hold office for a period of 1 year till November 10, 2021. Their appointments and terms of appointment are subject to Shareholder’s approval being obtained at this Annual General Meeting.

The brief profiles of Mr. Subrata Kumar Mitra and Dr. Jagadip Narayan Singh including nature of their expertise, is provided at page no. 17 of this Annual Report.

The Company has received a declaration of independence from both of them. In the opinion of the Board, Mr. S. K. Mitra and Dr. J. N. Singh fulfills the conditions specified in the Companies Act, 2013 and the Listing Regulations for appointment as Independent Director. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of appointment of Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company www.itnlindia.com

The Board recommends the Resolutions at Item Nos. 3 and 4 as set out in the accompanying Notice for approval of the Members.

None of the other Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolutions set out at Item Nos. 3 and 4 of the Notice.

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

Sd/-
Krishna Ghag
Vice President &
Company Secretary
Membership No. F4489

Mumbai, December 7, 2020

Registered Office:
The IL&FS Financial Centre,
C-22, G-Block, Bandra – Kurla Complex,
Bandra (East), Mumbai 400051

CIN: L45203MH2000PLC129790

Details of Directors seeking Appointment / Re-Appointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standard 2 (SS-2) with respect to Director Seeking Appointment / Re-appointment is as under:

Particulars	Mr. Subrata Kumar Mitra (DIN: 00029961)	Mr. Jagadip Narayan Singh (DIN: 00955107)
Date of Birth	16/01/1948	02/05/1959
Date of Appointment	November 11, 2020	November 11, 2020
Qualifications	M.Sc (Pure Mathematics), Master of Management Science (USA)	Graduate from JNU, Ph. D from MS University, IAS and Management graduate (Philippines)
Expertise in specific functional areas	Senior banker having considerable experience in the banking and financial sector including advisory services on domestic and international fronts.	Has considerable experience in the areas of Industrial Infrastructure, Power, Telecom, Highways, Water and State Finances.
Relationships between directors inter se	None	None
Directorships in other Listed Companies	(i) Centrum Capital Limited (ii) Onward Technologies Limited	-
Membership of Committees in other Listed Companies (includes only Audit & Stakeholders' Relationship Committee)	Onward Technologies Limited (i) Audit Committee (ii) Stakeholders Relationship Committee	-
No. of Shares held in the Company	Nil	Nil

DIRECTORS' REPORT

The Members
IL&FS Transportation Networks Limited

Your Directors have pleasure in presenting the Twentieth Annual Report along with the Audited Standalone Financial Statements for the year ended March 31, 2020

FINANCIAL RESULTS

The Financial performance highlights of the Company are as under:

Particulars	For the year ended 31.03.2020 (₹ in Crore)	For the year ended 31.03.2019 (₹ in Crore)
	Standalone	Standalone
Total Income	232.42	786.24
Earnings before Interest, Tax, Depreciation and Amortisation and Exceptional items (EBITDA)	(168.33)	(931.66)
Exceptional items	767.98	14,340.59
Profit / (Loss) Before Tax	(971.82)	(16,568.72)
Profit /(Loss) After Tax (Attributable to owners of the Company)	(972.95)	(17,000.32)
Balance Brought Forward	(16,884.02)	118.92
Profit available for appropriation	(17,856.97)	(16,881.40)
<u>Appropriation:</u>		
Dividend Proposed/Paid – Equity Shares	-	-
Tax on Dividend – Equity Shares	-	-
Defined benefit plan adjustment	(1.62)	2.13
Transition impact due to Ind AS 115	-	(4.75)
Transition impact due to Ind AS 116	(0.72)	-
Debenture Redemption Reserve	-	-
Balance carried forward	(17,859.31)	(16,884.02)

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 2019-20 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, 2020.

SHARE CAPITAL

During the year, there was no change in the Company's issued, subscribed and paid-up equity and preference share capital. On March 31, 2020, it stood at Rs. 328,96,00,270 divided into 32,89,60,027 equity shares of Rs. 10 each and Rs. 229,20,00,000 divided into 22,92,00,000 preference shares of Rs. 10 each respectively.

GENERAL RESERVE

During the year under review, the Company has incurred a net loss of ₹ 972.95 Crore. As a result, the Company has not transferred any amount to the General Reserve for the Financial Year ended March 31, 2020.

ISSUE OF DEBENTURES / BONDS

During the year under review, the Company has not issued any Debentures/Bonds.

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

Your Company is part of the Infrastructure Leasing and Financial Services Limited ("IL&FS") group. The Board of Directors of IL&FS has been reconstituted pursuant to the orders passed by the National Company Law Tribunal, Mumbai Bench ("NCLT") in Company Petition No. 3638 of 2018 filed by the Union of India, acting through the Ministry of Corporate Affairs under Sections 241 and 242 of the Companies Act, 2013, as amended ("Companies Act") on the grounds of mismanagement of public funds by the erstwhile board of IL&FS and the affairs of IL&FS being conducted in a manner prejudicial to the public interest.

Further, the National Company Law Appellate Tribunal (“NCLAT”) by way of its order on October 15, 2018 (“Interim Order”) in the Company Appeal (AT) 346 of 2018, after taking into consideration the nature of the case, larger public interest and economy of the nation and interest of IL&FS and its group companies including the Company stayed certain coercive and precipitate actions against IL&FS and its group companies including the Company. 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.

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"). The Company is fully co-operating with the investigation and providing all the information and documents as and when required.

As stated earlier, 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. 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 is fair and transparent and incorporates well established legal principles and seeks to address concerns of all stakeholders of the IL&FS Group. The resolution framework proposed by the New Board was approved by NCLAT vide its order dated March 12, 2020.

Earlier, NCLAT vide its orders dated February 04, 2019 and February 11, 2019 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 Company continues to be classified as a "Red" entity by the external Resolution Consultant based on a cash flow solvency test over a ‘12 month look-forward’ testing period (“Testing Period”) 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. To that extent, the financial statements as at March 31, 2020 are subject to the adjustments and qualifications if any arising from the said exercise.

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 thereof, the

Company has not been able to submit quarterly/half 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 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.

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 net worth of the Company has been substantially eroded.

During the year, the Company continued its resolution efforts and took significant steps towards monetization of its operational road assets as well as settlement of claims with the concessioning authorities towards incomplete/terminated projects and other cost over compensation. Further, as part of the Resolution Process for IL&FS Group, selected non-core entities of the Company where there are no operations or the cash flows are insufficient to meet the current operating liabilities and statutory liabilities were identified to be resolved under winding-up/voluntary liquidation due to limited or no operations.

Detailed analysis and future outlook of the Company’s business are dealt in the Management Discussion and Analysis Report.

Board of Directors

You are aware that on October 1, 2018, Union of India (“UOI”) (acting through the Ministry of Corporate Affairs) had 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.

Pursuant to the above developments, the New Board of IL&FS also initiated reconstitution of the Board of Directors of the Company and nominated 4 Directors namely, Mr. Vineet Nayyar, Mr. C. S. Rajan, Mr. Nand Kishore and Mr. Bijay Kumar on the Board of the Company. However, Mr. Bijay Kumar and Mr. Vineet Nayyar resigned as Directors of the Company effective August 7, 2020 and November 1, 2020 respectively.

Recently, the Board appointed Mr. Subrata Kumar Mitra and Dr. Jagadip Narayan Singh as Independent Directors on the Board of the Company effective November 11, 2020.

The Board of Directors presently comprise of the following:

Name	Category
Mr. C. S. Rajan	Non-Executive Director
Mr. Nand Kishore	Non-Executive Director
Mr. Subrata Kumar Mitra	Independent Director
Dr. Jagadip Narayan Singh	Independent Director

Key Managerial Personnel

In terms of the provisions of Section 203 of the Companies Act, 2013, the details of Key Managerial Personnel of the Company during the year under review are as given below:

Name	Status
Mr. Dilip Bhatia	Chief Executive Officer
Ms. Shaivali Parekh	Chief Financial Officer (upto January 31, 2020)
Mr. Mohit Bhasin	Chief Financial Officer (effective February 1, 2020)
Mr. Krishna Ghag	Company Secretary

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

Acquisition

During the year under review, the Company incorporated a wholly owned subsidiary by the name, Roadstar Infra Private Limited to act as a Sponsor to the proposed Infrastructure Investment Trust set up under the SEBI (Infrastructure Investment Trusts) Regulations, 2014 by subscribing to its Equity Capital to the extent of Rs. 1,00,000/- consisting of 10,000 equity shares of Rs. 10 /- each.

Divestments initiated for Domestic Assets

Pursuant to the publicly solicited bid process in the domestic roads vertical, held by the Company, out of the binding bids received for 10 Special Purpose Vehicles (SPVs) of the Company on August 30, 2019, the bids were accepted for the following 5 SPVs:

- (a) Jharkhand Infrastructure Implementation Company Limited (JIICL);
- (b) Chenani Nashri Tunnelway Limited (CNTL);
- (c) Jorabat Shillong Expressway Limited (JSEL);
- (d) Hazaribagh Ranchi Expressway Limited (HREL) and
- (e) Pune Sholapur Road Development Company Limited (PSRDCL)

Out of above, bids for 2 SPVs could not be progressed -

- PSRDCL - due to withdrawal of prospective buyer because of uncertainties including those caused due to outbreak of COVID-19 and
- HREL – due to ongoing legal matters with SPV lenders, whereby it was ascertained that obtaining SPV lender consent was not possible

In accordance with the resolution framework the process of obtaining various approvals namely, the Committee of Creditors of the respective SPVs, approvals of the Board of Directors of the Company and IL&FS and Hon'ble Justice D. K. Jain has been completed for CNTL and JSEL and the Company has / is in the process of execution of the Share Purchase Agreements subsequent to which the same will be submitted to the Hon'ble NCLT and concerned concessioning authority for their approval. In case of JIICL, the divestment process has been delayed due to on-going issue of non-receipt of annuity from the concessioning authority.

Setting up of Infrastructure Investment Trust (InvIT) as a resolution for creditors

As stated in the previous year's Report, the Company had decided to set up Infrastructure Investment Trust (InvIT) under Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 ("**InvIT Regulations**") for the remaining road assets of the Company. InvIT is considered as preferred option of resolution as it is likely to facilitate potentially higher value realization for all stakeholders.

InvIT as a mode of resolution was identified by the New Board as part of the Resolution Framework¹ in Second Addendum to the Third Progress Report dated December 5, 2019 which in turn was filed by the Ministry of Corporate Affairs (MCA) with the National Company Law Appellate Tribunal ("**NCLAT**") vide an affidavit dated January 9, 2020 and was reiterated vide an affidavit filed by the MCA with the Hon'ble NCLAT on February 7, 2020. Subsequently, the NCLAT, has approved in entirety the resolution procedure for the IL&FS group of companies ("**IL&FS Group**") set out by the MCA in its affidavits, vide its order and judgment dated March 12, 2020 (the "**March 12 Order**"). A brief outline in respect of the proposed InvIT (and the process to be followed) has also been outlined in the affidavit filed by the Ministry of Corporate Affairs, Union of India before the Hon'ble NCLAT on January 9, 2020.

Your Company has therefore incorporated a new subsidiary, Roadstar Infra Private Limited ("**Sponsor**") to act as sponsor for the InvIT under the InvIT Regulations. The Company subsequent to March 31, 2020 and after receiving of all requisite approvals has -

- Subscribed to the share capital of the Sponsor and infused Rs. 75 Crores in its equity capital.
- Transferred along with ITNL Road Infrastructure Trust (IRIT, whose sole beneficiary is the Company) 93.5% stake held in North Karnataka Expressway Limited ("**NKEL**"), to the Sponsor in exchange for fresh equity shares issued by the Sponsor to the Company and IRIT.

This coupled with the fresh capital infusion by the Company (Rs. 75 Crore) enabled the Sponsor to meet the net worth requirements as specified in InvIT Regulations.

The investment trust under the name of Roadstar Infra Investment Trust (hereinafter also referred as the "**InvIT**") has been settled by the Sponsor and a Trust Deed was executed on October 6, 2020 with Axis Trustee Services Limited (the Trustee") appointed as Trustee to the InvIT. The Trustees have thereafter appointed NKEL as the Investment Manager and Elsamex Maintenance Service Ltd ("**EMSL**") as the Project Manager under the InvIT Regulations for the companies proposed to be transferred to the InvIT. NKEL is having the requisite experience in the development and maintenance of road infrastructure and meets all other required criteria to act as the Investment Manager to the Trust.

In order to have the proposed InvIT implemented in a timely manner, the Company plans to transfer the SPVs to the proposed InvIT in two phases as follows:

¹As set out in *Third Progress Report – Proposed Resolution Framework for the IL&FS Group* dated December 17, 2018 (**Third Report**), the *Addendum to the Third Report* dated January 15, 2019 (**First Addendum**) and the *Second Addendum to the Third Report* dated December 5, 2019 (**Second Addendum**), and approved by Hon'ble National Company Law Appellate Tribunal vide its order dated March 12, 2020

Sr. No.	Asset	Phase of Implementation
1	Baleshwar Kharagpur Expressway Limited (“ BKEL ”)	Phase - I
2	Jharkhand Road Projects Implementation Company Limited (“ JRPICL ”)	
3	Moradabad Bareilly Expressway Limited (“ MBEL ”)	
4	Sikar Bikaner Highway Limited (“ SBHL ”)	
5	Barwa Adda Expressway Limited (“ BAEL ”)	
6	East Hyderabad Expressway Limited (“ EHEL ”)	
7	West Gujarat Expressway Limited (“ WGEL ”)	
8	Hazaribagh Ranchi Expressway Limited (“ HREL ”)	Phase - II
9	Pune Sholapur Road Development Company Limited (“ PSRDCL ”)	
10	Road Infrastructure Development Company of Rajasthan Limited (“ RIDCOR ”)*	
11	Trivandrum Road Development Company Limited (“ TRDCL ”)	

The InvIT would take over the shareholding and receivables of the Company from these identified SPVs and issue units of equivalent value to the Company. Such units would, in turn, form the corpus of assets of the Company and would be distributed amongst the creditors of the Company through a placement memorandum pursuant to an initial offer in terms of the InvIT Regulations followed by listing of such Units (the “**Offer**”). Such private placement of Units to the Creditors of the Company pursuant to the Offer (along with other cash / assets at the Company) will be made in accordance with the Company’s distribution plan developed in accordance with the Resolution Framework approved by NCLAT after receipt of necessary approvals (including the approval from the Hon’ble NCLT).

The Company has completed appointment of various advisors for the set-up of InvIT including merchant banker, counsels for the Company and the InvIT and legal counsels for the merchant banker, traffic and technical consultants, valuers etc.

In-principle approval was received from SEBI for registration of the InvIT under the InvIT Regulations on September 2, 2020. Application for final registration has been submitted to SEBI on November 13, 2020.

For the transfer of the SPVs to the InvIT, a valuation exercise through independent valuers has been undertaken to determine the Fair Market Value (FMV) at which the SPVs can be transferred to the InvIT. The key inputs required for determining such FMV are revenue projections obtained through traffic study (for toll projects) and the O&M and Major maintenance expenses expected to be incurred in the project life cycle as obtained from the technical studies conducted by independent consultants.

The Company has also initiated the process of obtaining consent from the Committee of Creditors (“**CoC**”) formed for the Company. The Company has also initiated independent traffic/technical studies for the toll projects proposed under Phase-II entities.

The Company expects to complete the setup of the InvIT and transfer of the SPVs to the said InvIT by the end of financial year 2021.

Divestments initiated for International Subsidiaries

As informed in the report of FY 2018-19, the Company had initiated steps toward divestment and resolution of its direct and indirect international subsidiaries. The progress achieved in respect of the key subsidiaries in this regard is given below:

- (i) The divestment process for 49% stake held in Chongqing Yuhe Expressway Limited, China by ITNL International Pte Ltd (I IPL), a wholly owned subsidiary of the Company has progressed significantly and the same is expected to be completed by Q4 FY 21.
- (ii) In case of Dubai operations of I IPL carried out through its group entities 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. Consequently, the Authority terminated the concession agreement and took over the project. With no material assets left in IIDL and IIDMCC, the Board of Directors resolved to file application for insolvency of these entities. Accordingly, upon seeking clearance by Hon'ble Justice Jain and noting by NCLT, requisite application has been filed in the Dubai Court on September 23, 2020 and matter is under consideration.
- (iii) It was decided to close the I IPL operations in US and all the assets of that entity were sold and contracts completed / terminated. The Company is in the process of closing down the entity under USA laws and regulations.
- (iv) The Board of Elsamex S.A.U., Spain, a subsidiary of I IPL, after evaluating all available options for resolution of the Company (including an attempt over 9 months to restructure the debt of the entity, which could not be progressed due to lack of agreement between all lenders of the entity) had resolved to file an application for voluntary insolvency of the Company. However, the process for filing of insolvency could not be progressed due to delay in submission of the application with the Courts in Madrid, Spain by the local management of the entity and thereafter on account of declaration of State of Alarm by the State in Spain. However, in the meanwhile, one of the creditors of Elsamex S.A.U. filed an application for its mandatory insolvency in March 2020. The said application was admitted, and judicial Insolvency Administrator appointed by the Madrid Mercantile Court on July 31, 2020.

The Insolvency Administrator considered and recommended a proposal by the local management to buy the sustainable business of Elsamex S.A.U and its subsidiaries at a value of EUR 5,000 including the debts of Elsamex except excluded debt. The excluded debts include (a) Group Debt and receivable, (b) Debts related to African projects, (c) liabilities arising out of the court order in Belate Tunnel matter wherein compensation has been awarded against Elsamex. The Management proposal was supported by a majority of the lenders of Elsamex S.A.U. The proposal was accepted by the Court on October 9, 2020.

The remaining assets which are not part of the sustainable business of Elsamex shall be liquidated by the Administrator. All the Shareholder/Group Debt including receivables from Elsamex are subordinated claims under the Insolvency Laws of Spain and will be

resolved by the Administrator from the proceeds of liquidation in accordance with the insolvency laws of Spain.

- (v) ITNL Offshore Pte Ltd (IOPL), a wholly owned subsidiary in Singapore has been admitted to insolvency by the Singapore Court in the application filed by the Trustee of the Note holders. The Administrator has been appointed by the Court and the actions for liquidation are in process.

OPERATIONAL PERFORMANCE

Upon suspension of the construction activities at all the ongoing projects post September 2018, the Company continued with the Operation and Maintenance (“O&M”) activities of the SPVs in order to maintain their going concern status and to perform its obligations under the Concession Agreements either directly or through Elsamex Maintenance Services Limited, a wholly owned subsidiary of the Company.

The discussions initiated with the respective concessioning authorities for foreclosure/ termination of incomplete / partially incomplete projects have progressed during the year albeit at a relatively slower pace due to various complexities involved. The Company with sustained follow up has been able to conclude negotiations with concessioning authorities for amicable foreclosure of 5 projects (including through the mechanism of Conciliation Committee of Independent Experts) and has obtained compensation awards of approx. Rs. 2,700 Crore (subject to compliance with certain conditions contained therein and execution of settlement agreements). The Company is in the process of seeking requisite approvals including from Hon’ble Justice D.K. Jain and NCLT for signing the settlement agreements with respective authorities and realization of the compensation amounts.

COVID 19

The country witnessed lockdown being implemented in India in the second fortnight of March 2020. There were also restrictions of varying extent across larger part of the world, due to the COVID-19 pandemic. Your Company has taken measures to ensure health and safety of its employees including leveraging the power of technology to enable them to work from home.

Since there is significant uncertainty with respect to complete opening up of the economy, it is difficult to ascertain the extent of impact of Covid-19 on the performance of the Company in FY 2020-21. However, after initial period of reduced activity, the traffic and toll collections in last 2 months have rebounded and have surpassed pre COVID 19 collections in all projects 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

All the operational projects of the Company continued to perform their obligations under the respective concession agreements. As stated in previous year's report construction work on all incomplete / under development project has been suspended. Hence no progress was made on that front in the current year

During the year, NKEL, the SPV of the Company successfully completed the concession period and handed over the project to NHAI. NKEL subsequently amended its objects clause in the Memorandum of Association and has been appointed Investment Manger to the proposed InvIT. Except this, there has been no change in the nature of business of any of the subsidiaries and associate companies

The EPC projects being implemented by some of the joint venture entities i.e. ITNL KMB JV, ITNL IECCL JV were terminated by the respective authorities in view of no progress being made on work front due to the current situation of the Company.

The annuity projects continued to collect their due annuities from the respective concessioning authorities except for Jharkhand SPVs (JRPICL and JIICL) where significant delays have been experienced in collection of annuities. The Company is in regular follow up with the concerned authorities for the release of annuities

Due to capacity issues being faced by the Company as described above, there is a considerable delay in preparation and presentation of Standalone Financial Statements of the Company as well as receipt of Financial Statements of the Subsidiaries. The Company is in the process of preparing its Consolidated Financial Statement for year ended March 31, 2019 and March 31, 2020 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. As stated above, these Financial Statements would be subject to any adjustments and qualifications arising from the reopening of the books of accounts and recasting of the financial statements of past 5 years

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, 2020 are as under:

Sr. No.	Qualification	Response to Audit Qualification / observations
1(a)	<p>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.</p>	<p>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.</p> <p>Accordingly, the NCLT has appointed firms to carry out the re-opening and recasting of financial statements and the work has already commenced. The Company will make the required adjustments once the recasting process is completed.</p>
1(b)	<p>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.</p>	<p>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 New Board.</p> <p>The Company has received one 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 the regulatory agencies. As per discussions with GT, there would be no further update of this report and the report with comments of the Company should be considered as final.</p> <p>Separately as mentioned in 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 various aspects of project cost estimates and awards, project execution and procurement, transactions with specific vendors, basis of selection, business rationale etc more specifically 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</p>

		consequential effects/ matters that may arise in this regard.
1(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, 2020 as fully described in Note 1.19 to the accompanying standalone Ind AS financial statements.	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 the Company under Section 212 (1) of the Companies Act, 2013. Investigation by Enforcement Directorate (ED) has also commenced post March 31, 2020. As part of its investigation, the agencies 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(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 and has recorded additional liabilities amounting to Rs. 54.48 Crores during the current year.	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 other than mentioned in 1 (d), 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 provided in note 1.8). 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.

	<p>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 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. The Company has also capitalized assets amounting to ₹0.52 Crore</p>				
<p>2 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:</p> <p>a) The recoverable amount is subject to finalisation of the claim management process of subsidiaries and joint ventures and their audited financial statements. Further, the distribution mechanism applied for determining recoverable amount is not in accordance with distribution mechanism approved by National Company Law Appellate Tribunal ('NCLAT') vide its order dated March 12, 2020;</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</p>	<p>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 Standalone 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</p> <p>Accordingly, in the current year, the Company in consultation with the 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 as follows:</p> <table border="1" data-bbox="751 1707 1325 1911"> <thead> <tr> <th data-bbox="751 1707 898 1745">Category</th> <th data-bbox="898 1707 1325 1745">Basis</th> </tr> </thead> <tbody> <tr> <td data-bbox="751 1745 898 1911">A</td> <td data-bbox="898 1745 1325 1911">Entities where Binding Financial bids have been received and approved by the New Board, recoverable amount has been determined basis the financial</td> </tr> </tbody> </table>	Category	Basis	A	Entities where Binding Financial bids have been received and approved by the New Board, recoverable amount has been determined basis the financial
Category	Basis				
A	Entities where Binding Financial bids have been received and approved by the New Board, recoverable amount has been determined basis the financial				

<p>requisite approvals and acceptance of the Letter of Intent by the successful bidder and the bid value has not been adjusted for any subsequent events;</p> <p>c) Recoverable amount for certain Receivable Balances is based on cash flow projections prepared by management as at March 31, 2020 except in few cases wherein it is based on fair valuation reports as at September 30, 2018 which are subject to various internal and external factors including significant assumptions / estimates / judgments. Further, as explained in Note 1.12, recoverable value does not consider the impact of fair valuation exercise being undertaken by the management in respect of entities proposed to be transferred to Infrastructure Investment Trust (InvIT);</p> <p>d) 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.</p> <p>In view of the above uncertainties involved and absence of sufficient appropriate audit evidence to support the assumptions /</p>		bid received.
	B	<p>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.</p> <p>Further, in case of two entities for which bids were approved by the New Board in the previous year and subsequently withdrawn by the respective bidders in the current year, 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>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.</p>
	D	<p>Entities, where projects are under construction/ incomplete/ partially incomplete and</p>

<p>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>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.</p>
	<p>E For other entities, recoverable amount has been determined on the basis of:</p> <ol 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.
	<p>Based on above assessment, the Company has made an impairment provision in respect of the balances of loans, receivables and investments from its subsidiaries and group companies aggregating to Rs. 383.84 Crore, Rs. (19.90) Crore, and Rs. 60.71 Crore respectively, and recorded net gain on fair value changes of Rs 3.95 Crore on financial assets measured at fair value</p>

		<p>through profit and loss.</p> <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.</p> <p>As stated above, the Company intends to transfer certain entities 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 the current year.</p> <p>During the current year, impairment recognised is net of 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.</p>
3	<p>As mentioned in Note 1.18 of the accompanying standalone Ind AS financial statements, the Company has recognized impairment provision on selected items of property, plant and equipment based on the fair valuation report obtained as at March 31, 2020. We are unable to obtain sufficient and appropriate evidence to verify the fair value considered for the respective assets.</p>	<p>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.</p> <p>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 equipment. The exercise has been completed.</p> <p>Accounting adjustments arising out of the said physical verification and valuation exercise and the impairment 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)).</p> <p>Fair value of the properties was determined by using a combination of Market approach and Cost approach on an “as is there is” basis. Accordingly, the fair value was determined based on replacement cost by market enquiry from public</p>

		<p>domain, available databank including cost inflation index to estimate reproduction cost and replacement cost.</p> <p>The detailed valuation reports providing the approach used and significant assumption made by the valuer have been provided to the auditors and necessary interactions with the valuer also completed. The Company would provide any further information as may be required by the auditors in this respect.</p>
4	<p>As mentioned in Note 3 (c) of the accompanying standalone Ind AS financial statements, 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.</p>	<p>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</p> <p>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 receive 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) set up by Maharashtra State Government in the previous year and basis the said valuation, had recognised impairment loss of ₹37.57 Crore in the previous year's financial statements.</p> <p>In the current year, the Company has followed the same valuation approach and in view of no change in the Ready Reckoner Rate, there has been no additional impairment recognised in the current year's financial statements.</p>
5	<p>As mentioned in Note 1.18 of the accompanying standalone Ind AS financial statements, the Company has not carried out analysis for determination of net realisable value as per Ind AS 2 'Inventories' of its Inventories. Further, no physical verification for inventories has been carried</p>	<p>The book value of inventories lying at the construction sites (mainly at CNTL and KNCEL) at the end of the year is Rs 18.49 Crore. The inventories mainly consist of consumable items and spare parts which are large in numbers.</p> <p>Subsequent to the balance sheet date, the Company has appointed an external agency to carry out physical verification and valuation of the inventories. The said exercise is in progress as</p>

	<p>out. Consequently, the accompanying standalone Ind AS financial statements do not include any possible adjustments in this regard.</p>	<p>on date of signing of these Standalone Ind AS financial statements.</p> <p>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.</p>
6	<p>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 resultant liabilities except to the extent recognised in the current year amounting to Rs. 310.64 Crores, 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> <p>Further, resolution process for all these group companies including overseas subsidiaries is under progress and yet to be completed. The actual liability of the Company arising out of these financial guarantees, performance guarantees, letter of awareness, letter of comfort, letter of assurance, sponsor guarantees, other arrangements and corporate guarantees would be determined once the resolution of these group entities is completed and proceeds, if any are distributed among the creditors of these entities. Pending completion of the same, it is not feasible to determine liability of the Company.</p> <p>In respect of performance guarantees issued for under construction projects which have been terminated by authorities and invocation notices issued for encashment of these performance guarantees; the Management has made necessary provision amounting to Rs 310.63 Crore in these Standalone financial statements.</p>
7	<p>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 in earlier years to a Bank on a Recourse basis and derecognized the said financial asset from the balance sheet amounting to Rs. 1,000 Crores. Accordingly, financial assets and financial liabilities included in these financial statements for</p>	<p>The Company since past few years has been assigning loans given to its group companies to a Commercial Bank. During the earlier year, loans given to its group companies amounting to ₹1,000.00 Crores were assigned. Cash received on assignment of these loans were utilized by the Company to meet its obligations.</p> <p>The assignment agreement signed with the Bank contained 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</p>

	<p>the current year and previous year are understated by the said amount.</p>	<p>(LoA) issued by the 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.</p> <p>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, the Management has not recognized financial assets and corresponding financial liabilities in these Standalone Ind AS financial statements.</p>
8	<p>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.</p>	<p>Further to note 1.6 and 24.1, forensic auditor appointed by the New Board is in the process of carrying out further examination relating to various aspects of project cost estimates and awards, project execution and procurement, transactions with specific vendors, basis of selection, business rationale, etc. more specifically described in details 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>
9	<p>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.</p>	<p>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</p>

		<p>may be. Pending final outcome of such process, no adjustments have been made to the Standalone financial statements in this regard. Also refer note 37 for contingent liability disclosures.</p>
10	<p>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</p>	<p>As a consequence of the matter described in Note 1.2 above and various other matters discussed in this accompanying Standalone 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 (GST), Regulations of the Reserve Bank of India(RBI) as applicable to the Company and Foreign Exchange Management Act, 1999.</p> <p>Over the period and with liquidity available, the Company has paid all outstanding dues towards GST, Income Tax and labor cess except for dues pertaining to the period prior to September 2018 for which the Company has received a legal opinion that the said dues are covered by the moratorium. The Company has also filed the Annual Performance Returns for all its overseas subsidiaries with RBI and complied with the relevant regulations wherever possible.</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>
11	<p>As mentioned in Note 1.14 to the accompanying standalone Ind AS financial statements, pending completion of audit of financial statements of various</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,</p>

	<p>subsidiaries, associates and joint ventures as at and for the year ended March 31, 2020 / December 31, 2019, 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>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, 2020, are not available. The Company is in the process of performing and completing the confirmation and reconciliation of intercompany balances with its subsidiaries, associates and joint ventures.</p> <p>The Company expects to complete the said exercise during the year ended March 31, 2021.</p>
12	<p>We have not received sufficient and appropriate 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. 167.53 Crores, and unreconciled differences in bank reconciliation statements including direct debits by banks aggregating Rs 167.48 Crores, which 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 24.3 to the accompanying standalone Ind AS financial statements accounted in the previous year; and</p> <p>c) Responses to our request for direct balance confirmations towards borrowings of Rs.</p>	<p>The Company is in the process of reconciling and seeking supporting documents in respect of 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.</p> <p>Reconciliation with vendors / sub-contractors and resulting accounting of certain costs by the Company is basis the claims of respective vendors admitted and verified by the CMA. CMA has confirmed that as part of its claim admission and verification procedure, it reviews and verifies all the invoices, certifications and supporting documents evidencing completion of work or provision of services and once these are found satisfactory, the claims of vendors / sub-contractors are admitted. The Company on its part also ensures that all required invoices / certifications and supporting are available evidencing actual completion of work or provision of the service before accounting for these costs.</p> <p>The Company has done extensive follow up with Banks/ financial institutions and third parties for providing direct balance confirmations to the Auditors. Despite the same, there are certain</p>

	<p>Rs. 4,145.64 Crores, Bank balances of Rs. 97.75 Crores, certain Trade receivable balances aggregating to Rs. 149.02 Crores, certain loans and advances aggregating to Rs. 459.47 Crores and certain trade payables of Rs. Rs. 573.35 Crores and confirmation from banks / financial institutions in respect of details of securities, lien, collaterals, guarantees etc.</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>outstanding confirmations.</p> <p>Under the claims management process, all these parties have filed their claims with CMA and provided details about their security interest, lien, collaterals, guarantees etc and the same have been verified and admitted by CMA. CMA from time to time has been publishing the reports which are displayed on the website of IL&FS providing the details of claims admitted, security interest of lenders, etc.</p> <p>Accordingly, there is an indirect acknowledgement available with the Company.</p>
13	<p>As fully described in the Note 4 (i) to the accompanying standalone Ind AS financial statements, during the previous year, the Company had 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. 67.68 Crores as at March 31, 2020 (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 incurred in the previous year and the audited financial statements of the said Fund as at March 31, 2020 and 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 of the Company 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 Standalone 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 Standalone 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 gain amounting to ₹ 3.96 Crore which has been disclosed in the note 29 as fair valuation loss on Investments recognised through profit and loss.</p>
14	<p>With respect to following transactions recorded in the previous year, we are unable to</p>	<p>a) Loans to related parties of Rs. 7.5 Crore were provided in the normal course prior to September 30, 2018. These entities have been categorized as</p>

	<p>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 previous year to certain related parties which are classified as loans amounting to Rs. 7.50 Crores was fully impaired during the previous year as fully described in Note 5 (c) to the accompanying standalone Ind AS financial statements and</p> <p>b) Construction cost and other direct expenses 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).</p>	<p>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 and</p> <p>b) In respect of construction costs and Other direct expenses, the contracts to these parties were awarded by the erstwhile Management of the Company. These expenses have been accounted basis duly approved work orders, invoices and related supporting 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 Standalone financial statements.</p> <p>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>
15	<p>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, following transactions/matters relating to Financial Year 2017-18 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 no 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</p>	<p>(a) During the earlier years i.e. 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</p>

<p>resulted in gain amounting to Rs. 126 Crores in 2017-2018 and subsequently during the previous 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 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 matters referred in (a) and (b) above resulted in charge on account of impairment/fair valuation of investment in units and preference shares amounting to Rs. 223.54 Crores</p>	<p>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 previous year the shares were transferred in favour of the New Purchaser by the Escrow Agent and consideration was received by the Company which resulted in additional gain of ₹ 7.20 Crore which is after netting of ₹ 0.34 Crore paid to the Original Purchaser pursuant to the sale agreement. The Company had also invested ₹172.60 Crore in the units of a scheme of the Fund (New Purchaser).</p> <p>As at March 31, 2020, the Company has fair valued its investments in units of the scheme of Fund amounting to Rs. 67.68 Crore, based on the valuation of its underlying investments i.e. MBEL and GRICL determined in accordance with note 1.12 and note 1.13 to these Standalone financial statements and recognized fair valuation gains amounting to ₹3.96 Crore which has been disclosed in the note 29 as fair value gain 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 earlier years i.e. 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</p>
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	<p>by an independent external valuer. The Company subsequently on July 20, 2017, took 33% 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 conditions 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.</p> <p>Further, during the current year, one of the operational creditors of RLHL filed CIRP application against RLHL and one of its subsidiary. The application has been accepted by Hon'ble NCLT 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>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 Standalone financial</p>
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		<p>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 Standalone 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, 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.</p>
16	<p>Material Uncertainty Related to Going Concern</p> <p>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. 972.83 Crores for the year ended March 31, 2020 and has net liabilities of Rs. 14,859.11 Crores as at March 31, 2020. 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</p>	<p>As stated earlier, the Company as part of IL&FS group is going through a process of resolution. Significant efforts are being made by the New Board and Board of the Company to monetise the assets of the Company and distribute the proceeds to its creditors in accordance with the approved resolution framework.</p> <p>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)</p>

	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	<p>are being pursued. The plan of the Management is to sell/exit from assets at the group entity as a going concern.</p> <p>The initiatives being taken and efforts being made in this respect are detailed in note 1.2 and 1.3 of these Standalone financial statements.</p>
17 vii (a) and (b)	<p>Annexure 1: Report on other legal and regulatory requirements</p> <p>Delay in payment of undisputed statutory dues including provident fund, employees' state insurance, Goods 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 and balances outstanding for more than 6 months</p>	<p>As stated earlier, the Company had been facing severe liquidity crunch and defaulted on its debt servicing obligations. Due to the liquidity issues, the Company was not able to discharge its TDS and GST obligations for the period up to September 30, 2018 on time.</p> <p>Hon'ble NCLAT vide its interim order dated October 15, 2018 had provided a moratorium to the Company for servicing of all its creditors and that no creditors can proceed against it except under article 226 of the Constitution. As per the opinion received from the legal advisors of the Company, the said moratorium also covers all Statutory dues up to a period prior to October 15, 2018. Accordingly, the Company has not paid TDS, GST and labor cess due pertaining to period prior to October 15, 2018 and a substantial portion of dues outstanding for more than 6 months pertain to the same.</p> <p>For dues post October 15, 2018, the Company has been discharging all obligations based on cash availability and there have been some delays either due to liquidity issues or due to year end provisioning which have been made while finalizing the financial statements of the Company much after the due date of payment of these dues.</p> <p>The Company currently is fully regular in payment of Statutory dues and has paid all such dues post October 15, 2018.</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 2019-20.

The Board has proposed re-appointment of M/s. Chivilkar Solanki & Associates as cost auditors for FY 2020-21 for which they have conveyed their consent and confirmed their eligibility for appointment as Cost Auditors. The Board has recommended approval of the remuneration payable to Cost Auditors for FY 2020-21 and the proposal to that effect has been included in the Notice of AGM.

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 2019-20. 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, 2020 are as under:

Sl. No.	Qualifications/Observations	Responses to Qualifications/Observations
1.	<p>Pursuant to the NCLT Order No. 3638/2018 dated April 26, 2019 the company has been granted exemption from appointing independent directors as provided in Regulation 17(1)(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 149 of the Act and woman director as provided in provided in Regulation 17(1)(a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 149 of the Act accordingly there were no requisite number of Independent Directors and Woman Director in the Company.</p> <p>Further as per the aforesaid exemption since the Company is not required to appoint Independent Director and Woman Director, the Company has not complied with the following:</p> <ol style="list-style-type: none"> a. Requisite number of Independent Directors for Composition of Audit Committee as provided in Regulation 18(1) & (2) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. b. Requisite number of Independent Directors for Composition of 	<p>In view of the difficulties faced by the New Board of IL&FS in appointing Independent and Woman Directors, exemption was granted by NCLT vide its Order No. 3638/2018 dated April 26, 2019 for IL&FS Group including the Company. In view of the aforementioned, the Company had not made such appointments on the Board of the Company. As a consequence, the Company was unable to comply with the relevant Regulations and provisions of Companies Act, 2013. The Company has appointed two Independent Directors on the Board of the Company effective November 11, 2020.</p>

	<p>Nomination and Remuneration Committee is not in order as provided in Regulation 19(1) & 19(2) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies ACT, 2013.</p> <p>c. Requisite number of Independent Directors for Composition of Stakeholders Relationship Committee is not in order as provided in Regulation 20(2A) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 178(5) of the Companies Act, 2013.</p> <p>d. Appointment of Independent Director on the board of Unlisted material subsidiaries as provided in Regulation 24(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.</p> <p>e. Meeting of Independent Directors as provided in Regulation 25(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.</p>	
2.	<p>The Annual Compliance certificate as provided in Regulation 24A of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the financial year ending on 31st March 2019 was required to be submitted within 60 days from the end of the Financial Year i.e. on or before 30th May 2019 was submitted with a delay of 15 days on June 15, 2019.</p>	<p>As stated elsewhere in the report, 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, etc. during this period resulting in delay in filing of certain reports with the exchanges.</p>
3.	<p>The Company has defaulted in the following compliances for intimation/publication of financial statements as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.</p> <p>a. The intimation as required under Regulation 29(1)(a) of SEBI (Listing Obligations &</p>	<p>During the previous and current financial years, 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.</p>

	<p>Disclosure Requirements) Regulations, 2015 was not given to the stock exchanges since the financial results for the quarter ended June 30, 2019, September 30, 2019 and December 31, 2019 were not placed before the board for approval.</p> <p>b. The Company has not complied with Regulation 33 & 52(7) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 including but not limited to preparation of financials, filing and intimating the same to the Stock Exchange for the Quarters ended June 30, 2019, September 30, 2019 & December 31, 2019. The audited financial statements for the year ended March 31, 2019 were submitted beyond the prescribed timeline i.e. on June 04, 2020.</p> <p>c. As per Regulation 47(1)(b) & 52(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Company has not published the Financial results for the Quarters ended June 30, 2019, September 30, 2019 & December 31, 2019 as the same was not placed before the board of directors. The financial results for the year ended March 31, 2019 were approved by the board at its meeting held on June 04, 2020, however the same were not published pursuant to the exemption granted on account of COVID-19 pandemic by SEBI vide circular no. SEBI/HO/CFD/CMD1/CIR/P/20 20/79 dated May 12, 2020.</p>	<p>Further, 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. 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.</p>
4.	<p>As mentioned above, since the Company has defaulted on the compliance of the financial statements, it has not complied with the following;</p> <p>a. Compliance Certificate as per</p>	<p>In view of the explanation provided at SI No. 3 above, the Financial Statements for FY 2018-19 were prepared and approved by the Board on June 04, 2020 and hence the Company was unable to comply with the same.</p>

	<p>part B of Schedule II as certified by the Chief Executive Officer and Chief Financial Officer was not placed before the Board of Directors as required under Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the year the under review;</p> <p>b. The disclosures for Related party transactions as per Regulation 23(9) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the half year ended September 30, 2019 & March 31, 2020 were not submitted to the Stock Exchange.</p>	
5.	<p>During the period under review, the Company has not submitted the Annual Report for the year ended on March 31, 2019 as provided in Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the same was submitted to BSE &NSE on June 08, 2020.</p>	<p>In view of the explanation provided at Sl No. 3 above, the Financial Statements for FY 2018-19 were prepared and approved by the Board on June 04, 2020.</p> <p>The Annual Report was therefore filed with the Stock Exchanges on June 08, 2020.</p>
6.	<p>Pursuant to the order passed by the National Company Law Appellate Tribunal ("NCLAT") on October 15, 2018 ("Moratorium Order") which inter alia prohibits payment of principal and interest during the moratorium and restricts the actions or proceedings by creditors against IL&FS and its group companies including the Company. Further, NCLAT has passed another order on February 11, 2019 which specifies that the Company has been marked as a 'red entity' for which the Moratorium has neither been lifted nor modified in any manner. Therefore, in order to comply with the moratorium imposed by the Moratorium Order, the Company is unable to comply with the following provisions with respect to redeeming</p>	<p>In view of the Moratorium granted by the National Company Law Appellate Tribunal ("NCLAT") vide its Order dated October 15, 2018, the Company has adhered to the conditions contained therein, the Company was unable to comply with the observations stated with respect to redeeming of Non-Convertible Debentures & Preference Shares including payment of interest/dividend thereon.</p>

	<p>Non-Convertible Debentures, default in payment of interest on debentures and preference shares as follows:</p> <ol style="list-style-type: none"> a. Filing of Intimation with the stock exchange with respect to payment of interest as provided in Regulation 50(1) of SEBI(Listing Obligation & Disclosure Requirements) Regulations, 2015 for instances as mentioned in Annexure B b. Obligations as required under Regulation 51(2) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 c. As per Regulation 57(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Company has defaulted in redemption as follows: Amount of redemption on the following Non-Convertible Debentures is not paid: ISIN: INE975G08074 Due date: Nov 21 ,2019 Amt: 1,25,00,00,000/- Further as per the said regulation the Company has not filed certificate certifying the timely payment of interest or principle obligations or both in respect of the non-convertible debt securities with the Stock Exchange within two days of it becoming due. d. As per Regulation 61(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Regulation 12 of SEBI (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations 2013 amount of Redemption of Cumulative Non-Convertible Redeemable Preference Shares due for the period April 01, 2019 to March 	
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	<p>31, 2020 was not paid, further as per the said regulation the Company has not paid interest on Non-Convertible Debentures due for the period April 01, 2019 to March 31, 2020 as mentioned in 'Annexure B'. Further to the said regulation the Company has defaulted in payment of dividend on non-convertible redeemable preference shares for the period April 01, 2019 to March 31, 2020.</p>	
7.	<p>As per Regulation 52(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the financial year the certificate signed by debenture trustee for the financial year 2018-19 that it has taken note of the contents has not been submitted to the Stock Exchange, however the same has been submitted to the stock exchange on June 12, 2020.</p>	<p>In view of the explanation provided at SI No. 3 above, the Financial Statements for FY 2018-19 were prepared and approved by the Board on June 04, 2020. The compliance was therefore made by intimating to the Stock Exchanges on June 12, 2020.</p>
8.	<p>During the year the information required under Regulation 56 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 i.e. Obligation of the listed entity to submit certain information to the Debenture Trustee has not been submitted to the Debenture Trustee. However the same has been submitted on June 09, 2020.</p>	<p>In view of the explanation provided at SI No. 3 above, the Financial Statements for FY 2018-19 were prepared and approved by the Board on June 04, 2020. The compliance was therefore made by intimating to the Debenture Trustee on June 9, 2020.</p>
9.	<p>During the period under review the Company has not complied with Regulation 58 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (LODR) as a whole with respect to sending the necessary information to the Debenture holders and Preference shareholders i.e. Annual Report, salient features of all the documents as specified in Section 136 of Companies Act, 2013 and rules made thereunder, Half yearly communication as specified in sub-regulation (4) and (5) of regulation 52 of LODR Notice of</p>	<p>In view of the explanation provided at SI No. 3 above, the Financial Statements for FY 2018-19 were prepared and approved by the Board on June 04, 2020.</p> <p>The Annual Report was therefore sent to the Debenture holders and preference shareholders on June 08, 2020.</p>

	all meetings, proxy forms, however the requisite documents for the financial year March 31, 2019 were sent to Debenture holders and preference shareholders on June 08, 2020.	
10.	During the year cost Audit Report for the financial year 2018-19 has not been approved by the Board further the same has not been filed with Central Government in form CRA-4 as provided in Section 148 of the Act. However, the said report has been approved by the board at its meeting held on August 17, 2020 and the same was filed on September 16, 2020.	In view of the explanation provided at SI No. 3 above, the Financial Statements for FY 2018-19 were prepared and approved by the Board on June 04, 2020. Subsequent thereto, upon receipt of the Cost Audit Report for FY 2018-19, the same was approved by the Board on August 17, 2020 and filed with the Central Government on September 16, 2020.
11.	The company has not appointed Nodal Officer pursuant to provisions of Rule 7(2B) of IEPF (Accounting, Audit, Transfer & Refund), Rules 2016, however e-form IEPF-2 with respect to the said appointment has not been filed as on the date of issuance this report.	As stated elsewhere in the report, 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, etc. during this period resulting in delay in complying the same. Necessary steps are being taken to comply with the same.
12.	The company has defaulted in payment of dividend to redeemable preference shareholders for a period of two years i.e. for the financial year 2018-19 and financial year 2019-20 and pursuant to provisions of Section 47 of the Companies Act, 2013, the said preference shareholders have acquired to vote on all the resolutions placed before the company.	The Company will be providing a right to vote on all the resolutions placed before the Members to the Preference Shareholders.
13.	The company has not filed the Foreign Liabilities and Assets Annual Return ("FLA Return") with respect to the Foreign Direct Investments ("FDI") in the Company as on the date of issuance on this report as required under the Foreign Exchange Management Act, 1999 and the rules and regulations made there under.	Due to delay in preparation and adoption of financials for the FY 2018-19, the FLA Return for FY 2018-19 could not be filed before the due date i.e. July 15, 2019. However, in the announcement section Reporting System on RBI website, it is mentioned that if FLA return for FY 2020 is not submitted then submission of previous year FLA FY2019 and prior years, will not be allowed. Hence, the company is unable to file the Foreign Liabilities and Assets Annual Return ("FLA Return")

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return as on March 31, 2020 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

DECLARATION BY INDEPENDENT DIRECTORS

As you are aware that the newly appointed directors of IL&FS, who exercise control, directly or indirectly, over the Company have been appointed by the National Company Law Tribunal ("NCLT") on the recommendation of Central Government, and are performing function similar to that of the Independent Directors by discharging an important public duty of resolving the financial problems and other issues. Further, NCLT vide order dated April 26, 2019 has granted dispensation in relation to the requirement for appointment of Independent Directors and women directors in light of the difficulties faced by the new board of IL&FS. Further, NCLT has observed that the new directors nominated by the Central Government/Tribunal are Independent Directors and there is no requirement to appoint independent director during the pendency of stay order granted on October 15, 2018 by National Company Law Appellate Tribunal ("NCLAT") on the institution or continuation of suits or any other proceedings by any party/person/bank/company etc. against 'IL&FS' and its group companies in any Court of Law/Tribunal/Arbitration Panel or Arbitration Authority ("October Order").

Accordingly furnishing the details of declarations by the Independent Directors and Familiarization programme of Independent Directors does not arise.

However, 2 Independent Directors have been appointed on the Board of the Company recently on November 11, 2020.

PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND DIRECTORS

The purpose and intent of Board evaluation is in essence linked to extension or continuation of the term of appointment of the Directors appointed by the Members of the Company, based on the process of evaluation carried out by the Independent Directors and the Board.

You are aware that on October 1, 2018, Union of India (“UOI”) (acting through the Ministry of Corporate Affairs) had 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. Pursuant to the above developments, the New Board of IL&FS also initiated reconstitution of the Board of Directors of the Group companies including the Company and nominated 4 Directors on the Board of the Company.

The New Board members appointed by the NCLT are akin to Independent Directors and not Independent Directors. Further, the requirement of appointing Independent Directors has been dispensed by NCLT order dated April 26, 2019 for IL&FS and the group companies. In the absence of Independent Directors, the process of Board evaluation would anyway be redundant due to non-applicability of relevant provisions of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015. In view thereof, the Board has not followed the process of performance evaluation of the Board, Committees and the Directors during the FY 2019-20. However, an application has been made to MCA with a view to seek appropriate dispensation from the NCLT seeking exemption from the applicability of the provisions of Section 178 (2) and Schedule IV (VII & VIII) of the Companies Act, 2013 and the SEBI (LODR) Regulation, 2015.

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, FY 2011-12 and FY 2012-13 lying in the Company's bank account for a consecutive period of seven years amounting to ₹ 1,90,229, ₹ 1,87,900 and ₹ 5,62,324 was transferred to the Investor Education and Protection Fund (IEPF) on November 5, 2018, December 2, 2019 and September 24, 2020 respectively.

Accordingly, the details of shares transferred to IEPF are as follows:

Financial Year	Number of Shares transferred
2010-11	514
2011-12	3,953
2012-13	1,476

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 2013-14, which has remained unpaid/unclaimed for a consecutive period of seven years is also due for transfer to IEPF Account on September 27, 2021. 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 are requested to send request for claiming the dividend to RTA immediately. The details are available on the weblink: <http://www.itnlindia.com/pdf/files/DV/MCA2013-2014.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. Since the consolidated financials for the FY 2018-19 have not been adopted till date; the materiality of the transactions entered into with related parties could not be ascertained. However, considering materiality based on the standalone financials of FY 2018-19, one material transaction entered into by the Company has been reported in accordance with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The particulars as required under the Act are furnished in **Annexure VII** (Form No. AOC-2) to this Report.

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

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

RISK MANAGEMENT

Your Company 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).
- 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.
- (v) **Solvency test:** Classification of all companies in the Group into three categories (Green, Amber and Red) on the basis of a cash flow solvency test based on a '12 month look-forward' testing period ("Testing Period") conducted by the external Resolution Consultants.

Your 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.

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 & ₹ 1.31 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.

A report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as **Annexure V** to this Report.

DIRECTORS’ RESPONSIBILITY STATEMENT

- (1) On October 1, 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. However, Mr. Bijay Kumar and Mr. Vineet Nayyar have resigned as Directors effective August 7, 2020 and November 1, 2020 respectively. The Board has thereafter appointed Mr. Subrata Kumar Mitra and Dr. Jagadip Narayan Singh as Independent Directors on the Board of the Company effective November 11, 2020.
- (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, 2020 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, ED 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 previous 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. The directors have put in place controls and processes in respect of resolution processes / transactions;
 - (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 and that such internal financial controls were adequate and were operating effectively during the year, 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 during the year, 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)
Jaipur

Sd/-
Nand Kishore
Director
(DIN: 08267502)
Noida

December 7, 2020

ANNEXURE I

FORM MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

*[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,
The Members,
IL&FS Transportation Networks Limited,
The IL&FS Financial Centre,
Plot No. C22, G Block, Bandra Kurla Complex,
Bandra (East), 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 Board of Directors of Infrastructure Leasing and Financial Services Limited ("ILFS"), the holding company, existing as on September 30, 2018 with effect from October 1, 2018 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, The Board was replaced by appointment of New Directors on the Board of IL&FS in terms of Section 242(2)(k) of the Act, to manage the affairs of IL&FS. As a consequence, the following Directors of IL&FS appointed by NCLT namely, Mr. Vineet Nayyar, Mr. C S Rajan, Mr. Nand Kishore, and Mr. Bijay Kumar were appointed as Nominee Directors of IL&FS on the Board of the Company. Further the new board members so appointed continued to be the directors of the Company during the financial year 2019-20 as well.

Based on our verification of the Company's books, papers, minute 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, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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, 2020 according to the provisions of:

- (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, Overseas Direct Investment and External Commercial Borrowings;
- (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, 2018 (during the period under review not applicable to the Company);
 - (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 (during the period under review not applicable to the Company);
 - (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 period 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, 2018 (during the period under review not applicable to the Company);
- (vi) As represented by the management, no law is specifically applicable to the Company.

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

- a) Secretarial Standards issued by the Institute of Company Secretaries of India;
- b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except as mentioned in **"Annexure A"**

We further report that:

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 and Independent Directors which was subsequently exempted pursuant to NCLT Order No. 3638/2018 dated 26.04.2019.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. 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, if any, are captured and recorded as part of the Minutes.

We further report that 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.

We further report that during the audit period there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc except for the actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued.

Note: Due to lockdown under COVID-19, Certification on this Form MR-3 is done on basis of the documents made available to us in the electronic form (i.e. over email) by the Secretarial Team of the Company and such documents will be verified physically after the lockdown is lifted.

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

Sd/-
Atul Mehta
Partner

FCS No: 5782
CP No: 2486

Place: Mumbai
Date: December 07, 2020

UDIN: F005782B001421955

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.

DETAILS OF NON-COMPLIANCES AS FOLLOWS

SR NO.	OBSERVATIONS
1.	<p>Pursuant to the NCLT Order No. 3638/2018 dated April 26, 2019 the company has been granted exemption from appointing independent directors as provided in Regulation 17(1)(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("the Regulations") and Section 149 of the Act and woman director as provided in provided in Regulation 17(1)(a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013 ("the Act") accordingly there were no requisite number of Independent Directors and Woman Director in the Company.</p> <p>Further as per the aforesaid exemption since the Company is not required to appoint Independent Director and Woman Director, the composition of the following committees are not as per the requirements under the Regulations:</p> <ol style="list-style-type: none"> a. Audit Committee as provided in Regulation 18(1) & (2) of the Regulations. b. Nomination and Remuneration Committee as provided in Regulation 19(1) & 19(2) of the Regulations and Section 178 of the Act c. Stakeholders Relationship Committee in Regulation 20(2A) of the Regulations and Section 178(5) of the Act. d. Independent Director on the board of Unlisted material subsidiaries as provided in Regulation 24(1) of the Regulations. e. Holding the Meeting of Independent Directors as provided in Regulation 25(3) of the Regulations.
2.	<p>The Annual Compliance certificate as provided in Regulation 24A of the Regulations for the financial year ending on 31st March 2019 was required to be submitted within 60 days from the end of the Financial Year i.e. on or before 30th May 2019 was submitted with a delay of 15 days on June 15, 2019.</p>
3.	<p>The Company has defaulted in the following compliances for intimation/publication of financial statements as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.</p> <ol style="list-style-type: none"> a. The intimation as required under Regulation 29(1)(a) of the Regulations was not given to the stock exchanges since the financial results for the quarter ended June 30, 2019, September 30, 2019 and December 31, 2019 were not placed before the board for approval. b. The Company has not complied with Regulation 33 & 52(7) of the Regulations including but not limited to preparation of financials, filing and intimating the same to the Stock Exchange for the Quarters ended June 30, 2019, September 30, 2019 & December 31, 2019. The audited financial statements for the year ended March 31, 2019 were submitted beyond the prescribed timeline i.e. on June 04, 2020. c. As per Regulation 47(1)(b) & 52(8) of the Regulations, the Company has not published the Financial results for the Quarters ended June 30, 2019, September 30, 2019 & December 31, 2019 as the same was not placed before the board of directors. The financial results for the year ended March 31, 2019 were approved by the board at its meeting held on June 04, 2020, however the same were not published pursuant to the exemption granted on account of COVID-19 pandemic by SEBI vide circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020.

4.	<p>As mentioned above, since the Company has defaulted on the compliance of the financial statements, it has not complied with the following;</p> <ul style="list-style-type: none"> c. Compliance Certificate as per part B of Schedule II as certified by the Chief Executive Officer and Chief Financial Officer was not placed before the Board of Directors as required under Regulation 17(8) of the Regulations during the year the under review; d. The disclosures for Related party transactions as per Regulation 23(9) of the Regulations for the half year ended September 30, 2019 & March 31, 2020 were not submitted to the Stock Exchange.
5.	<p>During the period under review, the Company has not submitted the Annual Report for the year ended on March 31, 2019 as provided in Regulation 34 of the Regulations and the same was submitted to BSE & NSE on June 08, 2020.</p>
6.	<p>Pursuant to the order passed by the National Company Law Appellate Tribunal ("NCLAT") on October 15, 2018 ("Moratorium Order") which inter alia prohibits payment of principal and interest during the moratorium and restricts the actions or proceedings by creditors against IL&FS and its group companies including the Company. Further, NCLAT has passed another order on February 11, 2019 which specifies that the Company has been marked as a 'red entity' for which the Moratorium has neither been lifted nor modified in any manner. Therefore, in order to comply with the moratorium imposed by the Moratorium Order, the Company is unable to comply with the following provisions with respect to redeeming Non-Convertible Debentures, default in payment of interest on debentures and preference shares as follows:</p> <ul style="list-style-type: none"> a. Filing of Intimation with the stock exchange with respect to payment of interest as provided in Regulation 50(1) of the Regulations for instances as mentioned in Annexure B b. Obligations as required under Regulation 51(2) of the Regulations c. As per Regulation 57(1) of the Regulations, the Company has defaulted in redemption as follows: Amount of redemption on the following Non-Convertible Debentures is not paid: ISIN: INE975G08074 Due date: Nov 21 ,2019 Amt: 1,25,00,00,000/- Further, as per the said regulation the Company has not filed certificate certifying the timely payment of interest or principal obligations or both in respect of the non-convertible debt securities with the Stock Exchange within two days of it becoming due. d. As per Regulation 61(1) of the Regulations and Regulation 12 of SEBI (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations 2013 amount of Redemption of Cumulative Non-Convertible Redeemable Preference Shares due for the period April 01, 2019 to March 31, 2020 was not paid, further as per the said regulation the Company has not paid interest on Non-Convertible Debentures due for the period April 01, 2019 to March 31, 2020 as mentioned in 'Annexure B'. Further to the said regulation the Company has defaulted in payment of dividend on non-convertible redeemable preference shares for the period April 01, 2019 to March 31, 2020.

7.	As per Regulation 52(5) of the Regulations during the financial year the certificate signed by debenture trustee for the financial year 2018-19 that it has taken note of the contents has not been submitted to the Stock Exchange, however the same has been submitted to the stock exchange on June 12, 2020.
8.	During the year the information required under Regulation 56 of the Regulations i.e. Obligation of the listed entity to submit certain information to the Debenture Trustee has not been submitted to the Debenture Trustee. However the same has been submitted on June 09, 2020.
9.	During the period under review the Company has not complied with Regulation 58 of the Regulations as a whole with respect to sending the necessary information to the Debenture holders and Preference Shareholders i.e. Annual Report, salient features of all the documents as specified in Section 136 of Companies Act, 2013 and rules made thereunder, Half yearly communication as specified in sub-regulation (4) and (5) of regulation 52 of the Regulations, Notice of all meetings, proxy forms, however the requisite documents for the financial year March 31, 2019 were sent to Debenture holders and preference shareholders on June 08, 2020.
10.	During the year cost Audit Report for the financial year 2018-19 has not been approved by the Board further the same has not been filed with Central Government in form CRA-4 as provided in Section 148 of the Act. However, the said report has been approved by the board at its meeting held on August 17, 2020 and the same was filed on September 16, 2020.
11.	The company has not appointed Nodal Officer pursuant to provisions of Rule 7(2B) of IEPF (Accounting, Audit, Transfer & Refund), Rules 2016, however e-form IEPF-2 with respect to the said appointment has not been filed as on the date of issuance this report.
12.	The company has defaulted in payment of dividend to redeemable preference shareholders for a period of two years i.e. for the financial year 2018-19 and financial year 2019-20 and pursuant to provisions of Section 47 of the Companies Act, 2013, the said preference shareholders have acquired to vote on all the resolutions placed before the company.
13.	The company has not filed the Foreign Liabilities and Assets Annual Return ("FLA Return") with respect to the Foreign Direct Investments ("FDI") in the Company as on the date of issuance on this report as required under the Foreign Exchange Management Act, 1999 and the rules and regulations made there under.

14. The details of fines and penalties levied on the Company during the year under review are as follows:

Sr No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks.
1.	BSE Limited (BSE) & The National Stock Exchange of India (NSE)	Delay in submitting the financial statements for the year ended on March 31, 2019	Penalty of INR 1,06,200 was levied by BSE & INR 18,60,000 was levied by NSE	The fine so levied has not been paid by the company
2.	BSE Limited (BSE) & The National Stock Exchange of India (NSE)	Delay in submitting the financial statements for the Quarter ended on June 30, 2019	Penalty of INR 88,500 was levied by BSE & INR 15,25,000 was levied by NSE	The fine so levied has not been paid by the company
3	BSE Limited (BSE) & The National Stock Exchange of India (NSE)	Non-Compliance of Corporate governance requirements with respect to composition of board of directors for the quarter March 31, 2019	Penalty of INR 3,48,100 was levied by both BSE & INR 2,95,000 was levied by NSE	The fine so levied has not been paid by the company
3.	BSE Limited (BSE) & The National Stock Exchange of India (NSE)	Non-Compliance of Corporate governance requirements with respect to composition of board of directors for the Quarter ended on June 30, 2019	Penalty of INR 1,47,000 each was levied by both BSE & INR 1,25,000 was levied by NSE	The fine so levied has not been paid by the company
4.	BSE Limited (BSE) & The National Stock Exchange of India (NSE)	Delay in submitting the financial statements for the Quarter & half year ended on September 30, 2019	Penalty of INR 1,06,200 was levied by BSE & INR 10,70,000 was levied by NSE	The fine so levied has not been paid by the company
6.	BSE Limited (BSE) & The National Stock Exchange of	Delay in submitting the financial statements for the Quarter ended on	Penalty of INR 94,400 was levied by BSE & INR 6,00,000 was levied by NSE	The fine so levied has not been paid by the company

	India (NSE)	December 31, 2019		
7.	BSE Limited (BSE) & The National Stock Exchange of India (NSE)	Non-Submission of Annual Report as per Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015	Penalty of INR 37,760 was levied by BSE & INR 5,46,000 was levied by NSE	The fine so levied has not been paid by the company

ANNEXURE B

**DETAILS OF INTEREST NOT PAID ON NON-CONVERTIBLE DEBENTURES DUE
& NON - COMPLIANCES OF REGULATION 50(1), 57(1) AND 61(1) OF SEBI
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015
FOR THE PERIOD APRIL 01, 2019 TO MARCH 31, 2020**

SR. NO.	ISIN	DESCRIPTION OF NCDS	INTEREST AMOUNT	PERIOD FOR WHICH INTEREST WAS DUE
1	INE975G08215	Tranche XVIII (Security ITNL26)	Rs 11,76,76,712/-	Oct 29, 2018 to April 28, 2019
2	INE975G08280	Tranche XXV (Option I) (Security ITNL23)	Rs. 23,05,479/-	Jan 29, 2019 to April 28, 2019
3	INE975G08298	Tranche XXV (Option II)- (Security ITNL28)	Rs. 34,76,712/-	Jan 27, 2019 to April 26, 2019
4	INE975G08306	Tranche XXV (Option III)- (Security ITNL28)	Rs. 1,74,76,027/-	Jan 27, 2019 to April 26, 2019
5	INE975G08249	Tranche XX (Option I)- (Security ITNL22)	Rs. 74,12, 671/-	Jan 30, 2019 to April 29, 2019
6	INE975G08256	Tranche XX (Option II)- (Security ITNL27)	Rs. 2,72,62,849/-	Jan 30, 2019 to April 29, 2019
7	INE975G07035	Tranche XXIII (Series IA)- (Security ITNL23)	Rs. 2,21,89,041/-	Feb 01, 2019 to April 30, 2019
8	INE975G07043	Tranche XXIII (Series IA)- (Security ITNL23A)	Rs. 2,21,89,041/-	Feb 02, 2019 to May 01, 2019
9	INE975G07084	Tranche XXVI (Series I)- (Security ITNL25A)	Rs. 53,54,630/-	Feb 25, 2019 to May 24, 2019
10	INE975G07092	Tranche XXVI (Series 2)- (Security ITNL28A)	Rs. 1,68,24,658/-	Feb 25, 2019 to May 24, 2019
11	INE975G08264	Tranche XXI	Rs. 2,33,60,822/-	Feb 28, 2019

		(Series 1)- (Security ITNL27A)		to May 29, 2019
12	INE975G07019	Tranche XXI (Series 2)- (Security ITNL27)	Rs. 2,24,38,356/-	Feb 28, 2019 to May 29, 2019
13	INE975G08272	Tranche XXII (Series 1, Option 1)- (Security ITNL22B)	Rs. 1,16,57,534/-	March 15, 2019 to June 14, 2019
14	INE975G07027	Tranche XXII (Option III)- (Security ITNL27C)	Rs. 2,24,58,082/-	March 15, 2019 to June 14, 2019
15	INE975G07050	Tranche XXIV (Series 1A)- (Security ITNL23D)	Rs. 1,72,02,740/-	March 28, 2019 to June 27, 2019
16	INE975G07068	Tranche XXIV (Series 1B)- (Security25)	Rs. 2,30,63,014/-	March 28, 2019 to June 27, 2019
17	INE975G07076	Tranche XXIV (Series3)- (Security ITNL28)	Rs. 3,24,64,658/-	March 30, 2019 to June 29, 2019
18	INE975G08223	Tranche XIX (Series A)- (Security ITNL22)	Rs. 6,88,10,959/-	March 31, 2019 to June 29, 2019
19	INE975G08231	Tranche XIX (Series B)- (Security ITNL27)	Rs. 10,46,74,932/-	March 31, 2019 to June 29, 2019
20	INE975G08058	Tranche IV - (Security ITNL24A)	Rs. 11,40,54,795/-	Jan 22, 2019 to July 21, 2019
21	INE975G08082	Tranche VII - (Security ITNL24A)	Rs. 14,62,87,671/-	Jan 21, 2019 to July 20, 2019
22	INE975G08280	Tranche XXV - (Option 1 Security ITNL23)	Rs. 23,31,096/-	Apr 27, 2019 to July 26, 2019
23	INE975G08298	Tranche XXV - (Option II Security	Rs. 35,15,342/-	Apr 27, 2019 to

		ITNL25)		July 26, 2019
24	INE975G08306	Tranche XXV - (Option III Security ITNL28)	Rs. 1,76,70,205/-	Apr 27, 2019 to July 26, 2019
25	INE975G08173	Tranche XV – (Security ITNL21)	Rs. 9,20,37,260/-	Jan 30, 2019 to July 29, 2019
26	INE975G08249	Tranche XX -(Option I Security ITNL22)	Rs. 74,94,034/-	April 30, 2019 to July 29, 2019
27	INE975G08256	Tranche XX -(Option II Security ITNL27)	Rs. 2,75,65,770/-	April 30, 2019 to July 29, 2019
28	INE975G07035	Tranche XXIII - (Series IA Security ITNL23)	Rs. 2,29,36,986/-	May 01, 2019 to July 31, 2019
29	INE975G07043	Tranche XXIII - (Series IB Security ITNL23A)	Rs. 2,29,36,986/-	May 02, 2019 to Aug 01, 2019
30	INE975G08090	Tranche VIII - (Security ITNL25)	Rs. 14,70,95,890/-	Feb 04, 2019 to Aug 04, 2019
31	INE975G08199	Tranche XVI - (Security ITNL26)	Rs. 9,48,39,452/-	Feb 11, 2019 to Aug 11, 2019
32	INE975G08207	Tranche XVII – (Security ITNL26A)	Rs. 4,74,19,726/-	Feb 18, 2019 to Aug 18, 2019
33	INE975G07084	Tranche XXVI – (Security ITNL25A)	Rs. 55,35,123/-	May 25, 2019 to Aug 24, 2019
34	INE975G07092	Tranche XXVI – (Security ITNL28A)	Rs. 1,73,91,781/-	May 25, 2019 to Aug 24, 2019
35	INE975G08264	Tranche XXI – (Series 1, Security ITNL27A)	Rs. 2,36,17,534/-	May 30, 2019 to Aug 29, 2019
36	INE975G07019	Tranche XXI –	RS. 2,26,84,932/-	May 30, 2019 to

		(Series 2, Security ITNL27)		Aug 29, 2019
37	INE975G08041	Tranche III (Security ITNL24)	Rs. 5,79,72,603/-	Mar 04, 2019 to Sept 03, 2019
38	INE975G08264	Tranche XXI (Series 1, Option II, Security ITNL27A)	Rs. 2,36,17,534/-	May 30, 2019 to Aug 29, 2019
39	INE975G07019	Tranche XXI (Series 2, ITNL27)	Rs. 2,26,84,932/-	May 30, 2019 to Aug 29, 2019
40	INE975G08272	Tranche XXII (Option I, Security ITNL22B)	Rs. 1,16,57,534/-	June 15, 2019 to Sept 14, 2019
41	INE975G07027	Tranche XXII (Option III, Security ITNL27C)	Rs. 2,24,58,082/-	June 15, 2019 to Sept 14, 2019
42	INE975G08223	Tranche XIX (Series A, Security ITNL22)	Rs. 6,95,67,123/-	June 30, 2019 to Sept 29, 2019
43	INE975G08231	Tranche XIX (Series B, Security ITNL27)	Rs. 10,58,25,205/-	June 30, 2019 to Sept 29, 2019
44	INE975G07050	Tranche XXIV (Series 1, Security ITNL23D)	Rs. 1,72,02,740/-	June 28, 2019 to Sept 27, 2019
45	INE975G07068	Tranche XXIV (Series 2, Security ITNL25)	Rs. 2,30,63,014/-	June 28, 2019 to Sept 27, 2019
46	INE975G07076	Tranche XXIV (Series 3, Security ITNL28)	Rs. 3,24,64,658/-	June 30, 2019 to Sept 29, 2019
47	INE975G08280	Tranche XXV (Option I, SecurityITNL23)	Rs. 23,56,712/-	July 27, 2019 to Oct 26, 2019
48	INE975G08298	Trane XXV (Option II, Security ITNL25)	Rs. 35,53,973/-	July 27, 2019 to Oct 26, 2019
49	INE975G08306	Tranche XXV	Rs. 1,78,64,384/-	July 27, 2019

		(Option III, Security ITNL28)		to Oct 26, 2019
50	INE975G08215	Tranche XVIII (Security ITNL26)	Rs. 11,76,76,712/-	Apr 29, 2019 to Oct 27, 2019
51	INE975G08249	Tranche XX, (Option I, Security ITNL22)	Rs. 75,77,397/-	July 30, 2019 to Oct 29, 2019
52	INE975G08256	Tranche XX, (Option II, Security ITNL27)	Rs. 2,78,68,690/-	July 30, 2019 to Oct 29, 2019
53	INE975G07035	Tranche XXIII, (Series IA, Security ITNL23)	Rs. 2,29,36,986/-	Aug 01, 2019 to Oct 31, 2019
54	INE975G07043	Tranche XXIII (Series 1B, Security ITNL23A)	Rs. 2,29,36,986/-	Aug 02, 2019 to Nov 01, 2019
56	INE975G08074	Tranche VI (Security ITNL19)	Rs. 7,20,71,918/-	May 21, 2019 To Nov 19, 2019
57	INE975G07084	Tranche XXVI (Series 1, Security ITNL25A)	Rs. 55,35,123/-	Aug 25, 2019 to Nov 24, 2019
58	INE975G07092	Tranche XXVI (Series 2, Security ITNL28A)	Rs. 1,73,91,781/-	Aug 25, 2019 to Nov 24, 2019
59	INE975G08264	Tranche XXI (Series 1, Option II Security ITNL27A)	Rs. 2,36,17,534/-	Aug 30, 2019 to Nov 29, 2019
60	INE975G07019	Tranche XXI (Series 2, Security ITNL27)	Rs. 2,26,84,932/-	Aug 30, 2019 to Nov 29, 2019
61	INE975G08272	Tranche XXII – (Series 1 Security ITNL22B)	Rs. 1,15,30,822/-	Sept 15, 2019 to Dec 14, 2019
62	INE975G07027	Tranche XXII – (Series 2 Security ITNL27C)	Rs. 2,22,13,973/-	Sept 15, 2019 to Dec 14, 2019
63	INE975G07050	Tranche XXIV –	Rs. 1,70,15,753/-	Sept 28, 2019

		(Series 1 Security ITNL23D)		to Dec 27, 2019
64	INE975G07068	Tranche XXIV – (Series 2 Security ITNL25)	Rs. 2,28,12,329/-	Sept 28, 2019 to Dec 27, 2019
65	INE975G07076	Tranche XXIV – (Series 3 Security ITNL28)	Rs. 3,21,11,781/-	Sept 30, 2019 to Dec 29, 2019
66	INE975G08223	Tranche XIX – (Series A Security ITNL22)	Rs. 6,95,67,123/-	Sept 30, 2019 to Dec 30, 2019
67	INE975G08231	Tranche XIX – (Series B Security ITNL22)	Rs. 10,58,25,205/-	Sept 30, 2019 to Dec 30, 2019
68	INE975G08082	Tranche VII – (Security ITNL24)	Rs. 14,87,12,329/-	July 21, 2019 to Jan 20, 2020
69	INE975G08058	Tranche IV (Security ITNL24A)	Rs. 11,59,45,205/-	July 22, 2019 to Jan 21, 2020
70	INE975G08280	Tranche XXV – (Option I, Security ITNL23)	Rs. 23,50,273/-	Oct 27, 2019 to Jan 26, 2020
71	INE975G08298	Tranche XXV – (Option II, Security ITNL25)	Rs. 35,44,262/-	Oct 27, 2019 to Jan 26, 2020
72	INE975G08306	Tranche XXV – (Option III, Security ITNL28)	Rs. 1,78,15,574/-	Oct 27, 2019 to Jan 26, 2020
73	INE975G08249	Tranche XX – (Option I, Security ITNL22)	Rs. 75,56,694/-	Oct 30, 2019 to Jan 29, 2020
74	INE975G08256	Tranche XX – (Option II, Security ITNL27)	Rs. 2,77,92,546/-	Oct 30, 2019 to Jan 29, 2020
75	INE975G08173	Tranche XV – (Security ITNL21)	Rs. 9,35,62,740/-	July 30, 2019 to Jan 29, 2020
76	INE975G07035	Tranche XXIII – (Series IA, Security ITNL23)	Rs. 2,28,74,317/-	Nov 01, 2019 to Jan 30, 2020

77	INE975G07043	Tranche XXIII – (Series IB, Security ITNL23A)	Rs. 2,28,74,317/-	Nov 02, 2019 to Feb 01, 2020
78	INE975G08090	Tranche VIII – (Security ITNL25)	Rs. 14,79,04,110/-	Aug 05, 2019 to Feb 03, 2020
79	INE975G08199	Tranche XVI – (Security ITNL26)	Rs. 9,48,39,452/-	Aug 12, 2019 to Feb 09, 2020
80	INE975G08207	Tranche XVI – (Security ITNL26A)	Rs. 4,76,80,274/-	Aug 19, 2019 to Feb 17, 2020
81	INE975G07084	Tranche XXVI – (Series I, Security ITNL25A)	Rs. 55,35,123/-	Nov 25, 2019 to Feb 24, 2020
82	INE975G07092	Tranche XXVI – (Series 2, Security ITNL28A)	Rs. 1,73,91,781/-	Nov 25, 2019 to Feb 24, 2020
83	INE975G08264	Tranche XXI (Series I Option 2, Security ITNL27A)	Rs. 2,30,40,984/-	Nov 30, 2019 to Feb 27, 2020
84	INE975G07019	Tranche XXI (Series II, Security ITNL27)	Rs. 2,21,31,148/-	Nov 30, 2019 to Feb 27, 2020
85	INE975G08041	Tranche III (Security ITNL24)	Rs. 5,71,85,792/-	Sept 04, 2019 to Mar 03, 2020
86	INE975G08272	Tranche XXII (Series I Option 1, Security ITNL22B)	Rs. 1,14,99,317/-	Dec 15, 2019 to Mar 14, 2020
87	INE975G07027	Tranche XXII (Option III, Security ITNL27C)	Rs. 2,21,53,279/-	Dec 15, 2019 to Mar 14, 2020
88	INE975G07050	Tranche XXIV (Series I, Security ITNL23D)	Rs. 1,69,69,262/-	Dec 28, 2019 to Mar 27, 2020
89	INE975G07068	Tranche XXIV (Series II, Security ITNL25)	Rs.2,27,50,000/-	Dec 28, 2019 to Mar 27, 2020

90	INE975G07076	Tranche XXIV (Series III, Security ITNL28)	Rs. 3,20,24,044/-	Dec 30, 2019 to Mar 29, 2020
91	INE975G08223	Tranche XIX (Series A, Security ITNL22)	Rs. 6,86,22,951/	Dec 31, 2019 to Mar 30, 2020
92	INE975G08231	Tranche XIX (Series B, Security ITNL27)	Rs.10,43,88,934/-	Dec 31, 2019 to Mar 30, 2020

To,
The Members,
IL&FS Transportation Networks Limited,
The IL&FS Financial Centre,
Plot No. C22, G Block, Bandra Kurla Complex,
Bandra (East), 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

Place: Mumbai
Date: December 05, 2020

UDIN: F005782B001421955

ANNEXURE II

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on March 31, 2020

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

I. Registration and other details:

Sr. No.	Particulars	
1.	CIN	L45203MH2000PLC129790
2.	Registration Date	November 29, 2000
3.	Name of the Company	IL&FS Transportation Networks Limited
4.	Category / Sub-Category of the Company	Public Company
5.	Address of the Registered office and contact details	The IL&FS Financial Centre, Plot no. C -22, G – Block, Bandra – Kurla Complex, Bandra (East), Mumbai 400 051
6.	Whether listed company Yes / No	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Ltd C 101, 247 Park, L B S Marg, Vikhroli (West), MUMBAI – 400 083 Phone: +91 22 49186000 Fax: +91 22 49186060

II. Principal business activities of the company:

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

Sr. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Development, Implementation, Construction Management, Operation & Management of Toll Roads And Advisory Services Relating To Road Sector Projects in India	42101	41.37% (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	L65990MH1987PLC044571	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	U45400MH2013PLC242336	Subsidiary	100.00	2(87)

	Limited				
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 Limited	U45201MH2006PLC166149	Subsidiary	90.00	2(87)
20.	Roadstar Infra Private Limited	U45400MH2020PTC335610	Subsidiary (from January 07, 2020)	100.00	2(87)
21.	ITNL Road Infrastructure Development Company Limited	U45400MH2007PLC175415	Subsidiary	100.00	2(87)
22.	Charminar RoboPark Limited	U45400MH2011PLC220224	Subsidiary	74.00	2(87)
23.	Srinagar Sonamarg Tunnelway Limited	U45400MH2013PLC241828	Subsidiary	99.99	2(6)
24.	Jorabat Shillong Expressway Limited	U45203MH2010PLC204456	Subsidiary	100.00	2(6)
25.	Elsamex India Private Limited	U74140MH1999PTC289580	Subsidiary	99.15	2(87)
26.	Elsamex Maintenance Services Limited	U45201MH2013FLC285659	Subsidiary	100.00	2(87)
27.	Yala Construction Co Private Limited	U45201MH2000PTC289581	Subsidiary	96.03	2(87)
28.	*ITNL IECCL JV	NA	Subsidiary	51.00	2(87)
29.	Badarpur Tollway Operations Management Limited Toll Plaza, Mayur Vihar Link Road, Delhi – 110092	U45203DL2010PLC210680	Subsidiary (upto December 20, 2019)	100.00	2(87)
30.	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)
31.	IL&FS Rail Limited 2 nd Floor, Ambience Corporate	U63040HR2008PLC039089	Subsidiary	83.24	2(87)

	Towers, Ambience Island, National Highway # 8 Gurgaon – 122001				
32.	Jharkhand Road Projects Implementation Company Limited 443 A, Road No. 5, Ashok Nagar, Ranchi – 834002	U45200JH2009PLC013693	Subsidiary	93.43	2(87)
33.	Jharkhand Infrastructure Implementation Co Limited 2nd Floor, 443/A, Road No. 5, Ashok Nagar Ranchi JH 834001 IN	U45201JH2015PLC003025	Subsidiary	100.00	2(87)
34.	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)
35.	Ranchi Muri Road Development Limited 443/A, Road No. 5, Ashok Nagar, Ranchi Ranchi JH 834002	U45309JH2017PLC010398	Subsidiary	100.00	2(87)
36.	Rapid MetroRail Gurgaon Limited 2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway#8, Gurgaon – 122001	U60200HR2009PLC039116	Subsidiary	52.42	2(87)
37.	ATENEA SEGURIDAD Y MEDIO AMBIENTE, S.A.U.	NA	Subsidiary	100.00	2(87)

	Calle San Severo nº18 Madrid, Spain-28042				
38.	Elsamex, S.A. San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
39.	ITNL International Pte. Ltd. 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore-018981	NA	Subsidiary	100.00	2(87)
40.	ITNL Offshore Pte. Ltd. 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore-018981	NA	Subsidiary	100.00	2(87)
41.	ITNL Offshore Two Pte. Ltd 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore-018981	NA	Subsidiary	100.00	2(87)
42.	ITNL Offshore Three Pte. Ltd 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore-018981	NA	Subsidiary	100.00	2(87)
43.	IPL LAOS Pte. Ltd. 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore-018981	NA	Subsidiary	100.00	2(87)
44.	Alcantarilla Fotovoltaica, S.L. San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
45.	Area De Servicio Coiros S.L.U. San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
46.	Area De Servicio Punta	NA	Subsidiary	100.00	2(87)

	Umbria, S.L.U San Severo nº18 Madrid, Spain-28042				
47.	Beasolarta S. L., Spain San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
48.	CISEM-INTEVIA, S.A San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
49.	Conservacion De Infraestructuras De Mexico S.A. De C.V Avda. Prolongación Tecnologico nº950B CO. San Pablo, Queretaro, Mexico- 76130	NA	Subsidiary	100.00	2(87)
50.	Control 7, S.A. Poligono Malpica Santa Isabel, calle E parcela 59-61, nave 9. Zaragoza, Spain-50057	NA	Subsidiary	100.00	2(87)
51.	Elsamex Construcao E Manutencao LTDA Rua Gonçalves Maia nº207, Soledade Recife PE, CEP 50.070.060, Pernambuco, Brazil	NA	Subsidiary	99.99	2(87)
52.	Elsamex Internacional, S.L, Sociedad Unipersonal San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
53.	Elsamex Portugal Engenharia e Sistemas de Gestao S.A.	NA	Subsidiary	70.00	2(87)

	Praça de Alvalade, nº 7 - 8º Dtº1700 - 036 LISBOA				
54.	ELSAMEX COLOMBIA SAS Carrera 7480-49 Centro de Negocios el Nogal Oficina 901 Bogotá	NA	Subsidiary	100.00	2(87)
55.	ESM Mantenimiento Integral de SA de CV Avda. Prolongación Tecnologico nº950B CO. San Pablo, Queretaro, Mexico- 76130	NA	Subsidiary	100.00	2(87)
56.	Grusamar Albania SHPK Rr.Hik Kolli nº26/2 Tirana, Albania	NA	Subsidiary	51.00	2(87)
57.	GRUSAMAR INGENIERIA CONSULTING COLOMBIA SAS Carrera 7#80-49 Centro de Negocios el Nogal Oficina 901 Bogotá	NA	Subsidiary	100.00	2(87)
58.	Grusamar Ingenieria Y Consulting, SL Sociedad Unipersonal San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
59.	Inteval Gestao Integral Rodoviaria, S.A. Avenida do Brasil nº43, 5 direito, Lisboa, Portugal-1700- 062	NA	Subsidiary	100.00	2(87)
60.	ITNL International DMCC –	NA	Subsidiary	100.00	2(87)

	Dubai 608-609, Jumeraih Business Centre, Cluster G, Jumeraih Lake Towers, P O Box no. 309018, Dubai, UAE				
61.	ITNL Africa Projects Limited 4th floor, Bank of Industry Bldg, Central Business District, Abuja	NA	Subsidiary <i>(upto December 11, 2019)</i>	100.00	2(87)
62.	ITNL Elsamex JVCA, BURE San Severo n°18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
63.	ITNL Elsamex JVCA, Botswana San Severo n°18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
64.	ITNL Elsamex JVCA, NEKEMTE San Severo n°18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
65.	*ITNL KMB JV No-1, A.E.Koil Street, New Washermanpet, Cross Road (Opp Periyar Park), Chennai-81	NA	Subsidiary	70.00	2(87)
66.	I IPL USA LLC Duke Street, Suite 200, Alexandria, Virginia, 22314, USA	NA	Subsidiary	100.00	2(87)

67.	Mantenimiento y Conservacion de Vialidades S.A. de C.V, Avda. Prolongación Tecnológico n°950B CO. San Pablo, Queretaro, Mexico-76130	NA	Subsidiary	64.00	2(87)
68.	Senalizacion Viales e Imagen S.U. Poligono Industrial la variante. La Grajera n°2, Ladero, la Rioja-26140	NA	Subsidiary	100.00	2(87)
69.	Grusamar Engenharia & Consultoria Brasil LTDA Rua Gonçalves Maia n° 207, Soledade Recife P.E CEP 50.070.060, Pernambuco, Brazil	NA	Subsidiary	99.99	2(87)
70.	Elsamex Vietnam Joint Stock Company 8001, 8 th Floor, No. 2, Ngo Quyen, Ly Thai To word, Hoan Kim, District Hanoi, Vietnam	NA	Subsidiary	65.00	2(87)
71.	ITNL Infrastructure Developer LLC## <i>The Company is subsidiary of ITNL International Pte Ltd through Board Control</i> Unit No. 1001, Boulevard Plaza, Tower No. 2, P O Box 413818, Dubai, UAE	NA	Subsidiary (through Board control)	49.00	2(87)
72.	Park Line LLC Unit No. 1001, Boulevard Plaza, Tower No. 2, P O Box	NA	Associate	24.99	2(87)

	413818, Dubai, UAE				
73.	*Chhattisgarh Highway Development Company Limited House No. 705, Sector 2, Avanti Vihar, Telibandha Raipur CT 492006	U45203CT2007PLC020220	Subsidiary	-	2(87)
74.	Rapid MetroRail Gurgaon South Limited 2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway#8, Gurgaon – 122001	U35990HR2012PLC046882	Associate	35.00	2(87)
75.	*Thiruvananthapuram Road Development Company Limited	U45203MH2004PLC144789	Associate	50.00	2(6)
76.	Chongqing YuHe Expressway Company Limited No. 66, Yinshan Road, Yubei District, Chongqing, China-401120	NA	Joint Venture	49.00	2(6)
77.	*Road Infrastructure Development Company of Rajasthan Limited (RIDCOR) LIC New Investment Building 1st Floor, Hall No-2 Near Ambedkar Circle Bhawani Singh Road Jaipur RJ 302005 IN	U45203RJ2004PLC019850	Joint Venture	-	-
78.	*RIDCOR Infra Projects Limited (Subsidiary of	U45201RJ2013PLC042008	Joint Venture	-	-

	RIDCOR) LIC New Investment Building 1st Floor, Hall No-2 Near Ambedkar Circle Bhawani Singh Road Jaipur RJ 302005 IN				
79.	*Jharkhand Accelerated Road Development Company Limited 443/A, Road No. 5 Ashok Nagar Ranchi Ranchi JH 834002 IN	U45203JH2008PLC013085	Joint Venture	-	-
80.	*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)
81.	*Geotecnia y Control de Qualitat SA c/Berguedá n0 15, bloque B, nave 11, Polígono Industrial Can Bernadés-Subirá, 08130 Santa Perpetua de la Mogoda (Barcelona)	NA	Joint Venture (Associates)	50.00	2(6)
82.	*Vias Y Construcciones Viacon S.R.L Avenida 27 de Febrero n0 272 Edificio J.P., la Julia. Santo Domingo, Distrito Nacional Republica Dominicana	NA	Joint Venture (Associates)	50.00	2(6)

83.	*Consortio de Obras Civiles, Conciviles SRL Avenida 27 de Febrero n0 272 Edificio J.P., la Julia. Santo Domingo, Distrito Nacional Republica Dominicana	NA	Joint Venture (Associates)	34.00	2(6)
84.	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)
85.	ITNL Toll Management Services Limited (subsidiary of NTBCL) The Toll Plaza, DND Flyway, Noida, Gautam Buddha Nagar, UP – 201301 IN	U45203UP2007PLC033529	Associate	49.00	2(6)
86.	*Warora Chandrapur Ballarpur Toll Road Limited 116A, 11th Floor, Maker Chamber VI, 220, Nariman Point, Mumbai – 400021	U45203MH2009PLC196776	Associate	35.00	2(6)
87.	CGI 8 SA Polígono de San Cipria de Viñas de Orense Calle número 6, parcela 33 – 32901 Orense, Spain	NA	Associate	49.00	2(6)
88.	Sociedad concessionaria Autovia A-4 Madrid S.A C/ Autovía A4, Kilometro 47, 500, Aranjuez Madrid (28300)	NA	Associate	48.75	2(6)
89.	Ramky Elsamex Hyderabad Ring Road Ltd	U45203TG2007PLC054825	Associate (upto November 27,	26.00	2(6)

	Ramky Grandiose, 15th Floor, Sy No 136/2 & 4, Gachibowli, Hyderabad TG 500032		2019)		
90.	Elsamex Roads and Infrastructure WLL Doha, Qatar	NA	Associate	44.00	2(6)
91.	Elsamex Road Technology Co. Ltd Block C,1/F Eldex Industrial Building, 21 Ma Tau Wai Road, Hung Hom, Kowloon, Hong Kong	NA	Associate	23.44	2(6)

*Entities as per Ind AS.

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

(ii) The Registered Address of the Companies Listed at Sr. No. 1 to 27 and 75 is The IL&FS Financial Center, Plot No. C-22, G- Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400051.

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

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year – 2019				No. of Shares held at the end of the year – 2020				% 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) (1)	24,08,49,000	-	24,08,49,000	73.22	24,08,49,000	-	24,08,49,000	73.22	-	-
(2) Foreign										
a) NRI- Individuals	-	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	24,08,49,000	-	24,08,49,000	73.22	24,08,49,000	-	24,08,49,000	73.22	-	-
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-

b) Banks/FI	18,86,169	-	18,86,169	0.57	14,58,263	-	14,58,263	0.44	(0.13)	Decrease
C) Central govt	-	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	6,57,197	-	6,57,197	0.19	0.19	Increase
g) FIIS	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
i) Foreign Portfolio Investor (Corporate)	1,55,93,744	-	1,55,93,744	4.74	1,14,24,241	-	1,14,24,241	3.47	(1.27)	Decrease
SUB TOTAL (B)(1):	1,74,79,913	-	1,74,79,913	5.31	1,35,39,701	-	1,35,39,701	4.11	(1.20)	Decrease
(2) Non Institutions										
a) Bodies corporates	90,50,301	-	90,50,301	2.75	65,63,509	-	65,63,509	1.99	(0.76)	Decrease
i) Indian	-	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakhs	2,76,31,405	5,720	2,76,37,125	8.40	2,76,96,386	5,658	2,77,02,044	8.42	0.02	Increase
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs	2,27,79,754	-	2,27,79,754	6.92	3,50,66,110	-	3,50,66,110	10.66	3.73	Increase
c) Others (specify)	-	-	-	-	-	-	-	-	-	-
NBFCs registered with RBI	37,325	-	37,325	0.01	-	-	-	-	(0.01)	Decrease
Clearing Member	23,43,825	-	23,43,825	0.71	2,57,974	-	2,57,974	0.08	(0.63)	Increase
Non Resident Indians (Repat)	17,05,653	-	17,05,653	0.52	16,96,821	-	16,96,821	0.52	-	-

Non Resident Indians (Non Repat)	9,80,006	-	9,80,006	0.30	7,18,740	-	7,18,740	0.21	(0.08)	Decrease
Hindu Undivided Family	26,89,636	-	26,89,636	0.82	25,61,448	-	25,61,448	0.78	(0.04)	Decrease
Trusts	34,06,975	-	34,06,975	1.04	191	-	191	0.00	(1.04)	Decrease
IEPF	514	-	514	0.00	4489	-	4489	0.00	-	-
Any Other	-	-	-	-	-	-	-	-	-	-
SUB TOTAL:(B) (2)	7,06,25,394	5,720	7,06,31,114	21.47	7,45,65,668	5,658	7,45,71,326	22.67	1.20	Increase
Total Public Shareholding (B) = (B) (1) + (B) (2)	8,81,05,307	5,720	8,81,11,027	26.78	8,81,05,369	5,658	8,81,11,027	26.78	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	32,89,54,307	5,720	32,89,60,027	100.000	32,89,54,369	5,658	32,89,60,027	100.00	-	-

ii) Shareholding of Promoters:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year – 2019			Shareholding at the end of the year – 2020			% 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	-

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 (01-04-19 to 31-03-20)	
		No. of shares at the beginning of the year/ end of the year (31-03-19)	% 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
	At the End of the year						23,65,82,632	71.92
2	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 - 2019		Transactions during the year			Cumulative Shareholding at the end of the year - 2020	
		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	87,00,000	2.64				87,00,000	2.64
	At The End Of The Year						87,00,000	2.64
2	Sandeep Sarda	0	0.00				0	0.00
				08 Nov 2019	2,05,400	Transfer	2,05,400	0.06
				15 Nov 2019	5,76,535	Transfer	7,81,935	0.24
				22 Nov 2019	2,18,065	Transfer	10,00,000	0.30
				13 Dec 2019	1,57,757	Transfer	11,57,757	0.35
				20 Dec 2019	1,13,552	Transfer	12,71,309	0.39
				27 Dec 2019	2,57,663	Transfer	15,28,972	0.46
				03 Jan 2020	1,30,345	Transfer	16,59,317	0.50
				10 Jan 2020	3,00,000	Transfer	19,59,317	0.60
				17 Jan 2020	40,684	Transfer	20,00,001	0.61
				20 Mar 2020	1,47,224	Transfer	21,47,225	0.65
	At The End Of The Year						21,47,225	0.65
3	Suashish Diamonds Limited	18,17,511	0.55				18,17,511	0.55
	At The End Of The Year						18,17,511	0.55
4	Keval Share Broking P. Ltd.	10,07,473	0.31				10,07,473	0.31
				13 Mar 2020	49,108	Transfer	10,56,581	0.32

	At The End Of The Year						10,56,581	0.32
5	Danske Invest Sicav-SIF- Emerging And Frontier Markets SMID	8,99,281	0.27				8,99,281	0.27
	At The End Of The Year						8,99,281	0.27
6	Life Insurance Corporation of India	8,42,884	0.26				8,42,884	0.26
	At The End Of The Year						8,42,884	0.26
7	Monal Sarda	22,000	0.00				22,000	0.00
				20 Mar 2020	1,09,732	Transfer	1,31,732	0.04
				27 Mar 2020	6,09,322	Transfer	7,41,054	0.22
				31 Mar 2020	1,00,000	Transfer	8,41,054	0.25
	At The End Of The Year						8,41,054	0.25
8	Wular India Fund	7,45,859	0.23				7,45,859	0.23
				27 Dec 2019	(93,265)	Transfer	6,52,594	0.20
	At The End Of The Year						6,52,594	0.20
9	Morgan Stanley Asia (Singapore) PTE. - ODI	0	0.00				0	0.00
				28 Feb 2020	6,41,934	Transfer	6,41,934	0.20
	At The End Of The Year						6,41,934	0.20
10	Angel Broking Limited	8,33,581	0.25				8,33,581	0.25
				05 Apr 2019	34,663	Transfer	8,68,244	0.26
				12 Apr 2019	(59,296)	Transfer	8,08,948	0.25
				19 Apr 2019	(49,783)	Transfer	7,59,165	0.23
				26 Apr 2019	75,488	Transfer	8,34,653	0.25

			03 May 2019	34,871	Transfer	8,69,524	0.26
			10 May 2019	(82,495)	Transfer	7,87,029	0.24
			17 May 2019	(49,004)	Transfer	7,38,025	0.22
			24 May 2019	(23,925)	Transfer	7,14,100	0.22
			31 May 2019	(57,567)	Transfer	6,56,533	0.20
			07 Jun 2019	(13,177)	Transfer	6,43,356	0.20
			14 Jun 2019	(45,889)	Transfer	5,97,467	0.18
			21 Jun 2019	(29,651)	Transfer	5,67,816	0.17
			29 Jun 2019	(99,224)	Transfer	4,68,592	0.14
			05 Jul 2019	(25,029)	Transfer	4,43,563	0.13
			12 Jul 2019	(15,992)	Transfer	4,27,571	0.13
			19 Jul 2019	(7,674)	Transfer	4,19,897	0.13
			26 Jul 2019	(4,876)	Transfer	4,15,021	0.13
			02 Aug 2019	(8,000)	Transfer	4,07,021	0.12
			09 Aug 2019	(11,208)	Transfer	3,95,813	0.12
			16 Aug 2019	(1,833)	Transfer	3,93,980	0.12
			23 Aug 2019	(41,702)	Transfer	3,52,278	0.11
			30 Aug 2019	(31,182)	Transfer	3,21,096	0.10
			06 Sep 2019	2,63,554	Transfer	5,84,650	0.18
			13 Sep 2019	(3,02,654)	Transfer	2,81,996	0.09
			20 Sep 2019	39	Transfer	2,82,035	0.09
			27 Sep 2019	(32,728)	Transfer	2,49,307	0.08
			30 Sep 2019	12,843	Transfer	2,62,150	0.08
			04 Oct 2019	(100)	Transfer	2,62,050	0.08
			11 Oct 2019	(9,109)	Transfer	2,52,941	0.08
			18 Oct 2019	(5,726)	Transfer	2,47,215	0.08
			25 Oct 2019	(7,072)	Transfer	2,40,143	0.07
			01 Nov 2019	(11,660)	Transfer	2,28,483	0.07
			08 Nov 2019	(379)	Transfer	2,28,104	0.07
			15 Nov 2019	(607)	Transfer	2,27,497	0.07
			22 Nov 2019	(4,269)	Transfer	2,23,228	0.07
			29 Nov 2019	(20,911)	Transfer	2,02,317	0.06
			06 Dec 2019	(2,986)	Transfer	1,99,331	0.06
			13 Dec 2019	(10,361)	Transfer	1,88,970	0.06

			20 Dec 2019	(33,525)	Transfer	1,55,445	0.05
			27 Dec 2019	(20,117)	Transfer	1,35,328	0.04
			31 Dec 2019	(3,592)	Transfer	1,31,736	0.04
			03 Jan 2020	(7,635)	Transfer	1,24,101	0.04
			10 Jan 2020	(4,412)	Transfer	1,19,689	0.04
			17 Jan 2020	95	Transfer	1,19,784	0.04
			24 Jan 2020	(4,550)	Transfer	1,15,234	0.04
			31 Jan 2020	1,943	Transfer	1,17,177	0.04
			07 Feb 2020	(2,699)	Transfer	1,14,478	0.03
			14 Feb 2020	(419)	Transfer	1,14,059	0.03
			21 Feb 2020	2,829	Transfer	1,16,888	0.04
			28 Feb 2020	(3,673)	Transfer	1,13,215	0.03
			06 Mar 2020	(1,223)	Transfer	1,11,992	0.03
			13 Mar 2020	11,127	Transfer	1,23,119	0.04
			20 Mar 2020	(56,310)	Transfer	66,809	0.02
			27 Mar 2020	(4,481)	Transfer	62,328	0.02
			31 Mar 2020	(475)	Transfer	61,853	0.02
			At The End Of The Year			61,853	0.02
11	Danske Invest Sicav - SIF - Emerging And Frontier Markets SMID II	16,37,600	0.50			16,37,600	0.50
			08 Nov 2019	(1,12,751)	Transfer	15,24,849	0.46
			15 Nov 2019	(1,40,626)	Transfer	13,84,223	0.42
			22 Nov 2019	(33,518)	Transfer	13,50,705	0.41
			29 Nov 2019	(1,00,705)	Transfer	12,50,000	0.38
			06 Dec 2019	(2,15,494)	Transfer	10,34,506	0.31
			13 Dec 2019	(44,506)	Transfer	9,90,000	0.30
			20 Dec 2019	(67,000)	Transfer	9,23,000	0.28
			27 Dec 2019	(1,25,623)	Transfer	7,97,377	0.24
			31 Dec 2019	(36,212)	Transfer	7,61,165	0.23
			03 Jan 2020	(2,76,873)	Transfer	4,84,292	0.15
			10 Jan 2020	(2,17,292)	Transfer	2,67,000	0.08

			17 Jan 2020	(1,17,000)	Transfer	1,50,000	0.05
			24 Jan 2020	(1,50,000)	Transfer	0	0.00
	At The End Of The Year					0	0.00
12	Morgan Stanley France S.A.	9,54,022	0.29			9,54,022	0.29
			03 May 2019	(2,637)	Transfer	9,51,385	0.29
			10 May 2019	(55,533)	Transfer	8,95,852	0.27
			31 May 2019	(21,619)	Transfer	8,74,233	0.27
			07 Jun 2019	(2,10,000)	Transfer	6,64,233	0.20
			14 Jun 2019	(1,100)	Transfer	6,63,133	0.20
			09 Aug 2019	(21,199)	Transfer	6,41,934	0.20
			28 Feb 2020	(6,41,934)	Transfer	0	0.00
	At The End Of The Year					0	0.00
13	Emerging Markets Core Equity Portfolio (The Portfolio) of DFA Investment Dimensions Group Inc. (DFAIDG)	7,80,770	0.24			7,80,770	0.24
			05 Apr 2019	(1,17,543)	Transfer	6,63,227	0.20
			12 Apr 2019	(30,384)	Transfer	6,32,843	0.19
			26 Apr 2019	(65,318)	Transfer	5,67,525	0.17
			03 May 2019	(10,748)	Transfer	5,56,777	0.17
			12 Jul 2019	(16,593)	Transfer	5,40,184	0.16
			19 Jul 2019	(9,160)	Transfer	5,31,024	0.16
			09 Aug 2019	(42,282)	Transfer	4,88,742	0.15
			08 Nov 2019	(2,02,944)	Transfer	2,85,798	0.08
			15 Nov 2019	(1,79,711)	Transfer	1,06,087	0.03
			07 Jan 2020	(1,06,087)	Transfer	0	0.00
	At The End Of The Year					0	0.00
14	Chandra Shekhar	34,06,784	1.04			34,06,784	1.04

Rajan (On behalf of a Trust)							
At The End Of The Year						34,06,784	1.04

- Note: 1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 328960027 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

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 (01-04-19 to 31-03-20)	
		No. of shares at the beginning the year / end of the year (31-03-19)	% of total shares of the company				No. of shares	% of total shares of the company
1	Chandra Shekhar Rajan Nominee Director	-	-	-	-	-	-	-
	At The End Of The Year	-	-	-	-	-	-	-
2	Vineet Nayyar Nominee Director	-	-	-	-	-	-	-
	At The End Of The Year						-	-
3	Nand Kishore Nominee Director	-	-	-	-	-	-	-
	At The End Of The Year						-	-
4	Bijay Kumar Nominee Director	-	-	-	-	-	-	-

	<i>(effective May 21, 2019)</i>							
	At The End Of The Year	-	-	-	-	-	-	-
5	Dilip Bhatia CEO	666	Negligible	-	-	Nil movement during the year	666	Negligible
	At The End Of The Year						666	Negligible
6	Shaivali Parekh CFO <i>(upto January 31, 2020)</i>	158	Negligible	-	-	Nil movement during the year	158	Negligible
	At The End Of The Year						158	Negligible
7	Mohit Bhasin CFO <i>(effective February 1, 2020)</i>	-	-	-	-	-	-	-
	At The End Of The Year							
8	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

V. Indebtedness

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

(Rs in Cr)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	8,690	6,740	-	15,430
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	208	332	-	540
Total (i+ii+iii)	8,898	7,072	-	15,970
Change in Indebtedness during the financial year				
• Addition	169	8	-	177
• Reduction	-	-	-	-
Net Change	169	8	-	177
Indebtedness at the end of the financial year				
i) Principal Amount	8,848	6,743	-	15,591
ii) Interest due but not paid	219	337	-	556
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	9,067	7,080	-	16,147

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Not Applicable since the Company has not appointed Managing Director / Whole Time Director during the year under review.

B. Remuneration to other directors:

(Amount in Rupees)

Sl no.	Particulars of Remuneration	Name of Directors				Total
		Mr. C.S Rajan	Mr. Nand Kishore	Mr. Vineet Nayyar	Mr. Bijay Kumar*	Amount
1	Independent Directors					
	- Fee for attending board/ committee meetings	-	-	-	-	-
	- Commission	-	-	-	-	-
	- Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors					
	- Fee for attending board/ committee meetings	3,40,000	3,40,000	-	1,50,000	8,30,000
	- Commission	-	-	-	-	-
	- Others, please specify	-	-	-	-	-
	Total (2)					8,30,000
	Total (B)=(1+2)					8,30,000
	Total Remuneration(A+B)					8,30,000

* Mr. Bijay Kumar appointed on Board effective May 21, 2019

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	§Mohit Bhasin CFO	Total
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	53,51,582	184,44,768	43,53,865	18,33,334	2,99,83,549
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	8,20,737	54,564	-	-	8,75,301
	(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, (Contribution to Providend Fund, Superannuation Fund & Gratuity)	-	15,85,789	2,84,620	-	18,70,409
5.	Others, (Performance Related Pay)	-	-	-	-	-
	Total	61,72,319	2,00,85,121	46,38,485	18,33,334	3,27,29,259

Ms. Shaivali Parekh resigned as Chief Financial Officer effective January 31, 2020.

§ Mr. Mohit Bhasin appointed as Chief Financial Officer effective February 1, 2020.

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	-	-	-	-	-

By the Order of the Board

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

Sd/-
Nand Kishore
Director
(DIN: 08267502)
Noida

December 7, 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	Experience (In Yrs)	Age (Yrs)	DOJ	Remuneration (Rs.)	Previous Employment
1	DILIP BHATIA	CHIEF EXECUTIVE OFFICER	B Com, CA	26	52	24-08-2015	20,085,116	Ace Derivatives and Commodity Exchange Limited
2	SURESH CHAND MITTAL	HEAD-IMPLEMENTATION	Btech (Civil); Mtech (Structural Eng)	40	61	1-01-2017	13,321,229	Indian Railways Services of Engineers
3	MOHIT BHASIN*	SENIOR VICE PRESIDENT	B.com;CA	23	50	9-01-2020	1,833,334	Caparo India Operations
4	MANISH AGARWAL	SENIOR VICE PRESIDENT	BE (Civil); M.Tech	32	53	1-08-2007	8,055,761	National Highways Authority of India
5	MILIND GANDHI*	VICE PRESIDENT	B.com;CA	21	46	6-02-2020	1,214,286	Cox & Kings Financial Service limited
6	AJAY MENON	VICE PRESIDENT	B.Com, MBA (YCMOU)	37	57	1-03-2002	7,236,270	Infrastructure Leasing & Financial Services Limited
7	SANJAY ARORA	VICE PRESIDENT	MBA (HR); B.Com; Adv Dip Admin Mgt., Dip in Computer Application	28	47	7-05-2008	6,448,667	SME Rating Agency of India Ltd
8	VIJAY KINI	VICE PRESIDENT	M.Com; A.I.C.W.A.I	29	53	1-08-2007	6,429,004	WIMCO Limited
9	PARAG PHANSE	VICE PRESIDENT	B.E. Civil. M.E. (Const)	24	47	1-04-2017	6,255,188	Consulting Engineering Services (india) Pvt. Ltd.
10	KRISHNA GHAG	VICE PRESIDENT	B.Com; LLB; DFM; FCS	40	62	1-10-2016	6,172,319	NELCO Limited (A Tata Group Company)

* Indicates earning for part of the year

Notes:

1. 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
2. None of the employee mentioned above hold more than 2% of the shares of the Company, along with their spouse and dependent children
3. Remuneration includes salary, various allowances, performance incentives, leave encashment, contribution to provident fund, superannuation fund, gratuity fund and taxable
4. All appointments are contractual and terminable by notice on either side

By the Order of the Board

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

Sd/-
Nand Kishore
Director
(DIN: 08267502)
Noida

December 7, 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 2019-20	Not Applicable*
2.	The percentage increase/(decrease) in remuneration of MD, ED, CFO & CS during the financial year 2019-20	(i) MD: Not Applicable** (ii) ED: Not Applicable** (iii) CEO: Not Comparable*** (iv) CFO: Not Comparable**** (v) CS: Decrease by 10%
3.	The percentage increase in the median remuneration of employees in the financial year	There was a decrease by 12% in the median remuneration of employees during FY 2019-20
4.	The number of permanent employees on the rolls of the Company	There were 101 employees on the rolls of the Company as on March 31, 2020
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 (effective October 1, 2019) in the last financial year was 5% over the previous year (ii) Not Applicable
6.	Affirmation that the remuneration is as per the managerial remuneration policy of the Company	Yes, it is confirmed

Notes:

* None of the Director was paid remuneration except sitting fees during FY 2019-20

** The Company had not appointed MD/ED during FY 2019-20

***Mr. Dilip Bhatia was appointed as CEO effective November 15, 2018 which is for 4.5 months of FY 2018-19 and therefore comparative figures cannot be provided.

****Mr. Mohit Bhasin was appointed as CFO effective February 1, 2020 and therefore the comparative figures cannot be provided.

****Ms. Shaivali Parekh was appointed as CFO for the period from December 13, 2018 upto January 31, 2020 which falls in between 2 financial years and therefore the comparative figures cannot be provided.

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) Dr. Jagadip Narayan Singh 2) Mr. Chandra Shekhar Rajan 3) Mr. Nand Kishore
3.	Average net profit/ (loss) of the Company for last three financial years	Rs. (5446.10) Crore
4.	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)	Nil
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	a) Nil b) Not Applicable c) Not Applicable
6.	Reason for not spending the amount	In view of the losses incurred, the Company was not required to spend any amounts on CSR activities.

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

Sd/- Dilip Bhatia Chief Executive Officer	Sd/- Dr. Jagadip Narayan Singh Chairman, CSR Committee
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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 acts</p>

Sr No	Parties / Case No.	Adjudicating Authority	Date of Order	Particulars
				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>i.e.</i> , 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
				<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>
6	<p>Union of India vs IL&FS and Ors. (Company Appeal (AT) no. 346 of 2018)</p>	<p>National Company Law Appellate Tribunal, New Delhi</p>	<p>February 11, 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 NCLAT. 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 resolution of such "Green" Entities should be within the</p>

Sr No	Parties / Case No.	Adjudicating Authority	Date of Order	Particulars
				'Resolution Framework' which was placed before the Hon'ble NCLAT <i>vide</i> 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	<p>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.</p> <p>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.</p>
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	<p>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:</p> <p>(a) For IL&FS and IFIN: Borkar & Mazumdar & Co;</p>

Sr No	Parties / Case No.	Adjudicating Authority	Date of Order	Particulars
				<p>(b) For ITNL: M/s. G.M. Kapadia & Co.</p> <p>Further, the NCLT appointed the following chartered accountants for auditing the reopened and re-cast accounts of IL&FS, IFIN and ITNL:</p> <p>(a) For IL&FS and IFIN: M/s. CNK Associates LLP;</p> <p>(b) For ITNL: M/s. M. M. Chitale & Co.</p>
10.	Union of India vs IL&FS and Ors. Company Appeal (AT) No. 346 and 347 of 2018)	National Company Law Appellate Tribunal, New Delhi	March 12, 2020	<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: Not Applicable

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

Sr. No.	Particulars	RPT – 1
1.	Name(s) of the related party and nature of relationship	Jharkhand Road Projects Implementation Company Limited – Subsidiary
2.	Nature of contracts / arrangements / transactions	Routine O&M and Major Maintenance works
3.	Duration of the contracts / arrangements / transactions	From FY 2019-20 till end of the Concession
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	1. Routine O&M works for 5 road projects at a price of Rs 13.86 Crore for FY 2019-20 with an escalation of 5% p.a. 2. Periodic/Major Maintenance works at a price as follows: 1 st Cycle – Rs. 89.45 Crore 2 nd Cycle – Rs. 102.76 Crore

		3 rd Cycle–Rs. 131.14 Crore
5.	Date(s) of approval by the Board/O&M Committee, if any	November 21, 2019
6.	Amount paid as advances, if any (Gross amount disbursed)	-

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

Sd/-
Chandra Shekhar Rajan
Director
DIN: 00126063
Jaipur

Sd/-
Nand Kishore
Director
DIN: 08267502
Noida

December 7, 2020

MANAGEMENT DISCUSSION AND ANALYSIS

1. **Global Economy – Overview:**¹

Following its weakest performance since the global financial crisis, the world economy is poised for a modest rebound this year.

Global growth is projected at –4.9 percent in 2020, 1.9 percentage points below the April 2020 World Economic Outlook (WEO) forecast. The COVID-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated, and the recovery is projected to be more gradual than previously forecast. In 2021 global growth is projected at 5.4 percent. Overall, this would leave 2021 GDP some 6½ percentage points lower than in the pre-COVID-19 projections of January 2020. The adverse impact on low-income households is particularly acute, imperilling the significant progress made in reducing extreme poverty in the world since the 1990s.

Near-term global financial stability risks have been contained as an unprecedented policy response to the coronavirus (COVID-19) pandemic has helped avert a financial meltdown and maintain the flow of credit to the economy.

The COVID-19 pandemic has led to a deep global recession. The pandemic, and the aggressive restrictions and voluntary restraints on human interaction adopted to contain it, have already led to massive downturns in advanced economies, and to increasing disruptions in EMDEs. Global growth forecasts have been downgraded at an unusually rapid pace over the past three months. The uncertain course of the pandemic, in the absence thus far of effective vaccines or treatments, has caused extraordinary economic uncertainty, including about the possible depth and duration of the global recession, and about how different countries will be affected.

2. **Impacts of the COVID-19:**

The pandemic is expected to plunge most countries into recession in 2020, with per capita income contracting in the largest fraction of countries globally since 1870. Advanced economies are projected to shrink 7 percent. That weakness will spill over to the outlook for emerging market and developing economies, who are forecast to contract by 2.5 percent as they cope with their own domestic outbreaks of the virus.

The June 2020 Global Economic Prospects describes both the immediate and near-term outlook for the impact of the pandemic and the long-term damage it has dealt to prospects for growth. The baseline forecast envisions a 5.2 percent contraction in global GDP in 2020, using market exchange rate weights—the deepest global recession in decades, despite the extraordinary efforts of governments to counter the downturn with fiscal and monetary policy support. Over the longer horizon, the deep recessions triggered by the pandemic are expected to leave lasting scars through lower investment, an erosion of human capital through lost work and schooling, and fragmentation of global trade and supply linkages.

¹Global Outlook – Pandemic, Recession: The Global Economy in Crisis

3. Indian Economy – Overview:

The economy of India is characterised as a developing market economy. It is the world's fifth-largest economy by nominal GDP and the third-largest by purchasing power parity.

The Economy has been majorly impacted on account of the pandemic, this is evident from the fact that the economic growth has been directly related and have been fluctuating with the intensity of the spread of the pandemic. Further, the pandemic impacted the GDP to shrunk by 23.9% during the first quarter of the financial year. The International Monetary Fund (IMF) has reported the impact of the pandemic of India was uniquely intense.

Global pandemic and challenges in the domestic financial sector moderated the growth of Indian economy in 2020-21. The real GDP growth moderated to -8.6 per cent in 2020-21 as compared to 5 per cent in 2019-20. Despite a temporary moderation in the Gross Domestic Product (GDP) growth in 2019-20, GDP growth is expected to rebound from the third quarter of 2020-21.²

4. India's infrastructure opportunity:

Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads and urban infrastructure development. India was ranked 44th out of 167 countries in World Bank's Logistics Performance Index (LPI) 2018. India is ranked second in the 2019 Agility Emerging Markets Logistics Index.

In FY20, the cumulative growth of the eight core industries stood at 0.6%. In the road's sector, the Government's policy to increase private sector participation has proved to be a boon for the infrastructure industry as many private players are entering the business through the public-private partnership (PPP) model. India is expected to become the third largest construction market globally by 2022. India plans to spend US\$ 1.4 trillion on infrastructure projects through the National Infrastructure Pipeline (NIP), from 2019 to 2023, to ensure sustainable development in the country.

As per figures of the India Brand Equity Foundation infrastructure sector in India has a requirement of investment worth rupees trillion (US\$ 777.73 billion) by 2022 to have sustainable development. Only 24 per cent of the highways in India is four-lane, therefore the scope of improvement and work is immense. In view of the opportunities and to cope up with the target of sustainable development initiatives like 'Housing for All' and 'Smart City Mission' have been introduced. Further 100% FDI has been permitted in the infrastructure sector. The sector has been the one of the largest receivers of the FDI inflows into the country.

² Global Macro Outlook 2020 (Updated as April, 2020)

The government has suggested the investment of Rs 5,000,000 Crore (US\$ 750 billion) for railways infrastructure between 2018-2030 and in constructing roads worth Rs 15 lakh Crore (US\$ 212.80 billion) between 2020-2023.

5. Road sector:

India with a total road network of 5.5 mn Km comprises of national & state highways and urban & rural roads. National highways account for 2% of the total road network and carry over 40% of total traffic.

Highway construction in India increased at 20.57% CAGR during FY14–FY19. In FY19, 10,855 km of highways were constructed. NHAI (National highways Authority of India) will be able to generate revenue of Rs 1 lakh Crore (US\$ 14.31 billion) from toll and wayside amenities during 2019–23. In April 2020, the Government set a target of constructing roads worth Rs 15 lakh Crore (US\$ 212.80 billion) in the next two years.

The construction pace has been declined on account of the pandemic but is not lower than the expected decrease in the rate. The construction rate has been surged to 21.2% in 2020-2021 than 24.37% in 2018-19. The ministry has in its official report stated that in the month from Aril to August the construction of the highways stood to 3181 kms more than what it was expected.³

India has a well-developed framework for Public-Private-Partnerships (PPP) in the highway sector. Asian Development Bank ranked India at first spot in PPP operational maturity and also designated India as a developed market for PPPs.

6. Threats

Considering that no further developmental works will be undertaken by the Company, the factors that can threaten the business shall emerge if disruptions are encountered in collection of toll revenues on account of the following:

- (i) Disruptions on account of COVID 19 and the resultant actions of the government that may restrict the movement of goods and services including passenger movement. Post lockdown period, the opening up of the economy has been gradual and it has attendant impact on the traffic and the revenue.
- (ii) Any change in traffic growth rate will significantly impact earning potential. All toll revenues depend on number of vehicles plying on the road and may be affected with changes in traffic volumes. The traffic volume is directly or indirectly affected by factors beyond the Company's control such as toll rates, fuel prices, affordability of automobiles, and the quality, convenience and travel time on alternate routes.

³ <https://www.financialexpress.com/infrastructure/roadways/april-august-highway-construction-decent-but-at-lowest-in-three-years/2074197/>

- (iii) Availability of alternate means of transport such as rail networks and air transport may also affect traffic volumes. Moreover, these cash flows are also affected by seasonal factors as the traffic tends to decrease during monsoon but increases during holiday seasons.

7. Operational Performance

Upon suspension of the construction activities at all the ongoing projects post September 2018, the Company continued with the Operation and Maintenance (“O&M”) activities of the SPVs in order to maintain the going concern status and to perform its obligations under the Concession Agreements through Elsamex Maintenance Services Limited, a wholly owned subsidiary of the Company.

The discussions initiated with the respective Concessioneing Authorities for foreclosure/ termination of incomplete / partially incomplete projects has progressed albeit at a relatively slower pace due to various complexities involved. The Company with sustained follow up has been able to conclude negotiations with concessioneing authorities for amicable foreclosure of 5 projects (including through the mechanism of Conciliation Committee of Independent Experts) and has received compensation awards of approx. Rs. 2,700 Crore. The Company is in the process of seeking requisite approvals including from Hon’ble Justice D.K. Jain and NCLT for realization of the compensation amounts

The outcome of discussions with authorities is provided below:

(i) Beawar Gomti Road Project

Due to failure on the part of the Ministry of Road Transport & Highways (MoRTH/the Authority) to provide encumbrance free land for 4 laning, the work was stopped in September 2015 and thereafter notice of termination was issued by ITNL Road Infrastructure Development Company Limited to the Authority. Discussions were held with the officials of the Authority in this connection where after a settlement was reached under which a one-time settlement amount of ₹ 144.08 Crore was paid by the Authority on February 19, 2020 and the project has been transferred back to the Authority on February 25, 2020.

(ii) Srinagar Sonamarg Tunnel Project

Srinagar Sonamarg Tunnelway Limited, a special purpose vehicle had undertaken the construction of Z-Morh Tunnel in the State of J&K. After completion of approx. 28% of the work, the project works had to be suspended in July 2018 due to inability of the Company to fund the project. Pursuant to the discussions and in line with the new policy guidelines notified by MoRTH on March 9, 2019 for resolution of stuck projects, NHIDCL has agreed to foreclose the Concession on payment of full and final settlement amount. NHIDCL have determined settlement amount payable but release of payment is held up due to pending litigations and insistence of authority to adjust dues of Zojila project being executed by the Company from the amounts payable to SSTL. The project will be transferred back to NHIDCL once issues are resolved and upon receipt of settlement amount.

(iii) Amravati-Chikhli Road Project

Amravati Chikhli Expressway Limited (ACEL), a special purpose vehicle had undertaken the development works of the Four - laning of Amravati-Chikhli in the State of Maharashtra. After achieving progress of approx. 22%, construction works were suspended in July 2018 due to financial problems faced by the Company. The Company could not achieve Financial Close due to unwillingness of Banks to finance the project. Pursuant to the discussions and in line with the new policy guidelines notified by MoRTH on March 9, 2019 for resolution of stuck projects, NHAI has agreed to foreclose the Concession on payment of full and final settlement amount. NHAI through Conciliation Committee of Independent Experts (CCIE) mechanism has determined settlement amount payable. The Company is in the process of finalizing the settlement agreement with NHAI, post which it will seek all requisite approvals including Hon'ble NCLT. The project will be transferred to NHAI upon receipt of settlement amount then

(iv) Fagne Songadh Road Project

Fagne Songadh Expressway Limited (FSEL), a special purpose vehicle had undertaken the development works of the Four - laning of Fagne Songadh in the State of Maharashtra. After achieving progress of approx. 66%, the work on the project had to be suspended since July 2018 due to inability to fund the project. Pursuant to the discussions and in line with the new policy guidelines notified by MoRTH on March 9, 2019 for resolution of stuck projects, NHAI has agreed to foreclose the Concession on payment of full and final settlement amount. NHAI through CCIE mechanism have determined settlement amount final settlement amount. NHAI through CCIE mechanism has determined settlement amount payable and the settlement agreement has been finalized. The Company is in the process seeking all requisite approvals including Hon'ble NCLT post which it will execute the settlement agreement and transfer the project to NHAI upon receipt of settlement amount

(v) 8 Rail Over Bridges Project

Gujarat Rail Bridge Development Company Limited, the special purpose vehicle was awarded the project for developing 8 Rail Over Bridges ("the Project") by the Roads and Building Department (R&B), Government of Gujarat ("the Authority") on BOT Annuity basis. After completion of approximately 12% of the Project, the work at the project had to be suspended in August 2018 due to inability of the Company to raise funds for further development. Proposals were invited from the interested bidders for stake sale. However, since no bidder submitted binding proposal the Authority has been requested to consider foreclosure of project applying similar to MoRTH Policy Guidelines.

(vi) Kiratpur Ner Chowk Road Project

Kiratpur-Ner Chowk Expressway a special purpose vehicle had undertaken the development of Four laning of Kiratpur-Ner Chowk section in the state of Punjab & Himachal Pradesh. However, on account of failure on the part of the Authority to provide encumbrance free land for the work, the Company had

notified the Authority of their defaults with a request to compensate the financial losses. Pursuant to the discussions and in line with the new policy guidelines notified by MoRTH on March 9, 2019 for resolution of stuck projects, NHAI has agreed to foreclose the Concession on payment of full and final settlement amount. NHAI through CCIE mechanism has determined settlement amount payable and the settlement agreement has been finalized. The Company is in the process seeking all requisite approvals post which it will execute the settlement agreement and transfer the project to NHAI upon receipt of settlement amount.

(vii) Khed Sinnar Road Project

Khed Sinnar Expressway Limited, a special purpose vehicle had undertaken the development of Four Laning of Khed-Sinnar Section in the State of Maharashtra. While the project achieved provisional completion for 76%, work on remaining length could not be completed because the Authority has not been able to handover the land for construction of 5 bypasses totaling approx. 25 km length even after a considerable period of time. As a result the project remained incomplete and could not achieve commercial operation date. The authority was informed of their default and thereafter termination notice was sent to the Authority. After discussions, NHAI has agreed for termination of the project on Authority event of Default and determined termination amount payable. through CCIE mechanism. The Company is in the process of finalizing the settlement agreement with NHI, post which it will seek all requisite approvals including Hon'ble NCLT. The project will be transferred to NHAI upon receipt of settlement amount then

(viii) Barwa Adda Road Project

Barwa Adda Expressway Limited had suspended construction works after completion of work on 81% length due to non-handing over of land by NHAI. The completed length of the project is under commercial operation and Company is collecting toll as per provisions of Concession Agreement. Now almost entire balance land has been acquired by NHAI and therefore NHAI wants to complete the balance works. However, due to financial problem faced by the Company, BAEL has requested NHAI to make available funds for completion of balance works under One Time Fund Infusion Scheme (OTFIS) of NHAI. Proposal submitted by BAEL on 3rd March 2020 was turned down by NHAI and therefore revised proposal for revised sum of OTFI has been submitted on September 04, 2020. Proposal is under consideration of NHAI.

(ix) North Karnataka Road Project

The Concession period of the project has ended on 19th Dec 2019 and after completion of all works as per provisions of Concession Agreement, project has been transferred back to NHAI with effect from 14th Feb 2020.

(x) 24 Border Check post Project

The Company had completed works on 19 check posts and 2 central controls and same are under operation. Due to non-handing over of land for remaining 5 check posts by the Concessioneing Authority, Company suffered financial losses and notified the Authority of their defaults under the Concession

Agreement. Company requested the Authority to compensate financial losses. However, Authority denied its default and did not agree to pay compensation sought by the Company. Due to continued defaults of Authority, Company sent the final termination notice for terminating the Concession Agreement on Authority event of default on October 31, 2018 and on November 3, 2018 initiated Arbitration proceeding before the Madhya Pradesh Arbitral Tribunal ("MPAT") under section 7 of The Madhya Pradesh Madhyastham Adhikaran Adhiniyam, 1983. Matter is pending before the Arbitral Tribunal.

Projects under operation

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

As on date the following 16 road projects of the Company are under operations and maintenance:

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

Divestment Initiatives

Pursuant to the publicly solicited bid process in the domestic roads vertical, held by the Company, out of the binding bids received for 10 Special Purpose Vehicles (SPVs) of the Company on August 30, 2019, the bids were accepted for the following 5 SPVs:

- (a) Jharkhand Infrastructure Implementation Company Limited (JIICL);
- (b) Chenani Nashri Tunnelway Limited (CNTL);
- (c) Jorabat Shillong Expressway Limited (JSEL);

- (d) Hazaribagh Ranchi Expressway Limited (HREL) and
- (e) Pune Sholapur Road Development Company Limited (PSRDCL)

Out of above, bids for 2 SPVs could not be progressed -

- PSRDCL - due to withdrawal of prospective buyer because of uncertainties including those caused due to outbreak of COVID-19 and
- HREL – due to ongoing legal matters with SPV lenders, whereby it was ascertained that obtaining SPV lender consent was not possible

In accordance with the resolution framework the process of obtaining various approvals namely, the Committee of Creditors of the respective SPVs, approvals of the Board of Directors of the Company and IL&FS and Hon'ble Justice D. K. Jain has been completed for CNTL and JSEL and the Company has / is in the process of execution of the Share Purchase Agreements subsequent to which the same will be submitted to the Hon'ble NCLT and concerned concessioning authority for their approval. In case of JIICL, the divestment process has been delayed due to on-going issue of non-receipt of annuity from the concessioning authority.

Setting up of Infrastructure Investment Trust (InvIT) as a resolution for creditors

As stated in the previous year's Report, the Company had decided to set up Infrastructure Investment Trust (InvIT) under Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 ("**InvIT Regulations**") for the remaining road assets of the Company. InvIT is considered as preferred option of resolution as it is likely to facilitate potentially higher value realization for all stakeholders.

InvIT as a mode of resolution was identified by the New Board as part of the Resolution Framework⁴ in Second Addendum to the Third Progress Report dated December 5, 2019 which in turn was filed by the Ministry of Corporate Affairs (MCA) with the National Company Law Appellate Tribunal ("**NCLAT**") *vide* an affidavit dated January 9, 2020 and was reiterated *vide* an affidavit filed by the MCA with the Hon'ble NCLAT on February 7, 2020. Subsequently, the NCLAT, has approved in entirety the resolution procedure for the IL&FS group of companies ("**IL&FS Group**") set out by the MCA in its affidavits, *vide* its order and judgment dated March 12, 2020 (the "**March 12 Order**"). A brief outline in respect of the proposed InvIT (and the process to be followed) has also been outlined in the affidavit filed by the Ministry of Corporate Affairs, Union of India before the Hon'ble NCLAT on January 9, 2020.

Your Company has therefore incorporated a new subsidiary, Roadstar Infra Private Limited ("**Sponsor**") to act as sponsor for the InvIT under the InvIT Regulations. The Company subsequent to March 31, 2020 and after receiving of all requisite approvals has –

⁴As set out in *Third Progress Report – Proposed Resolution Framework for the IL&FS Group* dated December 17, 2018 (**Third Report**), the *Addendum to the Third Report* dated January 15, 2019 (**First Addendum**) and the *Second Addendum to the Third Report* dated December 5, 2019 (**Second Addendum**), and approved by Hon'ble National Company Law Appellate Tribunal *vide* its order dated March 12, 2020

- Subscribed to the share capital of the Sponsor and infused Rs. 75 Crores in its equity capital.
- Transferred along with ITNL Road Infrastructure Trust (IRIT, whose sole beneficiary is the Company) 93.5% stake held in North Karnataka Expressway Limited (“NKEL”), to the Sponsor in exchange for fresh equity shares issued by the Sponsor to the Company and IRIT.

This coupled with the fresh capital infusion by the Company (Rs 75 Cr) enabled the Sponsor to meet the net worth requirements as specified in InvIT Regulations

The investment trust under the name of Roadstar Infra Investment Trust (hereinafter also referred as the “**InvIT**”) has been settled by the Sponsor and a Trust Deed was executed on October 6, 2020 with Axis Trustee Services Limited (the Trustee”) appointed as Trustee to the InvIT. The Trustees have thereafter appointed NKEL as the Investment Manager and Elsamex Maintenance Service Ltd (“**EMSL**”) as the Project Manager under the InvIT Regulations for the companies proposed to be transferred to the InvIT. NKEL is having the requisite experience in the development and maintenance of road infrastructure and meets all other required criteria to act as the Investment Manager to the Trust.

In order to have the proposed InvIT implemented in a timely manner, the Company plans to transfer the SPVs to the proposed InvIT in two phases as follows:

Sr. No.	Asset	Phase of Implementation
1	Baleshwar Kharagpur Expressway Limited (“ BKEL ”)	Phase - I
2	Jharkhand Road Projects Implementation Company Limited (“ JRPICL ”)	
3	Moradabad Bareilly Expressway Limited (“ MBEL ”)	
4	Sikar Bikaner Highway Limited (“ SBHL ”)	
5	Barwa Adda Expressway Limited (“ BAEL ”)	
6	East Hyderabad Expressway Limited (“ EHEL ”)	
7	West Gujarat Expressway Limited (“ WGEL ”)	
8	Hazaribagh Ranchi Expressway Limited (“ HREL ”)	Phase - II
9	Pune Sholapur Road Development Company Limited (“ PSRDCL ”)	
10	Road Infrastructure Development Company of Rajasthan Limited (“ RIDCOR ”)*	
11	Trivandrum Road Development Company Limited (“ TRDCL ”)	

The InvIT would take over the shareholding and receivables of the Company from these identified SPVs and issue units of equivalent value to the Company. Such units would, in turn, form the corpus of assets of the Company and would be distributed amongst the creditors of the Company through a placement memorandum pursuant to an initial offer in terms of the InvIT Regulations followed by listing of such Units (the “Offer”). Such private placement of Units to the Creditors of the Company pursuant to the Offer (along with other cash / assets at the Company) will be made in accordance with the Company’s distribution plan developed in accordance with the Resolution Framework approved by NCLAT after receipt of necessary approvals (including the approval from the Hon’ble NCLT).

The Company has completed appointment of various advisors for the set-up of InvIT including merchant banker, counsels for the Company and the InvIT and legal counsels for the merchant banker.

In-principle approval was received from SEBI for registration of the InvIT under the InvIT Regulations on September 2, 2020. Application for final registration has been submitted to SEBI on November 13, 2020.

For the transfer of the SPVs to the InvIT, a valuation exercise through independent valuers has been undertaken to determine the Fair Market Value (FMV) at which the SPVs can be transferred to the InvIT. The key inputs required for determining such FMV are revenue projections obtained through traffic study (for toll projects) and the O&M and Major maintenance expenses expected to be incurred in the project life cycle as obtained from the technical studies conducted by independent consultants.

The Company has also initiated the process of obtaining consent from the Committee of Creditors (“CoC”) formed for the Company. The Company has also initiated independent traffic/technical studies for the toll projects proposed under Phase-II entities.

The Company expects to complete the setup of the InvIT and transfer of the SPVs to the said InvIT by the end of financial year 2021.

Divestments initiated for International Subsidiaries

As informed in the report of FY 2018-19, the Company had initiated steps toward divestment and resolution of its direct and indirect international subsidiaries. The progress achieved in respect of the key subsidiaries in this regard is given below:

- (i) The divestment process for 49% stake held in Chongqing Yuhe Expressway Limited, China by ITNL International Pte Ltd (I IPL), a wholly owned subsidiary of the Company has progressed significantly and the same is expected to be completed by Q4 FY 21.
- (ii) In case of Dubai operations of I IPL 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. Consequently, the Authority terminated the concession agreement and took over the project. With no material assets left in IIDL and IIDMCC, the Board of

Directors resolved to file application for insolvency of these entities. Accordingly, upon seeking clearance by Hon'ble Justice Jain and noting by NCLT, requisite application has been filed in the Dubai Court on September 23, 2020 and matter is under consideration.

- (iii) It was decided to close the IIPL operations in US and all the assets of that entity were sold and contracts completed / terminated. The Company is in the process of closing down the entity under USA laws and regulations.
- (iv) The Board of Elsamex S.A.U., Spain, a subsidiary of IIPL, after evaluating all available options for resolution of the Company (including an attempt over 9 months to restructure the debt of the entity, which could not be progressed due to lack of agreement between all lenders of the entity) had resolved to file an application for voluntary insolvency of the Company. However, the process for filing of insolvency could not be progressed due to delay in submission of the application with the Courts in Madrid, Spain by the local management of the entity and thereafter on account of declaration of State of Alarm by the State in Spain. However, in the meanwhile, one of the creditors of Elsamex S.A.U. filed an application for its mandatory insolvency in March 2020. The said application was admitted, and judicial Insolvency Administrator appointed by the Madrid Mercantile Court on July 31, 2020.

The Insolvency Administrator considered and recommended a proposal by the local management to buy the sustainable business of Elsamex S.A.U and its subsidiaries at a value of EUR 5,000 including the debts of Elsamex except excluded debt. The excluded debts include (a) Group Debt and receivable, (b) Debts related to African projects, (c) liabilities arising out of the court order in Belate Tunnel matter wherein compensation has been awarded against Elsamex. The Management proposal was supported by a majority of the lenders of Elsamex S.A.U. The proposal was accepted by the Court on October 9, 2020.

The remaining assets which are not part of the sustainable business of Elsamex shall be liquidated by the Administrator. All the Shareholder/Group Debt including receivables from Elsamex are subordinated claims under the Insolvency Laws of Spain and will be resolved by the Administrator from the proceeds of liquidation.

- (v) ITNL Offshore Pte Ltd (IOPL), a wholly owned subsidiary in Singapore has been admitted to insolvency by the Singapore Court in the application filed by the Trustee of the Note holders. The Administrator has been appointed by the Court and the actions for liquidation are in process.

8. Risks and Concerns

Given the developments mentioned above, from the Company's standpoint, the situation remains critical and the key concerns and risk envisaged are as under:

- (a) Completion of Divestment process for assets where binding bids have been accepted, in time bound manner to ensure resolution of these entities;

- (b) Achieving timely settlements of incomplete roads projects and other compensation claims with respective Concessioneing Authorities. Majority of these settlements are subject to judicial process;
- (c) Set up of InvIT platform after seeking all requisite approvals for transfer of ownership and economic benefit of the underlying SPVs to the creditors of the IL&FS Group Holdcos having exposure to these SPVs;
- (d) Completion of the Resolution process in accordance with approvals received from Hon'ble NCLAT;
- (e) Monitoring and reviewing the liquidity position of the Company, with assistance from the External Resolution Consultant appointed by the New Board on key oversight functions such as (i) Preparing monthly cash budget (ii) Reviewing operational issues, (iii) Tracking key liquidity parameters, and (iv) Identifying avenues for cash generation/ preservation.

(f) Revenues from toll road projects

The revenue from toll collections will be significantly affected during the current financial year owing to restricted movement of fleet across various modes of transport because of Covid-19 outbreak that has put most of the country in a lockdown. However the down side is mitigated to some extent due to better than expected rebound in the traffic and resultant toll collections in the recent months post lifting of COVID-19 lock down

In addition, since a significant portion of the Company's operational assets are toll-driven; any change in traffic growth rate will significantly impact earning potential. All toll revenues depend on number of vehicles plying on the road and may be affected with changes in traffic volumes. The traffic volume is directly or indirectly affected by factors beyond the Company's control such as toll rates, fuel prices, affordability of automobiles, and the quality, convenience and travel time on alternate routes. In addition, the availability of alternate means of transport such as rail networks and air transport may also affect traffic volumes. Moreover, these cash flows are also affected by seasonal factors as the traffic tends to decrease during monsoon but increases during holiday seasons. The Company tries to maintain a balance between the annuity and toll projects and also looks to securitise future cash flows from toll receipts to reduce risk impact

In view of the Company not undertaking any project development/construction activities at present there will be no risks related to Project Financing, Cost Overruns, Internal & External Credit Shortfall , Participation of Banks, Land Delays, Environment, Health and Safety issues relating to construction activities.

9. Outlook

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 Board has put in place a resolution framework to have a timely resolution process, which 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

expects to make significant progress on various initiatives describe above in the year ending March 2021.

10. Internal Control Systems and their Adequacy

The 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).

The normal business operations of the Company as they existed until September 30, 2018 have ceased. The New Board has taken certain steps to continue the current operations of the Company and its operational project SPVs and is focused on achieving resolution as mandated by NCLAT.

An internal audit is carried out by independent Chartered Accountant firm which report findings and observations directly to the Audit Committee. The Internal Auditor's scope and authority are derived from the Internal Audit Plan which is approved by the Audit Committee at the beginning of each financial year.

Internal audits are conducted at periodic intervals and cover operations, accounting and finance, treasury, secretarial and administration functions. They also review the SOPs and report on the adequacy and effectiveness of internal controls, including internal controls on financial reporting. They also provide special reference to compliances, based on the audit plan. Internal audit reports are placed before the Audit Committee at regular intervals for review, discussion and suitable action.

Every employee plays a key role in fostering a strong internal control environment of responsibility, accountability and ethical behaviour

11. Financial and Operational Performance

Standalone

During 2019-20, the Company's reported gross revenue of ₹ 232.42 Crore compared to ₹ 786.24 Crore in the previous year.

Earnings before interest, tax, depreciation and amortisation (EBITDA) reduced to ₹ (168.30) Crore in 2019-20 compared to ₹ (931.65) in 2018-19.

Financing cost for the year was ₹ 16.70 Crore compared to ₹ 1,275.55 Crore. The lower finance cost is on account of non-recognition of finance cost for the period April 1, 2019 to March 31, 2020 in view of the NCLAT approving the cut-off date of October 15, 2018 in terms of the Resolution Framework submitted by the New Board vide its Judgement dated March 12, 2020.

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. The Board in consultation with the Management has performed an assessment to determine the recoverability of the carrying amounts of the investments, loans, trade and other receivables from its subsidiaries and other entities. The assessment methodology is consistent with that applied in the previous financial year. Based on the same, the Company has made an impairment provision (on net basis) in respect of the balance of loans, receivables, Other financial assets, investments, fixed assets and invocation of Bank Guarantee from its subsidiaries and group companies aggregating to ₹ 383.84 Crore, ₹ (19.90) Crore, ₹ 0.18 Crore, ₹ 60.71 Crore, ₹ 32.51 and ₹ 310.64 Crore respectively, and recorded net gain on fair value changes of ₹ 3.95 Crore on financial assets measured at fair value through profit and loss.

In the view of the Company, the impairment provision made is prudent and represents the economic substance of the amounts recoverable.

Earnings per share on basic and diluted basis stood at ₹ (29.58) per share for the year ended March 31, 2020, against ₹ (516.79) per share for the year ended March 31, 2019.

12. Human Resources and Industrial Relations

Pursuant to defaults in obligations in terms of servicing of debts by the Company and subsequent action by the Union of India suspending the Board of Directors of IL&FS, the holding company, there was a lot of uncertainty amongst the employees. This resulted in increased attrition rate across all level of the employees. Since then, 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. The Management is taking all possible efforts to retain employees at all levels and is in the process of recruiting talent from outside to ensure adequate manpower to cope up with the ongoing resolution plan.

Your Company considers its employees the most valuable resource and ensures the strategic alignment of HR practices to business priorities and objectives. The Company strongly believes in fostering a culture of trust and mutual respect amongst its employees and seeks to ensure that values and ethos are understood by everyone and are the reference point in all people matters.

13. Cautionary Statement

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections and so on whether express or implied. Several factors could make significant difference to the Company's operations. These

include climatic conditions and economic conditions affecting demand and supply, Government regulations and taxation, natural calamities and so on, over which the Company does not have any direct control.

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REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance

The Company believes that adhering to corporate governance norms is essential to enhance shareholder value and achieve long term corporate goals. The Company is committed to operating in a regulated manner and create value for all the stakeholders.

2. Board of Directors

The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. The Board acts on its own and through its duly constituted Committees.

(i) Composition

During the year under review, the Board of Directors comprised of four Members having expertise in their respective functional areas with wide range of skills and experience. All the Directors were appointed as Nominees representing Infrastructure Leasing & Financial Services Limited (IL&FS) pursuant to the Hon'ble NCLT vide its Order dated October 1, 2018.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the composition of Board of Directors of the listed entity shall have optimum combination of Executive and Non-executive Directors with at least one Woman Director and not less than fifty percent of the Board of Directors shall comprise of Non-Executive Directors. However, in exercise of the powers under Section 242(2)(4) of the Companies Act, 2013, the NCLT vide its Order dated April 26, 2019 has granted dispensation with the requirement for appointment of Independent and Women Director pursuant to Section 149 of the Companies Act, 2013. In view thereof, the Company has not appointed Independent and Women Directors.

The Board of Directors comprised of the following during the year under review:

Name	Designation
Mr. Vineet Nayyar	Director
Mr. C. S. Rajan	Director
Mr. Nand Kishore	Director
Mr. Bijay Kumar	Director (effective May 21, 2019)

Mr. Bijay Kumar and Mr. Vineet Nayyar resigned as Directors of the Company effective August 7, 2020 and November 1, 2020 respectively.

On November 11, 2020, the Board appointed Mr. Subrata Kumar Mitra and Dr. Jagadip Narayan Singh as Independent Directors on the Board of the Company. Consequent thereto, the Board of Directors comprise of the following:

Name	Designation
Mr. C. S. Rajan	Director
Mr. Nand Kishore	Director
Mr. Subrata Kumar Mitra	Independent Director
Dr. J. N. Singh	Independent Director

The Key Managerial Personnel of the Company during the year under review are as below:

Name	Designation
Mr. Dilip Bhatia	Chief Executive Officer
Ms. Shaivali Parekh	Chief Financial Officer (till January 31, 2020)
Mr. Mohit Bhasin	Chief Financial Officer (effective February 1, 2020)
Mr. Krishna Ghag	Company Secretary

During the year under review 7 meetings were held as follows:

(i) April 23, 2019, (ii) May 21, 2019, (iii) September 04, 2019, (iv) October 30, 2019, (v) November 28, 2019, (vi) January 28, 2020 and (vii) March 24, 2020

The Company provides information as set out in Regulation 17 to 27 of SEBI (LODR) Regulations, 2015 to the Board and its Committees from time to time and to the extent applicable and relevant along with the Agenda accompanied with explanatory notes thereto to all the Directors. Presentations are made by the Management on required topics at the Meetings of the Board of Directors providing status on operations of the projects, financials, etc.

(ii) Category & Attendance of Directors

The names and categories of the Directors on the Board as at March 31, 2020, their attendance at the Board Meetings held during FY 2019-20, along with the number of directorships and committee memberships held by them in other companies as on March 31, 2020 are given below. The directorships in other companies exclude those held in private limited companies, associations, companies incorporated outside India and alternate directorships. The Chairmanship / Membership of the Committees include memberships of Audit and Stakeholders' Relationship Committees. The details of attendance of the Directors at the Annual General Meeting (AGM) held on June 30, 2020 are also provided in the table below:

Name	Category	Attendance at the Board Meetings and Annual General Meeting		Number of Directorships in other public companies		Number of Committee positions held in other public companies	
		Board	AGM	Chairman	Director	Chairman	Member
Mr. Chandra Shekhar Rajan	Non-Executive Director	7	Yes	-	7	-	5

Mr. Vineet Nayyar	Non-Executive Director	7	Yes	-	6	-	2
Mr. Nand Kishore	Non-Executive Director	7	Yes	-	9	5	3
Ms. Bijay Kumar (appointed effective May 21, 2019)	Non-Executive Director	6	Yes	-	7	1	1

The details of directorships held by the Directors of the Company in other public listed companies is given below:

Sr. No.	Name of Director	Name of Listed Company	Category
1.	Mr. Vineet Nayyar	1. The Great Eastern Shipping Company Limited 2. Infrastructure Leasing and Financial Services Limited	Independent Director Non-Executive Director
2.	Mr. Chandra Shekhar Rajan	1. IL&FS Engineering And Construction Company Limited 2. Infrastructure Leasing and Financial Services Limited 3. Noida Toll Bridge Company Limited	Non-Executive Director Managing Director Non-Executive Director
3.	Mr. Nand Kishore	1. Infrastructure Leasing and Financial Services Limited 2. IL&FS Investment Managers Limited	Non-Executive Director Non-Executive Director
4.	Mr. Bijay Kumar	1. Infrastructure Leasing and Financial Services Limited 2. IL&FS Engineering And Construction Company Limited	Deputy Managing Director Non-Executive Director

(iii) Disclosure of relationships between Directors inter-se

None of the Directors of the Company are related inter-se.

(iv) Independent Directors

In terms of the provisions of the Section 149 of the Companies Act, 2013 (“the Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”), the Company is required to appoint Independent Directors. In view of the inability of the Board to induct Independent Directors, the Hon’ble National Company Law Tribunal on April 26, 2019 had passed an order granting dispensation from appointment of independent and women directors on the Board of IL&FS and its group companies including the Company. Since there were no Independent Directors appointed on the Board of the Company, the convening of a separate Meeting of Independent Directors/Familiarisation Programme was not required during the year under review.

(v) Performance Evaluation of Directors, Board / Committees

The purpose and intent of Board evaluation is in essence linked to extension or continuation of the term of appointment of the Directors appointed by the Members of the Company, based on the process of evaluation carried out by the Independent Directors and the Board.

You are aware that on October 1, 2018, Union of India (“**UOI**”) (acting through the Ministry of Corporate Affairs) had 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. Pursuant to the above developments, the New Board of IL&FS also initiated reconstitution of the Board of Directors of the Group companies including the Company and nominated 4 Directors on the Board of the Company.

The New Board members appointed by the NCLT are akin to Independent Directors and not Independent Directors. Further, the requirement of appointing Independent Directors has been dispensed by NCLT Order dated April 26, 2019 for IL&FS and the group companies. In the absence of Independent Directors, the process of Board evaluation would anyway be redundant due to non-applicability of relevant provisions of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015. In view thereof, the Board has not followed the process of performance evaluation of the Board, Committees and the Directors during the FY 2019-20. However, an application has been made to MCA with a view to seek appropriate dispensation from the NCLT seeking exemption from the applicability of the provisions of Section 178 (2) and Schedule IV (VII & VIII) of the Companies Act, 2013 and the SEBI (LODR) Regulation, 2015.

3. Committees of the Board

(I) Audit Committee

- (i) The Audit Committee was reconstituted by the Board on April 23, 2019 post expiry of the term of Independent Directors on March 31, 2019 as follows:

Sr. No.	Name of Director	Designation
1.	Mr. Nand Kishore	Chairman
2.	Mr. CS Rajan	Member
3.	Mr. Vineet Nayyar	Member

- (ii) However, the constitution was not in accordance with the provisions of Section 177 of the Companies Act, 2013 read along with Rules framed thereunder and Regulation 18 of SEBI (LODR) Regulation, 2015 since the Company has not appointed Independent Directors on the Board. The Company has been dispensed from appointment of Independent Directors pursuant to the NCLT Order as stated hereinabove.

- (iii) During the year under review 7 meetings were held as follows:

(a) September 04, 2019, (b) November 13, 2019, (c) November 28, 2019, (d) December 23, 2020, (e) January 09, 2020, (f) January 28, 2020 and (g) March 24, 2020.

- (iv) The composition of the Audit Committee as at March 31, 2020, category of Members and attendance at the meetings held during the year are given below:

Name of Director	Designation	Category	No. of Meetings	
			Held	Attended
Mr. Nand Kishore	Chairman	Non-Executive	7	7
Mr. Vineet Nayyar	Member	Non-Executive	7	7
Mr. Chandra Shekhar Rajan	Member	Non-Executive	7	7

The Chief Executive Officer and Chief Financial Officer attended the meetings. Mr. Bijay Kumar, Director also attended the meetings. The representatives of the Statutory Auditors were also present at the meetings wherever required. Mr. Krishna Ghag, Company Secretary is the Secretary of the Audit Committee.

- (v) The role of the Committee, inter alia includes, the following:

- (1) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- (2) recommendation for appointment, remuneration and terms of appointment of auditors;
- (3) approval of payment to statutory auditors for any other services rendered by them;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion(s) in the draft audit report
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) carrying out any other function as is mentioned in the terms of reference of the audit committee by SEBI from time to time.
- (21) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- (22) The audit committee shall mandatorily review the following information:
 - (i) management discussion and analysis of financial condition and results of operations;
 - (ii) statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - (iii) management letters / letters of internal control weaknesses issued by the statutory auditors;
 - (iv) internal audit reports relating to internal control weaknesses; and the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee
 - (v) Statement of deviations:
 - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1)
 - (ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7)

(II) Stakeholders' Relationship Committee

- (i) The Board has constituted 'Stakeholders' Relationship Committee' to comply with the provisions of Section 178 of the Companies Act, 2013 and the rules framed thereunder. The Committee has been constituted to resolve the grievances of the security holders including those related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.
- (ii) During the year under review, 1 meeting was held on November 28, 2019.
- (iii) The Stakeholders' Relationship Committee was reconstituted by the Board on April 23, 2019 post expiry of the term of Independent Directors on March 31, 2019 as follows:

Sr. No.	Name of Director	Designation
1.	Mr. Vineet Nayyar	Chairman
2.	Mr. C.S. Rajan	Member
3.	Mr. Nand Kishore	Member

However, the constitution was not in accordance with the provisions of Section 178 of the Companies Act, 2013 read along with Rules framed thereunder and Regulation 20 of SEBI (LODR) Regulation, 2015 since the Company has not appointed Independent Directors on the Board. The Company has been dispensed from appointment of Independent Directors pursuant to the NCLT Order as stated hereinabove.

- (iv) The Composition of the Committee as at March 31, 2020, category of its Members and their attendance at the meetings held during is given below:

Name of Director	Designation	Category	No. of Meetings	
			Held	Attended
Mr. Vineet Nayyar	Chairman	Non-Executive	1	1
Mr. Nand Kishore	Member	Non-Executive	1	1
Mr. C. S. Rajan	Member	Non-Executive	1	1

- (v) During the year under review, the Company received no complaint from Equity Shareholder. However, the Company has received complaints from 96 Debenture Holders regarding nonpayment of interest and Principal which are yet to be resolved in view of moratorium on debt servicing applicable to the Company
- (vi) Krishna Ghag, Vice President and Company Secretary is designated as Compliance Officer.

(III) Nomination and Remuneration Committee

- (i) The Nomination and Remuneration Committee was reconstituted by the Board on April 23, 2019 post expiry of the term of Independent Directors on March 31, 2019 as follows:

Sr. No.	Name of Director	Designation
1.	Mr. C.S. Rajan	Chairman
2.	Mr. Nand Kishore	Member
3.	Mr. Vineet Nayyar	Member

However, the constitution was not in accordance with the provisions of Section 178(1) of the Companies Act, 2013 read along with Rules framed thereunder and Regulation 19 of SEBI (LODR) Regulation, 2015 since the Company has not appointed Independent Directors on the Board. The Company has been dispensed from appointment of Independent Directors pursuant to the NCLT Order as stated hereinabove.

The Committee met 2 times during the year under review i.e. on May 21, 2019 and January 28, 2020.

- (ii) The composition of the Committee as at March 31, 2020, category of Members and attendance at the meetings held during the year are given below:

Name of the Director	Designation	Category	No. of Meetings	
			Held	Attended
Mr. C. S. Rajan	Chairman	Non-Executive	2	2
Mr. Nand Kishore	Member	Non-Executive	2	2
Mr. Vineet Nayyar	Member	Non-Executive	2	2

The Chief Executive Officer and Company Secretary also attended the meetings.

- (iii) The terms of reference of the Committee *inter alia* include:
- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
 - (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
 - (3) devising a policy on diversity of board of directors;
 - (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal

(5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors

(iv) **Managerial Remuneration Policy**

The erstwhile Board of the Company had adopted “Managerial Remuneration Policy” on November 11, 2014 which had defined a Selection Criteria for appointment of Directors, qualification, positive attributes, independence of the Directors including remuneration payable and other matters as prescribed under the Companies Act, 2013 and LODR Regulations. The Managerial Remuneration Policy and Selection Criteria for Directors is available on the website of the Company.

Remuneration to Executive/ Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of Sitting fees only. A sitting fee of ₹ 25,000 and ₹ 15,000 per Meeting is paid (subject to deduction of tax at source) to Non-Executive Directors for attending meetings of the Board and Committees respectively.

The details of sitting fees paid / payable to the Non-Executive Directors for FY 2019-20 is given below:

Sr. No.	Name of Director	Amount in Rupees
(a)	Mr. C.S. Rajan	3,40,000
(b)	Mr. Vineet Nayyar	Nil
(c)	Mr. Nand Kishore	3,40,000
(d)	Mr. Bijay Kumar	1,50,000
Total		8,30,000

None of the Directors held any shares of the Company as on March 31, 2020. Further, none of the Directors had any material pecuniary relationship or transactions with the Company.

(IV) Corporate Social Responsibility Committee

- (i) The Board has constituted a Corporate Social Responsibility (CSR) Committee in compliance with the provisions of Section 135 of the Companies Act, 2013 and Rules framed thereunder, to oversee and advise on the activities to be carried out under the CSR Policy adopted by the Company.
- (ii) A Meeting of the Committee was held on November 28, 2019 during the year under review.
- (iii) The CSR Committee was reconstituted by the Board on April 23, 2019 post expiry of the term of Independent Directors on March 31, 2019 as follows:

Sr. No.	Name of Director	Designation
1.	Mr. Vineet Nayyar	Chairman
2.	Mr. Nand Kishore	Member
3.	Mr. C.S. Rajan	Member

- (iv) However, the constitution was not in accordance with the provisions of Section 135 of the Companies Act, 2013 read along with Rules framed thereunder since the Company has not appointed Independent Directors on the Board. The Company has been dispensed from appointment of Independent Directors pursuant to the NCLT Order as stated hereinabove.
- (v) The composition of the Committee as at March 31, 2020, category of Members and attendance at the meetings held during the year are given below:

Name of Director	Designation	Category	No. of Meetings	
			Held	Attended
Mr. Vineet Nayyar	Chairman	Non-Executive	1	1
Mr. Nand Kishore	Member	Non-Executive	1	1
Mr. C. S. Rajan	Member	Non-Executive	1	1

4. General Meetings

The details of the immediately preceding three Annual General Meetings (AGM) held are given below:

Financial Year	Date / time	Venue	Special Resolutions
2016-17	August 29, 2017, 11:00 a.m.	Y. B. Chavan Auditorium, Gen. J. Bhosale, Marg, Mumbai 400 021	Issue of Non-Convertible Debentures
2017-18	September 4, 2018, 11:00 a.m.	Y. B. Chavan Auditorium, Gen. J. Bhosale, Marg, Mumbai 400 021	1) Issue of Non-Convertible Debentures 2) Amendments to Articles of Association
2018-19	June 30, 2020, 3:00 p.m.	Through Video Conference	None

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

5. Disclosures

(i) Accounting Policies

The standalone financial statements are prepared in accordance with accounting principles generally accepted in India, including the Accounting Standards specified

under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The significant accounting policies under Ind AS applied consistently are set out in the notes to the standalone and consolidated financial statements

(ii) Related Party Disclosures

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. Since the consolidated financials for the FY 2018-19 have not been adopted till date, the materiality of the transactions entered into with related parties could not be ascertained. However, considering materiality based on the standalone financials of FY 2018-19, one material transaction entered into by the Company has been reported in accordance with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as disclosed in Form AOC-2 annexed as Annexure VII to the Directors Report.

(iii) Code of Business Conduct

The erstwhile Board of Directors had adopted a Code of Conduct at its meeting held on May 13, 2014 which lays down various principles of ethics and compliance. The Code has been circulated to all the erstwhile Directors and employees of the Company and has also been uploaded on the Company's website. All the members of the erstwhile Board and Senior Management personnel have affirmed compliance with the Company's Code of Conduct. A declaration to this effect by the Chief Executive Officer forms part of this report.

Further, the Company had also adopted the following Policies and can be viewed on the link provided below

Name of the Policy	Weblink
Code of Conduct for Board of Directors & Senior Management	http://www.itnlindia.com/application/web_directory/Company%20Policies/code_conduct.pdf
Code of Conduct to Regulate, Monitor and Report Trading by Insiders	http://www.itnlindia.com/application/web_directory/Company%20Policies/insider_trading_code_compl.pdf
Code of Conduct for Independent Directors	http://www.itnlindia.com/application/web_directory/Company%20Policies/Code_of_Independent_Directors.pdf

Corporate Social Responsibility Policy	http://www.itnlindia.com/application/web_directory/Company%20Policies/Corporate%20Social%20Responsibility%20Policy.pdf
Management Remuneration Policy	http://www.itnlindia.com/application/web_directory/Company%20Policies/Managerial%20Remuneration%20Policy.pdf
Policy for Related Party Transactions	http://www.itnlindia.com/application/web_directory/Company%20Policies/ITNL%20RPT%20Policy.pdf
Policy for determining Material Subsidiaries	http://www.itnlindia.com/application/web_directory/Company%20Policies/Material%20Subsidiaries%20Policy.pdf
Policy on Preservation and Archival of documents	http://www.itnlindia.com/application/web_directory/Company%20Policies/2015/Policy%20for%20Preservation%20and%20Archival%20of%20Documents.pdf
Policy for Determination of Materiality and Dissemination of Information	http://www.itnlindia.com/application/web_directory/Company%20Policies/2015/Dec2015/Policy%20for%20Determination%20of%20Materiality%20and%20Dissemination%20of%20Information.pdf
Whistle Blower Policy	http://www.itnlindia.com/application/web_directory/Company%20Policies/Whistle%20Blower%20Policy.pdf
Dividend Distribution Policy	http://www.itnlindia.com/application/web_directory/Company%20Policies/2017/Dividend%20Distribution%20Policy.pdf

(iv) Risk Management Framework

Given the circumstances in which the New Board of IL&FS, the promoter 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)

- (v) During the year under review, the Company had not raised any capital
- (vi) The Company does not have a material non-listed Indian subsidiary as at March 31, 2020 in terms of the provisions of Regulation 24 of SEBI (LODR) Regulations, 2015
- (vii) Presentations if any made to the Institutional Investors and Analysts, if any are sent to the Stock Exchanges and posted on the Company's website from time to time.
- (viii) The Company has not submitted quarterly/ half yearly financial statements from the quarter ended September 30, 2018 onwards till date of this report except the results for the financial year ended March 31, 2019 on June 4, 2020. 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.

- (ix) The Company has complied with all the mandatory requirements under the provisions of Regulation 17 to Regulation 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015 relating to Corporate Governance for the period April 1, 2019 to March 31, 2020 except to the extent waivers have been granted by the Hon'ble NCLT with respect to the non-appointment of Independent and Woman Director.
- (x) An audit of the Share Capital is conducted every quarter by a qualified Practising Company Secretary to reconcile the total admitted capital with both the depositories namely, National Securities Depository Limited and Central Depository Services (India) Limited and the total issued and listed capital. The reports confirmed that the total issued/paid up capital were in agreement with the total number of shares held by the members both in physical form and dematerialised form
- (xi) Compliance with Non-Mandatory requirements:
 - (a) The financials for the year ended March 31, 2020 has certain qualifications which are included in the Directors' Report along with responses thereto.
 - (b) The Internal Auditor directly reports to the Audit Committee
- (xii) During the year under review, there were no instances reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- (xiii) The Compliance certificate from M/s Mehta & Mehta, Company Secretaries in Practice regarding compliance of conditions of corporate governance shall be annexed with the Directors' report.
- (xiv) A certificate stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority issued by M/s Kaushal Dalal & Associates, Company Secretaries in Practice, forms part of this report.

6. Means of Communication

The Quarterly and Annual Financial Results as and when approved by the Board were published in Economic Times and Maharashtra Times and also filed with the Stock exchanges and displayed on the Company's website: www.itnlindia.com. The official news releases are intimated to the Stock Exchanges and displayed on the Company's website.

In view of the continuing COVID-19 Pandemic Lockdown and pursuant to SEBI Circulars dated March 26, 2020, April 17, 2020 and May 12, 2020, publication of advertisements in newspapers for all the events scheduled were exempted till June 30, 2020. The Annual Standalone Financial Results for the year ended March 31, 2019 adopted on June 4, 2020 were only filed with the stock exchanges and displayed on the Company's website and not published in the newspapers.

The Company's website: www.itnlindia.com provides comprehensive information about its business. In the "Investors Relations" Section, important events and information relating to the Company is uploaded. Presentations made to Institutional Investors / Analysts, if any is also displayed on the website.

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

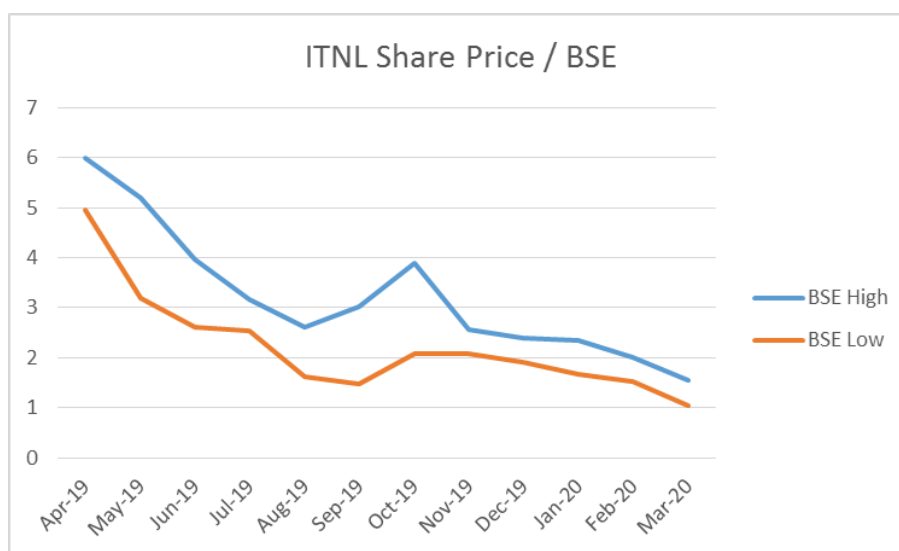
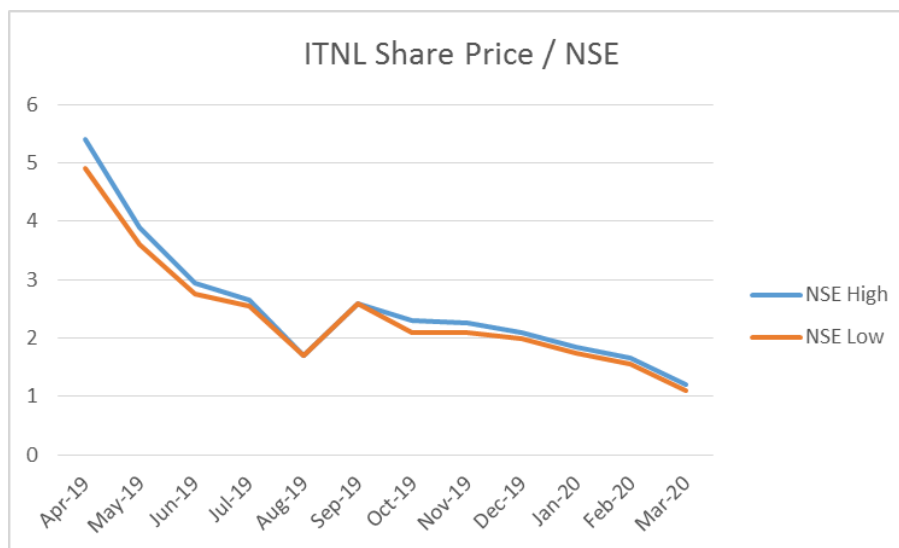
7. General Shareholder Information:

- I. Annual Meeting(AGM) Time, Venue : General Day/Date, : Thursday, December 31, 2020 at 3:00 p.m. (IST) through Video Conference ("VC") / Other Audio Visual Means ("OAVM")
- II. Financial year : 1st April 2019 to 31st March 2020
- III. Date of Book Closure : Friday, December 25, 2020 to Thursday, December 31, 2020 (both days inclusive)
- IV. Dividend Payment Date : No dividend has been recommended by the Board.
- V. Listing on Stock Exchanges : (i) National Stock Exchange of India Limited (NSE)
(ii) BSE Limited (BSE)
- Listing fees for the financial year 2019-20 have been paid to both the Stock Exchanges
- VI. Scrip Code : NSE - IL&FSTRANS EQ
: BSE - 533177

VII. Market Price Data (High/Low during each month) on NSE & BSE:

Month	NSE		BSE	
	High	Low	High	Low
Apr-19	5.4	4.9	5.99	4.95
May-19	3.9	3.6	5.2	3.2
Jun-19	2.95	2.75	3.96	2.62
Jul-19	2.65	2.55	3.16	2.53
Aug-19	1.7	1.7	2.62	1.63
Sep-19	2.6	2.6	3.02	1.48
Oct-19	2.3	2.1	3.89	2.09
Nov-19	2.25	2.1	2.56	2.08
Dec-19	2.1	2	2.39	1.9
Jan-20	1.85	1.75	2.35	1.66
Feb-20	1.65	1.55	2	1.52
Mar-20	1.2	1.1	1.55	1.05

VIII. Performance of the Company's share price in comparison with NSE NIFTY and BSE SENSEX during the FY 2019-20



IX. Registrar and Share Transfer Agents:

Name & Address : **Link Intime India Private Limited**
C-101, 247 Park, LBS Marg,
Vikhroli (West), Mumbai 400 083

Telephone No : +91 22 4918 6200/ 1800 1020 878

Fax : +91 22 4918 6060

Email : mumbai@linkintime.co.in

X. Share Transfer System

The share transfer requests received for physical shares at the Registrar and Share Transfer Agents are processed and delivered within a month from the date of lodgement, if the documents are complete in all respects. Requests for dematerialisation

/ rematerialisation of shares are processed and confirmation given to the depositories within the prescribed time

According to the SEBI directive securities of listed companies can be transferred only in the dematerialised form, with effect from April 1, 2019. Accordingly, the shareholders holding shares in physical form are requested to dematerialise their shareholding and thereafter update their bank account with their respective Depository Participants

Shares held in the dematerialised form are electronically transferred on the Depositories. The RTA of the Company periodically receives the beneficiary holdings from the Depositories which enables the RTA to update their records for sending all corporate communications, dividend warrants, etc.

XI. Distribution of shareholding as on March 31, 2020

Number of Equity Share holdings	Number of Shareholders	Percentage of total Shareholders	No. of Shares	Percentage of total Shares
1-500	47081	78.85	63,82,524	1.94
501-1000	5291	8.86	43,78,050	1.33
1001-2000	3140	5.26	48,55,907	1.48
2001-3000	1231	2.06	31,91,094	0.97
3001-4000	615	1.03	22,24,279	0.68
4001-5000	563	0.94	26,77,620	0.81
5001-10000	911	1.53	68,72,277	2.09
10001 & above	877	1.47	29,83,78,276	90.70
Total	59,709	100.00	32,89,60,027	100.00

XII. Shareholding Pattern as on March 31, 2020

Sr. No.	Category	No. of Shares	Percentage
1	Promoter Holding	23,65,82,632	71.92
2	Promoter Group Holding	42,66,368	1.30
3	Financial Institutions / Banks	21,15,460	0.64
4	Foreign Portfolio Investors	11,424,241	3.47
5	Bodies Corporate	65,63,509	2.00
6	Foreign Bodies Corporate	0	0.00
7	NRI	2,415,561	0.73
8	Individuals	6,27,72,643	19.08
9	Clearing Members	2,57,974	0.08
10	HUF	25,61,448	0.78
11	Trusts	191	0.00
	TOTAL	32,89,60,027	100

XIII. Dematerialisation of Shares as on March 31, 2020

The shares of the Company are compulsorily traded in electronic mode and are available for trading with both the depositories in India namely, National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2020, 32,89,60,027 shares representing 99.99% of the Company's total paid-up share capital (including 73.22% held by the Promoter & Promoter Group) were held in dematerialised mode and only 5,658 shares held by public were being held in physical form.

XIV. Equity Shares in the suspense account:

There are no shares remaining unclaimed and lying in the Suspense Account of the Company.

XV. Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund:

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account are liable for transfer to IEPF. The Company sends periodical reminders to the shareholders to enable them to claim dividends to avoid transfer of the same to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website: http://www.itnlindia.com/invrelation.aspx?page_ID=24&Sec_ID=5

In light of the aforesaid provisions, the Company has during the year under review, transferred to IEPF, the unclaimed dividends outstanding for 7 years. Further, shares in respect of which dividend has not been claimed for 7 consecutive years or more as stated above have also been transferred to the demat account of IEPF Authority.

The details of unclaimed dividends and shares transferred to IEPF are as follows:

Financial Year	Amount of unclaimed dividend transferred (Amount in ₹)	Number of Shares transferred
2010-11	1,90,229	514
2011-12	1,87,900	3,953
2012-13	5,62,324	1,476

Members may claim the shares/dividend transferred to IEPF by making an application to IEPF Authority 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>

- XVI. The Company has not issued any GDR/ADR Warrants or any other convertible instruments
- XVII. The Company does not have any manufacturing plant
- XVIII. **Address for correspondence:**

<p>IL&FS Transportation Networks Limited The IL&FS Financial Centre, C-22, G-Block, Bandra – Kurla Complex, Bandra (East), Mumbai 400 051 Telephone: + 91 22 26533333 Fax: + 91 22 2653 3295 Email: itninvestor@ilfsindia.com</p>	<p><u>Debenture Trustees:</u> IDBI Trusteeship Services Limited Mr. Subrat Udgada, Vice President Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001 Tel: +91 22 4080 7001 Fax: +91 22 6631 1776</p>
<p>Link Intime India Private Limited <i>Registrar & Share Transfer Agent</i> C-101, 247 Park, LBS Marg, Vikhroli (West) - Mumbai 400 083 Telephone No: +91 22 4918 6200/ 1800 1020 878 Fax: +91 22 4918 6060 Email: mumbai@linkintime.co.in</p>	<p>Vistra ITCL (India) Limited Senior Vice President The IL&FS Financial Centre, 3rd Floor, Plot C- 22, G- Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 Tel: +91 (22) 2659 3535, Fax: +91 (22) 2653 3297</p>

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
IL&FS TRANSPORTATION NETWORKS LIMITED

We have examined the compliance of conditions of Corporate Governance by **IL&FS Transportation Networks Limited** (hereinafter referred as “Company”) for the Financial year ended March 31, 2020 as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”).

Further, we inform that pursuant to Order of National Company Law Tribunal (NCLT) dated 01.10.2018, previous Board of Directors were suspended on the Board of ILFS, the holding Company and new Board of Directors were appointed in terms of provisions of Section 242(2)(k) of the Act and the changes in the composition of the Board of Directors of the Company that took place were carried out in compliance with the provisions of the Act, except the appointment of Woman Director and Independent Directors which was subsequently exempted pursuant to NCLT Order No. 3638/2018 dated April 26, 2019.

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations ***subject to the following observations as mentioned in Annexure A***

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

Note: Certification on this Certificate of Corporate Governance is done on the basis of documents made available to us in electronic form (i.e. scanned copies vide e-mail) by the Management of the Company as the Company is functioning remotely from another location and such documents will be verified physically after the office is reopened.

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

Sd/-
Atul Mehta
Partner

FCS No: 5782
CP No.: 2486

Place: Mumbai
Date: December 07, 2020

UDIN: F005782B001421878

ANNEXURE A

SR. NO.	PARTICULARS
1.	<p>Pursuant to the NCLT Order No. 3638/2018 dated April 26, 2019 the company has been granted exemption from appointing independent directors as provided in Regulation 17(1)(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“the Regulations”) and Section 149 of the Act and woman director as provided in provided in Regulation 17(1)(a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013 (“the Act”) accordingly there were no requisite number of Independent Directors and Woman Director in the Company.</p> <p>Further as per the aforesaid exemption since the Company is not required to appoint Independent Director and Woman Director, the composition of the following committees are not as per the requirements under the Regulations:</p> <ol style="list-style-type: none"> a. Audit Committee as provided in Regulation 18(1) & (2) of the Regulations. b. Nomination and Remuneration Committee as provided in Regulation 19(1) & 19(2) of the Regulations and Section 178 of the Act c. Stakeholders Relationship Committee in Regulation 20(2A) of the Regulations and Section 178(5) of the Act. d. Independent Director on the board of Unlisted material subsidiaries as provided in Regulation 24(1) of the Regulations. e. Holding the Meeting of Independent Directors as provided in Regulation 25(3) of the Regulations
2.	<p>Since the Company has defaulted on the compliance of the financial statements, it has not complied with the following;</p> <ol style="list-style-type: none"> a. Compliance Certificate as per part B of Schedule II as certified by the Chief Executive Officer and Chief Financial Officer was not placed before the Board of Directors as required under Regulation 17(8) of the Regulations during the year the under review; b. The disclosures for Related party transactions as per Regulation 23(9) of the Regulations for the half year ended September 30, 2019 & March 31, 2020 were not submitted to the Stock Exchange.
3.	<p>As provided in Regulation 18(2)(a) of the Regulations, the gap between two audit committee meetings exceeded 120 days i.e. one meeting was held on February 25, 2019 thereafter another meeting was held on September 04, 2019.</p>
4.	<p>The Annual Compliance certificate as provided in Regulation 24A of the Regulations, for the financial year ending on 31st March 2019 was required to be submitted within 60 days from the end of the Financial Year i.e. on or before 30th May 2019 was submitted with a delay of 15 days on June 15, 2019.</p>

**Declaration regarding Compliance by Board Members and Senior Management
Personnel with the Company's Code of Conduct**
(Pursuant to Regulation 34(3) and Schedule V Para D of the SEBI (Listing Obligations and
Disclosure Requirements) Regulations, 2015)

To,
The Members of
IL&FS Transportation Networks Limited
The IL&FS Financial Centre,
Plot No C22 G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400051.

This is to confirm that the Company has adopted a Code of Conduct for the Board of Directors and the employees of the Company. The Code has been circulated to all the members of the Board of Directors and the employees of the Company, which is also uploaded on the Company's website, www.itnlindia.com

I hereby confirm that the Company has in respect of the financial year ended March 31, 2020 received from all the members of the Board of Directors and the Senior Management Personnel a declaration of compliance with the Code of Conduct of the Company as applicable to them.

For IL&FS Transportation Networks Limited

**Sd/-
Dilip Bhatia
Chief Executive Officer**

**Place : Mumbai
Date : December 7, 2020**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
IL&FS Transportation Networks Ltd
Plot No. C 22, G Block, The IL&FS Financial Centre,
Bandra-Kurla Complex, Bandra (East),
Mumbai, Maharashtra, 400051

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **IL&FS Transportation Networks Limited** (hereinafter called “the Company”) having **CIN: L45203MH2000PLC129790** and registered office at **Plot No. C 22, G Block, The IL&FS Financial Centre, Bandra-Kurla Complex, Bandra (East), Mumbai-400051**, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2020** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authorities.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Vineet Nayyar	00018243	25-10-2018
2	Mr. Chandra Shekhar Rajan	00126063	25-10-2018
3	Mr. Bijay Kumar	07262627	21-05-2019
4	Mr. Nand Kishore	08267502	15-11-2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Kaushal Dalal & Associates
Company Secretaries

Sd/-
Kaushal Dalal
Proprietor

Date: 07th December, 2020
Place: Mumbai

M. No: 7141 CP No: 7512
UDIN: F007141B001422709

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, 2020, 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 effective October 1, 2018 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 herein below.

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 of the Company 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. 1,183.40 Crores as at March 31, 2020 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 and has recorded additional liabilities amounting to Rs. 54.47 Crores during the current year.

Consequently, the accompanying standalone Ind AS financial statements do not include any possible adjustments arising from the aforesaid matters other than mentioned in 1 (d), including to the extent these may affect prior period comparatives presented therein.

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:
 - a) The recoverable amount is subject to finalisation of the claim management process of subsidiaries and joint ventures and their audited financial statements. Further, the distribution mechanism applied for determining recoverable amount is not in accordance with distribution mechanism approved by National Company Law Appellate Tribunal ('NCLAT') vide its order dated March 12, 2020;
 - b) Recoverable amount considered in case of certain Receivable Balances is based on binding financial proposals approved by the Board of Directors and are subject to requisite approvals and acceptance of the Letter of Intent by the successful bidder and the bid value has not been adjusted for any subsequent events;
 - c) Recoverable amount for certain Receivable Balances is based on cash flow projections prepared by management as at March 31, 2020 except in few cases wherein it is based on fair valuation reports as at September 30, 2018 which are subject to various internal and external factors including significant assumptions / estimates / judgments. Further, as explained in Note 1.12, recoverable value does not consider the impact of fair valuation exercise being undertaken by the management in respect of entities proposed to be transferred to Infrastructure Investment Trust (InvIT);
 - d) 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.

In view of the above uncertainties involved and absence of sufficient appropriate audit evidence to support the assumptions / estimates / judgements used in determination of recoverable amount for computing the impairment / expected credit loss, we are unable to comment on the possible effects of changes, on account of aforesaid factors, on these standalone Ind AS financial statements.

3. As mentioned in Note 1.18 of the accompanying standalone Ind AS financial statements, the Company has recognised impairment provision on selected items of property, plant and equipment based on the fair valuation report obtained as at March 31, 2020. We are unable to obtain sufficient and appropriate evidence to verify the fair value considered for the respective assets.
4. As mentioned in Note 3 (c) of the accompanying standalone Ind AS financial statements, the Company has valued its investment property as per Ready Reckoner rate as notified by the Maharashtra State Government and is not in accordance with relevant Ind AS.
5. As mentioned in Note 1.18 of the accompanying standalone Ind AS financial statements, the Company has not carried out analysis for determination of net realisable value as per Ind AS 2 'Inventories' of its Inventories. 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.
6. 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 resultant liabilities except to the extent recognised in the current year amounting to Rs. 310.64 Crores, 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.

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 in earlier years to a Bank on a Recourse basis and derecognized the said financial asset from the balance sheet amounting to Rs. 1,000 Crores. Accordingly, financial assets and financial liabilities included in these standalone Ind AS financial statements for the current year and previous year are understated by the said amount.
8. As mentioned in Note 24 (a) of the accompanying standalone Ind AS financial statements, a third-party forensic audit, in respect of construction costs 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.
9. 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.
10. 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.
11. 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, 2020 / December 31, 2019, 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.
12. 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. 167.53 Crores which includes direct credits by bank and unreconciled differences in bank reconciliation statements including direct debits by banks aggregating Rs. 167.48 Crores, which are in the process of being reconciled by the Company;
 - b) Reconciliation with vendors/ sub-contractors as mentioned in Note 24 (b) to the accompanying standalone Ind AS financial statements accounted in the previous year;
 - c) Responses to our request for direct balance confirmations towards borrowings of Rs. 4,145.64 Crores, Bank balances of Rs. 97.75 Crores, certain Trade receivable balances aggregating to Rs. 149.02 Crores, certain loans and advances aggregating to Rs. 459.47 Crores and certain trade payables of Rs. 573.35 Crores and confirmation from banks / financial institutions in respect of details of securities, lien, collaterals, guarantees etc.

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

13. As fully described in the Note 4 (i) to the accompanying standalone Ind AS financial statements, during the previous year, the Company had 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. 67.68 Crores as at March 31, 2020 (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 incurred in the previous year and the audited financial statements of the said Fund as at March 31, 2020 and 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.

14. With respect to following transactions recorded in the previous year, 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:

- a) Amounts paid during the previous year to certain related parties which are classified as loans amounting to Rs. 7.50 Crores was fully impaired during the previous year as fully described in Note 5 (c) to the accompanying standalone Ind AS financial statements;
- b) Construction cost and other direct expenses verified by us on a test check basis, amounting to Rs. 52.26 Crores as fully described in Note 24 (a) 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).

15. 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 relating to Financial year 2017-18 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 Financial year 2017-18 and subsequently during the previous 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 Financial year 2017-18 as fully described in Note 4(j) to the accompanying standalone Ind AS financial statements.

Consequently, during the year ended March 31, 2019, the matters referred in (a) and (b) above resulted in charge on account of impairment/fair valuation of investment in units and preference shares amounting to Rs. 223.54 Crores.

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. 974.57 Crores for the year ended March 31, 2020 and has net liabilities of Rs. 14,859.70 Crores as at March 31, 2020. 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 standalone Ind AS financial statements, the Company has not accounted for contractual interest income from its subsidiaries, associates, joint ventures and third parties of Rs. 703 Crores on a gross basis and contractually payable finance costs on borrowings of Rs.1,759 Crores, (excluding penal / other interest and charges), for the period from April 1, 2019 to March 31, 2020 (Rs. 322 Crores of contractual interest income and Rs. 745 Crores of contractually payable finance cost for the period October 16, 2018 to March 31, 2019 respectively) 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 disclaimer of opinion on the accompanying standalone Ind-AS financial statements as above is not further modified in respect of the above matter.

Other matter

The comparative financial information included in the accompanying standalone Ind AS financial statements are basis the standalone Ind AS financial statements for the year ended March 31, 2019 on which we have issued a disclaimer of opinion dated June 04, 2020. The matters stated in paragraphs 1 to 15 and paragraph which describes the material uncertainty relating to going concern are continuing in nature from the previous year.

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

The Company's Board of Directors are 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 are 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.

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 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) According to the information and explanations given by the management, and on an overall examination of the financial statements, the Company has not paid or provided any managerial remuneration under the provisions of section 197 read with Schedule V to the Companies Act during the year;
- (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: 20119878AAAAKZ4003

Place of Signature: Mumbai

Date: December 7, 2020

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even dateRe: IL&FS Transportation Networks Limited (the "Company")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details except actual location of moveable assets are not updated for all such assets.
- (b) All the fixed assets have not been physically verified by the management during the year, however subsequent to the year end, physical verification of all the assets have been carried out by the Company. As mentioned in Note 2 to the accompanying standalone Ind AS financial statements, material discrepancies noted on such physical verification carried out during the year and subsequent to the year end has been dealt appropriately 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. 6.84 Crores as at March 31, 2020 for which title deed was not available with the Company and hence, we are unable to comment on the same.

Nature of Immovable Property	As at March 31, 2020 (Rs. In Crores)	
	Gross Block	Net Block
Unit 1, 25 th Floor, GIFT Tower 1, GIFT City, Gandhinagar – Gujarat	8.08	6.84

- (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 10 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 outstanding as at March 31, 2020*	Amount paid subsequent to year-end	Period to which the amount relates	Due Date
Goods and Service Tax Act	Goods and service tax liability	98.91	-	April 2018 to Sep 2018	Various dates
		6.57	6.57	October 2018 to September 2019	Various dates
Income Tax Act	Tax Deducted at Source	16.32	-	Aug 2018 to Sept 2018	Various dates
		0.01	0.01	Mar 2019	31 May 2019
Labour Welfare Fund Act	Labour Welfare Fund	11.67	-	Sep 2017 to Sept 2018	Various dates
		1.25	1.25	Mar 2019	31 Mar 2019

* 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 10 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
Finance Act, 1994	Service Tax	0.60	2012-13	CESTAT
Madhya Pradesh VAT Act, 2002	Value Added Tax and Entry Tax	0.09	2012-13	MP Commercial Tax Appellate Board
		0.08	2013-14	MP Commercial Tax Appellate Board / 1 st Appellate authority
		0.07	2014-15	Additional Commissioner
		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

- (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) According to the information and explanations given by the management and audit procedures performed by us, the Company has not raised any money way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (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) According to the information and explanations given to us and on an overall examination of the financial statements, the Company has not paid or provided any managerial remuneration under the provisions of section 197 read with Schedule V to the Companies Act during the year hence, reporting under clause 3 (xi) is not applicable to the Company and hence not commented upon.
- (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 11 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, 2020, 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, except for the possible effects of the matter stated in paragraph 11 and 12 (c) 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. Further, in view of the matter stated in paragraph 11 and paragraph 12 (c) of the Basis for Disclaimer of Opinion section of our auditor's report on the financial statements, 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.
- (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) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (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 during the previous year as the Company had satisfied the 'principal business test' as at March 31, 2019. The Company has not taken any action subsequently in this regard. According to the information and explanations given to us by the management, during the current year the 'principal business test' is not satisfied.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

Sd/-

per Suresh Yadav

Partner

Membership No.: 119878

UDIN: 20119878AAAANKZ4003

Place of Signature: Mumbai

Date: December 7, 2020

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS 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, 2020, 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.

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, 2020. 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, 2020, 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, 2020 standalone Ind AS financial statements of IL&FS Transportation Networks Limited and this report affects our report dated 7 December 2020 which expresses a disclaimer of opinion on those standalone Ind AS financial statements.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

Sd/-

per Suresh Yadav

Partner

Membership No.: 119878

UDIN: 20119878AAAANKZ4003

Place of Signature: Mumbai

Date: December 7, 2020

IL&S 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	-	16.23
(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

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

Sd/-
Krishna Ghag
Company Secretary

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			
<u>Items that may be reclassified to profit or loss</u>			
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/-
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 financial statements

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

₹ in crore

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

Current Year

₹ in crore

b. Other equity	Reserves and surplus						Items of other comprehensive income	Total
	Debenture Redemption Reserve (note no 16)	Securities Premium Account (note no 16)	Capital Redemption Reserve (note no 16)	General Reserve (note no 16)	Retained Earnings (note no 16)	Total	Cash Flow Hedge Reserve	
Balance as at April 1, 2019	343.31	2,144.97	147.25	35.12	(16,884.02)	(14,213.37)	-	(14,213.37)
Loss for the year	-	-	-	-	(972.95)	(972.95)	-	(972.95)
Other comprehensive gain	-	-	-	-	(1.62)	(1.62)	-	(1.62)
Adjustment due to IND AS 116 (refer note 39)	-	-	-	-	(0.72)	(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)	-	(15,188.66)

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Previous Year

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

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/-

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
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....

₹ in crore

Particulars	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)

₹ in crore

Particulars	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:

- i) 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.
- ii) 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.
- iii) 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.
- iv) During the previous year, trade payables to various vendors amounting to ₹ 496.05 crore were converted into borrowings.
- v) 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.
- vi) 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.

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

Date : December 07, 2020
Place : Mumbai

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

Sd/-
Mohit Bhasin
Chief Financial Officer

Sd/-
Krishna Ghag
Company Secretary

Date : December 07, 2020
Place : Mumbai

Sd/-
Nand Kishore
Director
(DIN: 08267502)

Sd/-
Dilip Bhatia
Chief Executive Officer

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).

IL&FS Transportation Networks Limited

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.

IL&FS Transportation Networks Limited

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:

- (a) 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
- (b) 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
- (c) The steps (ii) and (iii) have concluded to enable the Sponsor to meet the minimum net worth criteria as required under the InvIT Regulations
- (d) In-principal approval for registration of the InvIT has been received from SEBI
- (e) NKEL has been appointed as Investment Manager and EMSL (a 100% subsidiary of the Company) has been appointed as Project Manager to the InvIT
- (f) Application for seeking final registration of the InvIT with Securities and Exchange Board of India has been made and is presently being pursued
- (g) 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 SPV’s 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.

IL&FS Transportation Networks Limited

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.

IL&FS Transportation Networks Limited

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

IL&FS Transportation Networks Limited

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

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.

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

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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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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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.

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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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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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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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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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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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 of 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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	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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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.

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

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

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

Category	Significant Assumptions
A	The financial proposals approved by the Board of Directors are binding in nature and are subject to approval of the Committee of Creditors, approval by a retired judge of the Supreme Court and approval of the NCLT. Post approval of the retired judge, the Company will issue a Letter of Intent to the successful bidder. Management believes that it is probable that these transactions will be consummated as intended and they closely approximate their fair value. Accordingly, the financial bids have been considered to determine the recoverable amount.
B	The New Board as part of divestment process, had appointed 2 independent valuation experts 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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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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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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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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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

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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.

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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)

₹ in Crore

Current Year

Description of Assets Particulars	Cost or Deemed cost				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 financial 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 assets monetisation and claim management process, the Company has identified certain assets purchased in the earlier years were 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											₹ in Crore	
Particulars	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)(ii))	Accumulated up to March 31, 2019	As at 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

₹ in Crore

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

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

₹ in Crore

Particulars	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))

₹ in Crore

Particulars	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

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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 Sinner 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

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

₹ 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 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

₹ in Crore

Particulars	Face value ₹	As at March 31, 2020		As at March 31, 2019	
		Quantity	Amount	Quantity	Amount
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

₹ in Crore

Particulars	NAV ₹	As at March 31, 2020		As at March 31, 2019	
		Quantity	Amount	Quantity	Amount
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:

₹ in Crore

Particulars	Fair value hierarchy	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

₹ in Crore

Particulars	As at March 31, 2020		As at March 31, 2019	
	Cost	Market value	Cost	Market value
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)

₹ in Crore

Particulars	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

Notes forming part of the standalone financial statements

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 I IPL will be finalized.

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		
Investments in subsidiaries				
Investments in Equity Instruments:				
Amravati Chikhli Expressway Limited	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Badarpur Tollway Operations Management Limited	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. Rukminipuri, A S Rao Nagar, Hyderabad – 500062 Telangana	India
GRICL Rail Bridge Development Company Limited	100.00%	100.00%	301, Shapath-1 Complex, Opp: Rajpath Club, Nr. Madhur Hotel, Sarkhej Highway, Bodakdev, Ahmedabad - 380015	India
Grusamar India Limited	99.88%	99.88%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Hazaribagh Ranchi Expressway Limited	99.99%	99.99%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
IL&FS Rail Limited	83.25%	83.25%	2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway #8, Gurgaon – 122001	India
ITNL Africa Projects Limited	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 Sinnar Expressway Limited	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Kiratpur Ner Chowk Expressway Limited	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Moradabad Bareilly Expressway Limited	85.50%	85.50%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
MP Border Checkpost Development Company Limited	74.00%	74.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
North Karnataka Expressway Limited	93.50%	93.50%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Pune Sholapur Road Development Company Limited	90.91%	90.91%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Ranchi Muri Road Development Limited	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Rapid MetroRail Gurgaon Limited	44.13%	44.13%	2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway #8, Gurgaon – 122001	India
Rapid MetroRail Gurgaon South Limited	89.11%	89.11%	2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway #8, Gurgaon – 122001	India
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. 5, 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

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 it's 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

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

₹ in Crore

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:

₹ in crore

Particulars	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:

₹ in Crore

Particulars	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)

₹ in Crore

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

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

₹ in Crore

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)

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.

₹ in Crore

Particulars	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	-

A. Investments

₹ in Crore

Particulars	Face value ₹	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)

B. Loans to related parties (refer note 41)

₹ in Crore

Particulars	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	-

C. Trade Receivable from related parties (refer note 41)

₹ in Crore

Particulars	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	-

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.

Note 16: Other equity

₹ in Crore

Reserves and surplus	As at March 31, 2020	As at March 31, 2019
Debtore Redemption Reserve		
Balance at beginning of the year	343.31	343.31
Transfer (to) / from balance in Statement of Profit and Loss	-	-
Balance at end of the year	343.31	343.31
Capital Redemption Reserve (refer note 16(b))		
Balance at beginning of the year	147.25	127.25
Transfer (to) / from balance in Statement of Profit and Loss	-	20.00
Balance at end of the year	147.25	147.25
Securities Premium (refer note 16 (c))		
Balance at beginning of the year	2,144.97	2,144.97
Balance at end of the year	2,144.97	2,144.97
General Reserve (refer note 16(d))		
Balance at beginning of the year	35.12	55.12
Transfer from / (to) Capital Redemption Reserve	-	(20.00)
Balance at end of the year	35.12	35.12
Retained Earnings (refer note 16 (e))		
Balance at beginning of the year	(16,884.02)	118.92
Loss attributable to owners of the Company	(972.95)	(17,000.32)
Adjustment due to Ind AS 115	-	(4.75)
Actuarial profit/ (loss) on defined benefit plan (net of tax)	(1.62)	2.13
Adjustment due to Ind AS 116 (refer note 39)	(0.72)	-
Balance at end of the year	(17,859.30)	(16,884.02)
Sub-Total	(15,188.66)	(14,213.37)
Items of other comprehensive income		
Cash Flow Hedge Reserve (refer note 16(f))		
Balance at beginning of the year	-	(42.07)
Gain/(loss) arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges	-	42.07
Total Other Comprehensive Income	-	-
Total	(15,188.66)	(14,213.37)

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the standalone financial statements

- a. The Company has issued several series of Non convertible debentures (NCDs). In terms of Section 71(4) of the Companies Act, 2013 read with rule 18(7)(b)(iii) of the Companies (Share Capital and Debentures) Rules 2014, the Company being an Infrastructure Company is required to create Debenture Redemption Reserve to the extent of 25% of the value of privately placed NCDs until such NCDs are redeemed. During the year ended March 31, 2020 and March 31, 2019, the Company has incurred losses and accordingly no amount has been transferred to Debenture Redemption Reserve.
- b. Capital Redemption Reserve is created as per Statutory requirement.
- c. The amount received in excess of Face Value of the equity Shares is recognised in Securities premium. The reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.
- d. The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.
- e. The debit / credit balance of the Statement of Profit/Loss Account shall be shown as negative / positive figure under the head "Retained Earnings".
- f. The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.
- g. The Company has transferred the amounts relating to retiral benefits to employees to retained earnings in compliance with Ind AS 19 on Employee Benefits.

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

₹ in Crore

Particulars	As at March 31, 2020			As at March 31, 2019		
	Long-term	Current portion	Short-term	Long-term	Current portion	Short-term
Secured (refer note 17 (a))						
Term Loans from banks (refer note 17 (k) and note 13 (c))	-	5,257.19	50.00	-	5,097.25	51.79
Term Loans from financial institutions (refer note 17 (k))	-	367.35	-	-	367.35	-
Term Loans from other parties (refer note 17 (i), (j), (m), 1.19)	-	856.21	387.35	-	856.21	387.35
Demand loans from banks (Cash credit)	-	-	170.18	-	-	170.18
Debentures (refer note 17 (b))						
Redeemable Non-Convertible Debentures [NCDs]	-	1,460.20	-	-	1,460.20	-
Redeemable NCDs (issued at discount)	-	300.00	-	-	300.00	-
Sub-total (A)	-	8,240.95	607.53	-	8,081.01	609.32
Unsecured						
Debentures (Refer note 17 (b))						
Unsecured Redeemable Non-Convertible Debentures [NCDs]	-	2,715.50	-	-	2,715.50	-
Term Loans from banks (refer note 17 (l))	-	605.78	19.69	-	605.78	16.28
Term Loans from related parties	-	2,475.20	23.56	-	2,475.20	23.56
Term Loans from Other Parties (refer note 17 (j), (m), (o), 1.19)	-	-	270.00	-	-	270.00
Demand loans from banks (Bank Overdraft)	-	-	-	-	-	0.35
Commercial Paper	-	-	143.00	-	-	143.00
Redeemable preference share capital (refer note 17(d), (e), (f))	-	490.02	-	-	490.02	-
Sub-total (B)	-	6,286.50	456.25	-	6,286.50	453.19
Less: Current maturities of long term borrowing clubbed under "other financial liabilities" (C)	-	14,448.76	-	-	14,288.81	-
Less: Adjusted on account of termination of derivative Contracts (refer note 34.6.2)	-	(78.69)	-	-	(78.69)	-
Total (A+B-C)	-	-	1,063.78	-	-	1,062.51

Note a

₹ in Crore

a. Security details	As at March 31, 2020		As at March 31, 2019	
	Long-term	Short-term / Current	Long-term	Short-term
Secured against:				
Investment property / Investment property under development (refer note 3 (a))	-	81.28	-	81.36
Current / Non-Current assets, investments, Loans & Advances, Financial and Other Financial Assets and receivables #	-	2,907.88	-	2,815.06
Fixed deposits	-	5.00	-	5.00
Total	-	2,994.16	-	2,901.42

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

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

note b

Details of Redeemable Non-Convertible Debentures (NCDs)

Series of NCDs	Face value per NCD (₹)	Rate of interest p.a.	Terms of repayment	Date of redemption	No. of NCDs issued	No. of NCDs outstanding As at March 31, 2020	No. of NCDs outstanding As at March 31, 2019
ITNL 11.80% 2024	10,00,000	11.80%	Bullet repayment	3-Jan-25	2,500	2,500	2,500
ITNL 11.80% 2024	10,00,000	11.80%	Bullet repayment	21-Dec-24	2,500	2,500	2,500
ITNL 9.44% 2026	10,00,000	9.44%	Various Dates	25-Oct-24 to 27-Oct-26	2,500	2,500	2,500
ITNL 9.51% 2026	10,00,000	9.51%	Various Dates	16-Aug-24 to 18-Aug-26	1,000	1,000	1,000
ITNL 9.51% 2026	10,00,000	9.51%	Various Dates	9-Aug-24 to 10-Aug-26	2,000	2,000	2,000
ITNL 9.33% 2027 - Series B	10,00,000	9.20%	Various Dates	28-June-24 to 31-Mar-27	4,500	4,500	4,500
ITNL, 11.50%, 2024	10,00,000	11.50%	Bullet repayment	21-Jun-24	2,000	2,000	2,000
ITNL, 11.50%, 2024	10,00,000	11.50%	Bullet repayment	4-Feb-24	1,000	1,000	1,000
ITNL 9.20% 2022, Series A	10,00,000	9.20%	Bullet repayment	15-Apr-22	3,000	3,000	3,000
ITNL 10.50% 2021	10,00,000	10.50%	Bullet repayment	8-May-18	1,250	-	-
ITNL 9.28% 2021	10,00,000	9.28%	Various dates	30-Jul-20 to 30-Jun-21	2,000	2,000	2,000
ITNL 11.70% 2020	10,00,000	11.70%	Bullet repayment	26-May-18	2,250	-	-
ITNL 11.50% 2019	10,00,000	11.50%	Bullet repayment	20-Nov-19	1,250	1,250	1,250
NCD Tranche XIII Series B #	5,00,000	0.00%	Bullet repayment	23-Jun-19	500	500	500
ITNL 9.40% 2020	10,00,000	9.40%	Bullet repayment	5-Apr-19	4,250	4,250	4,250
NCD Tranche XIII Series A #	5,00,000	0.00%	Bullet repayment	23-Mar-19	7,300	7,300	7,300
ITNL,12.00%,2019 Series II *	10,00,000	12.00%	Bullet repayment	18-Mar-19	5,300	208	208
ITNL, 12.00%, 2019 *	10,00,000	12.00%	Bullet repayment	23-Jan-19	4,000	14	14
ITNL 11.70% 2018	10,00,000	11.70%	Bullet repayment	12-Apr-18	1,500	-	-
ITNL 9.25% 2022 Option I	10,00,000	9.25%	Bullet repayment	28-Oct-22	325	325	325
ITNL 9.37% 2027 Option II	10,00,000	9.37%	Various dates	30-Jan-23 to 29-Oct-2027	1,180	1,180	1,180
ITNL 9.37% 2027 Series 1 Option II	10,00,000	9.37%	Various dates	28-Feb-23 to 30-Nov-27	1,000	1,000	1,000
ITNL 9.00% 2027 Series 2	10,00,000	9.00%	Various dates	28-Feb-23 to 30-Nov-27	1,000	1,000	1,000
ITNL 9.25% 2022 Series 1 Option I	10,00,000	9.25%	Bullet repayment	15-Dec-22	500	500	500
ITNL 9.00% 2027 Series 2	10,00,000	9.00%	Various dates	15-Mar-23 TO 15-Dec-27	990	990	990
ITNL 9.10% 2023 Series 1A	10,00,000	9.10%	Bullet repayment	2-Feb-23	1,000	1,000	1,000
ITNL 9.10% 2023 - Series 1B	10,00,000	9.10%	Bullet repayment	3-Feb-23	1,000	1,000	1,000
ITNL 9.10 % Series 1	10,00,000	9.10%	Bullet repayment	28-Mar-23	750	750	750
ITNL 9.15 % Series 2	10,00,000	9.15%	Various dates	28-Jun-23 to 28-Mar-25	1,000	1,000	1,000
ITNL 9.20% Series 3	10,00,000	9.20%	Various dates	30-Jun-23 to 30-Mar-28	1,400	1,400	1,400
ITNL 9.35% Tranche XXV - Option I	10,00,000	9.35%	Bullet repayment	27-Apr-23	100	100	100
ITNL 9.40% Tranche XXV - Option II	10,00,000	9.40%	Various dates	27-Jul-23 to 25-Apr-25	150	150	150
ITNL 9.45% Tranche XXV - Option III	10,00,000	9.45%	Various dates	27-Jul-23 to 25-Apr-28	750	750	750
ITNL 9.15% Tranche XXVI - Series I	10,00,000	9.15%	Various dates	25-Aug-23 to 23-May-25	240	240	240
ITNL 9.20% Tranche XXVI - Series II	10,00,000	9.20%	Various dates	25-Aug-23 to 25-May-28	750	750	750
Total					62,735	48,657	48,657

These are 0% coupon NCDs having intrinsic rate of interest of 9.85% p.a.

* Debenture terms gives put option to debenture holder.

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

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	Interest rate range	
	₹ in Crore	₹ in Crore	Frequency of Repayment*	Frequency of Repayment*	As at March 31, 2020	As at March 31, 2019
Current/ short term	11,023.62	10,846.42	QT,Y,B	QT,Y,B	6.54% to 18%	6.54% to 18%
Total	11,023.62	10,846.42				

* QT = Quarterly, HY = Half yearly, Y = Yearly and B = Bullet repayment

d. The Company has issued following series of Cumulative Redeemable Preference Shares ("CRPS") and Cumulative Non-Convertible Compulsorily Redeemable Preference Shares ("CNCRPS") aggregating to ₹ 538.40 crore:

Series Name	Number of shares	Face value per share	Premium received per share	Maturity date	Dividend payout	Redemption terms
20.50% CRPS	16,00,00,000	10	10	Refer note 17 d (i) below	20.50% per annum	Refer note 17 d (i) below
10.50% ITNL CNCRPS 2018	1,92,00,000	10	10	December 23, 2018	21.44% per annum	Redemption at face value plus premium of ₹ 10 per share
11% ITNL CNCRPS 2021	5,00,00,000	10	10	January 17, 2021	22.32% per annum	

d (i): The 20.50% CRPS will be redeemed starting from May 31, 2017 to May 31, 2025 at a premium of ₹ 10 per share and an additional redemption premium of 2.50% p.a. on the face value from the date of issue. See below table for details for 20.50% CRPS and other CNCRPS:

Date of redemption	No of shares to be redeemed (in crore)	Redemption Amount ₹ in crore
23-Dec-18	1.92	38.40
31-May-19	3.00	64.26
31-May-20	3.00	65.01
17-Jan-21	5.00	100.00
31-May-21	3.00	65.76
31-May-22	3.00	66.51
31-May-23	3.00	67.26
31-May-24	0.50	11.34
31-May-25	0.50	11.48
Total	22.92	490.02

e. Authorised preference share capital of the Company is 500,000,000 shares of ₹ 10 each aggregating ₹ 500 crore (as at March 31, 2019 : 500,000,000 shares of ₹ 10 each aggregating ₹ 500 crore)

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

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

During the current year, preference dividend of ₹ Nil (previous year ended March 31, 2019: ₹ 49.99 crore) was paid to holders of CRPS and CNCRPS. Pursuant to various developments mentioned in note 1.2 and note 1.16 of the stand-alone Ind AS financial statement during the previous year, the Company has not accrued preference dividend of ₹ 38.91 crore (Previous year ended March 31, 2019 ₹ 51.77 crore).

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

IL&FS TRANSPORTATION NETWORKS LIMITED
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h. Details of default in principal repayment of borrowings

₹ in crore

Due Date	Name of the lenders	Amount
01-Apr-19	GHV India Pvt.Ltd	296.21
05-Apr-19	Bonds XIV	425.00
16-Apr-19	Yes Bank Ltd	3.40
22-Apr-19	Suchitra Finance & Trading Co Ltd	250.00
23-Apr-19	Yes Bank Ltd	9.00
23-May-19	Barclays Bank	202.49
31-May-19	PRF. SH. 20.50 CRPS	30.00
31-May-19	PRF. SH. 20.50 CRPS	30.00
23-Jun-19	Bonds XIII - b	25.00
29-Jun-19	Canara Bank	75.00
30-Jun-19	The Lakshmi Vilas Bank	15.00
30-Jun-19	Yes Bank Ltd	25.00
30-Jun-19	Bank of Baroda	25.00
05-Jul-19	The Bank of Tokyo-Mitsubishi UFJ Ltd.	20.75
16-Jul-19	Yes Bank Ltd	3.40
19-Jul-19	Nainital Bank	22.50
23-Jul-19	Yes Bank Ltd	9.00
04-Aug-19	Beigh Construction Company Pvt Ltd	8.50
14-Sep-19	Karur Vyasya Bank	25.00
23-Sep-19	Tamilnad Mercantile Bank	50.00
28-Sep-19	KfW	6.39
29-Sep-19	Canara Bank	75.00
30-Sep-19	The Lakshmi Vilas Bank	15.00
30-Sep-19	Yes Bank Ltd	25.00
30-Sep-19	Bank of Baroda	25.00
16-Oct-19	Yes Bank Ltd	3.40
23-Oct-19	Yes Bank Ltd	9.00
03-Nov-19	Export Development Canada	333.60
09-Nov-19	Infrastructure Leasing & Financial Services Limited	680.07
20-Nov-19	Punjab & Sind Bank	50.00
20-Nov-19	Bonds VI	125.00
30-Nov-19	State Bank of India	20.00
28-Dec-19	South Indian Bank	50.00
29-Dec-19	Canara Bank	50.00
31-Dec-19	Bank of Baroda	31.25
31-Dec-19	The Lakshmi Vilas Bank	15.00
31-Dec-19	Yes Bank Ltd	12.45
15-Jan-20	NORTH KARNATAKA EXPRESSWAY LTD	69.00
16-Jan-20	Yes Bank Ltd	3.40
18-Jan-20	Vijaya Bank	25.00
23-Jan-20	Yes Bank Ltd	9.00
02-Feb-20	State Bank of India	25.00
14-Mar-20	Karur Vyasya Bank	25.00
26-Mar-20	Infrastructure Leasing & Financial Services Limited	199.00
28-Mar-20	KfW	6.39
28-Mar-20	South Indian Bank	50.00
28-Mar-20	Karnataka Bank Ltd	10.00
31-Mar-20	Bank of Baroda	31.25
31-Mar-20	Oriental Bank of Commerce	60.00
Total		3,589.45

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

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

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

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

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m. During the previous year pursuant to amendments made to the underlying loan agreements, one of the unsecured borrowing of ₹ 200.00 crore in respect of which letter of awareness was given by the Company to IFIN was converted from unsecured borrowings into secured borrowings.

n. Penal Interest claimed by certain parties (including related parties) and accepted by CMA amounting to Rs 3.11 Crores is under reconciliation . Pending outcome of such reconciliation, no impact, if any has been given for the said amount in the accompanying IND AS financials statements.

o. Borrowings include Rs 270 crore paid as advance (in respect of which a Letter of awareness was given by the Company to IFIN) by a party in respect of acquisition of shares of PSRDCL pursuant to an MOU signed between the party and the company in earlier years. As the party and Company are not pursuing the MOU, the advance so received was classified as borrowings in the previous year in accordance with the terms of the MOU.

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Note 18: Other financial liabilities

₹ in Crore

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non Current	Current	Non Current	Current
Interest accrued (refer note 1.16)	-	555.48	-	539.52
Unpaid dividends	-	0.19	-	0.21
Current maturities of long-term debt (refer note 17)	-	14,448.76	-	14,288.81
Provision for guarantee invocation for under construction projects (refer note 30, 38.7 and 38.9)	-	310.64	-	-
Lease liabilities (refer note 18.1)	2.98	0.82	-	-
Total	2.98	15,315.89	-	14,828.54

18.1 Lease Liabilities-Other financial liabilities

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

₹ in Crore

Particulars	March 31, 2020	March 31, 2019
As at 1 April 2019	6.26	-
Additions	1.18	-
Accretion of interest	0.57	-
Payments / adjustments	(4.21)	-
As at 31 March 2020	3.80	-
Current	2.98	-
Non-current	0.82	-

Note 19: Provisions

₹ in Crore

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non Current	Current	Non Current	Current
Employee benefits	-	5.15	-	7.36
Provision for Indirect Tax matters (refer note 19.1)	-	170.48	-	170.48
Total	-	175.63	-	177.84

19.1 The Maharashtra VAT authority has passed orders for FY 2010-11, FY 2011-12 and FY 2015-16 and raised demand of ₹ 57.62 crore along with Interest and penalty against the Company on the grounds of non-deduction of WCT-TDS by the Company as Principal employer from payment made to various sub-contractors in relation to certain projects. Based on expert opinions obtained by the Company, the Company believes that its has strong ground to challenge the position taken by the VAT authority and defend the demand. The Company has already filed an appeal against these orders and same is under consideration. However as an abundant caution, during the previous year, the Company had made provision for the tax demanded, Interest and penalty aggregating of ₹ 57.62 crore. The Company had on the same principle made an additional provision of ₹ 112.85 crore for a probable demand that may arise for other years having similar matters.

19.2 - Movement in Provision

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Balance at the beginning of the year	170.48	-
Addition during the year	-	170.48
Reversal during the year	-	-
Closing at the end of the year	170.48	170.48

Note 20: Other liabilities

₹ in Crore

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non Current	Current	Non Current	Current
Statutory dues				
Goods and Service Tax	-	123.72	-	129.77
Tax Deducted at Source	-	18.64	-	21.73
Labour Cess	-	12.42	-	12.62
Provident Fund	-	0.17	-	0.35
Total	-	154.95	-	164.47

Note 21 : Trade Payables

₹ in Crore

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non Current	Current	Non Current	Current
Trade payables other than micro and small enterprises (refer note 21.3, 21.4, 21.6 below)	-	786.87	-	695.25
Trade payables to micro and small enterprises (refer note 21.1, 21.5 below)	-	36.67	-	36.74
Bills payables to Banks (refer note 21.2 below)	-	312.36	-	315.76
Total	-	1,135.90	-	1,047.75

IL&FS TRANSPORTATION NETWORKS LIMITED
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21.1 Disclosure Required Under Micro, Small And Medium Enterprises Development Act, 2006 (The Act) are as follows: (as per the information available with the company)

Particulars	₹ in Crore	
	As at March 31,2020	As at March 31,2019
1. Principal amount remaining unpaid to any supplier as at the end of the accounting year.	36.67	36.74
2. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	6.88	6.66
3. The amount of interest paid by the company in terms of section 16 of the Micro , Small and Medium Enterprise Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
4. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small, and Medium Enterprises Development Act, 2006.	-	-
5. The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
6. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise , for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

21.2 During the year ended March 31, 2019, the Company has accepted Bills of Exchange drawn by various vendors against the construction/ operation and maintenance invoices raised by these vendors and accepted to pay the banks/ financial institutions (without any recourse to the Company) on due date of these bills. As on March 31, 2020, the Company is liable to pay such Bills of Exchange amounting to ₹ 312.36 crore (previous year ₹ 315.76 crore) which is disclosed as Bills Payable under Trade Payables. Claims if any raised by banks / financial institution in respect of bills discounted by them and outstanding as on October 15, 2018 are admitted by CMA as operational creditors.

21.3 Consequent to the various matters mentioned in note no. 1.2 to these standalone Ind AS Financial Statements, the normal construction operations of the Company have been suspended. The Company therefore expect to settle the gross trade payable of ₹ 1,266.64 crore (previous year ₹ 1,077.68 crore) net off mobilisation advances receivable of ₹ 419.65 crore (previous year ₹ 421.36 crore), retention money payable of ₹ 403.46 crore (previous year ₹ 401.12 crore) and other advances receivable of ₹ 253.36 crore (previous year ₹ 261.79 crore) and accordingly these balances of trade payable have been presented on a net basis.

21.4 Trade payable to IL&FS Ltd is net off ₹ 0.83 crore (previous year ended March 31, 2019 ₹ 0.83 crore) recoverable towards excess remuneration paid to Ex-Managing Director and Ex-Executive Director.

21.5 The amount due to Micro, Small and Medium Enterprises during the year ended March 31, 2020 is ₹ 36.67 (previous year as on 31st March 2019 ₹ 36.74 crore). Micro, Small and Medium Enterprises ('MSME') have been determined based on information available with the Company. However due to uncertainties and other matters mentioned in note 1.2 to the standalone Ind-AS financial statement, Company is in the process of reconciling all its vendors and pending outcome of the said assessment, consequential impacts is pending.

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

21.6 Pursuant to termination of the EPC contract between the Company and IL&FS Engineering and Construction Company Ltd (IECCL), in respect of Kiratpur Ner Chowk Expressway project in November 2017, the IECCL had novated the contract to ITNL. In respect of the same, during the current year, the Company has recognised the liability and corresponding asset amounting to Rs. 15.82 crore for cost relating to pre novation period.

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

Particulars	₹ in Crore			
	As at March 31, 2020		As at March 31, 2019	
	Non Current	Current	Non Current	Current
Unearned Revenue (refer note a below)	-	4.73	9.17	9.76
Total	-	4.73	9.17	9.76

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

Note 22: Revenue from operations

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Construction Contract		
Revenue from Construction Contract (refer note 22(a))	2.56	-
Operation and maintenance		
Revenue from Operation and maintenance income	96.15	179.54
Other		
Supervision fees	0.80	-
Total	99.51	179.54

a. The revenue recognised by the Company in the current year represents construction work completed by the Company under a separate contract basis the additional work/change of scope order awarded by National Highway Authority of India to its subsidiaries. The Company has completed its performance obligations under the said contracts and also realised the consideration from its subsidiaries and accordingly recognised the construction revenue amounting to ₹ 2.56 crore. Consequent to events fully described in the note 1.2 of these standalone Ind AS financial statements and in accordance with requirements of Ind AS 115, construction revenue was not recognised by the company in the previous year.

Note 23: Other Income

₹ in Crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest income earned on financial assets that are not designated as at fair value through profit or loss (refer note 23 (a))	75.47	428.81
Interest on Bank deposits (at amortised cost)	12.22	17.40
Dividend Income	-	0.02
Excess provisions written back (refer note 23 (c))	2.32	12.20
Lease Rental income (refer note 2(a))	22.02	22.52
Foreign Exchange fluctuation gain (net) (refer note 34.6.2)	-	111.69
Interest on Income Tax Refund	12.47	10.77
Gain on sale of Mutual fund investment	2.25	0.25
Gain on fair valuation of Mutual fund	1.92	-
Gain on fair valuation of investment (others)	3.95	-
Miscellaneous income	0.29	3.04
Total	132.91	606.70

a. During the current year, the Company has not accrued Interest Income on loans given to SPVs except in case of entities which are classified as Green entities (refer note 1.3) where in the Interest Income is accrued till March 31, 2020.

b. During the current year, the Company has not recognised the Guarantee fees Income amounting to ₹ 18.53 crore (previous year ₹ 13.07 crore) due to significant uncertainties involved in performance of their obligations by the group companies.

c. In the current year, the Company has written back certain provisions made in earlier years of ₹ 2.32 crore (previous year ₹ 12.20 crore) basis management assessment

Note 24: Cost of materials consumed & Construction Costs

₹ in Crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Inventory at the beginning of the year	18.49	19.90
Add-Purchase of raw material & stores and spares	-	2.45
Less- Inventory at the end of the year	18.49	18.49
Cost of materials consumed	-	3.86
Construction Contract Costs	46.21	749.58

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

- (i) various aspects relating to project cost estimates and awards, project execution and procurement, work certification and change orders, payment certifications etc.
- (ii) examining transactions with certain vendors/ subcontractors in greater details and identifying nature of services, commercial substance, basis of selection of vendors and business rationale for identified construction cost incurred.

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

b. As a part of ongoing vendor reconciliation exercise, the Company has recognised additional cost amounting to ₹ 1.91 crore (net) (previous year ₹ 52.5 crore) with respect to certain vendors for work carried out in the earlier years. The Company is in the process of reconciling all its vendors and pending outcome of the said assessment, consequential impacts if any are not adjusted in the standalone Ind-AS financial statements.

Note 25: Other Operating Expenses (refer note 24)

₹ in Crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Fees for Legal and technical services	0.58	48.38
Operation and maintenance expenses	89.62	164.89
Other expenses	8.90	5.39
Total	99.10	218.66

Note 26: Employee benefits expense

₹ in Crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and wages	21.52	45.08
Contribution to provident and other funds (refer note 36)	(0.00)	7.92
Staff welfare expenses	2.08	4.77
Deputation Cost	0.10	2.19
Total	23.71	59.96

Note 27: Finance Costs (refer note 1.16)

₹ in Crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest expenses		
Interest on loans	15.62	924.18
Discount on Commercial Papers	-	9.81
Other borrowing costs		
Upfront fees and other finance charges	-	302.45
Other Interest (refer note 1.8)	0.52	30.37
Interest due to Ind AS 116	0.56	-
Adjustment on account of fair valuation of Redeemable Preference Shares	-	8.74
Total	16.70	1,275.55

Note 28: Depreciation and amortisation expense

₹ in Crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation of Property, Plant and Equipment	16.51	20.44
Depreciation on Investment Property	0.10	-
Depreciation on ROU Assets (refer note 39)	3.24	-
Amortisation of Intangible Assets	0.09	0.49
Total	19.94	20.93

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Note 29: Other expenses

₹ in Crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Electricity charges	0.70	0.84
Travelling and conveyance	1.70	9.46
Printing and stationery	0.14	0.54
Rent (refer note 1.8 and note 39)	5.92	16.92
Rates and taxes (refer note 1.8)	17.32	61.53
Provision for Indirect tax balances and matters (refer note 9 and 19.1)	-	301.44
Repairs and maintenance (other than building and machinery)	0.20	0.72
Communication expenses	0.34	0.93
Insurance	6.80	32.05
Legal and professional fees	29.81	32.89
Directors' fees	0.08	0.33
Bank commission	2.48	12.46
Loss on sale/ discard/ damaged/ scrapped of fixed assets (refer note 2)	1.69	14.60
Loss on sale of investments (refer note 4(a))	0.09	56.75
Foreign exchange fluctuation loss (net)	160.25	-
Expenses related to bid documents	-	0.09
Brand Subscription Fees	-	10.29
Corporate Social Responsibility expenses (refer note 29(a))	-	0.02
Auditor's remuneration (refer note 29(b))	0.80	2.54
Loss on cancellation of Swap contracts (net) (refer note 34.6.2)	-	19.20
Fair valuation loss on Investments recognised through profit and loss (refer note 4(i))	-	101.67
Miscellaneous expenses (refer note 29 (c))	3.41	10.56
Total	231.73	685.83

a. In terms of Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee has been formed by the Company. The areas for CSR activities as per the CSR policy are (i) Promotion of education, (ii) promoting gender equality and empowering women, (iii) reducing child mortality and improving maternal health, (iv) ensuring environmental sustainability, (v) employment enhancing vocational skills, (vi) social business projects, (vii) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socioeconomic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women and (viii) such other matters as may be prescribed.

In line with Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities, issued by the Institute of Chartered Accountants of India, the disclosure of the CSR expenditure during the year, is as under:

(i) Gross amount required to be spent by the Company during the year: ₹ Nil (previous year ₹ 4.14 crore)

(ii) Amount spent by the Company during the year : ₹ Nil (previous year ₹ 0.02 crore)

₹ in Crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(i) Skilling for employment	-	-
(i) Livelihood Development	-	-
(ii) Education enhancement	-	0.02
(iii) Local Area projects	-	-
(iv) Others	-	-
Total	-	0.02

b. Payment to auditors include the following:

₹ in Crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Payments to auditors excluding taxes		
For Statutory Audit	0.75	1.10
For other services including certification services	0.04	1.32
For out of pocket expenses	0.01	0.12
Total	0.80	2.54

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

Note 30: Exceptional items (refer note 1.12 and note 1.13)

₹ in Crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Allowance for credit impaired Loans (refer note 5(h)) (Net)	383.84	5,682.77
(Reversal) / Allowance for credit impaired Trade receivable (refer note 12(a)) (Net)	(19.90)	2,229.59
Allowance for credit impaired contract assets (refer note 11)	-	368.51
Allowance for credit impaired other financial assets and impairment loss on other assets (Net)	0.18	50.44
Impairment loss on Investments (refer note 4)	60.71	5,971.71
Impairment loss on Property, Plant and Equipment (refer note 2)	32.51	-
Impairment loss on Investment Property (refer note 3)	-	37.57
Provision for guarantee invocation for under construction projects (refer note 38.7 and 38.9)	310.64	-
Total	767.98	14,340.59

Note 31: Tax expenses

Income tax recognised in profit or loss

₹ in Crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current tax		
In respect of the current year	-	-
In respect of prior year	-	-
Subtotal	-	-
Deferred tax		
In respect of current year	-	1.59
In respect of previous year (refer note 7)	-	395.29
MAT Entitlement Credit	-	34.72
Subtotal	-	431.60
Total	-	431.60

a. The Company has not opted to exercise the option under Section 115BAA of the Income Tax Act, 1961, as introduced by the taxation laws (Amendment) Ordinance, 2019 and decided to continue with the existing rate of income tax for the purpose of deferred tax computation.

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

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

Cashflow Hedge Reserve

₹ in crore

Particular	Year ended March 31, 2020	Year ended March 31, 2019
Reclassified to statement of profit or loss	-	42.07
Total	-	42.07

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

Defined Benefit plan adjustments

₹ in crore

Particular	Year ended March 31, 2020	Year ended March 31, 2019
Re-measurement gains on defined benefit plans	(1.62)	2.13
Total	(1.62)	2.13

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Note 34 : Financial instruments

34.1 Capital management

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

The capital structure of the Company consists of net debt of ₹ 15,768.07 crore (March 31, 2019 ₹ 15,738.26 crore) (borrowings as detailed in notes 17 offset by cash and bank balances as detailed in note 13) and total equity of ₹ (14,859.23) crore (March 31, 2019 ₹ (13,884.41) crore equity) (as detailed in note 15 and note 16).

34.1.1 Gearing ratio

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

Particulars	As at March 31, 2020	As at March 31, 2019
Debt	16,068.03	15,890.83
Less: Cash & cash equivalents; and bank balances	299.75	152.57
Net debt	15,768.28	15,738.26
Total Equity	(14,859.70)	(13,884.41)
Net debt to total equity ratio (in times)	(1.06)	(1.13)

Formula used for the computation of the Ratios:

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

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

Equity includes equity share capital and reserves of the Company that are managed as capital.

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

34.2 Categories of financial instruments

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets		
<u>Fair value through profit and loss (FVTPL)</u>		
Investments	135.01	70.46
<u>At amortised cost</u>		
Trade receivables	153.70	127.15
Cash & cash equivalents; and bank balances	299.75	152.57
Loans	1,607.27	2,111.08
Other financial assets	47.45	40.66
At deemed cost		
Financial liabilities (including Long term borrowings)		
<u>At amortised cost</u>		
Borrowings	1,063.78	1,062.51
Trade payables	1,135.90	1,047.74
Other financial liabilities	15,318.87	14,828.54

34.3 Financial risk management objectives

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

34.4 Market risk

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

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34.5 Foreign currency risk management

The carrying amounts of the Company's unhedged foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

₹ in crore

Particulars	Liabilities		Assets	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
USD	24.02	24.02	0.66	0.66
Euro	2.42	2.42	0.01	0.01
GBP	0.05	0.05	-	-

34.6.1 Foreign currency sensitivity analysis

The Company is mainly exposed to the currency of United States and the currency of Eurozone.

The following table details the Company's sensitivity to a 10% increase and decrease in the ₹ against the relevant foreign currencies. 10% sensitivity indicates management's assessment of the reasonable possible change in foreign exchange rates. The sensitivity analysis includes only outstanding unhedged foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates.

₹ in crore

Particulars	USD		Euro	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Impact on Profit and loss	(2.34)	(2.34)	(0.24)	(0.24)
Impact on Total Equity	(2.34)	(2.34)	(0.24)	(0.24)

Particulars	GBP *	
	As at March 31, 2020	As at March 31, 2019
Impact on Profit and loss	(0.00)	(0.00)
Impact on Total Equity	(0.00)	(0.00)

* less than ₹ 1 lakh

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

34.6.2 Cross currency interest rate swap contracts

Under these swap contracts, the Company agrees to exchange the difference between fixed interest amounts based on functional currency notional principal amounts and floating rate interest amounts calculated on agreed foreign currency notional principal amounts. Also the Company agrees to exchange difference between the functional currency notional principal amount and the amount calculated based on the spot exchange rates on the foreign currency notional principal amount on specified dates. Such contracts enable the Company to mitigate the risk of changing interest rates and foreign exchange rates on the cash flows of issued foreign currency variable rate debt. The fair value of these swaps at the end of the reporting period is determined by discounting the future cash flows using the foreign currency and interest rate curves at the end of the reporting period and the credit risk inherent in these contracts, and is disclosed below. The average interest rate is based on the outstanding balances at the end of the reporting period.

All cross currency interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the Company's cash flow exposure resulting from variable interest rates on borrowings. The cross currency interest rate swaps and the interest payments on the loan occur simultaneously and the amount accumulated in equity is reclassified to profit or loss over the period that the floating rate interest payments on debt affect profit or loss.

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

During the previous year, Foreign currency restatement of such ECB loans amounting to ₹ 184.26 crore was netted with the gain as recognised above. Accordingly, net loss of ₹ 19.20 crore was recognised in the previous year due to such termination. In the current year, the Company has no cross currency interest rate SWAP contracts.

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34.7 Interest rate risk management

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

34.7.1 Interest rate sensitivity analysis

The sensitivity analyse below have been determined based on the exposure to the interest rates for all non-derivative variable interest rate instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the impact of the same is given in below table which is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Particulars	₹ in crore	
	Year ended March 31, 2020	Year ended March 31, 2019
Impact on Profit and loss	-	42.22
Impact on Total Equity	-	42.22

Due to the matters discussed in note 1.16 the interest expense has been accounted in the books upto October 15, 2018. The impact in the table above has also been calculated and disclosed accordingly. Sensitivity impact of interest amounts to Rs 80.45 crore (previous year (from 16th Oct to 31st March 2019) amounting to ₹ 35.20 crore)

34.8 Commodity Price Risk

The Company requires construction materials for implementation (construction, operation and maintenance) of the projects, such as cement, bitumen, steel and others, for which, they have fixed price contract (with capped escalation charges) with the EPC contractor and Operation & Maintenance Contractor so as to manage the exposure to price increases in raw materials. Considering that the operations of the Company have been substantially curtailed, no substantial commodity risks exist as at 31 March 2020.

34.9 Other price risks

The Company is exposed to equity price risks arising from equity investments. As detailed in Note 1.12 the management based on the consultation with the New Board and its assessment of the cash flows from the investments, is of the view that the value arrived and disclosed is prudent and represents the economic substance of the amounts recoverable as of March 31, 2020.

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

34.10 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and its financing activities (primarily loans given).

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

34.11 Liquidity risk management

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

34.11.1 Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

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₹ in crore

Particulars	March 31, 2020			March 31, 2019		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
Weighted average effective interest rate (%)	-	11.57%	12.51%	-	11.57%	12.51%
Upto 1 year	1,970.69	6,239.84	9,643.34	1,567.25	6,078.60	9,654.16
1-3 years	-	-	-	-	-	-
3-5 years	-	-	-	-	-	-
More than 5 years	-	-	-	-	-	-
Total	1,970.69	6,239.84	9,643.34	1,567.25	6,078.60	9,654.16

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

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

The Company is in the process of monetizing its entire investments in operating assets to generate cash flows in order to meet its obligations.

₹ in crore

Particulars	March 31, 2020			March 31, 2019		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
Weighted average effective interest rate (%)	-	-	10.48%	-	-	10.48%
Upto 1 year	-	-	-	-	-	-
1-3 years	1,212.94	-	1,607.27	1,134.35	-	2,111.08
3-5 years	-	-	-	-	-	-
More than 5 years	-	-	-	-	-	-
Total	1,212.94	-	1,607.27	1,134.34	-	2,111.08

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

During the year, the company has no exposure in swap contracts.

34.12 Fair value measurements

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

34.12.1 Fair value of the Company's material financial assets and financial liabilities that are measured at fair value on a recurring basis.

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

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₹ in crore

Financial assets/ financial liabilities	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	As at March 31, 2020	As at March 31, 2019			
Investment in mutual fund	67.20	6.60	Level 1	Based on net asset value as declared by funds as of year end	None
Gujarat Road and Infrastructure Company Limited	0.13	0.13	Level 3		None
Investments in Units of Infiniti Realty Opportunities Trust - Real Estate Asset performance-1	67.68	63.73	Level 3	Based on valuation report from an independent valuer.	None

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

₹ in crore

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
<u>At amortised cost</u>				
Trade receivables	153.70	153.70	127.15	127.15
Cash & cash equivalents; and bank balances	299.75	299.75	152.57	152.57
Loans	1,607.27	1,607.27	2,111.08	2,111.08
Other financial assets	47.45	47.45	40.66	40.66
Financial liabilities				
<u>At amortised cost</u>				
Borrowings	1,063.78	1,063.78	1,062.51	1,062.51
Trade payables	1,135.90	1,135.90	1,047.75	1,047.75
Other financial liabilities	15,318.87	15,318.87	14,828.54	14,828.54

₹ in crore

Fair value hierarchy	As at March 31, 2020			As at March 31, 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
<u>At amortised cost</u>						
Trade receivables	-	-	153.70	-	-	127.15
Cash & cash equivalents; and bank balances	-	-	299.75	-	-	152.57
Loans	-	-	1,607.27	-	-	2,111.08
Other financial assets	-	-	47.45	-	-	40.66
Financial liabilities						
<u>At amortised cost</u>						
Borrowings	-	-	1,063.78	-	-	1,062.51
Trade payables	-	-	1,135.90	-	-	1,047.75
Other financial liabilities	-	-	15,318.87	-	-	14,828.54

The fair values of the financial assets and financial liabilities above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

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Note 35 : Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019

₹ in Crore		
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Accounting loss before income tax	(972.95)	(16,568.71)
At India's statutory income tax rate of 31.2% (March 31, 2019 : 31.2%)	(303.56)	(5,169.44)
Dividend Income exempt from tax	-	(0.01)
Non deductible expense for tax purpose :		
Corporate Social Responsibilities expenditure not allowable as per Income Tax	-	0.01
Deferred tax not recognised on loss on sale of Investments	0.03	11.80
Deferred Tax Asset not recognised on losses	44.96	402.77
Deferred Tax Asset not recognised on expenses disallowed	115.88	280.61
Deferred tax not recognised on provision for Impairment	142.69	4,474.26
Deferred Tax written off (refer note 7)	-	431.60
At the effective income tax rate of Nil (March 31, 2019: Nil))	-	431.60
Income tax expense reported in the statement of profit and loss	-	431.60

35.1 Deferred Tax Asset not recognised

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

₹ in Crore		
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Expiring within 5 years	-	-
Expiring beyond 5 years	1,620.53	1,574.24
Indefinite	57.58	33.20

The deferred tax asset not recognised on carry forward losses and unabsorbed depreciation:

₹ in Crore		
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Unabsorbed Business Loss	447.04	448.74
Unabsorbed Capital Loss	36.67	36.67
Unabsorbed Depreciation	17.96	10.35

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

₹ in Crore		
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Expiring within 5 years	-	-
Expiring beyond 5 years	22.56	22.56
Indefinite	-	-

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

35.3 The Company has not opted to exercise the option under Section 115BAA of the Income Tax Act, 1961, as introduced by the taxation laws (Amendment) Ordinance, 2019 and decided to continue with the existing rate of income tax for the purpose of deferred tax computation.

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Note 36. Employee benefit plans

36.1 Defined contribution plans

The Company offers its employees defined contribution benefits in the form of provident fund, family pension fund and superannuation fund. Provident fund, family pension fund and superannuation fund cover substantially all regular employees. Contributions are paid during the year into separate funds under certain statutory/ fiduciary-type arrangements. While both the employees and the Company pay predetermined contributions into the provident fund and pension fund, contributions to superannuation fund are made only by the Company. The contributions are normally based on a certain proportion of the employee's salary. The assets of the plans are held separately from those of the Company in funds under the control of Regional provident fund office and third party fund manager.

The total expense recognised in profit or loss of ₹ 1.82 crore (for the year ended March 31, 2019: ₹ 4.34 crore) represents contributions payable to these plans by the Company at rates specified in the rules of the plans.

36.2 Defined benefit plans

The Company offers its employees defined-benefit plans in the form of gratuity (a lump sum amount). Benefits under defined benefit plans are typically based on years of service rendered and the employee's eligible compensation (immediately before retirement). The gratuity scheme covers substantially all regular employees. In the case of the gratuity scheme, the Company contributes funds to the Life Insurance Corporation of India which administers the scheme on behalf of the Company. Commitments are actuarially determined at year end. Actuarial valuation is based on "Projected Unit Credit" method. The Company recognizes Actuarial Gain & Loss in the Other Comprehensive Income Account in the year in which they occur.

Under the plans, the employees are entitled to post-retirement lump sum amounting to 30 days of final salary for each completed years of service. The eligible salary is Basic pay. Benefits are vested to employee on completion of 5 years.

Investment risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined based on the benchmark yields available on Government Bonds at the valuation date with terms matching that of the liabilities. If the return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. Salary increase rates take into account inflation, seniority, promotion and other relevant factors.

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

Particulars	Valuation as at	
	March 31, 2020	March 31, 2019
Discount rate(s)	5.04%	6.53%
Rate of increase in compensation [#]	5%	3%
Mortality rates*	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Employee Attrition rate (Past service)	PS: 0 to 40 : 31%	PS: 0 to 40 : 31.17%
Expected Average Remaining Service	2.1	2.1

[#] The estimates of future salary increases considered in the actuarial valuation take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

* Based on India's standard mortality table with modification to reflect expected changes in mortality/ others.

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Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:

₹ in crore		
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Service cost:		
Current service cost	1.77	2.31
Net interest expense	(0.51)	(0.23)
Opening Fair Value Adjustments	(3.08)	1.60
Components of defined benefit costs recognised in profit or loss	(1.82)	3.68
Re-measurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	1.09	1.32
Actuarial (gains)/ losses arising from changes in demographic	-	0.95
Actuarial (gains)/ losses arising from changes in financial assumptions	0.40	(0.62)
Actuarial (gains)/ losses arising from experience adjustments	0.12	(4.74)
Components of defined benefit costs recognised in other comprehensive income	1.61	(3.09)
Total	(0.21)	0.59

* This figure does not reflect interrelationship between demographic assumption and financial assumption when a limit is applied on the benefit, the effect will be shown as an experience.

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss. The re-measurement of the net defined benefit liability is included in other comprehensive income. The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows.

₹ in crore		
Particulars	As at March 31, 2020	As at March 31, 2019
Present value of funded defined benefit obligation	6.36	11.97
Fair value of plan assets	11.12	15.90
Funded status	4.76	3.93
Net asset/ (liability) arising from defined benefit obligation	4.76	3.93

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

₹ in crore		
Particulars	As at March 31, 2020	As at March 31, 2019
Opening defined benefit obligation	11.97	16.10
Current service cost	1.77	2.31
Interest cost	0.64	1.09
Re-measurement (gains)/losses:		
Actuarial gains and losses arising from changes in demographic	-	0.95
Actuarial gains and losses arising from changes in financial assumptions	0.40	(0.62)
Actuarial gains and losses arising from experience adjustments	0.12	(4.74)
Benefits paid	(7.92)	(2.87)
Benefit directly paid by company	(0.62)	-
Others (Transfer out liability)	0.00	(0.25)
Closing defined benefit obligation	6.36	11.97

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

₹ in crore		
Particulars	As at March 31, 2020	As at March 31, 2019
Opening fair value of plan assets	15.90	20.65
Interest income	1.15	1.32
Re-measurement gain (loss):		
Return on plan assets (excluding amounts included in net interest)	(1.09)	(1.32)
Adjustment to Opening Fair Value of Plan Asset	3.08	(1.63)
Contributions from the employer	-	-
Benefits paid	(7.92)	(2.87)
Other (Transfer out liability)	-	(0.25)
Closing fair value of plan assets	11.12	15.90

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The fair value of the plan assets at the end of the reporting period for each category, are as follows.

Particulars	₹ in crore	
	Fair Value of plan asset as at	
	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents	-	-
Gratuity Fund (LIC)	11.12	15.90
Others [describe]	-	-
Total	11.12	15.90

All of the Plan Asset is entrusted to LIC of India under their Company Gratuity Scheme. The reimbursement is subject to LIC's Surrender Policy. Since the scheme funds are invested with LIC of India Expected rate of return on Plan assets is based on rate of return declared by fund managers.

The actual return on plan assets was ₹ (1.09) crore (2019: ₹ (1.32) crore).

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Sensitivity Analysis

Particulars	ATT - Attrition Rate		DR - Discount Rate		ER - Salary Escalation Rate	
	PVOATT + 1%	PVOATT - 1%	PVO DR + 1%	PVO DR - 1%	PVO ER + 1%	PVO ER - 1%
PVO	6.35	6.36	6.22	6.49	6.47	6.24

Expected Payout

Year	Expected Outgo First	Expected Outgo Second	Expected Outgo Third	Expected Outgo Fourth	Expected Outgo Fifth	Expected Outgo Six to Ten years
Payouts	2.29	1.55	0.95	0.69	0.49	1.04

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

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

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

Asset Liability Comparisons

Year	₹ in crore	
	As at March 31, 2020	As at March 31, 2019
PVO at end of the year	6.36	11.97
Plan Assets	11.12	15.90
Surplus/(Deficit)	4.76	3.93
Experience adjustments on plan assets	(1.09)	-

The expected contributions to the defined benefit plan for the next annual reporting period as at March31 2020 is ₹ 2.29 crore (as at March 31 2019 is ₹ 4.38 crore).

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

Note 37 : Contingent Liabilities and Commitments

₹ in crore		
Particulars	As at March 31, 2020	As at March 31, 2019
(i) Contingent Liabilities		
<u>Claims against the Company not acknowledged as debts</u>		
- Income tax demands contested by the Company Includes MAT of Rs. 20.38 crore and interest u/s 220(2) of Rs. 1.5 crore	101.08	79.20
- Indirect tax demands contested by the Company	217.59	4.47
Sub Total (a)	318.67	83.67
(ii) Commitments		
- Capital commitments	-	-
- Sub-debt commitments (refer note 37.2)	-	-
- Interest free loan commitment to a subsidiary (refer note 37.6)	20.00	-
- Investment commitment to a subsidiary (refer note 37.2 and note 37.6)	75.00	-
Sub-Total (b)	95.00	-
Total (a) + (b)	413.67	83.67

Note 37.1

Pursuant to various development during the previous year specifically mentioned in note 1.2 to this standalone Ind-AS financial statements, the Company has reconciled claims admitted by the Claim Management Advisor for financial creditors of ₹ 17,713.89 crore (which includes contingent claims of ₹ 2,831.22 crore) against financial liability of ₹ 15,888.64 crore in the books. Impact of all reconciling items has been 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.

The Company is in process of reconciling operational creditor claims admitted by the Claim Management Advisor amounting to ₹ 1,152.84 crore as against operational liability of ₹ 997.38 crore in the books. Impact of all reconciling items has been given in these standalone Ind AS financial statements except for differences (between admitted claims and book balance of such creditors) amounting to ₹ 126.71 crore (excluding contingent claims), which are presently being reconciled and pending completion of reconciliation no impact have been given in these standalone Ind AS financial statements in respect of those differences.

Note 37.2

The Company, as Sponsor of projects has given commitment to lenders of these projects for infusing sub-debt and equity Investment in the project companies from time to time. However in view of current liquidity crisis, multiple financial default by the Company to its lenders and the developments mentioned in note 1.2 of these stand-alone Ind AS Financial statements, the Company will not be in the position to honour these commitments and hence the same is considered as ₹ Nil in current financial year (previous year ₹ Nil). (also refer Note 37.6)

Note 37.3

Supreme Court (SC) passed a judgement dated 28 February 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are numerous interpretative issues relating to the Supreme Court (SC) judgement including the effective date of application. Based on legal opinion, the Company has implemented the applicability of provident fund for the eligible employees as per this ruling wef April 1, 2019.

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

Note 37.4

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

Note 37.5

The Maharashtra VAT authority has passed orders for FY 2015-16 and raised demand of ₹ 217.10 crore which includes a demand on profit margin including Interest and Penalty amounting to Rs. 177.37 crore. Based on expert opinion obtained by the Company, the Company believes that it has strong grounds to challenge the position taken by the VAT authority and demonstrate non-applicability of VAT on profit margin. A significant portion of the demand will get addressed by submitting applicable documentation for demonstrating subcontractor turnover which will be considered by the department as deduction against turnover of the company while arriving as taxable profit margin. The company has started the process of collecting documents from its subcontractors and as on date of signing of these standalone Ind AS financial statements, documents of a substantial amount have been collected. The Company has already filed rectification application against demand order and after disposal of its rectification application, company will be filing an appeal against balance demand. In respect to various such forms collected by the Company, based on its verification and evaluation, the Company believes that it meets the relevant requirement of MVAT rules and would be accepted by the Tax authorities upon examination. The Company however on a conservative basis has evaluated the past open assessments and on this same principle estimates possible demand of ₹ 213.12 crore.

Note 37.6

As on March 31, 2020, the Company has committed to fund one of its subsidiary in the form of equity (₹ 75 crore) and interest free loan (₹ 20 crore) for the purpose of setting up the proposed InvIT (refer note 1.3).

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

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

Particulars	₹ in crore	
	As at March 31, 2020	As at March 31, 2019
a) Letter of awareness issued to third party banks and financial institutions for loans taken by Group Entities (subsidiaries, associates and joint ventures) (to the extent of loans outstanding) (refer note 38.1)	1,608.57	1,791.77
b) Letter of awareness issued to third party banks and financial institution for projects being executed by Group Entities (refer note 38.10)	188.98	198.10
c) Letter of awareness issued to Fellow Subsidiary for loans taken by Group Entities (to the extent of loans outstanding) (refer note 38.1)	88.00	88.00
d) Letter of awareness issued to Fellow Subsidiary for loans taken by third parties which directly or through their group companies have given loans to the Company (to the extent of loans outstanding) (also refer note 1.19 and 17 (o))	970.00	970.00
e) Letter of awareness issued to Fellow Subsidiary for loans taken by third parties which directly or through their group companies has given loans to Group Entities (to the extent of loans outstanding) (refer note 38.2)	820.00	820.00
f) Letter of awareness issued to Fellow Subsidiary for loan taken by a third parties which had receivables from the Company (to the extent of loans outstanding)	20.00	20.00
g) Sponsor guarantees given to banks on behalf of Group Entities (refer note 38.4 and 38.5)	81.28	81.28
h) DSRA support undertaking given to banks on behalf of Group Entities (refer note 38.4 and 38.5)	159.45	159.45
i) Guarantees/ counter guarantees issued to outsiders in respect of Group Entities (net) (refer note 38.7)	2,366.85	2,529.32
Total	6,303.13	6,657.92

Note 38.1

The Group Entities (Subsidiaries, Joint Ventures, Associates) had till previous year availed borrowing facilities from third party banks, financial institutions and other lenders (including a Fellow Subsidiary (IFIN)) and terms of some of the facilities include provision of (i) Letter of Comfort/awareness (ii) Parent Support Agreement (iii) Debt Servicing Reserve Account in favour of these Banks and Lenders. In respect of certain such arrangements, the Company has issued letter of awareness to Banks and Other lenders on behalf of its Group Entities for outstanding loan aggregating to ₹ 1,696.58 crore as at 31st March 2020 (previous year ₹ 1,879.77 crore as at March 31, 2019) as disclosed in (a) and (c) above.

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

Note 38.2

The Company till previous year had issued letter of awareness with outstanding amount of ₹ 820 crore as on March 31, 2020 (as at March 31, 2019 ₹ 820 crore) to a Fellow Subsidiary for loans taken by third parties from the said fellow subsidiary. These third parties directly or through their group companies have given loans to Group Entities of the Company. This matter is under investigation by various regulatory agencies and pending final outcome of the said investigation no adjustments have been recorded in this standalone Ind AS financial statements for consequential effect that may arise in this regard.

Note 38.3

The Company has not assessed the impact under Ind AS 37/ Ind AS 109 for Guarantees/ Counter guarantee/ Letter of Awareness/ Non Disclosure Undertakings/ Performance guarantees/ Other Arrangements extended by it except for provision recognised in respect of bank guarantee for under construction projects amounting to ₹ 310.64 crore (refer note 38.7 and 38.9) and accordingly, no additional impact has been given in this standalone Ind AS financial statements (refer note 1.11).

Note 38.4

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

Note 38.5

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

Note 38.6

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

Note 38.7

(a) The Group Entities have availed limits from Banks for issuing Performance Guarantees and Financial Guarantees (collectively referred to as 'third party guarantees') in favour of third parties. These third-party guarantees have been issued by the Company's bankers on behalf of such Group Entities in the normal course of business.

(b) Guarantees issued by the Company to third parties on behalf of Group Entities amount to ₹ 2,366.85 crore were outstanding as on March 31, 2020 (as at 31st March 2019: ₹ 2,529.32 crore). In addition, the Company has assessed the impact for certain guarantees and accordingly provision amounting to ₹ 188.15 crore have been made in these standalone Ind AS financial statements.

Note 38.8

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

Note 38.9

Financial/ performance guarantees issued by the Company to third parties amounting to ₹ 16.82 crore were outstanding as on March 31, 2020 (as at 31st March 2019: ₹ 139.30 crore). In addition, the Company has assessed the impact for certain guarantees and accordingly provision amounting to ₹ 122.48 crore have been made in these standalone Ind AS financial statements.

Note 38.10

The Company has issued Letter of awareness to third party banks and financial institution, for projects undertaken by Group Entities amounting to ₹ 188.98 crore (as at 31st March 2019: ₹ 198.10 crore).

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

Note 39: Lease
Company as Lessee

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. The Company has used the modified retrospective approach for transitioning to Ind AS 116. 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 period/year have not been restated.

The Company also applied the available practical expedients wherein it:

- i) Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- ii) Relied on its assessment of whether leases are onerous immediately before the date of initial application
- iii) Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- iv) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- v) Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease
- vi) Applied the standard only to contracts that were previously identified as leases applying Ind AS 17 at the date of initial application.

The Company has lease contracts for Office buildings. Leases of office building generally have lease terms between 2 and 10 years. The Company’s obligations under its leases are secured by the lessor’s title to the leased assets.

The Company has elected not to apply the requirements of Ind AS 116 to short term leases of all the assets that have a lease term of twelve months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight line basis over the lease term.

The lease terms do not contain any exceptional/ restrictive covenants nor are there any options given to Company to renew the lease or purchase the properties. The agreements provide for changes in the rentals if the taxes leviable on such rentals change.

The effective interest rate for lease liabilities is 12%

The following are the amounts recognised in profit or loss:

Particulars	₹ in crore	
	March 31, 2020	
Expenses related to short term leases or cancellable leases (Refer Note 29)		5.33
Others (Refer Note 29)		0.59
Depreciation expense of right-of-use assets (Refer Note 28)		3.24
Interest expense on lease liabilities (Refer Note 27)		0.57
Total amount recognised in profit or loss		9.73

The Company had total cash outflows for leases of ₹ 3.45 crore in March 31, 2020 (₹ 3.05 crore in March 31, 2019).

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

Particulars	Unit	Year ended	
		March 31, 2020	March 31, 2019
Loss after tax	₹ in Crore	(972.95)	(17,000.32)
Weighted average number of equity shares outstanding	Number	32,89,60,027	32,89,60,027
Nominal value per equity share	₹	10.00	10.00
Basic / Diluted loss per share	₹	(29.58)	(516.79)

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes to the Standalone Financial Statements for the period ended March 31, 2020

Note 41. Related Party Disclosures

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

Nature of Relationship	Name of Entity	Abbreviation used	
Holding Company	Infrastructure Leasing & Financial Services Limited	ILFS	
Subsidiaries - Direct	Amravati Chikhli Expressway Limited	ACEL	
	Badarpur Tollway Operations Management Limited (Dissolved w.e.f. December 20, 2019)	BTOML	
	Baleshwar Kharagpur Expressway Limited	BKEL	
	Barwa Adda Expressway Limited	BAEL	
	Charminar RoboPark Limited	CRL	
	Chenani Nashri Tunnelway Limited	CNTL	
	East Hyderabad Expressway Limited	EHEL	
	Fagne Songadh Expressway Limited	FSEL	
	Futureage Infrastructure India Limited	FIIL	
	GRICL Rail Bridge Development Company Limited	GRBDCL	
	Hazaribagh Ranchi Expressway Limited	HREL	
	IL&FS Rail Limited	IRL	
	ITNL International Pte. Ltd.	IIPL	
	ITNL Offshore Pte. Ltd.	IOPL	
	ITNL Offshore Two Pte. Ltd.	IO2PL	
	ITNL Offshore Three Pte. Ltd.	IO3PL	
	ITNL Road Infrastructure Development Company Limited	IRIDCL	
	Jharkhand Road Projects Implementation Company Limited	JRPICL	
	Jharkhand Infrastructure Implementation Company Limited	JIICL	
	Jorabat Shillong Expressway Limited	JSEL	
	Karyavattom Sports Facility Limited	KSFL	
	Kiratpur Ner Chowk Expressway Limited	KNCEL	
	Khed Sinner Expressway Limited	KSEL	
	Moradabad Bareilly Expressway Limited	MBEL	
	MP Border Checkpost Development Company Limited	MPBCDCL	
	Pune Sholapur Road Development Company Limited	PSRDCL	
	Ranchi Muri Road Development Limited	RMRDL	
	Roadstar Infra Private Limited (wef Jan 7, 2020)	RIPL	
	Scheme of ITNL Road Investment Trust	SOIRIT	
	Sikar Bikaner Highway Limited	SBHL	
	Srinagar Sonmarg Tunnelway Limited	SSTL	
	Vansh Nimay Infraprojects Limited	VNII	
	West Gujarat Expressway Limited	WGEL	
	Elsamex Maintenance Services Limited	EMSL	
	Elsamex India Private Limited	EIPL	
	Grusamar India Limited	GIL	
	Yala Construction Co Private Limited	YCCPL	
	Chhattisgarh Highway Development Company Limited	CHDCL	
	ITNL KMB JV (AOP)	IKMBJV	
	ITNL IECC JV (AOP)	IIJV	
	Subsidiaries - Indirect	Alcantarilla Fotovoltaica, S.L.	AFSLU
		Area De Servicio Coiros S.L.U.	ADSCSLU
		Area De Servicio Punta Umbria, S.L.U.	ADSPUSLU
		Atenea Seguridad y Medio Ambiente S.A.	ASYMASAU
		Beasolarta S.L.	BSLU
		CIESM-INTEVIA S.A. Sociedad Unipersonal	CISASU
		Conservacion De Infraestructuras De Mexico S.A. De C.V.	CDIDMSADCV
		Control 7, S.A.	C7SA
		Elsamex, S.A.	ESA
		Elsamex Construcao E Manutencao LTDA ®	ECEML
Elsamex Vietnam Joint Stock Company		EVJSC	
Elsamex Internacional, S.L, Sociedad Unipersonal		EISLSU	
Elsamex Maintenance Services Limited		EMSL	
Elsamex Portugal Engenharia e Sistemas de Gestao S.A.		EPEESDGSA	
Elsamex Colombia SAS ®		ECSAS	
ESM Mantenimiento Integral de SA de CV		EMIDSAC	
Grusamar Albania SHPK ®		GAŞ	
Grusamar Ingenieria Y Consulting, SL Sociedad Unipersonal		GIYCSLSU	
Grusamar Ingenieria Y Consulting Colombia SAS ®		GIYCCSAS	
Grusamar Engenharia & Consultoria Brasil LTDA@		GECBL	
IIPL USA LLC		IUL	
IIPL LAOS Pte. Ltd.		IIPL	
Inteval Gestao Integral Rodoviaria, S.A.		IGIR	
ITNL International DMCC		IIDMCC	
ITNL Infrastructure Developer LLC		IIDL	
ITNL Africa Projects Limited (Dissolved w.e.f. December 11, 2019)		IAPL	
ITNL Elsamex JVCA, Botswana		IEJVCABOTSWANA	
ITNL Elsamex JV BURE		IEJVBURE	
ITNL Elsamex JV NEKEMTE		IEJVNEKEMTE	
Mantenimiento y Conservacion de Vialidades S.A. de C.V.		MYCDV	
North Karnataka Expressway Limited		NKEL	
Park Line LLC		PLL	
Rapid MetroRail Gurgaon Limited		RMGL	
Rapid Metro Rail Gurgaon South Limited		RMGSL	
Senalizacion Viales e Imagen S.U.		SVEISU	

Nature of Relationship	Name of Entity	Abbreviation used	
Other Related Parties - (Only with whom there have been transaction during the year/ there was balance outstanding at the year end)	Gujarat Integrated Maritime Complex Private Limited	GIMCPL	
	IL&FS Airports Limited	IAL	
	IL&FS Education & Technology Services Limited	IETS	
	IL&FS Energy Development Company Limited	IEDCL	
	IL&FS Engineering & Construction Company Limited (wef April 01, 2018)	IECCL	
	IL&FS Environmental Infrastructure & Service Limited	IEISL	
	IL&FS Financial Services Limited	IFIN	
	IL&FS Global Pte Limited	IGPL	
	IL&FS Investment Managers Limited	IIML	
	IL&FS Maritime Infrastructure Company Limited	IMICL	
	IL&FS Securities Services Limited	ISSL	
	IL&FS Township & Urban Assets Limited	ITUAL	
	Bhopal e-Governance Limited	BEGL	
	IIML Asset Advisors Limited	IAAL	
	IL&FS Asian Infrastructure Managers Limited	IAIML	
	IL&FS Global Financial Services (UK) Limited	IGFSL- UK	
	IL&FS Global Financial Services Pte Limited	IGFSPL	
	IL&FS Infra Asset Management Limited	IIAML	
	IL&FS Renewable Energy Limited (Merged with IEDCL on April 20, 2018)	IREL	
	IL&FS Skills Development Corporation Limited	ISDCL	
	IL&FS Tamil Nadu Power Company Limited	ITPCL	
	IL&FS Urban Infrastructure Managers Limited	IUIML	
	IL&FS Wind Power Services Limited	IWPSL	
	Mota Layja Gas Power Company Limited	MOTA	
	LIVIA India Limited	LIL	
	Pt Mantimin Coal Mining	PTMCM	
	Sabarmati Capital One Limited	SCOL	
	Tierra Enviro Limited	TEL	
	Unique Waste Processing Company Limited	UWPCCL	
	IL&FS Employee Welfare Trust	IEWT	
	IL&FS Technologies Ltd.	ITL	
	Joint Ventures	Chongqing Yuhe Expressway Co. Ltd. (held through subsidiary)	CYECL
		Road Infrastructure Development Company of Rajasthan Limited (RIDCOR)	RIDCOR
		Jharkhand Accelerated Road Development Company Limited	JARDCL
		Thiruvananthapuram Road Development Company Limited	TRDCL
		Warora Chandrapur Ballarpur Toll Road Limited	WCBTRL
RIDCOR Infra Projects Limited (Subsidiary of RIDCOR)		R IPL	
Associates	ITNL Toll Management Services Limited (subsidiary of NTBCL)	ITMSL	
	Parlo Developers Private Limited	PDPL	
	CGI 8 S.A.	CGISA	
	Elsamex Infrastructure Company WLL	EICW	
	Elsamex Road Technology Co. Ltd [@]	ERTCL	
	Sociedad Concesionaria Autovia A-4 Madrid S.A	SCAAMSA	
	Ramky Elsamex Hyderabad Ring Road Limited (Divested w.e.f. Nov 27, 2019)	REHRL	
	Noida Toll Bridge Company Limited	NTBCL	
	Geotecnia y Control De Qualitat, S.A.	GYCDQSA	
	Consortio De Obras Civiles, Conciviles, S.R.L.	CDOCCSRL	
	Rajasthan Land Holdings Limited #	RLHL	
Vias Y Construcciones, Viacon, S.R.L.	VTCVSRL		
Key Management Personnel ("KMP")	Mr. Krishna Ghag, Company Secretary		
	Mr. Dilip Bhatia, Chief Executive Officer		
	Mr. Mohit Bhasin (Appointed from February 01, 2020)		
	Ms. Shaivali Parekh, Chief Financial Officer (w.e.f. December 13, 2018 till 31st January, 2020)		
	Mr. Vineet Nayyar		
	Mr. Nand Kishore		
	Mr. C.S. Rajan		
	Mr. Bijay Kumar (w.e.f. May 21, 2019 till August 7, 2020)		
	Mr. Jagadip Narayan Singh (Appointment w.e.f. November 11, 2020)		
Mr. Subrata Kumar Mitra (Appointment w.e.f. November 11, 2020)			

considered an Associate as per the provisions of Ind AS 110, as the same is wholly owned subsidiary of Parlo Developers Private Limited which is evaluated as an associate of the Company.

@ - Company under liquidation

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

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

₹ in crore

Particulars	Holding Company	Subsidiaries	Other related parties	Joint Ventures	Associates	KMP	Total
Balances as of March 31, 2020							
Unsecured Borrowings (inclusive of Interest accrued)							
ILFS	2,549.48	-	-	-	-	-	2,549.48
Others	-	77.50	19.52	-	-	-	97.01
	2,549.48	77.50	19.52	-	-	-	2,646.50
Unsecured Loans Given							
BAEL	-	904.68	-	-	-	-	904.68
Others	-	6,472.24	137.97	222.63	185.98	-	7,018.82
	-	7,376.92	137.97	222.63	185.98	-	7,923.50
Trade Payable							
IECCL #	-	-	106.70	-	-	-	106.70
EMSL	-	91.62	-	-	-	-	91.62
IRIDCL	-	42.69	-	-	-	-	42.69
Others	32.64	62.35	56.73	3.98	0.00	0.04	155.74
	32.64	196.66	163.43	3.98	0.00	0.04	396.75
Trade Receivable (Inclusive of non-cash transactions)							
KSEL	-	624.29	-	-	-	-	624.29
CNTL	-	518.16	-	-	-	-	518.16
BAEL	-	365.22	-	-	-	-	365.22
MPBCDCL	-	265.47	-	-	-	-	265.47
Others	1.24	513.29	122.70	32.66	0.31	-	670.20
	1.24	2,286.43	122.70	32.66	0.31	-	2,443.34
Investments							
IIPL	-	779.92	-	-	-	-	779.92
IRL	-	688.17	-	-	-	-	688.17
Others	-	4,428.77	-	231.61	321.06	-	4,981.44
	-	5,896.87	-	231.61	321.06	-	6,449.53
Impairment Loss on Investments							
IIPL	-	779.92	-	-	-	-	779.92
IRL	-	688.17	-	-	-	-	688.17
Others	-	4,403.67	-	224.21	314.51	-	4,942.39
	-	5,871.77	-	224.21	314.51	-	6,410.48
Impairment Loss on Trade receivable							
KSEL	-	624.29	-	-	-	-	624.29
CNTL	-	488.83	-	-	-	-	488.83
BAEL	-	365.22	-	-	-	-	365.22
MPBDCL	-	265.48	-	-	-	-	265.48
Others	-	444.61	71.70	30.63	0.31	-	547.24
	-	2,188.43	71.70	30.63	0.31	-	2,291.07
Impairment Loss on Other Financial Assets							
SOIRIT	-	6.48	-	-	-	-	6.48
ITL	-	-	1.65	-	-	-	1.65
Others	-	0.00	0.02	-	-	-	0.02
	-	6.48	1.67	-	-	-	8.15
Impairment loss on unsecured loan							
BAEL	-	904.68	-	-	-	-	904.68
JRPICL	-	700.59	-	-	-	-	700.59
MPBCDCL	-	653.62	-	-	-	-	653.62
Others	-	3,711.38	69.49	180.34	96.13	-	4,057.34
	-	5,970.27	69.49	180.34	96.13	-	6,316.23

Particulars	Holding Company	Subsidiaries	Other related parties	Joint Ventures	Associates	KMP	Total
Contract Assets							-
KNCEL	-	311.21	-	-	-	-	311.21
Others	-	64.62	-	6.74	-	-	71.36
	-	375.83	-	6.74	-	-	382.57
Contract Liabilities							-
JRPICL	-	4.73	-	-	-	-	4.73
	-	4.74	-	-	-	-	4.74
Impairment on loss on Contract Assets							-
KNCEL	-	311.21	-	-	-	-	311.21
Others	-	64.07	-	-	-	-	64.07
	-	375.29	-	-	-	-	375.28
Other Financial Assets							-
SOIRIT	-	6.48	-	-	-	-	6.48
ITL	-	-	1.65	-	-	-	1.65
Others	-	0.00	0.02	-	-	0.02	0.04
	-	6.48	1.67	-	-	0.02	8.17
Other Financial Liabilities							-
IJUV	-	113.91	-	-	-	-	113.91
IKMBJV	-	74.24	-	-	-	-	74.24
	-	188.15	-	-	-	-	188.15
Other Assets							-
ILFS	0.24	-	-	-	-	-	0.24
Others	-	0.12	0.00	0.00	-	-	0.12
	0.24	0.12	0.00	0.00	-	-	0.36
Allowance for doubtful receivable - Other Assets							-
IL&FS	0.24	-	-	-	-	-	0.24
Others	-	0.09	0.00	0.00	-	-	0.09
	0.24	0.09	0.00	0.00	-	-	0.33
Guarantees/counter guarantees issued to outsiders in respect of group companies							-
IOPL	-	1,062.09	-	-	-	-	1,062.09
IIPL	-	678.47	-	-	-	-	678.47
IO3PL	-	307.28	-	-	-	-	307.28
Others	-	318.52	-	-	-	-	318.52
	-	2,366.37	-	-	-	-	2,366.36
DSRA Support undertaking given to Bank on behalf of Group Companies							-
PSRDCL	-	102.77	-	-	-	-	102.77
CNTL	-	56.67	-	-	-	-	56.67
	-	159.44	-	-	-	-	159.44
Sponsor Guarantees on behalf of Group companies							-
KSEL	-	81.28	-	-	-	-	81.28
	-	81.28	-	-	-	-	81.28
Letter of awareness issued to IFIN on behalf of Group companies							0
RIDCOR	-	-	-	250.00	-	-	250.00
MBEL	-	140.00	-	-	-	-	140.00
	-	140.00	-	250.00	-	-	390.00

Particulars	Holding Company	Subsidiaries	Other related parties	Joint Ventures	Associates	KMP	Total
Letter of awareness issued to Group companies on behalf of outsiders							-
IFIN	-	-	1,860.00	-	-	-	1,860.00
	-	-	1,860.00	-	-	-	1,860.00
Letter of awareness issued to outsiders and a group company on behalf of group companies							0
CNTL	-	750.00	-	-	-	-	750.00
IIDL	-	379.27	-	-	-	-	379.27
ESA	-	271.96	-	-	-	-	271.96
Others	-	503.15	-	35.50	49.99	-	588.64
	-	1,904.38	-	35.50	49.99	-	1,989.87
Lease Liability							-
ILFS	3.57	-	-	-	-	-	3.57
	3.57	-	-	-	-	-	3.57
Transactions during the year							0
Loans Converted from Interest Receivable (Inclusive of non-cash transactions)							-
WGEL	-	41.14	-	-	-	-	41.14
Others	-	1.20	-	-	-	-	1.20
	-	42.34	-	-	-	-	42.34
Repayment of loans Given							-
JRPICL	-	10.59	-	-	-	-	10.59
	-	10.59	-	-	-	-	10.59
Encashment by a Bank of Fixed Deposits placed by a fellow subsidiary and adjustment of the same by the Bank against loans payable by the subsidiaries of the Company to the said Bank(refer note 1.17)							-
IFIN	-	-	251.00	-	-	-	251.00
	-	-	251.00	-	-	-	251.00
Purchase of/ Investments in equity shares							-
R IPL	-	0.01	-	-	-	-	0.01
	-	0.01	-	-	-	-	0.01
Impairment Loss on Investments							-
SOIRIT	-	53.59	-	-	-	-	53.59
NTBCL	-	-	-	-	7.07	-	7.07
Others	-	0.05	-	-	-	-	0.05
	-	53.64	-	-	7.07	-	60.71
Impairment Loss on Trade receivable							-
NKEL	-	6.58	-	-	-	-	6.58
IECCL #	-	-	14.95	-	-	-	14.95
EMSL	-	4.06	-	-	-	-	4.06
Others	-	2.02	-	1.35	-	-	3.37
	-	12.66	14.95	1.35	-	-	28.96
Reversal of Impairment Loss on Trade receivable							-
MBEL	-	35.82	-	-	-	-	35.82
Others	-	12.47	-	0.56	-	-	13.03
	-	48.29	-	0.56	-	-	48.85
Impairment Loss on unsecured Loan							-
RIDCOR	-	-	-	54.73	-	-	54.73
PSRDCL	-	133.53	-	-	-	-	133.53
HREL	-	75.91	-	-	-	-	75.91
Others	-	192.04	15.57	30.07	-	-	237.68
	-	401.48	15.57	84.80	-	-	501.85

Particulars	Holding Company	Subsidiaries	Other related parties	Joint Ventures	Associates	KMP	Total
Reversal of Impairment loss on Unsecured loan							-
JRPICL	-	117.01	-	-	-	-	117.01
Others	-	0.99	-	-	-	-	0.99
	-	118.00	-	-	-	-	118.00
Guarantees/counter guarantees issued to outsiders in respect of group companies							-
ACEL	-	13.67	-	-	-	-	13.67
Others	-	0.37	-	-	-	-	0.37
	-	14.04	-	-	-	-	14.04
Invocation of Bank guarantee							-
IJIV	-	113.91	-	-	-	-	113.91
IKMBJV	-	74.24	-	-	-	-	74.24
	-	188.15	-	-	-	-	188.15
Revenue Billing							-
BAEL	-	1.06	-	-	-	-	1.06
JSEL	-	0.95	-	-	-	-	0.95
SBHL	-	0.28	-	-	-	-	0.28
	-	2.29	-	-	-	-	2.29
Construction Revenue							-
PSRDCL	-	2.24	-	-	-	-	2.24
HREL	-	0.32	-	-	-	-	0.32
	-	2.56	-	-	-	-	2.56
Revenue from Operation and maintenance income							-
JRPICL	-	24.33	-	-	-	-	24.33
MBEL	-	15.92	-	-	-	-	15.92
RIDCOR	-	-	-	11.62	-	-	11.62
NKEL	-	9.90	-	-	-	-	9.90
Others	-	29.22	-	5.16	-	-	34.38
	-	79.37	-	16.78	-	-	96.15
Revenue from Supervision fees							-
WGEL	-	0.80	-	-	-	-	0.80
	-	0.80	-	-	-	-	0.80
Interest Income on Loans Given							-
JRPICL	-	52.78	-	-	-	-	52.78
WGEL	-	11.08	-	-	-	-	11.08
JIICL	-	10.36	-	-	-	-	10.36
Others	-	1.26	-	-	-	-	1.26
	-	75.47	-	-	-	-	75.48
Lease Rental Income							-
IECCL #	-	-	22.02	-	-	-	22.02
	-	-	22.02	-	-	-	22.02
Other Income							-
LIL	-	-	0.21	-	-	-	0.21
	-	-	0.21	-	-	-	0.21
Construction Cost							-
IECCL #	-	-	12.79	-	-	-	12.79
Others	-	0.78	-	-	-	-	0.78
	-	0.78	12.79	-	-	-	13.57

Particulars	Holding Company	Subsidiaries	Other related parties	Joint Ventures	Associates	KMP	Total
Operation & Maintenance Expenses							-
EMSL	-	73.23	-	-	-	-	73.23
Others	-	(1.02)	-	2.41	-	-	1.39
	-	72.20	-	2.41	-	-	74.62
Remuneration							-
Shaivali Parekh *	-	-	-	-	-	0.10	0.10
Dilip Bhatia							-
Short term employee benefits	-	-	-	-	-	1.85	1.85
Post employment benefits	-	-	-	-	-	0.16	0.16
Other long term benefits	-	-	-	-	-	-	-
Termination benefits	-	-	-	-	-	-	-
Share based payment	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	2.01	2.01
Krishna Ghag							-
Short term employee benefits	-	-	-	-	-	0.62	0.62
Post employment benefits	-	-	-	-	-	-	-
Other long term benefits	-	-	-	-	-	-	-
Termination benefits	-	-	-	-	-	-	-
Share based payment	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	0.62	0.62
Shaivali Parekh							-
Short term employee benefits	-	-	-	-	-	0.34	0.34
Post employment benefits	-	-	-	-	-	0.03	0.03
Other long term benefits	-	-	-	-	-	-	-
Termination benefits	-	-	-	-	-	-	-
Share based payment	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	0.37	0.37
Mohit Bhasin							-
Short term employee benefits	-	-	-	-	-	0.18	0.18
Post employment benefits	-	-	-	-	-	-	-
Other long term benefits	-	-	-	-	-	-	-
Termination benefits	-	-	-	-	-	-	-
Share based payment	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	0.18	0.18
Grand Total	-	-	-	-	-	3.27	3.28
Director's Sitting Fees							-
C S Rajan	-	-	-	-	-	0.03	0.03
Nand Kishore	-	-	-	-	-	0.03	0.03
Bijay Kumar	-	-	-	-	-	0.02	0.02
	-	-	-	-	-	0.08	0.08
Finance cost							-
ILFS	3.12	-	-	-	-	-	3.12
Others	-	-	0.03	-	-	-	0.03
	3.12	-	0.03	-	-	-	3.15
Other Expenses							-
ILFS	6.19	-	-	-	-	-	6.19
RIDCOR	-	-	-	0.90	-	-	0.90
Others	-	-	0.39	-	-	0.03	0.42
	6.19	-	0.39	0.90	-	0.03	7.51
Interest on lease liability							-
ILFS	0.48	-	-	-	-	-	0.48
	0.48	-	-	-	-	-	0.48

Particulars	Holding Company	Subsidiaries	Other related parties	Joint Ventures	Associates	KMP	Total
Settlement of Liabilities on Behalf of Group Companies							-
IECCL	-	-	15.82	-	-	-	15.82
	-	-	15.82	-	-	-	15.82
Sale of Investment							-
IAPL	-	0.09	-	-	-	-	0.09
	-	0.09	-	-	-	-	0.09
Reimbursement of Expenses							-
TRDCL	-	-	-	0.08	-	-	0.08
IECCL	-	-	0.08	-	-	-	0.08
Others	-	0.01	-	-	-	-	0.01
	-	0.01	0.08	0.08	-	-	0.17
Employee Benefit Expenses - Deputation cost Recovery							-
Others	-	2.93	-	-	-	-	2.93
	-	2.93	-	-	-	-	2.93
Footnote :							
* Deputation cost of 0.10 Crores charged by Holding Company "IL&FS"							
# The Company is in the process of reconciling its transactions with IECCL							
During the year , the Company on humanitarian grounds paid a sum of Rs. 1.28 Crore as ex-gratia to the Indian origin employees of a JV company to mitigate hardship faced by them due to non receipt of salaries for a prolonged period							

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes to the Standalone Financial Statements for the period ended March 31, 2020

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

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

Nature of Relationship	Name of Entity	Abbreviation used
Holding Company	Infrastructure Leasing & Financial Services Limited	ILFS
Subsidiaries - Direct	Amravati Chikhli Expressway Limited	ACEL
	Badarpur Tollway Operations Management Limited	BTOML
	Baleshwar Kharagpur Expressway Limited	BKEL
	Barwa Adda Expressway Limited	BAEL
	Charminar RoboPark Limited	CRL
	Chenani Nashri Tunnelway Limited	CNTL
	East Hyderabad Expressway Limited	EHEL
	Fagne Songadh Expressway Limited	FSEL
	Futureage Infrastructure India Limited	FIIL
	GRICL Rail Bridge Development Company Limited	GRBDCL
	Hazaribagh Ranchi Expressway Limited	HREL
	IL&FS Rail Limited	IRL
	ITNL International Pte. Ltd.	I IPL
	ITNL Offshore Pte. Ltd.	IOPL
	ITNL Offshore Two Pte. Ltd.	IO2PL
	ITNL Offshore Three Pte. Ltd.	IO3PL
	ITNL Road Infrastructure Development Company Limited	IRIDCL
	Jharkhand Road Projects Implementation Company Limited	JRPICL
	Jharkhand Infrastructure Implementation Company Limited	JIICL
	Jorabat Shillong Expressway Limited (wef August 22, 2018)	JSEL
	Karyavattom Sports Facility Limited	KSFL
	Kiratpur Ner Chowk Expressway Limited	KNCEL
	Khed Sinnar Expressway Limited	KSEL
	Moradabad Bareilly Expressway Limited	MBEL
	MP Border Checkpost Development Company Limited	MPBCDCL
	Pune Sholapur Road Development Company Limited	PSRDCL
	Ranchi Muri Road Development Limited	RMRDL
	Scheme of ITNL Road Investment Trust	SOIRIT
	Sikar Bikaner Highway Limited	SBHL
	Srinagar Sonmarg Tunnelway Limited (wef September 29, 2018)	SSTL
	Vansh Nimay Infraprojects Limited	VNII
	West Gujarat Expressway Limited	WGEL
	Elsamex Maintenance Services Limited	EMSL
Elsamex India Private Limited	EIPL	
Grusamar India Limited	GIL	
Yala Construction Co Private Limited	YCCPL	
Chhattisgarh Highway Development Company Limited	CHDCL	
ITNL KMB JV (AOP)	IKMBJV	
ITNL IECCL JV (AOP)	IIJV	
Subsidiaries - Indirect	Alcantarilla Fotovoltaica, S.L.	AFSLU
	Area De Servicio Coiros S.L.U.	ADSCSLU
	Area De Servicio Punta Umbria, S.L.U.	ADSPUSLU
	Atenea Seguridad y Medio Ambiente S.A.	ASYMASAU
	Beasolarta S.L.	BSLU
	CIESM-INTEVIA S.A. Sociedad Unipersonal	CISASU
	Conservacion De Infraestructuras De Mexico S.A. De C.V.	CDIDMSADCV
	Control 7, S.A.	C7SA
	Elsamex, S.A.	ESA
	Elsamex Construcao E Manutencao LTDA [®]	ECEML
	Elsamex Vietnam Joint Stock Company	EVJSC
	Elsamex Internacional, S.L, Sociedad Unipersonal	EISLSU
	Elsamex Maintenance Services Limited	EMSL
	Elsamex Portugal Engenharia e Sistemas de Gestao S.A.	EPEESDGSA

Nature of Relationship	Name of Entity	Abbreviation used
	Elsamex Colombia SAS [®]	ECSAS
	ESM Mantenimiento Integral de SA de CV	EMIDSAC
	Grusamar Albania SHPK [®]	GAS
	Grusamar Ingenieria Y Consulting, SL Sociedad Unipersonal	GIYCSLSU
	Grusamar Ingenieria Y Consulting Colombia SAS [®]	GIYCCSAS
	Grusamar Engenharia & Consultoria Brasil LTDA@	GECBL
	IIPL USA LLC	IUL
	IIPL LAOS Pte. Ltd.	ILPL
	Inteval Gestao Integral Rodoviaria, S.A.	IGIR
	ITNL International DMCC	IIDMCC
	ITNL Infrastructure Developer LLC	IIDL
	ITNL Africa Projects Limited	IAPL
	ITNL Elsamex JVCA, Botswana	IEJVCBOTSWANA
	ITNL Elsamex JV BURE	IEJVBURE
Subsidiaries - Indirect	ITNL Elsamex JV NEKEMTE	IEJVNEKEMTE
	Mantenimiento y Conservacion de Vialidades S.A. de C.V.	MYCDV
	North Karnataka Expressway Limited	NKEL
	Park Line LLC	PLL
	Rapid MetroRail Gurgaon Limited	RMGL
	Rapid Metro Rail Gurgaon South Limited	RMGSL
	Senalizacion Viales e Imagen S.U.	SVEISU
	Sharjah General Services Company LLC (upto 14th November 2018)	SGSCL
Other Related Parties (including fellow subsidiaries) (Only with whom there have been transaction during the year/ there was balance outstanding at the year end)	Gujarat Integrated Maritime Complex Private Limited	GIMCPL
	IL&FS Airports Limited	IAL
	IL&FS Education & Technology Services Limited	IETSL
	IL&FS Energy Development Company Limited	IEDCL
	IL&FS Engineering & Construction Company Limited (wef April 01, 2018)	IECCL
	IL&FS Environmental Infrastructure & Service Limited	IEISL
	IL&FS Financial Services Limited	IFIN
	IL&FS Global Pte Limited	IGPL
	IL&FS Investment Managers Limited	IIML
	IL&FS Maritime Infrastructure Company Limited	IMICL
	IL&FS Securities Services Limited	ISSL
	IL&FS Township & Urban Assets Limited	ITUAL
	Bhopal e-Governance Limited	BEGL
	IIML Asset Advisors Limited	IAAL
	IL&FS Asian Infrastructure Managers Limited	IAIML
	IL&FS Global Financial Services (UK) Limited	IGFSL- UK
	IL&FS Global Financial Services Pte Limited	IGFSPL
	IL&FS Infra Asset Management Limited	IIAML
	IL&FS Renewable Energy Limited (Merged with IEDCL on April 20, 2018)	IREL
	IL&FS Skills Development Corporation Limited	ISDCL
	IL&FS Tamil Nadu Power Company Limited	ITNPCL
	IL&FS Urban Infrastructure Managers Limited	IUIML
	IL&FS Wind Power Services Limited	IWPSL
	LIVIA India Limited	LIL
	Pt Mantimin Coal Mining	PMCM
	Sabarmati Capital One Limited	SCOL
	Tierra Enviro Limited	TEL
	Unique Waste Processing Company Limited	UWPCL
	IL&FS Employee Welfare Trust	IEWT
	IL&FS Technologies Ltd.	ITL
Joint Ventures	N.A.M. Expressway Limited (upto August 16, 2018)	NAMEL
	Chongqing Yuhe Expressway Co. Ltd. (held through subsidiary)	CYECL
	Road Infrastructure Development Company of Rajasthan Limited (RIDCOR)	RIDCOR
	Jharkhand Accelerated Road Development Company Limited	JARDCL
	Thiruvananthapuram Road Development Company Limited	TRDCL
	Warora Chandrapur Ballarpur Toll Road Limited	WCBTRL
	RIDCOR Infra Projects Limited (Subsidiary of RIDCOR)	RIPL
Associates	ITNL Toll Management Services Limited (subsidiary of NTBCL)	ITMSL
	Paro Developers Private Limited	PDPL

Nature of Relationship	Name of Entity	Abbreviation used
	CGI 8 S.A.	CGISA
	Elsamex Infrastructure Company WLL	EICW
	Elsamex Road Technology Co. Ltd [@]	ERTCL
	Sociedad Concesionaria Autovia A-4 Madrid S.A	SCAAMSA
	Ramky Elsamex Hyderabad Ring Road Limited	REHRRL
	Noida Toll Bridge Company Limited	NTBCL
	Geotecnia y Control De Qualitat, S.A.	GYCDQSA
	Consortio De Obras Civiles, Conciviles, S.R.L.	CDOCCSRL
	Rajasthan Land Holdings Limited #	RLHL
	Vias Y Construcciones, Viacon, S.R.L.	VTCVSRL
Key Management Personnel ("KMP")	Mr. K. Ramchand, Managing Director (Resigned w.e.f. October 29, 2018)	
	Mr. Krishna Ghag, Company Secretary	
	Mr. Dilip Bhatia, Chief Financial Officer (upto September 22, 2018 and CEO Officiating w.e.f. November 15, 2018, CEO w.e.f. April 24, 2019)	
	Ms. Shaivali Parekh Chief Financial Officer (w.e.f. December 13, 2018 and resigned w.e.f. January 31, 2020)	
	Mr. Mohit Bhasin, Chief Financial Officer (Appointed w.e.f February 01, 2020)	
	Mr. Mukund Sapre (Resigned w.e.f. November 02, 2018)	
	Mr. Vineet Nayyar (Appointment w.e.f October 25, 2018)	
	Mr. Nand Kishore (Appointment w.e.f November 15, 2018)	
	Mr. C.S. Rajan (Appointment w.e.f October 25, 2018)	
	Mr. Deepak Dasgupta (Resigned w.e.f. March 31, 2019)	
	Mr. R. C. Sinha (Resigned w.e.f. March 31, 2019)	
	Mr. H. P. Jamdar (Resigned w.e.f. March 31, 2019)	
	Mr. Ravi Parthasarathy (Resigned w.e.f. July 21, 2018)	
	Mr. Hari Sankaran (Resigned w.e.f. October 1, 2018)	
	Mr. Arun K Saha (Resigned w.e.f. October 1, 2018)	
	Ms. Neeru Singh (Resigned w.e.f. November 01, 2018)	
	Mr. Bijay Kumar (Appointed w.e.f May 21, 2019)	
Relatives of KMP (Only with whom there have been transaction during the year/ there was balance outstanding at the year end)	Ms. Rita Ramchand (Wife of K Ramchand)	
	Mr. Ankush Dilip Bhatia (Son of Dilip Bhatia)	
	Mrs. Sangeeta Sapre (Wife of Mukund Sapre)	

considered an Associate as per the provisions of Ind AS 110, as the same is wholly owned subsidiary of Pario Developers Private Limited which is evaluated as an associate of the Company.

@ Company under liquidation

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

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

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

₹ in Crore

Particulars	Holding Company	Subsidiaries	Other related parties	Joint Ventures	Associates	KMP and their relatives	Total
Balances as at March 31, 2019							
Unsecured Borrowings (inclusive of Interest accrued)							
ILFS	2,546.36	-	-	-	-	-	2,546.36
Others	-	77.50	19.49	-	-	-	96.98
	2,546.36	77.50	19.49	-	-	-	2,643.35
Unsecured Loans Given							
BAEL	-	904.68	-	-	-	-	904.68
JRPICL	-	817.60	-	-	-	-	817.60
Others	-	5,774.61	137.97	222.63	185.98	-	6,321.19
	-	7,496.89	137.97	222.63	185.98	-	8,043.47
Trade Payables							
IECCL	-	-	97.56	-	-	-	97.56
EMSL	-	97.11	-	-	-	-	97.11
IRIDCL	-	42.69	-	-	-	-	42.69
IRL	-	37.51	-	-	-	-	37.51
Others	31.08	15.47	52.04	3.11	0.00	0.00	101.70
	31.08	192.78	149.60	3.11	0.00	0.00	376.57
Trade Receivable							
KSEL	-	624.29	-	-	-	-	624.29
CNTL	-	517.88	-	-	-	-	517.88
BAEL	-	365.03	-	-	-	-	365.03
MPBCDCL	-	265.48	-	-	-	-	265.48
Others	0.41	546.62	82.60	32.14	0.31	-	662.08
	0.41	2,319.30	82.60	32.14	0.31	-	2,434.76
Investments							
IIPL	-	779.92	-	-	-	-	779.92
IRL	-	688.17	-	-	-	-	688.17
Others	-	4,428.76	-	231.61	321.05	-	4,981.42
	-	5,896.85	-	231.61	321.05	-	6,449.51
Impairment Loss on Investments							
IIPL	-	779.92	-	-	-	-	779.92
IRL	-	688.17	-	-	-	-	688.17
Others	-	4,350.06	-	224.21	307.41	-	4,881.68
	-	5,818.16	-	224.21	307.41	-	6,349.77
Impairment Loss on Trade Receivable							
KSEL	-	624.29	-	-	-	-	624.29
CNTL	-	486.85	-	-	-	-	486.85
BAEL	-	365.03	-	-	-	-	365.03
MPBCDCL	-	265.48	-	-	-	-	265.48
Others	-	467.58	69.62	31.82	0.31	-	569.32
	-	2,209.23	69.62	31.82	0.31	-	2,310.98
Impairment Loss on Other Financial Assets							
SOIRIT	-	6.48	-	-	-	-	6.48
ITL	-	-	1.65	-	-	-	1.65
Others	-	-	0.02	-	-	-	0.02
	-	6.48	1.67	-	-	-	8.15
Impairment Loss on unsecured Loans							
BAEL	-	862.07	-	-	-	-	862.07
JRPICL	-	817.60	-	-	-	-	817.60
MPBCDCL	-	653.62	-	-	-	-	653.62
IRIDCL	-	617.06	-	-	-	-	617.06
Others	-	2,736.45	53.92	95.54	96.13	-	2,982.04
	-	5,686.80	53.92	95.54	96.13	-	5,932.39
Contract Assets							
KNCEL	-	311.21	-	-	-	-	311.21
Others	-	66.10	-	2.33	-	-	68.42
	-	377.31	-	2.33	-	-	379.64
Contract Liabilities							
JRPICL	-	15.36	-	-	-	-	15.36
WGEL	-	2.12	-	-	-	-	2.12
Others	-	1.46	-	-	-	-	1.46
	-	18.94	-	-	-	-	18.94
Impairment Loss on Contract Assets							
KNCEL	-	311.21	-	-	-	-	311.21
Others	-	64.08	-	-	-	-	64.08
	-	375.29	-	-	-	-	375.29

Particulars	Holding Company	Subsidiaries	Other related parties	Joint Ventures	Associates	KMP and their relatives	Total
Other Financial Assets							
SOIRIT	-	6.48	-	-	-	-	6.48
ITL	-	-	1.65	-	-	-	1.65
Others	-	0.00	0.02	-	-	0.17	0.19
	-	6.48	1.67	-	-	0.17	8.32
Other Assets							
ILFS	0.24	-	-	-	-	-	0.24
Others	-	0.17	0.00	0.01	-	-	0.18
	0.24	0.17	0.00	0.01	-	-	0.42
Impairment Loss on Other Assets							
ILFS	0.24	-	-	-	-	-	0.24
	0.24	-	-	-	-	-	0.24
Guarantees/counter guarantees issued to outsiders in respect of group companies							
IOPL	-	1,033.26	-	-	-	-	1,033.26
IIPL	-	726.30	-	-	-	-	726.30
IOTPL-3	-	287.50	-	-	-	-	287.50
Others	-	481.77	-	-	-	-	481.77
	-	2,528.83	-	-	-	-	2,528.83
DSRA Support undertaking given to Bank on behalf of Group companies							
PSRDCL	-	102.77	-	-	-	-	102.77
CNTL	-	56.67	-	-	-	-	56.67
	-	159.44	-	-	-	-	159.44
Sponsor Guarantees given to Bank on behalf of Group companies							
KSEL	-	81.28	-	-	-	-	81.28
	-	81.28	-	-	-	-	81.28
Letter of awareness issued to IFIN on behalf of Group companies							
RIDCOR	-	-	-	250.00	-	-	250.00
MBEL	-	140.00	-	-	-	-	140.00
	-	140.00	-	250.00	-	-	390.00
Letter of awareness issued to Group companies on behalf of outsiders							
IFIN	-	-	1,860.00	-	-	-	1,860.00
	-	-	1,860.00	-	-	-	1,860.00
Letter of awareness issued to outsiders and a group company on behalf of group companies							
CNTL	-	750.00	-	-	-	-	750.00
IIDL	-	379.27	-	-	-	-	379.27
ESA	-	271.96	-	-	-	-	271.96
Others	-	503.15	-	35.50	49.99	-	588.64
	-	1,904.38	-	35.50	49.99	-	1,989.87
Transactions during the year							
Borrowings (inclusive of non-cash transactions)							
ILFS	3,379.43	-	-	-	-	-	3,379.43
Others	-	69.00	-	-	-	-	69.00
	3,379.43	69.00	-	-	-	-	3,448.43
Repayment of Borrowings (inclusive of non-cash transactions)							
ILFS	974.60	-	-	-	-	-	974.60
Others	-	-	22.00	-	-	-	22.00
	974.60	-	22.00	-	-	-	996.60
Loans given (inclusive of non-cash transactions)							
SSTL	-	563.31	-	-	-	-	563.31
ACEL	-	393.22	-	-	-	-	393.22
Others	-	1,641.22	52.50	17.20	0.42	-	1,711.34
	-	2,597.75	52.50	17.20	0.42	-	2,667.87
Repayment of loans given (inclusive of non-cash transactions)							
SSTL	-	297.53	-	-	-	-	297.53
MBEL	-	252.59	-	-	-	-	252.59
FSEL	-	104.75	-	-	-	-	104.75
Others	-	33.58	1.14	36.25	-	2.50	73.47
	-	688.45	1.14	36.25	-	2.50	728.34
Purchase of/Investments in equity shares							
BAEL	-	13.00	-	-	-	-	13.00
FSEL	-	34.50	-	-	-	-	34.50
JIICL	-	35.00	-	-	-	-	35.00
JSEL	-	16.80	-	-	-	-	16.80
Others	-	10.21	-	-	-	-	10.21
	-	109.51	-	-	-	-	109.51
Redemption of Preference Shares							
IFIN	-	-	21.17	-	-	-	21.17
IMICL	-	-	21.17	-	-	-	21.17
	-	-	42.34	-	-	-	42.34
Impairment Loss on Investments							
IIPL	-	779.92	-	-	-	-	779.92
IRL	-	688.17	-	-	-	-	688.17
Others	-	3,971.97	-	224.21	307.44	-	4,503.61
	-	5,440.07	-	224.21	307.44	-	5,971.71

Particulars	Holding Company	Subsidiaries	Other related parties	Joint Ventures	Associates	KMP and their relatives	Total
Impairment Loss on Trade Receivable							
KSEL	-	613.86	-	-	-	-	613.86
CNTL	-	474.94	-	-	-	-	474.94
BAEL	-	365.12	-	-	-	-	365.12
MPBCDCL	-	236.98	-	-	-	-	236.98
Others	-	385.21	49.64	27.01	0.31	-	462.18
	-	2,076.11	49.64	27.01	0.31	-	2,153.07
Impairment Loss on Contract Assets							
KNCEL	-	311.21	-	-	-	-	311.21
Others	-	56.78	-	-	-	-	56.78
	-	367.99	-	-	-	-	367.99
Impairment Loss on unsecured Loans							
BAEL	-	831.53	-	-	-	-	831.53
JRPICL	-	806.13	-	-	-	-	806.13
IRIDCL	-	617.06	-	-	-	-	617.06
MPBCDCL	-	595.63	-	-	-	-	595.63
Others	-	2,597.10	51.79	31.54	88.38	-	2,768.80
		5,447.45	51.79	31.54	88.38	-	5,619.16
Impairment Loss on other Financial Assets							
SOIRIT	-	6.48	-	-	-	-	6.48
ITL	-	-	1.65	-	-	-	1.65
Others	-	-	0.02	-	-	-	0.02
	-	6.48	1.67	-	-	-	8.15
Settlement of Liabilities on behalf of Group companies							
IECCL	-	-	12.33	-	-	-	12.33
	-	-	12.33	-	-	-	12.33
Guarantees/counter guarantees issued to outsiders in respect of group companies							
IOPL	-	1,033.00	-	-	-	-	1,033.00
Others	-	79.28	-	-	-	-	79.28
	-	1,112.28	-	-	-	-	1,112.28
Revenue Billing							
ACEL	-	239.08	-	-	-	-	239.08
BAEL	-	295.63	-	-	-	-	295.63
FSEL	-	251.31	-	-	-	-	251.31
SSTL	-	172.00	-	-	-	-	172.00
KSEL	-	145.38	-	-	-	-	145.38
Others	-	85.28	-	-	-	-	85.28
		1,188.67					1,188.67
Revenue from Operation and maintenance income							
JRPICL	-	31.62	-	-	-	-	31.62
Others	-	127.07	-	20.84	-	-	147.91
	-	158.70	-	20.84	-	-	179.53
Interest Income on Loans Given							
JRPICL	-	75.16	-	-	-	-	75.16
BAEL	-	47.98	-	-	-	-	47.98
Others	-	275.56	9.43	9.92	10.28	-	305.19
	-	398.70	9.43	9.92	10.28	-	428.33
Lease Rental Income							
IECCL	-	-	22.52	-	-	-	22.52
	-	-	22.52	-	-	-	22.52
Miscellaneous Income							
CNTL	-	1.20	-	-	-	-	1.20
IECCL	-	-	0.40	-	-	-	0.40
IEISL	-	-	0.23	-	-	-	0.23
Others	-	0.11	0.13	-	(0.04)	0.16	0.35
	-	1.31	0.76	-	(0.04)	0.16	2.19
Construction Cost							
IECCL	-	-	161.25	-	-	-	161.25
EMSL	-	9.24	-	-	-	-	9.24
IRL	-	12.69	-	-	-	-	12.69
	-	21.92	161.25	-	-	-	183.18
Fees for Legal & Technical Services							
IMICL	-	-	10.00	-	-	-	10.00
	-	-	10.00	-	-	-	10.00
Impairment Loss on Other Assets							
ILFS	0.24	-	-	-	-	-	0.24
	0.24						0.24
Operation and maintenance Expenses							
EMSL	-	154.12	-	-	-	-	154.12
Others	-	-	-	0.00	-	-	0.00
	-	154.12	-	0.00	-	-	154.12

Particulars	Holding Company	Subsidiaries	Other related parties	Joint Ventures	Associates	KMP and their relatives	Total
Remuneration							
K Ramchand (Net of Excess Remuneration to be recovered)	-	-	-	-	-	0.76	
Mukund Sapre (Net of Excess Remuneration to be recovered)	-	-	-	-	-	0.92	
Shaivali Parekh	-	-	-	-	-	0.10	
Dilip Bhatia	-	-	-	-	-	-	
Short term employee benefits	-	-	-	-	-	1.12	
Post employment benefits	-	-	-	-	-	0.08	
Other long term benefits	-	-	-	-	-	-	
Termination benefits	-	-	-	-	-	-	
Share based payment	-	-	-	-	-	-	
Sub Total	-	-	-	-	-	1.20	
Krishna Ghag	-	-	-	-	-	-	
Short term employee benefits	-	-	-	-	-	0.63	
Post employment benefits	-	-	-	-	-	-	
Other long term benefits	-	-	-	-	-	-	
Termination benefits	-	-	-	-	-	-	
Share based payment	-	-	-	-	-	-	
Sub Total	-	-	-	-	-	0.63	
						3.60	3.60
Director's Sitting Fees							
Arun K Saha	-	-	-	-	-	0.05	
Deepak Dasgupta	-	-	-	-	-	0.06	
H.P. Jamdar	-	-	-	-	-	0.05	
Hari Sankaran	-	-	-	-	-	0.03	
Neeru Singh	-	-	-	-	-	0.04	
R.C. Sinha	-	-	-	-	-	0.07	
Others	-	-	-	-	-	0.02	
	-	-	-	-	-	0.32	0.32
Finance Cost (including opening unamortized borrowing cost written off)							
IFIN	-	-	52.51	-	-	-	52.51
ILFS	15.00	-	-	-	-	-	15.00
IGFSPL	-	-	10.70	-	-	-	10.70
Others	-	5.89	8.39	-	-	-	14.28
	15.00	5.89	71.60	-	-	-	92.49
Interest Expense							
ILFS	161.28	-	-	-	-	-	161.28
Others	-	1.80	1.57	-	-	-	3.37
	161.28	1.80	1.57	-	-	-	164.65
Provision for Onerous Contract							
WGEL	-	5.53	-	-	-	-	5.53
	-	5.53	-	-	-	-	5.53
Other Expenses							
ILFS	22.41	-	-	-	-	-	22.41
Others	-	0.60	1.19	0.12	-	1.12	3.03
	22.41	0.60	1.19	0.12	-	1.12	25.45
Recovery of other Expenses							
CNTL	-	3.57	-	-	-	-	
Others	-	0.95	0.17	-	-	-	
	-	4.52	0.17	-	-	-	4.69
Employee Benefit Expenses (Deputation cost recovery)							
MBEL	-	0.54	-	-	-	-	0.54
JRPICL	-	0.52	-	-	-	-	0.52
HREL	-	0.39	-	-	-	-	0.39
Others	-	1.23	-	-	-	-	1.23
	-	2.68	-	-	-	-	2.68
Reimbursement of Other Expenses							
RIDCOR	-	-	-	0.54	-	-	0.54
	-	-	-	0.54	-	-	0.54
Footnote : - * Includes Deputation cost of ₹ 1.78 Crores charged by Holding Company "IL&FS"							
Mr K Ramchand-Managing Director (Resigned w.e.f. October 29, 2018)	-	-	-	-	-	0.76	0.76
Mr Mukund Sapre-Executive Director (Resigned w.e.f. November 02, 2018)	-	-	-	-	-	0.92	0.92
Ms. Shaivali Parekh - CFO (Appointed w.e.f. December 13, 2018 and resigned w.e.f January 31,2020)	-	-	-	-	-	0.10	0.10
						1.77	1.77

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

Note 42: Disclosure of Loans and advances in the nature of loans to subsidiaries and associates and Investments by the loanee in the shares of parent company and subsidiary company, where the Company has made a loan or advance in the nature of loan in accordance with Para A of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

A. Disclosure of Loans and advances in the nature of loans given to subsidiaries

₹ in crore

Name of the Company	March 31, 2020		March 31, 2019	
	Amount as at March 31, 2020	Maximum amount outstanding during the year	Amount as at March 31, 2019	Maximum amount outstanding during the year
East Hyderabad Expressway Limited	30.66	30.66	30.66	35.97
ITNL Road Infrastructure Development Company Limited	613.00	613.00	613.00	613.00
Vansh Nimay Infraprojects Limited	113.03	113.03	113.03	113.03
West Gujarat Expressway Limited	127.73	127.73	86.59	86.59
Hazaribagh Ranchi Expressway Limited	152.82	152.82	152.82	152.82
Jharkhand Road Projects Implementation Company Limited	687.22	697.81	697.81	697.81
MP Border Checkposts Development Company Limited	490.98	490.98	490.98	490.98
Pune Sholapur Road Development Company Limited	365.54	365.54	365.54	365.54
Moradabad Bareilly Expressway Limited	14.35	14.35	13.16	257.98
Sikar Bikaner Highway Limited	29.43	29.43	29.43	29.43
Baleshwar Kharagpur Expressway Limited	78.27	78.27	78.27	78.27
Barwa Adda Expressway Limited	681.36	681.36	681.36	685.65
Khed Sinnar Expressway Limited	390.81	390.81	390.81	390.81
Chenani Nashri Tunnelway Limited	223.21	223.21	223.21	223.21
Kiratpur Ner Chowk Expressway Limited	472.25	472.25	472.25	472.25
Karyavattom Sports Facility Limited	51.08	51.08	51.08	51.08
Rapid MetroRail Gurgaon Limited	24.76	24.76	24.76	24.76
Rapid MetroRail Gurgaon South Limited	228.96	228.96	228.96	238.63
Jharkhand Infrastructure Implementation Company Limited	79.75	79.75	79.75	79.75
ITNL International Pte Ltd.	45.31	45.31	45.31	45.31
Srinagar Sonmarg Tunnelway Limited	373.22	373.22	373.22	667.70
Amravati Chikhli Expressway Ltd	463.42	463.42	463.42	463.42
Chattisgarh Highways Development Company Limited	0.91	0.91	0.91	0.91
Futureage Infrastructure India Limited	0.05	0.05	0.05	0.05
Fagne Songadh Expressway Ltd	458.19	458.19	458.19	499.69
Noida Toll Bridge Company Limited	17.80	17.80	17.80	17.80
Road Infrastructure Development Company of Rajasthan Limited	94.99	94.99	94.99	122.40
Thiruvananthapuram Road Dev. Co. Ltd.	51.79	51.79	51.79	51.79
Rajasthan Land Holdings Limited	124.48	124.48	124.48	124.48
Pario Developers Private Limited	1.60	1.60	1.60	1.60
Jorabat Shillong Expressway Limited	197.84	197.84	197.84	197.84
Warora Chandrapur Ballarpur Toll Road Limited	5.75	5.75	5.75	5.75

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

B. Disclosure of Investments by the loanee in the shares of parent company and subsidiary company, when the Company has made a loan or advance in the nature of loan

The above loanees have not made any investment in the shares of the Company or subsidiaries, except ITNL International Pte Ltd., Noida Toll Bridge Co Ltd and Pario Developers Private Ltd for which disclosure is given below:

Subsidiaries of Elsamex S.A., Spain	Amount as at March 31, 2020	Maximum amount outstanding during the year	Amount as at March 31, 2019	Maximum amount outstanding during the year
Alcantarilla Fotovoltaica, S.L.U.	NA	NA	NA	NA
Area De Servicio Coiros S.L.U.	NA	NA	NA	NA
Area De Servicio Punta Umbria, S.L.U.	NA	NA	NA	NA
Atenea Seguridad Y Medio Ambiente S.A.U.	NA	NA	NA	NA
Beasolarta S.A.U.	NA	NA	NA	NA
CIESM-INTEVIA, S.A.	NA	NA	NA	NA
Conservacion De Infraestructuras De Mexico S.A. DE C.V.	NA	NA	NA	NA
Control 7, S.A.	NA	NA	NA	NA
Elsamex Brazil LTDA	NA	NA	NA	NA
Elsamex Colombia SAS	NA	NA	NA	NA
Elsamex Construcao E Manutencao LTDA	NA	NA	NA	NA
Elsamex India Private Limited	NA	NA	NA	NA
Elsamex Internacional S.L.	NA	NA	NA	NA
Elsamex LLC	NA	NA	NA	NA

Subsidiaries of Elsamex S.A., Spain	Amount as at March 31, 2020	Maximum amount outstanding during the year	Amount as at March 31, 2019	Maximum amount outstanding during the year
Elsamex Maintenance Services Limited	NA	NA	NA	NA
Elsamex Portugal S.A.	NA	NA	NA	NA
ESM Mantenimiento Integral, SA DE CV	NA	NA	NA	NA
Grusamar Albania SHPK	NA	NA	NA	NA
Grusamar Engenharia y Consultoría Brasil LTDA	NA	NA	NA	NA
Grusamar India Limited	NA	NA	NA	NA
Grusamar Ingeniería Y Consulting Colombia SAS	NA	NA	NA	NA
Grusamar Ingeniería Y Consulting, S.L.	NA	NA	NA	NA
Inteval Gestao Integral Rodoviaria S.A.	NA	NA	NA	NA
Mantenimiento Y Conservacion De Vialidades S.A. DE C.V.	NA	NA	NA	NA
Senalizacion Viales e Imagen S.A.U.	NA	NA	NA	NA
Yala Construction Co Private Limited	NA	NA	NA	NA

₹ in crore

Particulars	March 31, 2020		March 31, 2019	
	Amount as at March 31, 2020	Maximum amount outstanding during the year	Amount as at March 31, 2019	Maximum amount outstanding during the year
Subsidiaries of ITNL International Pte Ltd. \$				
Elsamex S.A.	559.73	559.73	559.73	559.73
ITNL Africa Projects Limited	19.02	19.02	19.02	19.02
ITNL Intenational DMCC	65.88	65.88	65.88	65.88
Sharjah General Services Co. LLC	0.35	0.35	0.35	0.35
I IPL US LLC	100.99	100.99	100.99	100.99
ITNL Infrastructure Developer LLC	6.68	6.68	6.68	6.68
Elsamex Vietnam Joint Stock Company	4.50	4.50	4.50	4.50
Subsidiaries of Noida Toll Bridge Co Limited				
ITNL Toll Management Services Limited	2.55	2.55	2.55	2.55
Subsidiaries of Pario Developers Private Limited \$				
Rajasthan Land Holdings Limited	1.50	1.50	1.50	1.50

Note 43: Segment Disclosures: The Company operates in a single business segment viz. Surface Transportation Business. Also it operates in a single geographic segment. In the absence of separate reportable business or geographic segments the disclosures required under the Indian Accounting Standard 108 on Operating Segment are not applicable.

Note 44: Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors on 7th December, 2020.

Note 45: The outbreak of coronavirus (COVID-19) pandemic, globally and in India, is causing significant disturbance and slowdown of economic activity. The Company has evaluated its March 31, 2020 standalone financial statements for subsequent events through the date of the standalone financial statements were issued. As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which are likely to negatively impact the resolution plan in terms of timing of claim settlement to the SPVs, delay in asset monetisation including bid validity/extension, recoverability of assets from SPVs due to adverse impact on traffic.

These may impact the time lines for recoverability for Investments, trade receivables, loans and other receivables, however, such potential impact is unknown. Considering the uncertainties involved in estimating the impact of this pandemic, the future impact of this pandemic may be different from those estimated as on the date of approval of these standalone financial statements. The Company will continue to monitor the impact of COVID-19 and any material changes to the future economic conditions.

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

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

As fully described in note 24.1, the Company in the previous year ended March 31, 2019 due to the reasons mentioned in that note, had not recognized any Revenue from Construction activities. At the same time, Company had recognized revenue from interest and dividend from loans provided and investments made in various project SPVs till October 15, 2018. As a result, for the year ended March 31, 2019, the Company's financial assets constituted more than 50 per cent of the total assets and income from financial assets was more than 50% of aggregate revenue for that year. Due to this technical matter, in the previous year ended March 31, 2019, the Company fell in the category of Non Banking Financial Company (NBFC) under Section 45 (IA) of RBI Act, 1945. The Company will communicate and take necessary action with RBI in this regard. However, in the current year while the Company's financial assets continue to be more than 50 per cent of the total assets, its income from financial assets is less than 50% of aggregate revenue for the year. Hence, provision of Section 45-IA of the RBI act is not applicable to the company for the current year ended March 31, 2020.

Note 47: The figures for the year ended March 31, 2019 have been regrouped and/ or re-arranged wherever necessary to conform to the classification adopted in the year ended March 31, 2020.

As per our Report of even date

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

Sd/-
per Suresh Yadav
Partner
Membership No. 119878

Date : December 07, 2020
Place : Mumbai

For and on behalf of the Board

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

Sd/-
Mohit Bhasin
Chief Financial Officer

Sd/-
Krishna Ghag
Company Secretary

Date : December 07, 2020
Place : Mumbai

Sd/-
Nand Kishore
Director
(DIN: 08267502)

Sd/-
Dilip Bhatia
Chief Executive Officer

IL&FS Transportation Networks Limited

Statement on Impact of Audit Qualifications for the financial year ended March 31, 2020 [See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016:

I	Sr. no.	Particulars	Audited figures (as reported before adjusting for qualifications) ₹ in crore	Audited figures (as reported after adjusting for qualifications) ₹ in crore
	1	Turnover/ Total Income	232.42	Not determinable
	2	Total expenditure	1,205.37	
	3	Net Loss	(972.95)	
	4	Earnings per share	(29.58)	
	5	Total Assets	2,994.16	
	6	Total Liabilities	17,853.86	
	7	Net worth	(14,859.70)	
	8	Any other financial item(s) (as felt appropriate by the management)	None	

II. Audit qualifications (each qualification separately)

Sr. no.	Particulars	Remark
1	Details of qualifications	<p>As mentioned in Note 5 to the accompanying financial results, on January 1, 2019, the Company, its Holding Company (Infrastructure Leasing & Financial Services Limited) and its fellow subsidiary (IL&FS Financial Services Limited) received orders from the National Company Law Tribunal for the reopening and recasting of their accounts in respect of financial years 2013-14 to 2017-18, under Section 130 of the Companies Act 2013. Such process of reopening and recasting of prior years' accounts is currently in progress.</p> <p>As mentioned in Note 6 to the accompanying financial results, the Board of Directors of the Holding Company have initiated a third-party forensic examination of various matters of the Company for the period April 2013 to September 2018, which is currently ongoing.</p> <p>As mentioned in Note 7 to the accompanying financial results, 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. 1,183.40 Crores as at March 31, 2020 as fully described in Note 19 to the accompanying financial results.</p> <p>As mentioned in Note 8 to the accompanying financial results, management is in the process of reconciling claims received with its books of account and has recorded additional liabilities amounting to Rs. 54.47 Crores during the current year.</p>

Sr. no.	Particulars	Remark
		Consequently, the accompanying financial results does not include any possible adjustments arising from the aforesaid matters other than mentioned above, including to the extent these may affect prior period comparatives presented therein.
		<p>As mentioned in Note 12 and Note 13 to the accompanying financial results 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:</p> <p>a) The recoverable amount is subject to finalisation of the claim management process of subsidiaries and joint ventures and their audited financial statements. Further, the distribution mechanism applied for determining recoverable amount is not in accordance with distribution mechanism approved by National Company Law Appellate Tribunal ('NCLAT') vide its order dated March 12, 2020;</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 and the bid value has not been adjusted for any subsequent events;</p> <p>c) Recoverable amount for certain Receivable Balances is based on cash flow projections prepared by management as at March 31, 2020 except in few cases wherein it is based on fair valuation reports as at September 30, 2018 which are subject to various internal and external factors including significant assumptions / estimates / judgments. Further, as explained in Note 12, recoverable value does not consider the impact of fair valuation exercise being undertaken by the management in respect of entities proposed to be transferred to Infrastructure Investment Trust (InvIT);</p> <p>d) As further explained in Note 12 to the accompanying financial results, 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>In view of the above uncertainties involved and absence of sufficient appropriate audit evidence to support the assumptions / estimates / judgements used in determination of recoverable amount for computing the impairment / expected credit loss, we are unable to comment on the</p>

Sr. no.	Particulars	Remark
		possible effects of changes, on account of aforesaid factors, on these financial results.
		As mentioned in Note 18 of the accompanying financial results, the Company has recognised impairment provision on selected items of property, plant and equipment based on the fair valuation report obtained as at March 31, 2020. We are unable to obtain sufficient and appropriate evidence to verify the fair value considered for the respective assets.
		As mentioned in Note 20 of the accompanying financial results, the Company has valued its investment property as per Ready Reckoner rate as notified by the Maharashtra State Government and is not in accordance with relevant Ind AS.
		As mentioned in Note 18 of the accompanying financial results, the Company has not carried out analysis for determination of net realisable value as per Ind AS 2 'Inventories' of its Inventories. Further, no physical verification for inventories has been carried out. Consequently, the accompanying financial results does not include any possible adjustments.
		As mentioned in Note 11 of the accompanying financial results, 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 resultant liabilities except to the extent recognised in the current year amounting to Rs. 310.64 Crores, in the accompanying financial results. Consequently, the accompanying financial results does not include any possible adjustments in this regard.
		As mentioned in Note 28 (c) to the accompanying financial results, the Company had assigned Loans given to its subsidiaries and joint venture in earlier years to a Bank on a Recourse basis and derecognized the said financial asset from the balance sheet amounting to Rs. 1,000 Crores. Accordingly, financial assets and financial liabilities included in these financial results for the current year and previous year are understated by the said amount.
		As mentioned in Note 29 to the accompanying financial results, a third-party forensic audit, in respect of construction costs 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 costs and other operating expenses and other consequential impact on the accompanying financial results, if any.
		As mentioned in Note 10 to the accompanying financial results, 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 financial results in this regard.

Sr. no.	Particulars	Remark
		As mentioned in Note 9 to the accompanying financial results, 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 financial results.
		As mentioned in Note 14 to the accompanying financial results, pending completion of audit of financial statements of various subsidiaries, associates and joint ventures as at and for the year ended March 31, 2020 / December 31, 2019, 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 financial results.
		<p>We have not received audit evidence as follows:</p> <ul style="list-style-type: none"> a) Reconciliation of differences with banks mentioned in Note 17 to the accompanying financial results aggregating Rs. 167.53 Crores, which includes direct credits by bank and unreconciled differences in bank reconciliation statements including direct debits by banks aggregating Rs 167.48 Crores, which are in the process of being reconciled by the Company ; b) Reconciliation with vendors/ sub-contractors as mentioned in Note 27 to the accompanying financial results accounted in the previous year; c) Responses to our request for direct balance confirmations towards borrowings of Rs. 4,145.64 Crores, Bank balances of Rs. 97.75 Crores, certain Trade receivable balances aggregating to Rs. 149.02 Crores, certain loans and advances aggregating to Rs. 459.47 Crores and certain trade payables of Rs. 573.35 Crores and confirmation from banks / financial institutions in respect of details of securities, lien, collaterals, guarantees etc. <p>Accordingly, we are unable to comment on the consequential effects of the above, on the accompanying financial results.</p>
		As fully described in the Note 24 (a) to the accompanying financial results, during the previous year, the Company had 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. 67.68 Crores as at March 31, 2020 (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 incurred in the previous year and the audited financial statements of the said Fund as at March 31, 2020 and March 31, 2019. Hence, we are unable to comment on the fair value of the said investment and other impact on the financial results, if any.
		With respect to following transactions recorded in the previous year, we are unable to obtain sufficient and appropriate

Sr. no.	Particulars	Remark
		<p>evidence about the underlying commercial substance and rationale of such transactions and consequential impact on the accompanying financial results:</p> <p>a) Amounts paid during the previous year to certain related parties which are classified as loans amounting to Rs. 7.50 Crores was fully impaired during the previous year as fully described in Note 28 (b) to the accompanying financial results and</p> <p>b) Construction cost and other direct expenses verified by us on a test check basis, amounting to Rs. 52.26 Crores as fully described in Note 29 to the accompanying financial results and in respect Miscellaneous expenses amounting to Rs. 3.50 Crores as fully described in Note 30.</p>
		<p>As fully described in the Note 5 to the accompanying financial results and further stated above, following transactions/matters relating to Financial Year 2017-18 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 Financial year 2017-18 and subsequently during the previous 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 24(a) to the accompanying financial results.</p> <p>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 Financial year 2017-18 as fully described in Note 24(b) to the accompanying financial results</p> <p>Consequently, during the year ended March 31, 2019, the matters referred in (a) and (b) above resulted in charge on account of impairment/fair valuation of investment in units and preference shares amounting to Rs. 223.54 Crores.</p>
		<p>As discussed in Note 33 to the accompanying financial results, the Company has not presented the financial information for the quarter ended March 31, 2020, related comparatives for the quarter ended March 31, 2019 and quarter ended 31 December 2019 as required by Regulation 33 read with the Circular</p>

Sr. no.	Particulars	Remark
		Material Uncertainty Related to Going Concern We refer to Note 15 to the accompanying financial results. The Company has incurred a loss (including other comprehensive income) of Rs. 974.57 Crores for the year ended March 31, 2020 and has net liabilities of Rs. 14,859.70 Crores as at March 31, 2020. The Company has also suffered consistent downgrades in its credit ratings since September 2018, as a result of which the Company's ability to raise funds has been substantially impaired, with normal business operations being substantially curtailed. These conditions, along with other matters, set forth in that note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.
2	Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Disclaimer of Opinion
3	Frequency of qualification: Whether appeared first time/ repetitive/ since how long continuing	Repetitive from previous year
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views	Not applicable
5	For Audit Qualification (s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification	Not determinable
	(ii) If management is unable to estimate the impact, reasons for the same:	Not determinable
6	Auditors' Comments on (i) or (ii) above:	Our view remains unchanged considering the matters referred to in paragraph 3.1 to 3.16 in our audit report.

For S R B C & CO LLP

Chartered Accountants

(Firm's Registration No. 324982E/E300003)

Sd/-

per Suresh Yadav

Partner

Membership No. 119878

For IL&FS Transportation Networks Limited

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

Date: December 07, 2020

Place: Mumbai

Date: December 07, 2020

Place: Mumbai

 | Transportation

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