

February 13, 2015

**General Manager,**  
Listing Department,  
BSE Limited,  
P.J. Tower, Dalal Street,  
Mumbai 400 001  
Fax Nos: 022- 22722037/39/41/61  
022-23121/3719/1278/1557/3354  
/3577

**Scrip Code No. 533177**

**Vice President,**  
Listing Department,  
National Stock Exchange of India Limited  
'Exchange Plaza', Bandra Kurla Complex,  
Bandra (East), Mumbai - 400 051  
Fax Nos. 022-26598237/38,  
022-26598347/48

**Scrip Code No. IL&FSTRANS EQ**

Dear Sirs,

**Re: Financial Results for the quarter and nine months period ended December 31, 2014**

Dear Sirs,

We are enclosing the text of the Financial Results of the Company for the quarter and nine months period ended December 31, 2014 alongwith the Report issued by the Statutory Auditors, Deloitte Haskins & Sells LLP in terms of Clause 41 of the Listing Agreement, which was approved by the Board of Directors at their meeting held today for your information and records

Thank you

Yours faithfully,

For IL&FS Transportation Networks Limited



Krishna Ghag  
Vice President &  
Company Secretary

Encl: As above









## INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF IL&FS TRANSPORTATION NETWORKS LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results and the related Notes thereon of **IL&FS TRANSPORTATION NETWORKS LIMITED** ("the Company"), its subsidiaries and jointly controlled entities / operations (the Company, its subsidiaries and jointly controlled entities / operations constitute "the Group") and its share of the profit/(loss) of its associates for the quarter and nine months ended December 31 2014 ("the Statement"/"Consolidated Financial Results"), being submitted by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 11 below. This Statement has been prepared on the basis of the related interim condensed consolidated financial statements, which is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review of the related interim condensed consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS-25) on Interim Financial Reporting specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

*Agul*

3. The Statement includes the results of the entities listed in the Annexure.
4. We did not review the interim condensed financial statements /information of:
  - a. Forty six subsidiaries whose interim condensed financial statements / information reflect Group's share of total revenues of Rs. 70,136 lakhs and Rs.186,650 lakhs for the quarter and nine months ended December 31, 2014, respectively and profit after tax (net) of Rs. 4,145 lakhs and Rs. 7,746 lakhs for the quarter and nine months ended December 31, 2014, respectively, as considered in the consolidated financial results;
  - b. Seven jointly controlled entities which reflects the Group's share of total revenues of Rs. 15,318 lakhs and Rs. 30,281 lakhs for the quarter and nine months ended December 31, 2014, respectively and profit after tax (net) of Rs. 2,775 lakhs and Rs. 7,308 lakhs for the quarter and nine months ended December 31, 2014, respectively, as considered in the consolidated financial results; and
  - c. Eleven associates in which the Group's share of profit (net) of Rs. 37 lakhs and Rs.94 lakhs for the quarter and nine months ended December 31, 2014, as considered in the consolidated financial results.

The interim condensed financial statements / information of these Sixty Four entities have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our conclusion is not qualified in respect of this matter.

5. The consolidated financial results includes the Group's share of profit after tax of Rs. Nil and Rs.164 lakhs for the quarter and nine months ended December 31, 2014, respectively, as considered in the consolidated financial results, in respect of one associate, based on the unaudited financial information prepared by the management, which was not subjected to review. This interim condensed financial information have been certified by the Management of the entity and, our conclusion on the Statement, in so far as it relates to amounts included in respect of this entity, is based solely on such certified interim financial information. Any adjustment to these interim financial information could have consequential effects on the attached Statement. However, the size of the entity in the context of the Group is not material.

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Our conclusion is not qualified in respect of this matter.

6. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 4 above and except for the possible effects of the matter described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. We draw attention to the fact that the capital employed as given in Note 1 of the Statement, which has been determined based on the management estimates (which in turn are based on technical evaluations by independent experts) in respect of specific account balances identified as follow:
  - i. Intangible Assets and Intangible Assets under Development covered under service concession arrangements aggregating to carrying value of Rs.1,556,164 lakhs (50.30% of the total assets), the useful lives and the annual amortisation thereof;
  - ii. Provision for Overlay carried at Rs.4,960 lakhs in respect of intangible assets covered under service concession arrangements; and
  - iii. Financial Assets covered under service concession arrangements, included as a part of Receivables against Service Concession Arrangements, carried at Rs. 873,040 lakhs (28.22% of the total assets) and revenue recognised thereon based on the effective interest method which in turn is based on evaluations of the future operating and maintenance costs and the overlay / renewal costs and the timing thereof.

Our conclusion is not qualified in respect of this matter.

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8. We draw attention to Note 7 of the consolidated results, wherein it has been stated that during the nine months ended December 31, 2014, an Associate of the Company has received formal communication from the Corporate Debt Restructuring (CDR) Empowered Group with respect to it having formally exited from the CDR system. Consequent to the Associate's exit from the CDR on May 20, 2014, the below mentioned items are subject to discussions:
- i. Settlement of the Advance towards Capital / Debt; and
  - ii. Recompense, if any of the amount of sacrifices made by the Deep Discount Bond holders and the Non-Convertible Debenture Holders.

In the view of the Management of the Associate Company, the amounts payable, if any, for the aforesaid items is currently unascertainable and accordingly, no liability / charge has been created in its interim condensed financial statements. The Associate intends to finalise the foregoing during the current financial year ending March 31, 2015.

Our conclusion is not qualified in respect of this matter.

9. We also draw attention to Note 8 of the statement, regarding an amount of Rs.26,093 lakhs included as Income from Operations for the nine months ended December 31, 2014 on account of aggregate compensation claimed by the Company from two Special Purpose Vehicles ("SPVs") and by the two SPV's on the Concession Granting Authorities ("CGA"), for the incremental work and related claims arising from delays due to handing over of the land for project execution. The compensation is based on the provisions in the Service Concession Agreements and is supported by the Extension of Time granted by the Independent Engineers. The SPVs have been legally advised that they are contractually entitled to such claims under the Service Concession Agreements.

Our conclusion is not qualified in respect of this matter.

10. One of the subsidiary company auditors has expressed an emphasis of matter in respect of the matter explained in Note 9 of the Statement, drawing attention to the impact on account of additional works / revised project specification, which have been determined based on the management estimates and / or technical evaluation by independent experts.

Our conclusion is not qualified in respect of this matter.

*Full*

**Deloitte**  
**Haskins & Sells LLP**

11. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges from the details furnished by the Management and the particulars relating to investor complaints from the details furnished by the Registrar, both disclosed in Part II - Select Information for the quarter and nine months ended December 31, 2014 of the Statement.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



Kalpesh J. Mehta  
Partner  
(Membership No. 48791)

MUMBAI, February 13, 2015  
KJM / NDU

**ANNEXURE TO INDEPENDENT AUDITORS' REPORT**  
**(Referred to in paragraph 3 to our Auditors' Report)**  
**Re: IL&FS Transportation Networks Limited**

<b>Sr. No.</b>	<b>Name of the Entities</b>
	<b>Subsidiaries:</b>
1	Scheme of ITNL Road Investment Trust
2	East Hyderabad Expressway Limited
3	ITNL Road Infrastructure Development Company Limited
4	IL&FS Rail Limited
5	Elsamex S.A. (including Jointly Controlled Operations)
6	ITNL International Pte. Ltd.
7	Vansh Nimay Infraprojects Limited
8	West Gujarat Expressway Limited
9	Hazaribagh Ranchi Expressway Limited
10	Pune Sholapur Road Development Company Limited
11	Moradabad Bareilly Expressway Limited
12	Jharkhand Road Projects Implementation Company Limited
13	Chenani Nashri Tunnelway Limited
14	MP Border Checkpost Development Company Limited
15	Badarpur Tollway Operations Management Limited
16	Futureage Infrastructure India Limited
17	Charminar RoboPark Limited
18	ITNL Offshore Pte. Ltd.
19	Karyavattom Sports Facility Limited
20	Kiratpur Ner Chowk Expressway Limited
21	Baleshwar Kharagpur Expressway Limited
22	Sikar Bikaner Highway Limited
23	Khed Sinnar Expressway Limited
24	Barwa Adda Expressway Limited
25	GIFT Parking Facilities Limited
26	North Karnataka Expressway Limited
27	Atenea Seguridad y Medio Ambiente S.A.
28	Senalizacion Viales e Imagen S.A.U.
29	Elsamex Internacional S.L.
30	Grusamar Ingenieria y Consulting, S.L.U.
31	Elsamex Portugal Engenharia e Sistemas de Gestao S.A.
32	Inteval Gestao Integral Rodoviaria, S.A.
33	Elsamex India Private Limited
34	Yala Construction Co Private Limited

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<b>Sr. No.</b>	<b>Name of the Entities</b>
35	Mantenimiento y Conservacion de Vialidades S.A. DE C.V.
36	ESM Mantenimiento Integral, SA DE CV
37	CISEM-INTEVIA, S.A.
38	Control 7, S.A.
39	Grusamar Albania SHPK
40	Rapid MetroRail Gurgaon Limited
41	Area De Servicio Coiros S.L.U.
42	Conservacion De Infraestructuras De Mexico S.A. DE C.V.
43	Alcantarilla Fotovoltaica, S.L.
44	Area De Servicio Punta Umbria, S.L.U.
45	ITNL International JLT
46	Beasolarta S.A.U.
47	Rapid MetroRail Gurgaon South Limited
48	ITNL Africa Projects Ltd.
49	Grusamer India Limited
50	Elsamex Construcao E Manutencao LTDA
51	Sharjah General Services Company LLC
52	I IPL USA LLC
53	Andhra Pradesh Expressway Limited
54	Elsamex Maintenance Services Limited
55	Elsamex LLC
56	Grusumar Engenharia Y Consultoria Brasil LTDA
57	Elsamex Brazil LTDA
	<b>Jointly Controlled Entities:</b>
1	Noida Toll Bridge Company Limited
2	N.A.M. Expressway Limited
3	Jorabat Shillong Expressway Limited
4	Chongqing Yuhe Expressway Co. Ltd.
5	Geotecnia Y Control De Qualitat, S.A.
6	Consortio De Obras Civiles S.R.L
7	Vias Y Construcciones S. R. L.
	<b>Associates:</b>
1	Gujarat Road and Infrastructure Company Limited
2	Thiruvananthapuram Road Development Company Limited
3	ITNL Toll Management Services Limited
4	Warora Chandrapur Ballarpur Toll Road Limited
5	CGI 8 S.A.

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**Deloitte**  
**Haskins & Sells LLP**

<b>Sr. No.</b>	<b>Name of the Entities</b>
6	Elsamex Road Technology Company Limited
7	Sociedad Concesionaria Autovía A-4 Madrid S.A
8	Srinagar Sonamarg Tunnelway Limited
9	VCS-Enterprises Limited
10	Ramky Elsamex Ring Road Limited, Hyderabad
11	Emprsas Pame sa De CV
12	Zheijang Elsamex Road Technology Co. Ltd.
13	Zheijang Elsamex Road Construction Equipment Co. Ltd.

*Agell*

**IL&FS TRANSPORTATION NETWORKS LIMITED ("the Company")**

Registered Office : The IL&amp;FS Financial Centre, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051

Telephone : +91 22 2653 3333 Fax : +91 22 2652 3879 Website : www.itnlindia.com CIN : L45203MH2000PLC129790

**Part I : Statement of Consolidated Results for the Quarter and Nine months ended December 31, 2014**

(₹ in Lakhs)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2014 (Unaudited) (Refer Note 12)	September 30, 2014 (Audited) (Refer Note 12)	December 31, 2013 (Unaudited) (Refer Note 12)	December 31, 2014 (Unaudited)	December 31, 2013 (Unaudited)	March 31, 2014 (Audited)
<b>1 Income from operations</b>						
(a) Income from operations	195,176	150,156	196,590	487,336	475,770	658,699
(b) Other operating income (net) (Refer note 6)	212	13	1	14,637	3	5
<b>Total income from operations (net)</b>	<b>195,388</b>	<b>150,169</b>	<b>196,591</b>	<b>501,973</b>	<b>475,773</b>	<b>658,704</b>
<b>2 Expenses</b>						
(a) Cost of materials consumed	5,200	3,452	4,209	11,053	10,096	21,922
(b) Purchases of stock-in-trade	582	-	62	679	443	681
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	126	(49)	65	193	85	124
(d) Employee benefits expense	11,031	11,842	11,205	34,162	31,314	41,415
(e) Depreciation and amortisation expense	4,952	4,322	4,352	14,033	9,714	15,102
(f) Construction Contract Cost	91,463	49,945	104,403	203,832	214,506	298,364
(g) Other expenses	34,044	23,406	27,878	81,132	68,618	107,230
<b>Total expenses</b>	<b>147,398</b>	<b>92,918</b>	<b>152,174</b>	<b>345,084</b>	<b>334,776</b>	<b>484,838</b>
<b>3 Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>47,990</b>	<b>57,251</b>	<b>44,417</b>	<b>156,889</b>	<b>140,997</b>	<b>173,866</b>
4 Other income	8,104	7,115	3,787	23,605	9,327	21,544
<b>5 Profit from ordinary activities before finance costs and exceptional items (3 + 4)</b>	<b>56,094</b>	<b>64,366</b>	<b>48,204</b>	<b>180,494</b>	<b>150,324</b>	<b>195,410</b>
6 Finance costs (net)	42,534	49,396	41,602	137,179	110,330	147,096
<b>7 Profit from ordinary activities after finance costs but before exceptional items (5 - 6)</b>	<b>13,560</b>	<b>14,970</b>	<b>6,602</b>	<b>43,315</b>	<b>39,994</b>	<b>48,314</b>
8 Exceptional items	-	-	-	-	-	-
<b>9 Profit from ordinary activities before tax (7 - 8)</b>	<b>13,560</b>	<b>14,970</b>	<b>6,602</b>	<b>43,315</b>	<b>39,994</b>	<b>48,314</b>
10 Tax expense (net)	1,527	6,159	(3,684)	9,674	5,291	2,655
<b>11 Net Profit from ordinary activities after tax (9 - 10)</b>	<b>12,033</b>	<b>8,811</b>	<b>10,286</b>	<b>33,641</b>	<b>34,703</b>	<b>45,659</b>
12 Extraordinary Items (net of tax expense ₹ Nil)	-	-	-	-	-	-
<b>13 Net Profit for the period / year (11 - 12)</b>	<b>12,033</b>	<b>8,811</b>	<b>10,286</b>	<b>33,641</b>	<b>34,703</b>	<b>45,659</b>
14 Share of profit of associates (net)	555	316	321	966	357	507
15 Share of (loss) / profit transferred to minority (net)	(318)	(767)	(376)	(1,968)	497	(139)
<b>16 Net Profit after taxes, minority interest and share of profit / (loss) of associates (13 +14 - 15)</b>	<b>12,906</b>	<b>9,894</b>	<b>10,983</b>	<b>36,575</b>	<b>34,563</b>	<b>46,305</b>
17 Paid-up equity share capital (face value - ₹ 10 per share)	24,672	24,672	19,427	24,672	19,427	19,427
18 Reserves excluding Revaluation Reserves						443,311
<b>19.i Earnings per share (before extraordinary items) (of ₹ 10/- each) : (Refer Note 4)</b>						
(a) Basic	*4.29	*3.20	*4.58	*12.26	*15.93	20.49
(b) Diluted	*4.29	*3.20	*4.58	*12.26	*15.93	20.49
<b>19.ii Earnings per share (after extraordinary items) (of ₹ 10/- each) : (Refer Note 4)</b>						
(a) Basic	*4.29	*3.20	*4.58	*12.26	*15.93	20.49
(b) Diluted	*4.29	*3.20	*4.58	*12.26	*15.93	20.49
* Not annualised						
See accompanying notes 1 to 13 to the financial results						




**Part II : Select Information for the Quarter and Nine months ended December 31, 2014**

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013	March 31, 2014
<b>A PARTICULARS OF SHAREHOLDING</b>						
<b>1 Public shareholding</b>						
- Number of shares	72,070,244	72,070,244	53,504,729	72,070,244	53,504,729	53,504,729
- Percentage of shareholding	29.21%	29.21%	27.54%	29.21%	27.54%	27.54%
<b>2 Promoters and Promoter Group Shareholding</b>						
a) Pledged / Encumbered						
- Number of shares	171,450,000	135,000,000	135,000,000	171,450,000	135,000,000	135,000,000
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	98.17%	77.30%	95.91%	98.17%	95.91%	95.91%
- Percentage of shares (as a % of the total share capital of the company)	69.49%	54.72%	69.49%	69.49%	69.49%	69.49%
b) Non - encumbered						
- Number of shares	3,199,776	39,649,776	5,763,003	3,199,776	5,763,003	5,763,003
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	1.83%	22.70%	4.09%	1.83%	4.09%	4.09%
- Percentage of shares (as a % of the total share capital of the company)	1.30%	16.07%	2.97%	1.30%	2.97%	2.97%

Particulars	Quarter ended December 31, 2014
<b>B INVESTOR COMPLAINTS</b>	
Pending at the beginning of the quarter	Nil
Received during the quarter	22
Disposed off during the quarter	22
Remaining unresolved at the end of the quarter	Nil

**NOTES**

- 1 **Segmentwise Revenue, Results and Capital Employed under Clause 41 of the Listing Agreement**  
The Group has only a single reportable primary (business) segment viz. Surface Transportation Business.

(₹ in Lakhs)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2014 (Unaudited) (Refer Note 12)	September 30, 2014 (Audited) (Refer Note 12)	December 31, 2013 (Unaudited) (Refer Note 12)	December 31, 2014 (Unaudited)	December 31, 2013 (Unaudited)	March 31, 2014 (Audited)
<b>i. Segment Revenue</b>						
(a) Surface Transportation	186,833	142,291	189,394	478,384	453,924	626,495
(b) Others	8,555	7,878	7,197	23,589	21,849	32,209
<b>Total</b>	<b>195,388</b>	<b>150,169</b>	<b>196,591</b>	<b>501,973</b>	<b>475,773</b>	<b>658,704</b>
Less: Intersegment Revenue	-	-	-	-	-	-
<b>Net Sales/Income From Operations</b>	<b>195,388</b>	<b>150,169</b>	<b>196,591</b>	<b>501,973</b>	<b>475,773</b>	<b>658,704</b>
<b>ii. Segment Results, Profit before tax and interest from each segment</b>						
(a) Surface Transportation Business	49,013	59,435	46,822	162,272	145,938	180,890
(b) Others	1,192	937	(86)	3,161	1,200	5,997
<b>Total</b>	<b>50,205</b>	<b>60,372</b>	<b>46,736</b>	<b>165,433</b>	<b>147,138</b>	<b>186,887</b>
Less: Unallocated expenses						
(i) Interest	42,534	49,396	41,602	137,179	110,330	147,096
(ii) Others	2,215	3,121	2,319	8,544	6,141	13,021
Add:						
(i) Unallocable income	8,104	7,115	3,787	23,605	9,327	21,544
<b>Total Profit Before Tax</b>	<b>13,560</b>	<b>14,970</b>	<b>6,602</b>	<b>43,315</b>	<b>39,994</b>	<b>48,314</b>
<b>iii. Capital employed (Segment assets - Segment liabilities)</b>						
(a) Surface Transportation Business	2,579,378	2,443,273	2,061,103	2,579,378	2,061,103	2,242,701
(b) Others	9,035	17,598	11,004	9,035	11,004	9,281
(c) Unallocated assets net of (liabilities)	(1,974,926)	(1,856,343)	(1,544,417)	(1,974,926)	(1,544,417)	(1,705,724)
<b>Total</b>	<b>613,487</b>	<b>604,528</b>	<b>527,690</b>	<b>613,487</b>	<b>527,690</b>	<b>546,258</b>

- 2 The Consolidated Financial Results of the Company for the quarter and nine months ended December 31, 2014 have been prepared in accordance with the principles and procedures as set out in AS-21 on 'Consolidated Financial Statements', AS-23 on 'Accounting for Investments in Associates in Consolidated Financial Statements' and AS-27 on 'Financial Reporting of Interests in Joint Ventures' and is hereinafter referred to as the "Group".

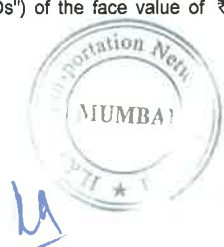
3 **Stand-alone Information**

(₹ in Lakhs)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2014 (Unaudited) (Refer Note 12)	September 30, 2014 (Audited) (Refer Note 12)	December 31, 2013 (Unaudited) (Refer Note 12)	December 31, 2014 (Unaudited)	December 31, 2013 (Unaudited)	March 31, 2014 (Audited)
Total Income from operations	100,130	77,823	104,690	271,885	242,641	340,458
Profit Before Tax	2,695	17,079	595	41,371	28,960	32,291
Profit After Tax	2,169	11,175	5,232	32,201	21,509	26,603

- b During the Quarter ended December 31, 2014, the Company has issued Rated, Unsecured Redeemable, Non-Convertible Debentures ("NCDs") of the face value of ₹ 1,000,000 per unit per NCD on a private placement basis and which have been subsequently listed as detailed below:

Particulars	Number of NCDs	Allotment Date	Amount (₹ in Lakhs)
ITNL, 11.25%	1,250	October 21, 2014	12,500
ITNL (11.50%) 2019	1,250	November 21, 2014	12,500
			<b>25,000</b>



c The details of utilisation of proceeds of above NCDs is given below :

Particulars	(₹ in Lakhs)
Amount received from the issue	25,000
Utilisation :	
For repayment of loans	25,000
Total utilisation	25,000
Balance amount unutilised as on December 31, 2014	-

Investors can view the standalone results of the Company on the Company's website (www.itnlindia.com) or on the BSE website (www.bseindia.com) or NSE website (www.nseindia.com).

- 4 During the nine months ended December 31, 2014, the Company issued 52,452,288 equity shares on rights basis in the ratio of 27:100 on May 22, 2014. The Earnings per share has been accordingly restated to give effect of the Rights Issue for the quarter ended December 31, 2013, nine months ended December 31, 2013 and year ended March 31, 2014.
- 5 Consequent to the enactment of the Companies Act, 2013 and its applicability for accounting periods commencing on or after April 1, 2014, the Group reviewed its method of providing for depreciation on its tangible fixed assets and also reassessed the useful lives of such assets. On and from April 1, 2014, the Group has changed its method of providing for depreciation from the Written Down Value Method to the Straight Line Method to depreciate all classes of tangible fixed assets. The Group believes that the revised useful lives of the assets reflect the lives over which these assets are expected to be used. As a result of the change, the charge on account of Depreciation for the quarter ended December 31, 2014 is higher by ₹ 135 lakhs and for the nine months ended December 31, 2014 is higher by ₹ 203 lakhs compared to the method used and useful lives estimated in earlier periods.
- 6 Other operating income for the nine months ended December 31, 2014 represents gain on sale (dilution of interest in Service Concession SPV) of 41.80% shareholding in one of the subsidiary companies. The Company now holds 41.81% of the shareholding in that entity as at December 31, 2014. The Company has diluted its control over the Board of that entity from August 8, 2014, and consequently that entity has been considered as an associate of the Company.
- 7 During the nine months ended December 31, 2014 an associate company (subsidiary upto August 7, 2014) received a formal communication from the Corporate Debt Restructuring (CDR) Empowered Group with respect to it having formally exited from the CDR system. The interim financial statements of the associate reflect, contribution by one of the Promoters amounting to ₹ 4,500 lakhs as advance towards preference capital, liabilities towards Non-convertible Debentures aggregating ₹ 2,000 lakhs and Deep Discount Bonds aggregating ₹ 16,442 lakhs for which the consequential repayment/conversion, recompense, if any, for the reduction in interest rates are pending pursuant to decisions taken by the CDR cell and High Court of Gujarat. Consequent to the associate's exit from the CDR on May 20, 2014, the below mentioned items are subject to discussions:
- Settlement of the Advance towards Capital / Debt ; and
  - Recompense, if any of the amount of sacrifices made by the Deep Discount Bond holders and the Non-Convertible Debenture Holders.

In the view of the Management of the associate company, the amounts payable, if any, for the aforesaid items is currently unascertainable and accordingly, no liability/charge has been created in its interim condensed financial statements. The associate company intends to finalise the foregoing during the current financial year ending March 31, 2015.

- 8 Income from Operations for the nine months ended December 31, 2014 includes an amount of ₹ 26,093 lakhs on account of aggregate compensation claimed by ITNL from two Special Purpose Vehicles ("SPVs") and by the two SPVs on the Concession Granting Authority ("CGA"), for the incremental work and related claims arising from delays due to handing over of the land by CGA for project execution. The compensation is based on the provisions in the Service Concession Agreements and is supported by the Extension of Time granted by the Independent Engineers. The SPVs have been legally advised that they are contractually entitled to such claims under the Service Concession Agreements. Costs in connection with the foregoing have been considered in recognising the above income
- 9 During the nine months ended December 31, 2014, one of the subsidiary company has increased the construction cost of project from ₹ 20,225 lakhs to 29,225 lakhs and accordingly entered into a supplemental development agreement of ₹ 9,000 lakhs with the existing contractor for executing certain additional works/ revised project specifications. The interim condensed financial statements have been prepared on the basis of estimates for increase in the aforesaid project costs due to factors including changes in project specifications, which resulted in a change in allocation between financial asset and intangible asset. The subsidiary company has made an application seeking approval for enhancement in the Annuities towards the incremental project costs. Pending conclusion of the acceptance for the same, the interim condensed financial statements does not include impact, if any for the anticipated increase in annuities.
- 10 Borrowing costs incurred by the group on qualifying assets are capitalised and accordingly the finance cost reported is net of such capitalization

Particulars	(₹ in Lakhs)					
	Quarter ended			Nine months ended		Year ended
	December 31, 2014 (Unaudited) (Refer Note 12)	September 30, 2014 (Audited) (Refer Note 12)	December 31, 2013 (Unaudited) (Refer Note 12)	December 31, 2014 (Unaudited)	December 31, 2013 (Unaudited)	March 31, 2014 (Audited)
Gross finance cost	67,783	64,625	54,298	190,650	144,374	200,565
Less: Capitalised	25,249	15,229	12,696	53,471	34,044	53,469
Finance cost (net)	42,534	49,396	41,602	137,179	110,330	147,096

- 11 The figures for the year ended March 31, 2014, nine months ended December 31, 2013 and quarter ended September 30, 2014 and Quarter ended December 31, 2013 have been regrouped and / or re-arranged wherever necessary to conform to the classification adopted in the current nine months ended December 31, 2014.
- 12 The figures for the quarters ended December 31, 2014 and December 31, 2013 are balancing figures arrived at as the difference between the unaudited figures of the respective nine months and the published audited figures for half years ended September 30, 2014 and September 30, 2013, respectively. The figures for the quarter ended September 30, 2014 are balancing figures arrived at as the difference between the audited figures of the half year ended September 30, 2014 and the published audited figures for three months ended June 30, 2014.
- 13 The above results have been reviewed by the Audit Committee at its meeting held on February 12, 2015 and thereafter approved by the Board of Directors at its meeting held on February 13, 2015 and the results for the quarter and nine months ended December 31, 2014 have been subjected to a limited review by the statutory auditors of the Company.

On behalf of the Board



*K Ramchand*  
K Ramchand  
Managing Director  
Place: Mumbai  
Date: February 13, 2015