



IL&FS Transportation Networks Limited

January 2017 | Strictly Private & Confidential



Discussion Materials

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The industry data in this presentation has been sourced from sources including “Report on Roads Industry in India” (“Report”) dated September 2016, issued by CRISIL Limited. (“Crisil Research”)

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IL&FS Transportation Networks Limited



1. Sponsor Overview



IL&FS Group: Overview

Business Overview

- Incorporated in 1987, Infrastructure Leasing & Financial Services Limited (“IL&FS”) is one of India's leading infrastructure development and finance companies
- Track record of promoting and financing infrastructure projects in India for over 25 years
- Identifies need-driven projects including roads, bridges, power, ports, water supply, area development which can be commercially viable and works on structural / financial solutions to enhance project viability

Service Offerings

- Offers a full range of financial, project development and management services including investment banking, project financing, project development, management and implementation, asset management, corporate advisory through its group companies

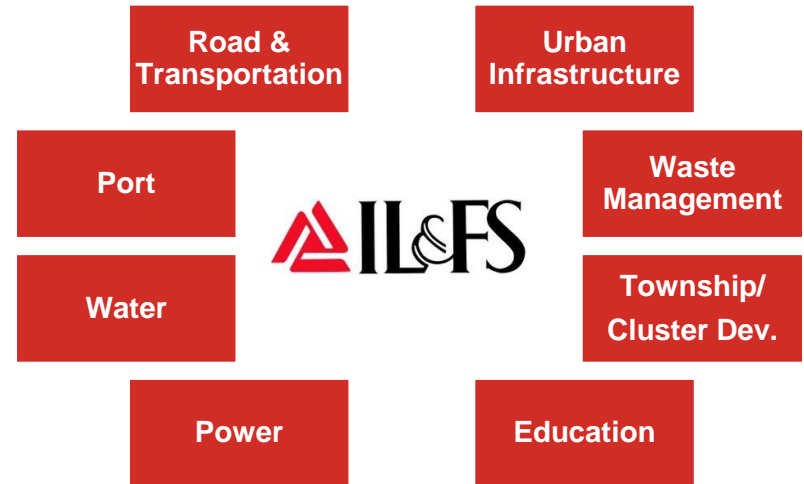
Relationship with Government

- Strategic relations with various state governments
- Ongoing relationships with various departments of the central government

Institutionally Owned / Management Team

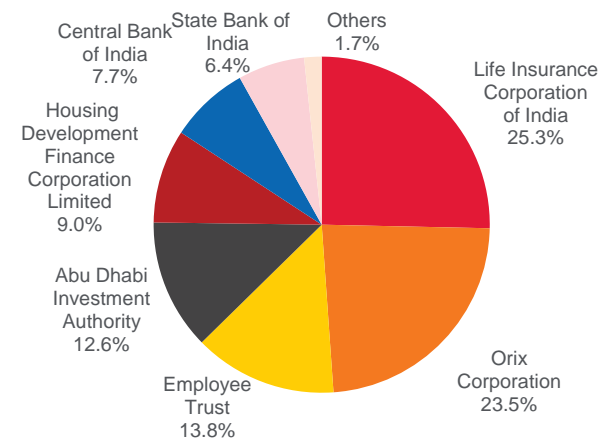
- IL&FS is managed by a team of professionals led by Mr. Ravi Parthasarathy, Chairman, IL&FS Group

IL&FS Group Presence: Key Infrastructure Verticals



Robust institutional shareholder base: Shareholding Pattern

(As on September 30, 2016)





IL&FS Transportation Networks Limited (“ITNL”): Overview

Business Overview

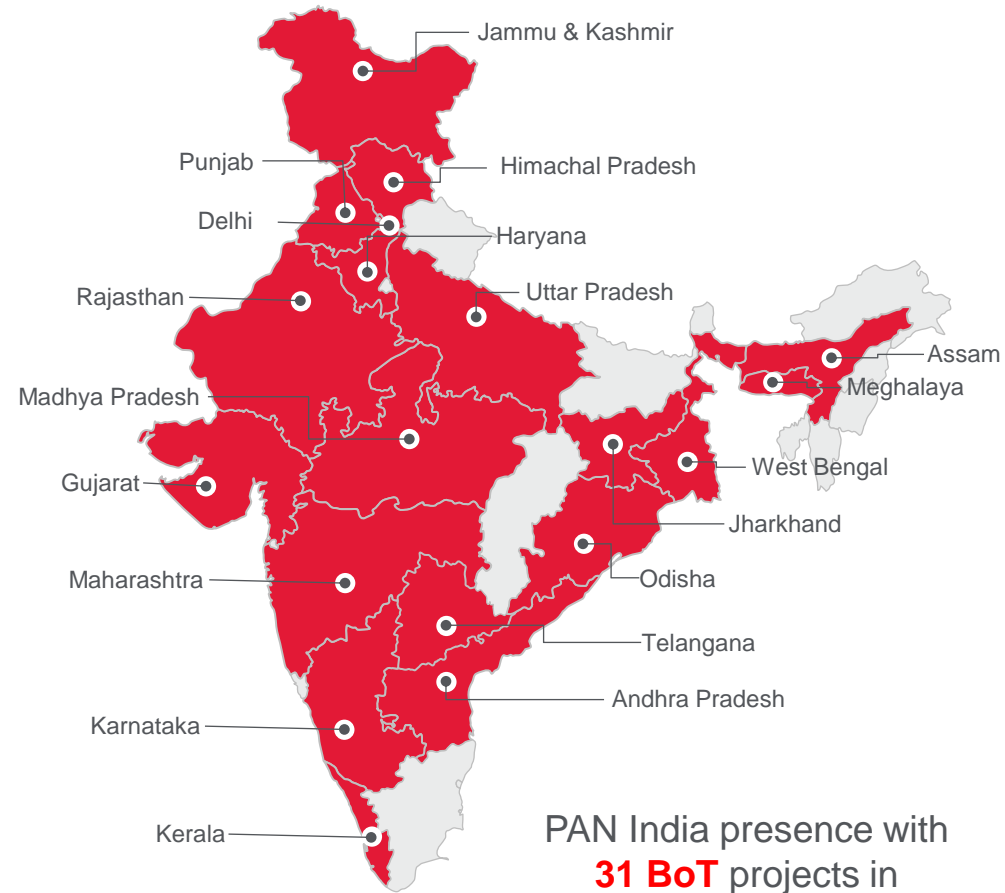
- ITNL is a successful surface transportation infrastructure company and with a sizable road assets portfolio
- Pan India presence with diverse projects across several states in India
- Established in 2000 and promoted by IL&FS
- Approximately 14,699 lane km under road assets portfolio comprising a mix of toll and annuity based projects
- Relationships with Government authorities such as National Highway Authority of India Limited (“NHAI”)
- Presence in other non-road segments viz. mass rapid transport system, urban transportation infra system, multi-level car parking and border check posts
- International operations primarily in the road segment and spread across Spain, Portugal, Mexico, Colombia, UAE and China, etc.
- Shareholding pattern (As on 30th September 2016)
 - IL&FS Group (Promoters): 73%, Foreign Portfolio Investors: 7%, Financial Institutions / Banks: 1%, Others: 19%

Historical Consolidated Financial Performance

(INR mn)	Fiscal Year Ending 31 st March				
	FY12	FY13	FY14	FY15	FY16
Revenue from operations	56,056	66,448	65,870	65,010	82,638
Other Income ("OI")	1,238	1,440	2,155	3,273	4,682
Total Revenue	57,294	67,888	68,025	68,282	87,320
EBITDA ⁽¹⁾	15,894	19,818	21,051	24,658	32,354

Source: Regulatory Filings by Company, Company Website. Shareholding available on BSE, NSE website.
 Note: (1) Including other income, (2) Including non road projects, (3) includes pre – COD projects

PAN India Presence



PAN India presence with **31 BoT** projects in several States

■ States with ITNL Presence



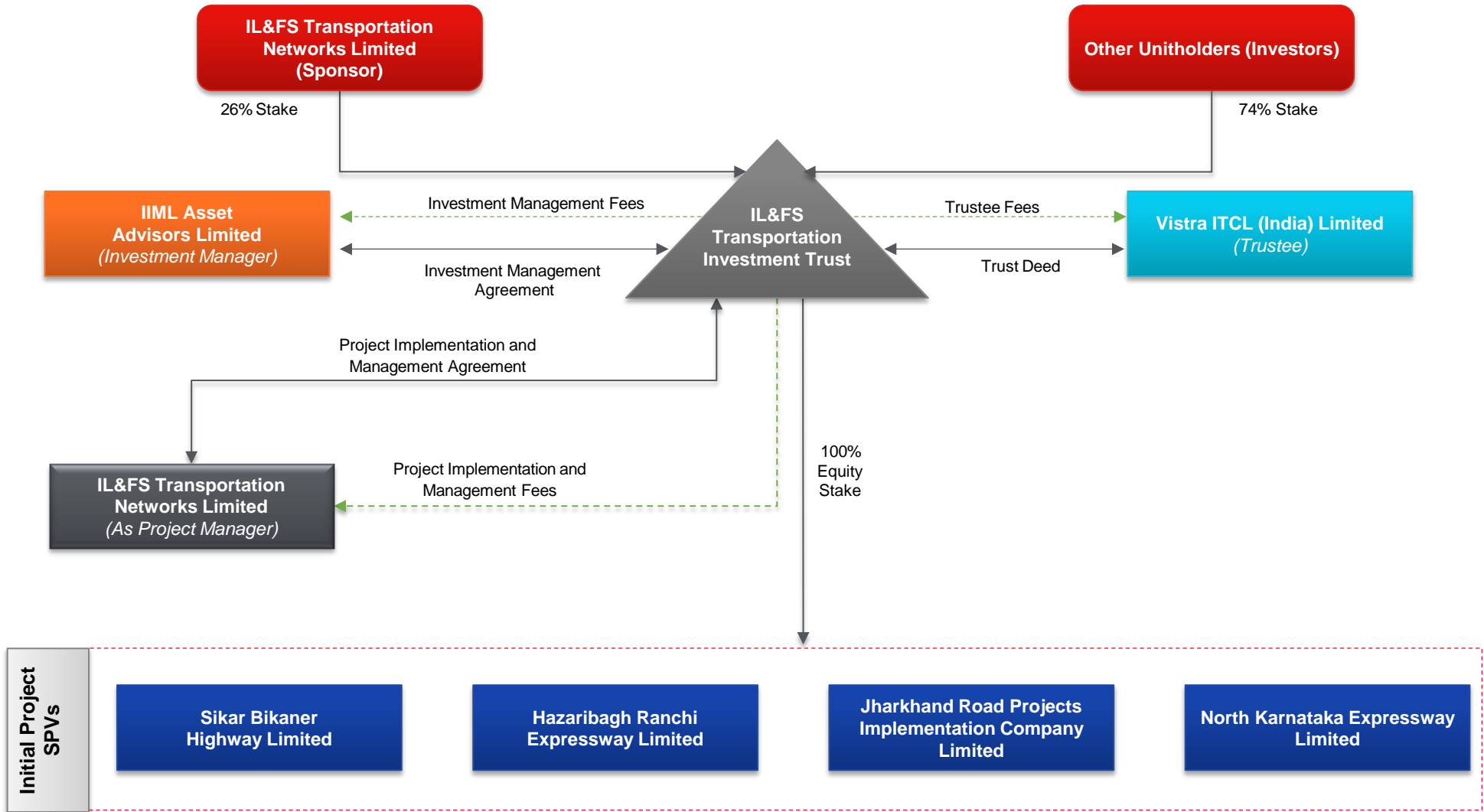
2. Overview of IL&FS Transportation Investment Trust ("InvIT")

Overview of IL&FS Transportation Investment Trust



Name of the Trust	<ul style="list-style-type: none"> IL&FS Transportation Investment Trust 		
Sponsor	<ul style="list-style-type: none"> IL&FS Transportation Networks Limited (“ITNL”) 		
Trustee	<ul style="list-style-type: none"> Vistra ITCL (India) Limited (“Vistra”) 		
Investment Manager (“IM”)	<ul style="list-style-type: none"> IIML Asset Advisors Limited (“IAAL”) 		
Project Manager	<ul style="list-style-type: none"> ITNL 		
Sponsor Holding	<ul style="list-style-type: none"> Sponsor proposes to hold 26% of the total units of the InvIT 		
Portfolio	<table border="0"> <tr> <td data-bbox="375 682 1189 1076"> <p>Initial Portfolio:</p> <ul style="list-style-type: none"> Concession Type: Annuity <ul style="list-style-type: none"> Hazaribagh Ranchi Expressway Limited Jharkhand Road Projects Implementation Company Limited North Karnataka Expressway Limited Concession Type: Toll <ul style="list-style-type: none"> Sikar Bikaner Highway Limited </td> <td data-bbox="1189 682 2018 1076"> <p>ROFO Asset Pipeline:</p> <ul style="list-style-type: none"> Pune Sholapur Road Development Company Limited (Toll) Baleshwar Kharagpur Expressway Limited (Toll) Khed Sinnar Expressway Limited (Toll) Chenani-Nashri Tunnelway Limited (Annuity) </td> </tr> </table>	<p>Initial Portfolio:</p> <ul style="list-style-type: none"> Concession Type: Annuity <ul style="list-style-type: none"> Hazaribagh Ranchi Expressway Limited Jharkhand Road Projects Implementation Company Limited North Karnataka Expressway Limited Concession Type: Toll <ul style="list-style-type: none"> Sikar Bikaner Highway Limited 	<p>ROFO Asset Pipeline:</p> <ul style="list-style-type: none"> Pune Sholapur Road Development Company Limited (Toll) Baleshwar Kharagpur Expressway Limited (Toll) Khed Sinnar Expressway Limited (Toll) Chenani-Nashri Tunnelway Limited (Annuity)
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Proposed ROFO Arrangement with Sponsor	<ul style="list-style-type: none"> In accordance with the ROFO deed to be entered, Sponsor to provide a ROFO for any 51%+ stake divestment Initial pipeline to include the above 4 identified assets Right of First Offer (“ROFO”) to be granted for period of 10 years from the conclusion of the proposed fund raising exercise Assets proposed to be acquired would be eligible as per the terms of the InvIT Regulations and other requirements Undertaking by Sponsor to offer at least one of the ROFO Pipeline Assets by March 31, 2020 		

IL&FS Transportation Investment Trust Key Parties



ITNL InvIT: Proposed Assets



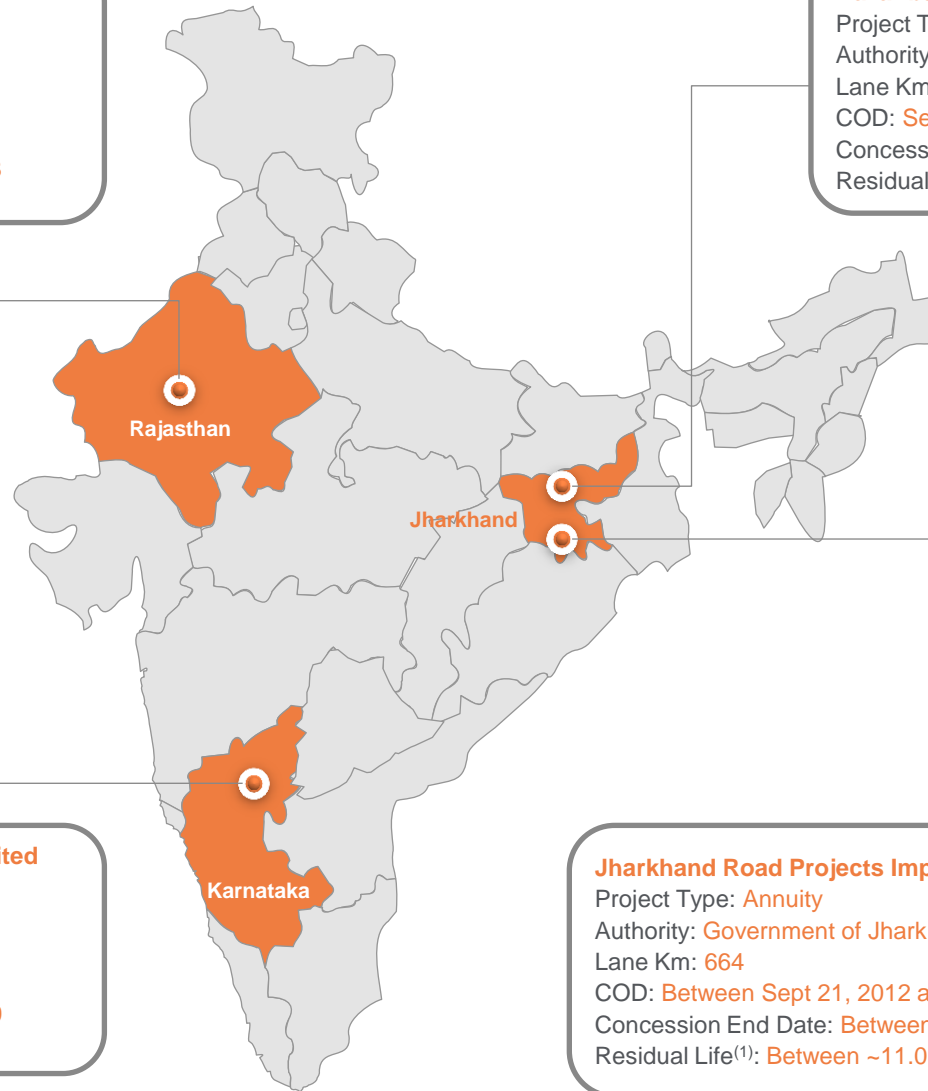
Sikar Bikaner Highway Limited

Project Type: Toll
 Authority: Public Works
 Department, Rajasthan
 Lane Km: 540
 COD: Oct 10, 2015
 Concession End Date: Feb 17, 2038
 Residual Life⁽¹⁾: ~ 21.4 years⁽²⁾



Hazaribagh Ranchi Expressway Limited

Project Type: Annuity
 Authority: NHAI
 Lane Km: 319
 COD: Sept 15, 2012
 Concession End Date: Jul 31, 2028
 Residual Life⁽¹⁾: ~11.8 years



North Karnataka Expressway Limited

Project Type: Annuity
 Authority: NHAI
 Lane Km: 472
 COD: Jul 19, 2004
 Concession End Date: Dec 19, 2019
 Residual Life⁽¹⁾: ~3.2 years



Jharkhand Road Projects Implementation Company Limited

Project Type: Annuity
 Authority: Government of Jharkhand
 Lane Km: 664
 COD: Between Sept 21, 2012 and Nov 30, 2014
 Concession End Date: Between Sept 21, 2027 and Nov 30, 2029
 Residual Life⁽¹⁾: Between ~11.0 years and ~13.2 years

COD: Commercial Operation Date.

(1) As of September 30, 2016, (2) The SBHL Concession Agreement provides that, if the actual traffic volume falls short of, or exceeds, the target traffic volume on specified dates mentioned in the SBHL Concession Agreement, the concession period may be deemed to be extended or reduced, as the case may be, in accordance with the formula specified in the SBHL Concession Agreement. The SBHL Traffic Report estimates that the traffic volume on the Sikar Bikaner Toll Road may fall short of the targeted traffic volume set out in the SBHL Concession Agreement on the specified dates by approximately 947 PCUs or by 7.7%. Accordingly, the concession period is estimated to be extended by approximately 2.75 years. Such potential extension remains subject to actual traffic volume tests to be undertaken on the specified dates in accordance with the SBHL Concession Agreement



3. Strengths of IL&FS Transportation Investment Trust

Strengths of IL&FS Transportation Investment Trust



7

Experienced Management Team

1

Attractive Industry Dynamics
Driven by Favorable Government
Policies

6

Strong Sponsor and IL&FS Group,
which have Proven Track
Records in Infrastructure
Development in India

2

Sizeable Portfolio of Road Assets
Generating a Steady and Attractive
Yield

5

Conservative Capital Structure To
Support Future Acquisitions

3

Limited Execution and Operational
Risk

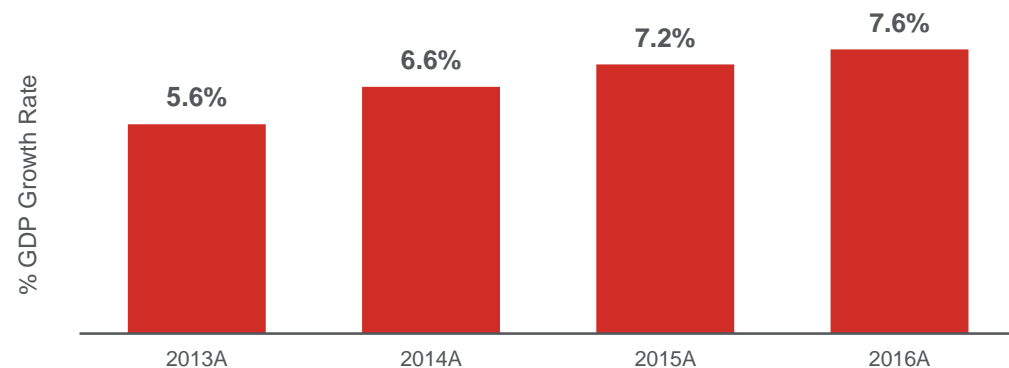
4

Ability to Expand Portfolio
Through the Proposed ROFO
Deed with Sponsor and Third
Party Acquisitions





GDP has grown consistently at a steady pace ...



... Accompanied by Favorable Policy Initiatives



Financial incentives for road developers



Increased spending on Roads to INR 5.8 trillion in 12th 5 Year Plan (2012 – 17)



Speedy implementation of the Pradhan Mantri Gram Sadak Yojana (“PMGSY”)



Rollout of Goods and Services Tax (“GST”)



National Highway Development Programme (“NHDP”) to Upgrade and Strengthen National Highways

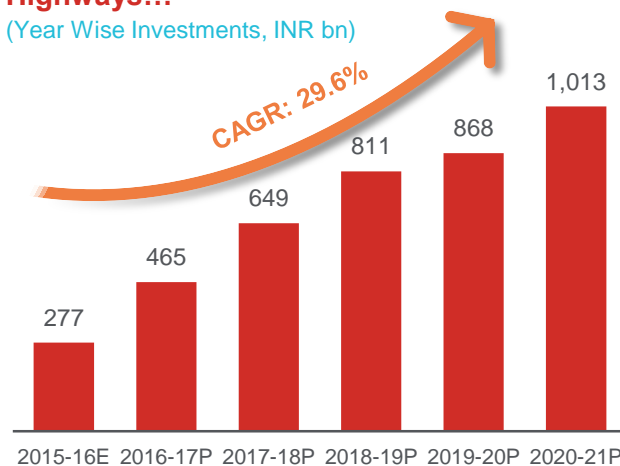
Roads: A Major Focus Area for Development...

(12th Five Year Plan Infra Expenditure split across Sectors)



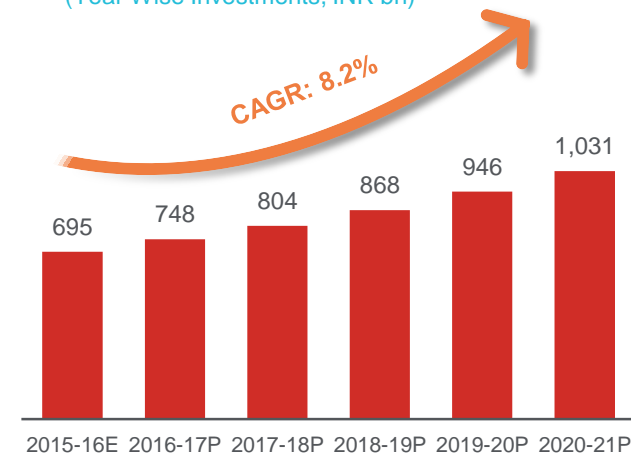
... Supported by Investments in National Highways...

(Year Wise Investments, INR bn)



... and State Highways

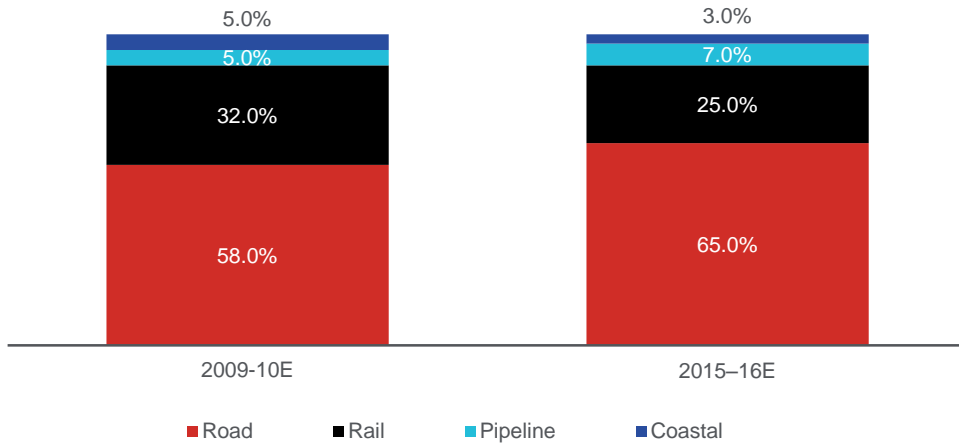
(Year Wise Investments, INR bn)





Roads Expected to have High Share of Freight Movement...

Share of Freight Movement (%)

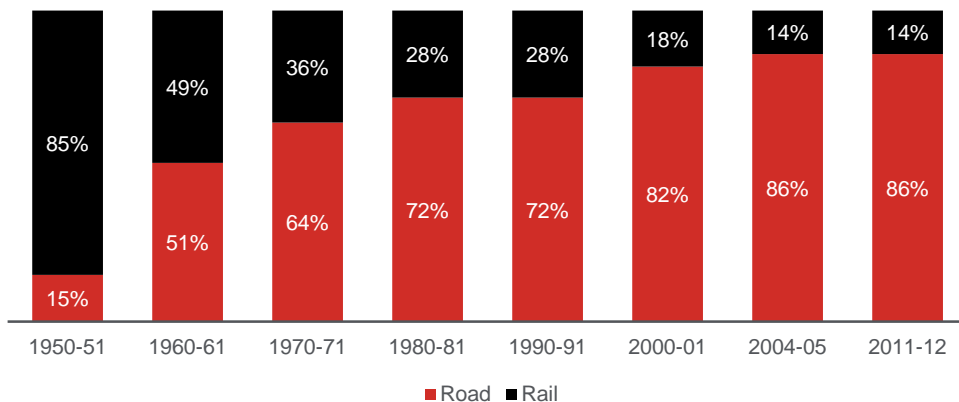


... Which is Expected to Increase on Back of Following Indicators

Key Parameters	2016-17P Growth	Key Growth Drivers
Industrial GDP	7.6%	Increasing Rural demand, private consumption demand and improvement in mining activity
Agriculture GDP	4.0%	Normal monsoon expectations
Infrastructure Construction	9 – 11%	Central government's focus on implementation of roads, railways urban infrastructure, and irrigation projects
Industrial Construction	9 – 11%	Automobiles and oil and gas to drive growth in FY17

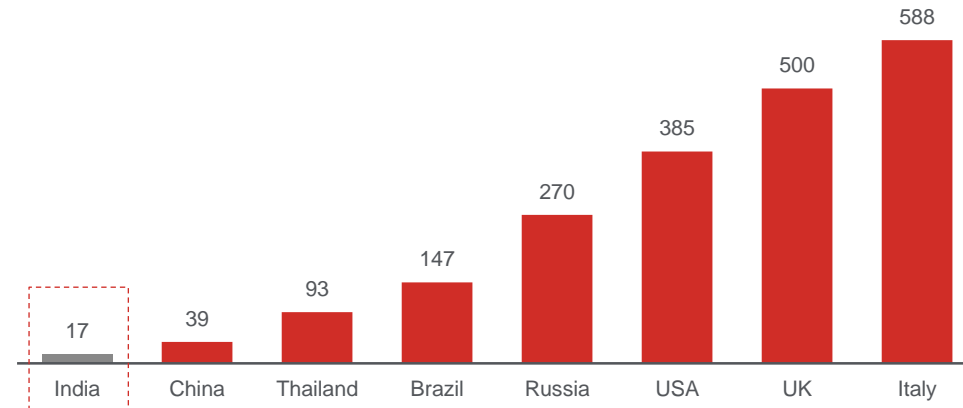
Passenger Traffic Relies Heavily on Road Network...

Share of Passenger Traffic (%)



... High Growth Opportunity from Low Penetration

(number of passenger vehicles per 1,000 population)





1,994 Total Lane Km
(Aggregate held through Project SPVs)

7 Operational Annuity Projects⁽¹⁾⁽³⁾

1 Operational Toll Project⁽³⁾

12 Years Average Residual Life⁽²⁾

15 Years Average Residual Life
excluding NKEL⁽²⁾

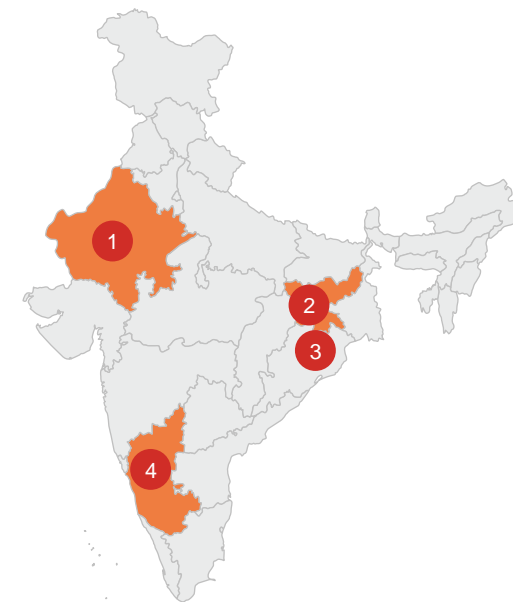
Project SPVs

1 Sikar Bikaner Highway Limited

2 Hazaribagh Ranchi Expressway Limited

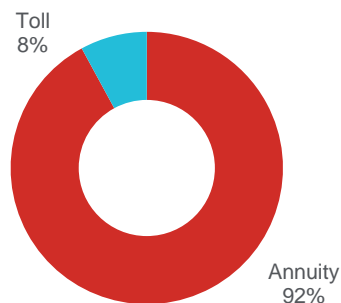
3 Jharkhand Road Projects Implementation Company Limited

4 North Karnataka Expressway Limited



FY18E Collection from Toll and Annuity

Concession Type



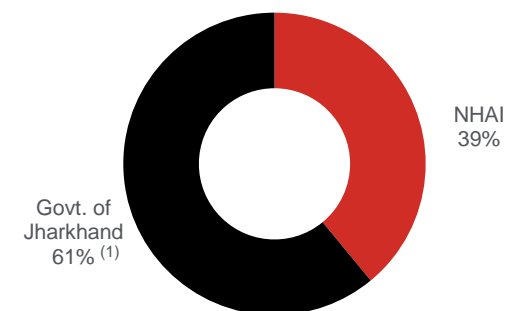
Geographically Diversified Across States

Location & Lane Km



Annuity Receipts

FY18E Collections by Concessioneing Authority for Annuity Projects



Source: Prospective Combined Financial Information.

Source: Prospective Combined Financial Information.

(1) JRPICL holds 5 operational projects under it; (2) Weighted average based on lane km as of Sep 30, 2016 not including the extension for SBHL (3) COD achieved, completion pending for CKC (one of the projects under JRPICL) and SBHL



Steady Cash Flows from Operational Annuity Assets

- Contracted collections from annuity projects
- Annuity payments spread-out across the year (biannual)

Stable Annuity Collections of INR 5,873mn for FY18E

Growth from Toll Asset

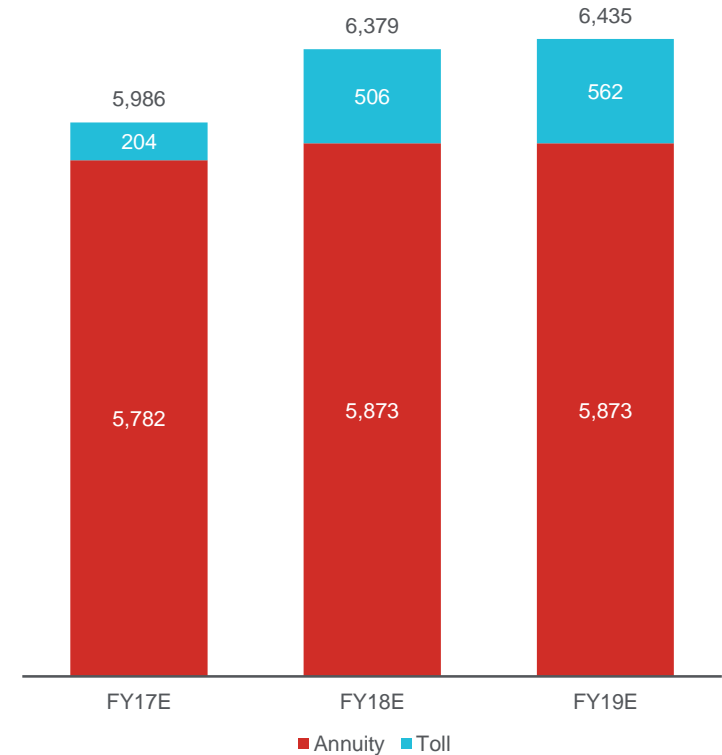
- Increase in road traffic growth backed by research
- Key drivers for increased traffic in India⁽¹⁾:
 - ✓ Increasing industrial GDP
 - ✓ High spend on construction in infrastructure
 - ✓ Increasing passenger traffic for roads as against railways

Increasing Collections from Toll Asset

Limited Risk With Underwritten Costs

- ✓ All projects are operational and generating revenue⁽²⁾
- ✓ Low development and construction risk
- ✓ Long term O&M contracts with pre-determined costs until the end of the concession periods

Annuity & Toll Collections (INR mn)



Source: Prospective Combined Financial Information.

(1) Source: CRISIL Research.

(2) COD achieved, completion pending for CKC (one of the projects under JRPICL) and SBHL.



Asset Acquisition Strategy

- **IM to evaluate opportunities** for asset acquisition
- **Asset selection criteria** includes **eligible assets** as per the InvIT and as specified under the InvIT Regulations, **terms and duration** of concession etc.

ROFO Details

- Proposed ROFO on certain of the Sponsor Assets which are Eligible Project Assets⁽²⁾ for an **initial period of 10 years**, if the assets are
 - **Operational** and **Revenue Generating**
 - **Sponsor** proposes to **divest controlling interest**⁽³⁾
- **Commitment** by Sponsor to make an invitation to offer for at least one of the ROFO Pipeline Assets by **March 31, 2020**

Broad ROFO Construct

- **Sponsor to communicate its interest** in divesting an asset
- If the **Trust makes an offer**, the Sponsor to communicate its decision within a defined time frame
- In case Sponsor declines the offer, the Trust will have a right of last look if offer from third party is **within a 10% range** of the Trust's offer

Market Assets

- InvIT **can also evaluate other third party projects** not owned by ITNL

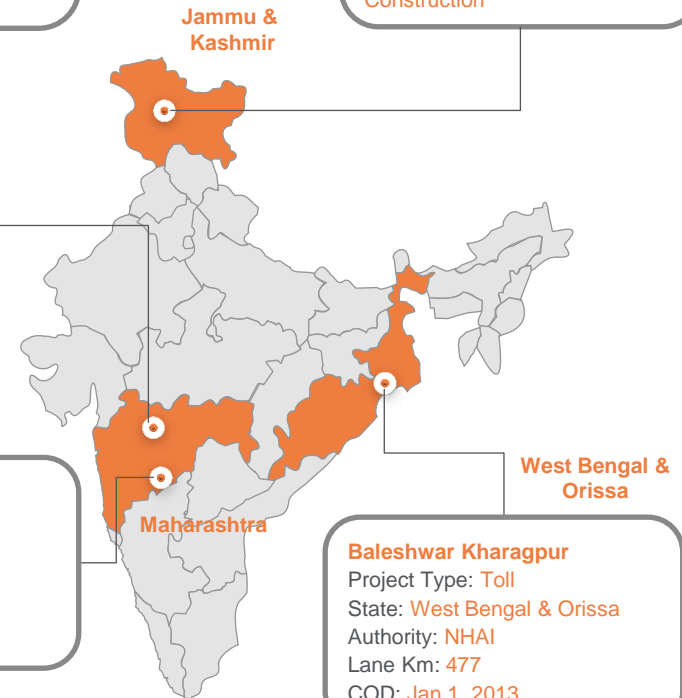
ITNL has a portfolio of 27⁽¹⁾ remaining assets across India with 4 assets already being identified upfront as ROFO Pipeline Assets

Khed Sinnar

Project Type: Toll
State: Maharashtra
Authority: NHAI
Lane Km: 557
COD: Pending – Under Construction

Chenani - Nashri

Project Type: Annuity
State: Jammu & Kashmir
Authority: NHAI
Lane Km: 38
COD: Pending – Under Construction



Pune Sholapur

Project Type: Toll
State: Maharashtra
Authority: NHAI
Lane Km: 571
COD: Aug 23, 2013

Baleshwar Kharagpur

Project Type: Toll
State: West Bengal & Orissa
Authority: NHAI
Lane Km: 477
COD: Jan 1, 2013

1 Annuity

3 Toll

1,643 Lane km

(1) ITNL does not have 100% ownership in all of the 27 assets, (2) Eligible Project Assets as defined in the ROFO Deed, (3) in any case not less than 51%



Prudent Capital and Risk Management Strategies



Protect unitholders from dilution of the percentage of the units held by them



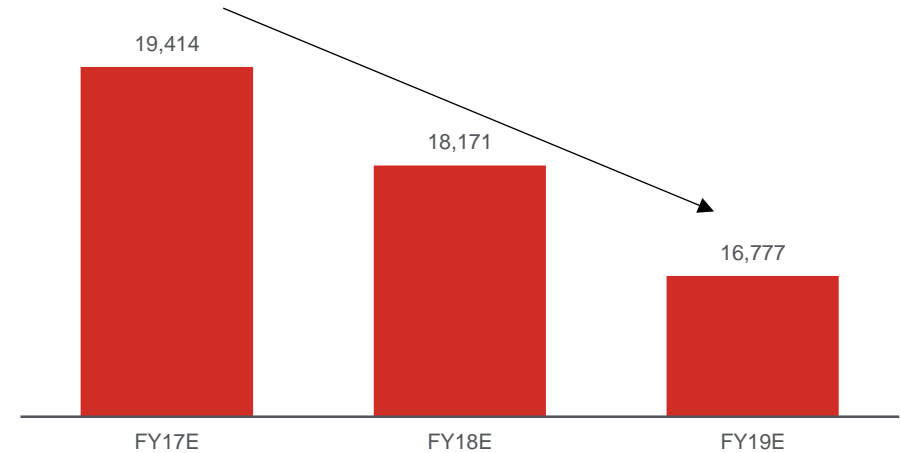
Seek acquisitions to maintain growth



Future debt may be raised from diversified sources ranging from financial institutions to debt capital markets

Decreasing Leverage⁽¹⁾

(INR mn)



Debt expected to decrease in 3 years from
INR 19,414mn to **INR 16,777mn**,
 creating room for acquisitions using
 leverage

Source: Prospective Combined Financial Information.

(1) Total External Debt including Sponsor debt and unpaid interest liability.



IL&FS Group

Developer

Operator

Sponsor

Arranger

Advisor

One of India's leading infrastructure development and finance group in India with **25+** years of experience

Marquee
Shareholder
Base

LIC

ORIX

ADIA

HDFC

Central Bank
Of IndiaState Bank of
India

IL&FS | Transportation

One of India's Leading Road Infrastructure Company...

31

Road Projects⁽²⁾

15 State Road Projects⁽²⁾
(State Governments and
MORTH)⁽¹⁾

22 Operational Road
Projects⁽²⁾

9 Road Projects⁽²⁾
Under Construction /
Development

14,699 Total Road
Lane km⁽²⁾



One of India's Leading Road Infrastructure Companies

- One of the established and leading companies in the road infrastructure sector in India
- Presence in other countries through JV



Strong Project Management Capabilities

- 15+ years of experience in working with various central & state government authorities (incorporated in 2000)
- International Development and O&M experience through Elsamex, subsidiary of ITNL



Experienced Management

- Management team with experience in developing and managing infrastructure projects



Diversified Portfolio of Assets

- Varied portfolio of assets across states and mix of annuity and toll concessions
- Large portfolio of assets which could potentially be acquired by the InvIT for future drop downs

... Forming a Strong Support System for the InvIT

Proposed ROFO Arrangement

Project Implementation and
Management Services

Shared Services

Note: (1) Ministry of Road Transport and Highways. (2) Including the proposed Trust Portfolio



IIML Asset Advisors Limited

Subsidiary of IL&FS Investment Managers Limited (“IIML”)

IIML is an experienced investment manager with a track record of managing infrastructure investments

IIML experience spanning **2 decades** and listed on BSE and NSE

Managed long term institutional capital aggregating to **US\$3.2 bn**

Experience across fund cycles: Four of IIML managed funds have been fully divested wide industry experience across a variety of sectors:

Roads

Power

Waste Management

Logistics

Key Managerial Personnel of IIML Asset Advisor Limited



Vibhav Kapoor
(CEO)

- Associated with the IL&FS Group as its Group CIO
- Previously associated with the Merchant Banking Division of ANZ Grindlays Bank as a proprietary equity portfolio manager
- Year of Experience: 30+



Sunita Manwani
(CFO and Compliance Officer)

- Associated with the Company since January 2007
- Former Head of Finance at DHFL Venture India Private Limited
- Years of Experience: 20+



Parag Baduni
(Chief Investment Officer)

- Participated in 10 infrastructure PE transactions, with experience in Road sector investing
- Over 11 years of Infra PE experience
- Year of Experience: 20+



The IM has a corporate governance framework in relation to the Trust, an experienced board with diversified experience to ensure compliance with all regulations

IL&FS | Transportation Investment Trust

Board of Directors



Sunil Mehta
(Chairman,
Independent
Director)

- Board Member, SBI
- Former country head and CEO of AIG India
- Over 18 years of work experience in Citibank
- Current MD, SPM Capital Advisors



Harish Engineer
(Independent
Director)

- Former head of wholesale banking at HDFC Bank
- Former Executive Director of HDFC Bank



James Leslie Whiteford
(Independent
Director)

- Presently Director of Harkin Management Limited
- Former Chief Financial Officer for TIR (Holdings) Limited
- Former Director of JLW Limited



Ravi Parthasarthy
(Non-Executive
Director)

- Chairman of IL&FS Group
- Former Executive Director, 20th Century Finance Corporation Limited

Composition of the Board of Directors

- 50% of the board to comprise of independent directors (currently 75%)
- Directors have relevant India, investment, corporate finance and infrastructure sector experience
- Chairman of the Board is a non-executive director

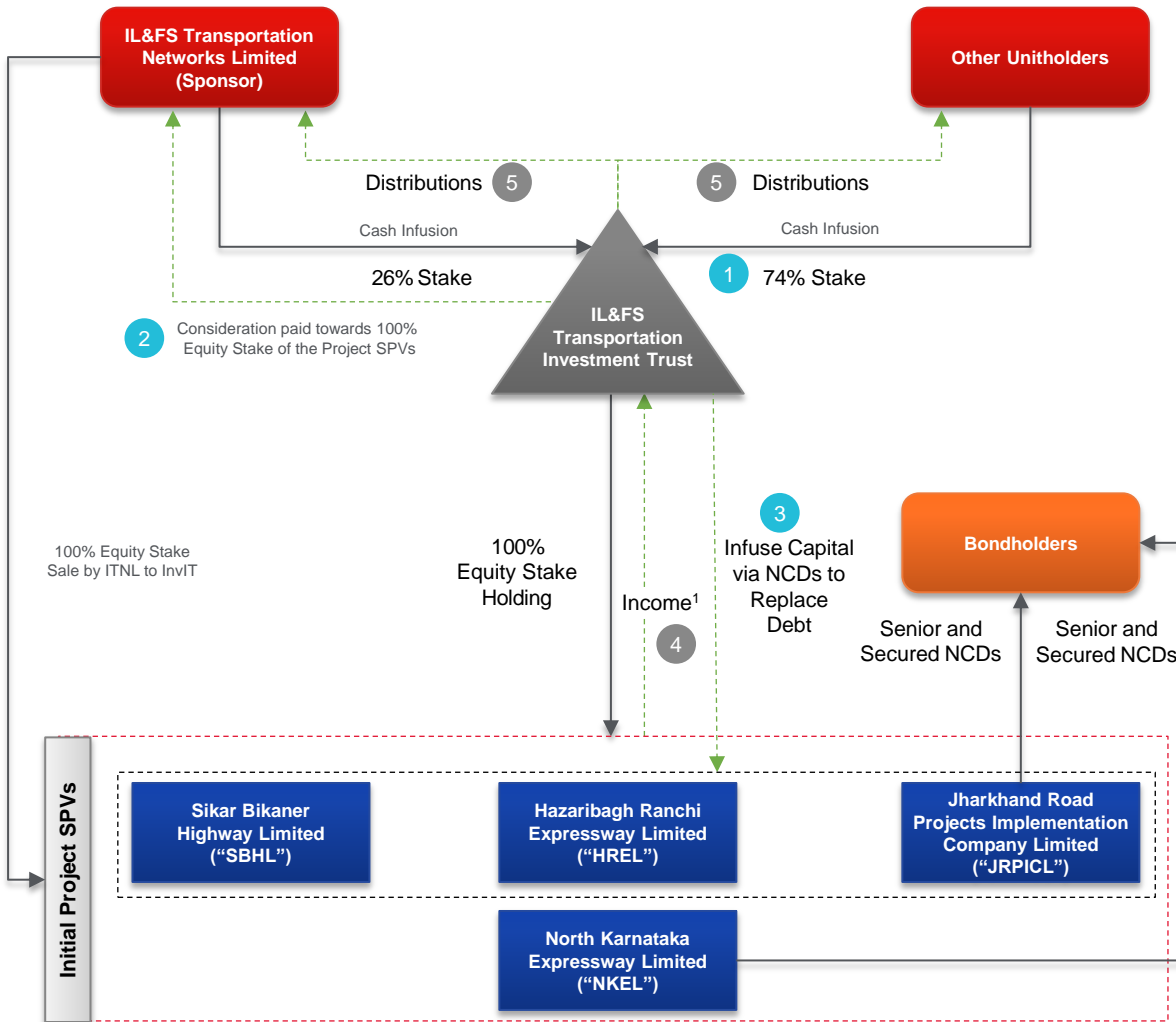
Committees

- Committees in place to ensure compliance with various policies
 - Audit and Conflicts Committee
 - To comprise such number of members constituting at least 50% of the Board of Directors
 - All members of the Audit and Conflicts committee to be independent directors
 - Stakeholders' Relationship Committee: consider and resolve grievances of the unitholders
- Independent valuer to ascertain fair value for prospective acquisition assets
- All related party transactions to be approved by Audit and Conflicts Committee, including investment or divestment decisions



4. Summary Financials

The following structure illustrates the indicative cashflows between the IL&FS Transportation Investment Trust, the Trustee, the Investment Manager, the Project Manager and the Unitholders.



Indicative Order Key Cash Inflows and Outflows

Fund Raising Exercise

1. InvIT raises proceeds from investors i.e. unitholders
2. InvIT pays consideration (cash) to Sponsor for equity stake purchase in the project SPVs (Sponsor to retain minimum 26% in the InvIT)
3. InvIT to invest in NCDs in the underlying target assets to replace any existing debt (external and sub-debt)

Post the Fund Raising Exercise

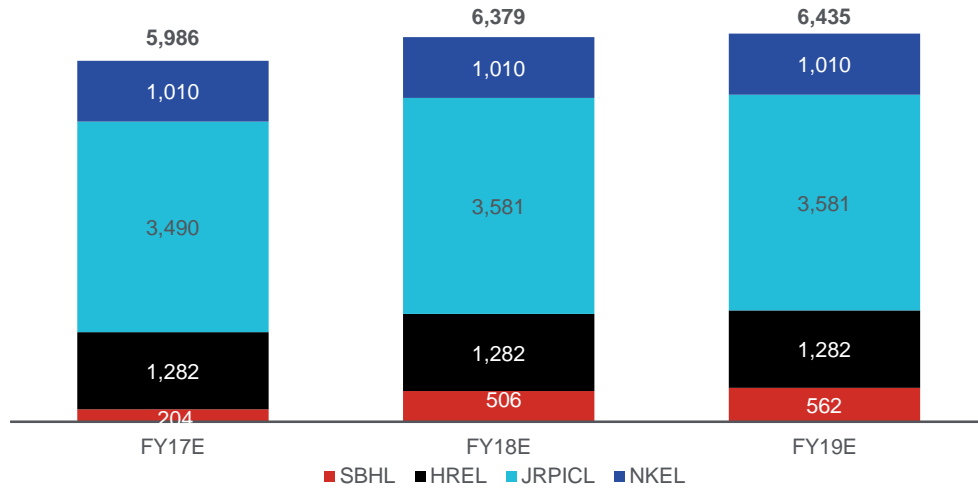
4. Target assets upstream operating cash flows to InvIT in the form of debt service (Principal repayment + Interest)³ and Dividends; SPVs are also required to distribute at least 90% of net distributable cash flow to InvIT (Subject to Companies Act, 2013)
5. InvIT distributes at least 90% of its net distribution cash flows to the unit holders

1. Income in form of Dividend, Interest on NCDs and Principal Repayment.

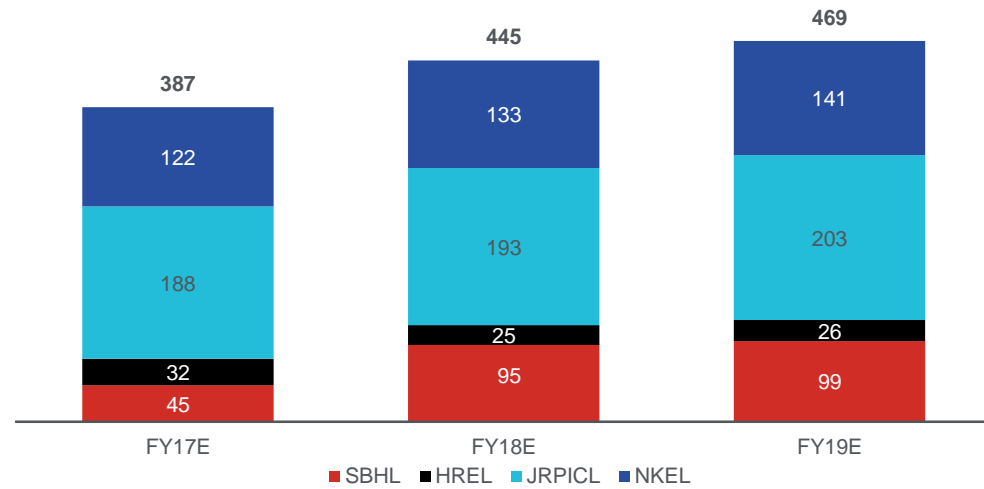


Combined Financial Projections

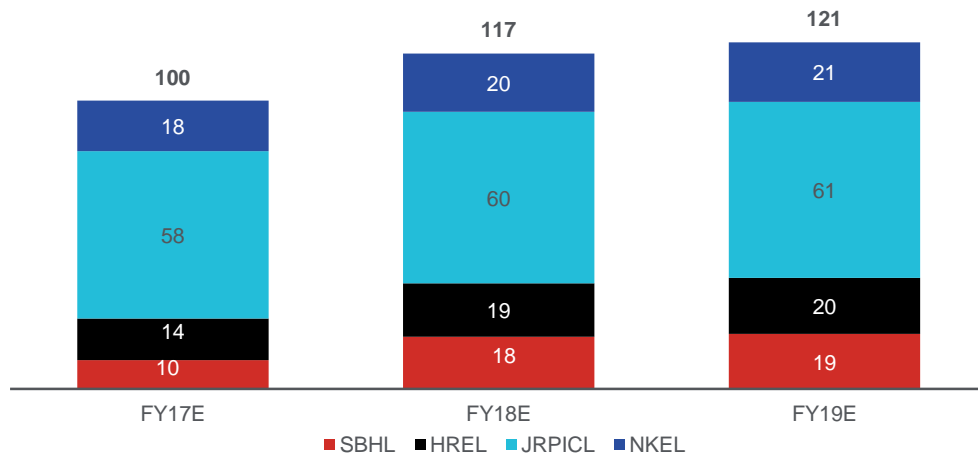
A. Gross Annuity⁽¹⁾ and Toll Collections (INR mn)



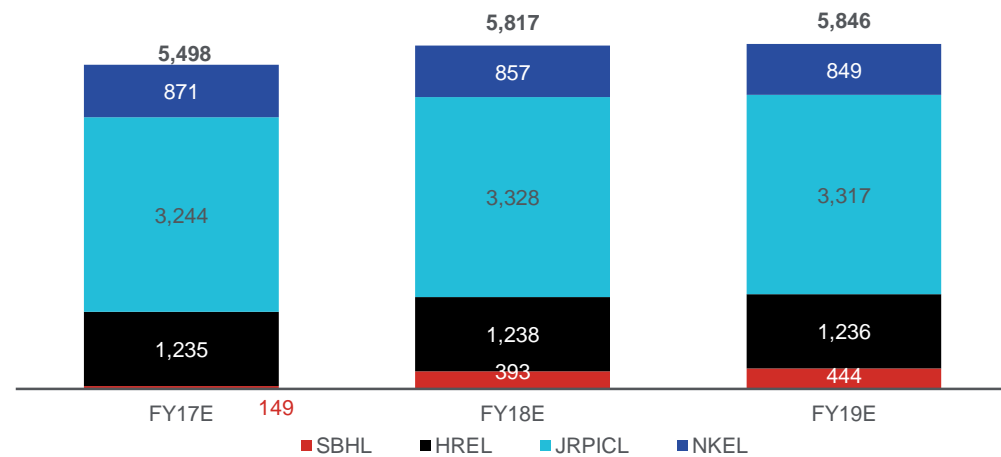
B. O&M Costs (INR mn)



C. Admin Costs (INR mn)



(A – B – C) = Net Collections (INR mn)

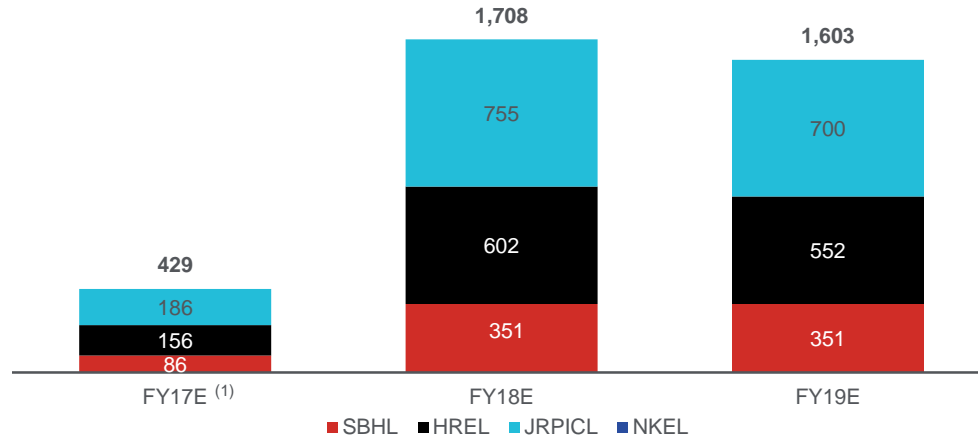


(1) Annuity received is bifurcated between Annuity Income, Major maintenance Income and finance income with the rest being allocated towards recovery of financial asset

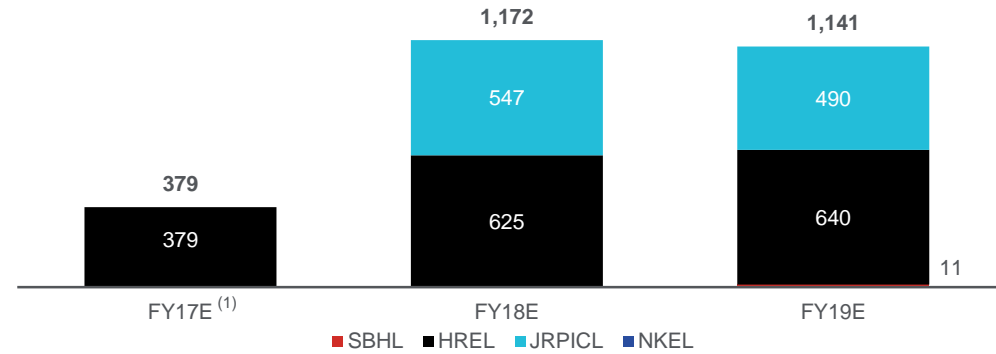


InvIT Cash Flows

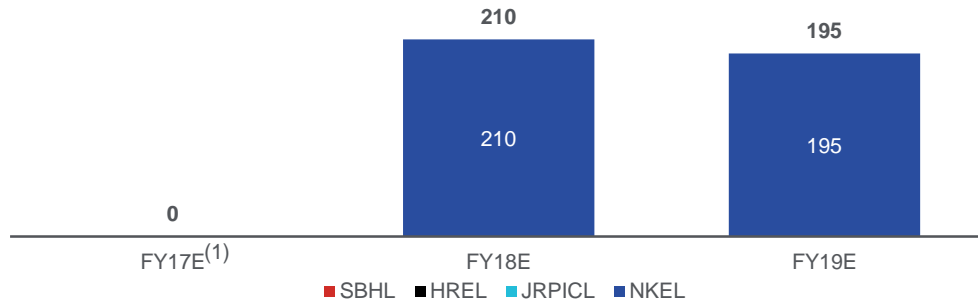
A. Interest Received from SPVs (INR mn)



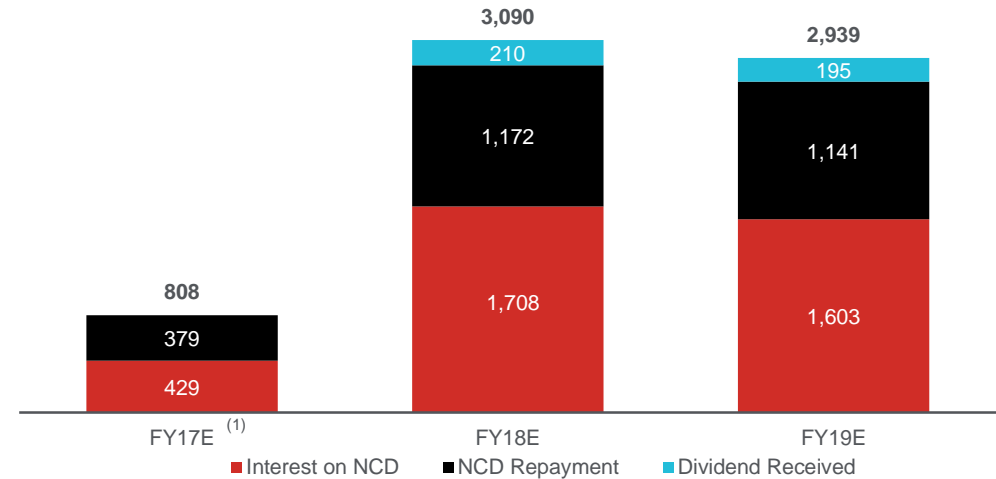
B. NCD Repayment from SPVs (INR mn)



C. Dividend Received from SPVs (INR mn)



(A+B+C) = Total Inflow to InvIT from SPVs (INR mn)



Note: Does not include interest income on fixed deposits.

(1) For Q4 FY2017

InvIT – Total Cash Available For Distribution



INR mn	Year Ended		
	31 st March, 2017 ⁽¹⁾	31 st March, 2018	31 st March, 2019
Total Inflow to InvIT from SPVs	808	3,090	2,939
Add: Interest on Fixed Deposits	0	3	8
(I) Combined Total Inflow	808	3,093	2,947
Less: Investment Manager Fees (A)	21	87	88
Less: Project Manager Fees (B)	8	30	31
Less: Trustee Fees (C)	1	4	4
Less: Other Trust Expenses ⁽²⁾	4	16	17
Less: Service Tax @ 15%	5	20	21
Total Administrative Expense	39	157	160
Net Surplus for the year (I-II)⁽⁴⁾	769	2,936	2,787

A	Investment Manager Fees	<ul style="list-style-type: none"> • Fee: INR 30mn + 2% of total distribution annually • Incentive Fee: Based on acquisitions / divestitures by the trust in future
B	Project Manager Fees	<ul style="list-style-type: none"> • Total Fees: INR 30 mn per anum, with a 3% escalation starting FY19
C	Trustee Fees	<ul style="list-style-type: none"> • Total Fees: INR 3.5mn per annum for each of the 3 projection years

Note: (1) For Q4 FY2017, (2) This includes credit rating cost, valuer costs, insurance costs, legal consultant costs, Expenses for intermediaries and investor relation costs, and other administrative costs, (3) The income tax shall be deducted at the rate of 10% for resident unitholders and 5% (plus surcharge and education cess) for non resident unitholders. (4) Subject to withholding tax as applicable

Attractive Industry Dynamics Driven by Favorable Government Policies

- India's GDP has grown consistently at a steady pace
- Key drivers in place for infrastructure growth
- Rollout of GST and other policy initiative to bolster future consumption and demand

Limited Execution and Operational Risk

- Stable cash flows from annuity assets supported by growth from toll asset
- Business model that the IM believes to mitigate construction or development risk
- Pre defined O&M costs

Ability to Expand Portfolio through the Proposed ROFO Deed with the Sponsor and Third Party Acquisitions

- 1 Annuity and 3 Toll Project SPVs identified spanning a total of 1,643 Lane km
- Sponsor proposal to provide a ROFO for any 51%+ stake divestment
- Utilize debt for future acquisitions to protect unitholders from dilution

Experienced Management Team

- ITNL operates in the surface transportation infrastructure sector with a portfolio of 31 road projects and managing 14,699 Lane km
- IL&FS Group is one of India's leading infrastructure development and finance group in India with 25+ years of experience
- Robust Corporate Governance framework in place



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Appendix

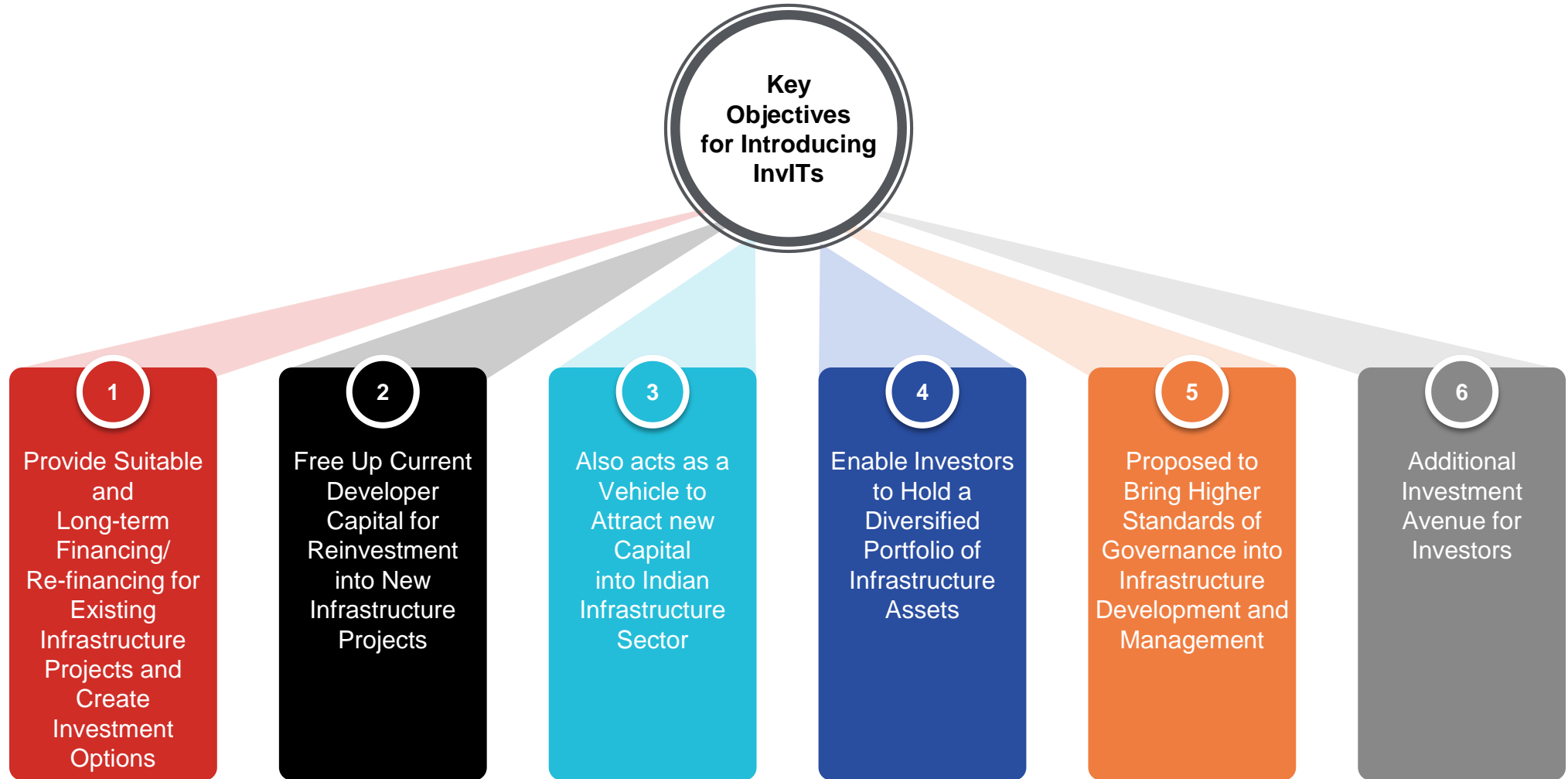


A. InvIT Product Overview



Infrastructure Investment Trusts (InvITs): Overview

SEBI¹, on September 26, 2014, released the regulatory framework for Infrastructure Investment Trusts with the objective of encouraging and providing additional financing for investment in the infrastructure sector in India. InvIT is a trust settled pursuant to Indian Trust Act, 1882 and its trust deed is registered under the Registration Act, 1908. The InvIT is registered in accordance with the Securities and Exchange Board of (India Infrastructure Investment Trusts) Regulations, 2014 (“InvIT Regulations”), set up to primarily monetize illiquid and stable cash generating infrastructure assets.



(1) Securities and Exchange Board of India.

InvIT: Key Parties

Sponsor

- Any company / LLP / body corporate, having a minimum net worth⁽¹⁾ of over INR 1,000mn, that sets up the InvIT
- Obligated to transfer its entire shareholding in the SPV or infrastructure projects to the InvIT unless any mandatory holding of shares in the SPV is required in terms of applicable law of government or regulatory authority requirements or concession agreements
- Required to hold at least 15%, or such minimum percentage on a post issue basis as specified in the InvIT Regulations, of the total InvIT units for a period of 3 years from the date of listing of such units

Trustee (Supervisory Role)

- Holds the InvIT assets in trust for the benefit of the unit holders (under the Trust Deed) and cannot be an associate of the sponsor or investment manager
- Oversees activities of the project manager and the investment manager
- Makes distribution and ensures investment manager makes timely declaration of distribution to unit holders

Investment Manager (Management)

- Makes investment decisions with respect to the underlying assets/ projects of the InvIT including any further investment or divestment of the assets
- Ensures assets have proper legal title and all material contracts entered into are legal, valid and binding
- In consultation with Trustee, appoints the intermediaries / service providers / agents as applicable
- Makes regular disclosures or reports to Trustee, unit holders, SEBI and the designated stock exchange as required by the InvIT Regulations and applicable law
- Responsible for all the activities pertaining to the issue and listing of units of the InvIT

Project Manager (Operations / Day to Day Management)

- Undertakes operation and management of the InvIT assets directly or through appointment of specialists
- For under construction projects, oversees the progress of development, approval status and such other aspects
- Discharges obligation so as to achieve timely completion of the infrastructure project

(1) Net tangible assets of value in case of a LLP.



B. Profiles of each of the Project SPVs



Description

- SBHL entered into a concession agreement with Public Works Department, Rajasthan to develop and operate the Sikar-Bikaner section of NH-11 via Sikar bypass and Bikaner bypass ending on NH-89 in Rajasthan
- Design Build Finance Operate Transfer (DBFOT) toll model
- SBHL entered into a development agreement with ITNL for the construction of this project
- SBHL entered into an Operation and Maintenance (“O&M”) contract with ITNL which includes routine operations and maintenance, and periodic maintenance
- Shareholding (As of June 30, 2016): ITNL (100%)

Key Aspects

Project (Lane kms)	540
Concession Type	Toll
Concession Period	25 years ⁽¹⁾
Appointed Date	February 18, 2013
Commercial Operation Date	October 10, 2015 ⁽²⁾
Concession End Date	February 17, 2038

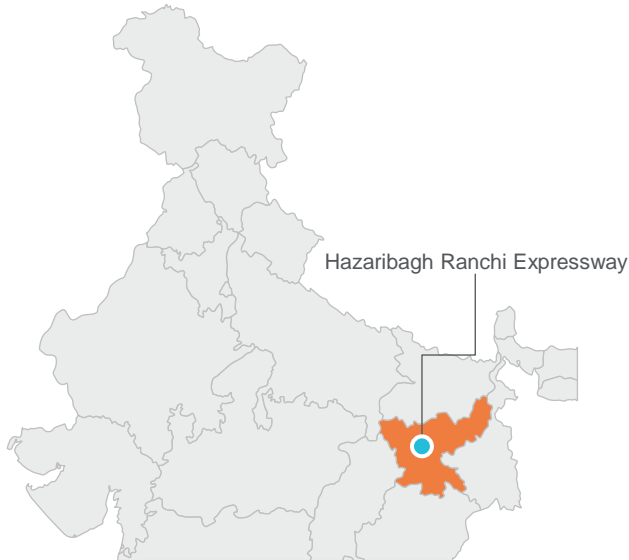


(1) Including construction period (2) Received a provisional completion certificate for completion of 98.8% of the project on August 16, 2016.



Description

- HREL entered into concession agreement with National Highway Authority of India to design, engineer, procure, construct, develop, finance, operate and maintain the expressway from Hazaribagh to Ranchi of NH-33
- Build Operate Transfer (BOT) annuity model
- HREL entered into a design, programme, management services and O&M contract with ITNL which includes routine operations and maintenance, and periodic maintenance
- Shareholding (As of June 30, 2016): ITNL (99.99%), Punj Lloyd (0.01%)
- HREL is entitled to annuity payment of INR 1,282 mn



Key Aspects

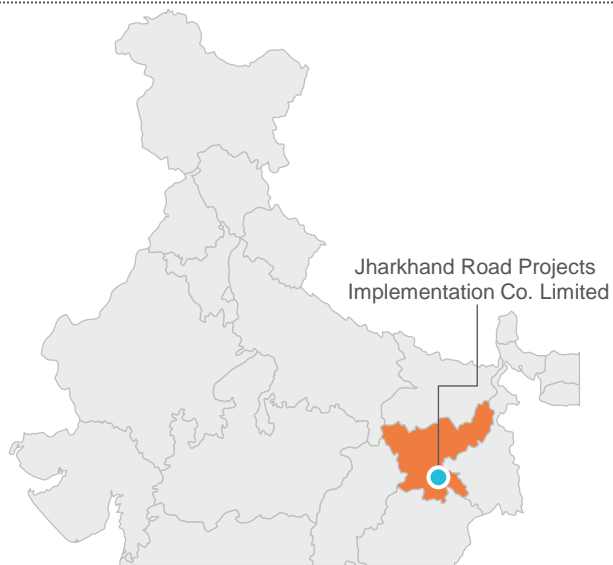
Project (Lane kms)	319
Concession Type	Annuity
Concession Period	18 years ⁽¹⁾
Appointed Date	August 1, 2010
Commercial Operation Date	September 15, 2012
Concession End Date	July 31, 2028

(1) Including construction period.



Description

- Government of Jharkhand (GoJ) formed an 26:74 joint venture, called Jharkhand Accelerated Road Development Co. Limited (JARDCL), with IL&FS to partner in managing the Jharkhand Accelerated Road Development Programme (JARDP) to improve the secondary road systems in Jharkhand
- JRPICL has entered into five concession agreements with the GoJ and JARDCL to develop and maintain various road stretches in Jharkhand
- Build Operate Transfer (BOT) annuity model
- JRPICL has entered into five programme management services, implementation services, construction supervision services and O&M contracts with ITNL
- Shareholding (As of June 30, 2016): ITNL (93.43%), IL&FS (6.57%)
- JRPICL is entitled to annuity payment of INR 3,581 million



Key Aspects

	Ranchi-Patratu Dam	Patratu Dam-Ramgarh	Ranchi Ring Road	Chaibasa-Kandra-Chowka	Adityapur-Kandra
Project (Lane kms)	103.7	108.5	217.2	137.4	97.0
Concession Period⁽¹⁾	17.5 years	19.05 years	17.5 years	18.02 years	17.75 years
Appointed Date	Apr 13, 2010	Apr 13, 2010	Mar 22, 2010	Nov 27, 2011	Feb 2, 2012
Commercial Operation Date	Oct 12, 2012	Apr 30, 2014	Sep 21, 2012	Nov 30, 2014 ⁽²⁾	Jan 31, 2013
Concession End Date	Oct 12, 2027	Apr 30, 2029	Sep 21, 2027	Nov 30, 2029	Jan 31, 2028

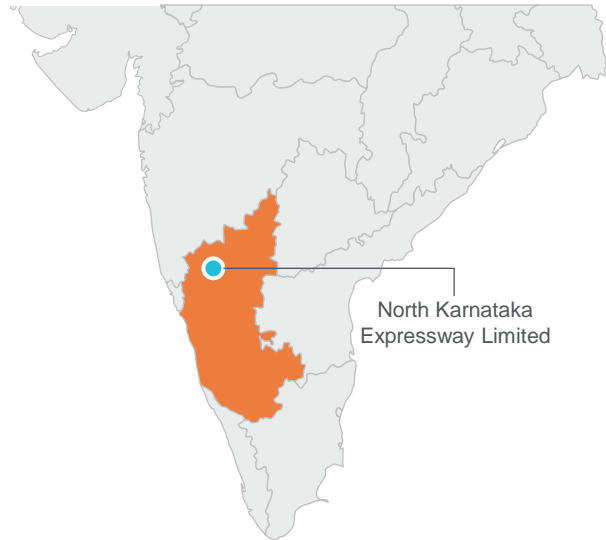
(1) Including construction period

(2) Received a provisional completion certificate for completing 89.9% of the project on November 30, 2014.



Description

- NKEL entered into a concession agreement with NHAI to develop and operate the Belgaum Maharashtra Border road of NH-04 in the state of Karnataka
- Build Operate Transfer (BOT) annuity model
- Shareholding (As of June 30, 2016): ITNL Road Investment Trust (74%), ITNL (13%), IL&FS (6.5%), and Punj Lloyd (6.5%)
- NKEL is entitled to annuity payment of INR 1,010.30 million



Key Aspects

Project (Lane kms)	472
Concession Type	Annuity
Concession Period	17.5 years ⁽¹⁾
Appointed Date	June 20, 2002
Commercial Operation Date	July 19, 2004
Concession End Date	December 19, 2019

(1) Including construction period.



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C. Financials

Financial Information: P&L (IndAS)



	Year Ended	Year Ended	Year Ended	Quarter Ended	Quarter Ended
INR mn	March 31, 2014	March 31, 2015	March 31, 2016	June 30, 2015	June 30, 2016
Revenue from Operations	8,736	7,065	5,638	1,501	1,003
Other Income	153	190	958	52	50
Total Income	8,889	7,255	6,596	1,553	1,053
Expenses					
Construction Costs	5,131	3,370	2,402	602	175
Operating Expenses	277	595	383	102	96
Employee Benefits Expense	5	5	6	1	1
Other Expenses	65	67	102	21	22
EBITDA	3,411	3,218	3,703	827	759
<i>Margin (%)</i>	38.40%	44.40%	56.10%	53.30%	72.60%
Finance Costs	4,010	4,269	4,303	1,091	1,046
Loss Before Tax	(599)	(1,051)	(600)	(264)	(287)
Less: Tax Expense	(77)	(208)	75	19	19
Profit / (Loss) for the Year	(522)	(843)	(675)	(283)	(306)



Financial Information: Balance Sheet (IndAS)

INR mn	March 31, 2014	March 31, 2015	As at March 31, 2016	June 30, 2016
Equity and Liabilities				
Total Equity	8,321	7,408	6,534	6,050
Liabilities				
Non-current Liabilities				
Financial Liabilities				
Borrowings	29,916	30,793	32,194	32,645
Other Financial Liabilities	238	250	351	357
Deferred Tax Liabilities (Net)	282	–	–	–
Total Non-current Liabilities	30,435	31,043	32,545	33,002
Current Liabilities				
Financial Liabilities				
Borrowings	2,873	5,015	5,375	5,502
Trade Payables	2,888	934	541	280
Other Financial Liabilities	2,033	2,771	2,484	2,514
Current Tax Liabilities (Net)	13	0	0	7
Other Current Liabilities	49	16	9	22
Total Current Liabilities	7,856	8,736	8,408	8,325
Total Liabilities	38,291	39,779	40,953	41,327
Total Equity and Liabilities	46,613	47,187	47,487	47,377
Assets				
Non-Current Assets				
Property, Plant and Equipment	1	1	1	1
Intangible Assets Under Development (Under SCA)	3,754	5,517	7,843	7,853
Receivables Against SCA	35,282	33,504	30,453	30,041
Other Financial Assets	2	2	2	2
Non-current Tax Assets	112	184	228	246
Other Non-Current Assets	576	288	51	37
Total Non-Current Assets	39,727	39,498	38,579	38,181
Current Assets				
Financial Assets				
Trade Receivables	3	3	0	0
Cash And Cash Equivalents	2,050	1,768	1,378	1,925
Restricted Cash	0	249	453	515
Loans to related party	669	682	790	678
Receivables Against SCA	3,490	4,696	4,779	4,584
Other Financial Assets	644	264	1,465	1,447
Other Current Assets	29	27	44	47
Total Current Assets	6,886	7,689	8,908	9,196
Total Assets	46,613	47,187	47,488	47,377



Financial Information: Cash Flows (IndAS)

	Year Ended	Year Ended	Year Ended	Quarter Ended	Quarter Ended
INR mn	March 31, 2014	March 31, 2015	March 31, 2016	June 30, 2015	June 30, 2016
Cash Flows from Operating Activities					
Profit for the Year	(599)	(1,051)	(599)	(264)	(286)
Adjustments for Interest on Income Tax Refund, Interest on Term Deposits, Finance Costs Recognised in Profit or Loss, Depreciation and Amortisation of Non-current Assets	3,858	4,093	4,110	1,039	995
Movements in Working Capital	(1,107)	(694)	(1,003)	(229)	(31)
Cash Generated from Operations	2,152	2,348	2,507	545	678
Income Taxes Paid	(76)	(159)	(119)	(26)	(30)
Net Cash Generated by Operating Activities	2,077	2,189	2,389	520	647
Net Cash (Used in)/Generated by Investing Activities	(2,341)	(2,936)	479	(180)	461
Net Cash (Used in)/Generated in Financing Activities	1,199	465	(3,257)	(567)	(561)
Net Increase/(Decrease) in Cash and Cash Equivalents	936	(283)	(390)	(227)	547
Cash and Cash Equivalents at the Beginning of the Year	1,115	2,050	1,768	1,768	1,378
Cash and Cash Equivalents at the End of the Year	2,051	1,768	1,378	1,541	1,925

Combined Financial Projections: Cash Flows (IndAS)



INR mn	Projection Year 2017	Projection Year 2018	Projection Year 2019
Revenue from Operations	4,337	4,179	3,578
Other Income	189	174	167
Total Revenue	4,526	4,354	3,745
Operation and Maintenance Expenses	434	1,163	779
Construction Costs	879	-	-
Other Administrative Expenses	140	274	281
Finance Costs	3,850	1,289	1,171
Depreciation and Amortisation	79	165	174
(Loss) / Profit Before Tax	(855)	1,463	1,340
Add: Non-Cash Items: D&A and Major Maintenance & Repair Provision	89	246	267
Less: Interest Income earned on Term Deposits	(189)	(174)	(167)
Add: Finance Costs	3,850	1,289	1,171
Add/Less: Changes in Working Capital	738	(104)	(207)
Taxes (paid) / refund (net)	7	(25)	(21)
Operating Cash Flows	3,639	2,694	2,382



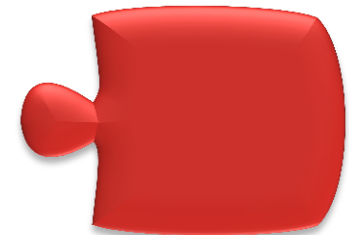
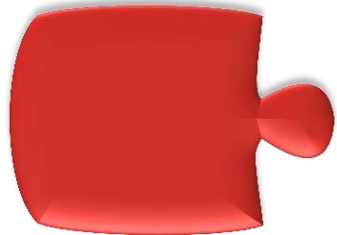
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D. Business Strategy

IL&FS Transportation Investment Trust is committed to providing sustainable and growing distributions for its investors through active asset management and future asset drop downs through a proposed ROFO mechanism.

IL&FS Transportation Investment Trust



Prudent Capital and Risk Management Policies

- Provide sustainable cash flows with growth for unitholders
- Maintain strong balance sheet by optimizing the Trust's capital structure
- Retain flexibility to make future acquisitions without requirement for follow on offerings

Active Asset Management

- Monitor and oversee performance of SPVs and performance of its vendors and 3rd party contractors, if any for smooth operation of roads
- Comprehensive framework of all O&M activities relating to the projects
- Optimizing the long term performance of the projects
- Improving toll collection efficiency
- Incorporate industry best practices in operating and maintaining projects

Growth from Acquisitions

- Pursue opportunities for acquisitions to continue generating stable cash flows and yields, and opportunities for income and capital growth
- Evaluate opportunities with ITNL, via proposed ROFO arrangement, as well as third party acquisitions