

**AUDITORS' REPORT  
TO THE BOARD OF DIRECTORS OF  
IL&FS TRANSPORTATION NETWORKS LIMITED**

1. We have reviewed the accompanying statement of Unaudited Financial Results ("the Statement") of **IL&FS TRANSPORTATION NETWORKS LIMITED** ("the Company") for the quarter ended June 30, 2012. This Statement 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.
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 misstatements. 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 opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, 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.
4. 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 from the details furnished by the Management and the particulars relating to undisputed investor complaints from the details furnished by the Registrars.

**For DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Registration No. 117366W)



Kalpesh J. Mehta  
Partner  
(Membership No.48791)

**IL&FS TRANSPORTATION NETWORKS LIMITED**

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

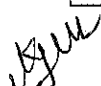
**Part I : Statement of Standalone Unaudited Results for the Quarter Ended June 30, 2012**

		(₹ in Lakhs)			
Particulars	Quarter ended June 30, 2012 (Unaudited)	Quarter ended March 31, 2012 (Unaudited)	Quarter ended June 30, 2011 (Unaudited)	Year ended March 31, 2012 (Audited)	
<b>1</b>	<b>Income from operations</b>				
	(a) Income from operations	76,929	103,651	52,158	277,258
	(b) Other operating income	-	-	-	-
	<b>Total income from operations</b>	<b>76,929</b>	<b>103,651</b>	<b>52,158</b>	<b>277,258</b>
<b>2</b>	<b>Expenses</b>				
	(a) Construction Contract Cost	50,840	77,815	33,778	194,139
	(b) Employee benefits expense	1,494	1,740	1,576	6,313
	(c) Depreciation and amortisation expense	253	274	253	1,057
	(d) Other expenses	5,166	6,070	3,492	21,587
	<b>Total expenses</b>	<b>57,753</b>	<b>85,899</b>	<b>39,099</b>	<b>223,096</b>
<b>3</b>	<b>Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>19,176</b>	<b>17,752</b>	<b>13,059</b>	<b>54,162</b>
<b>4</b>	<b>Other income</b>	<b>4,819</b>	<b>4,587</b>	<b>2,678</b>	<b>13,766</b>
<b>5</b>	<b>Profit from ordinary activities before finance costs and exceptional items (3 + 4)</b>	<b>23,995</b>	<b>22,339</b>	<b>15,737</b>	<b>67,928</b>
<b>6</b>	<b>Finance costs</b>	<b>8,603</b>	<b>8,042</b>	<b>5,595</b>	<b>26,563</b>
<b>7</b>	<b>Profit from ordinary activities after finance costs but before exceptional items (5 - 6)</b>	<b>15,392</b>	<b>14,297</b>	<b>10,142</b>	<b>41,365</b>
<b>8</b>	<b>Exceptional items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9</b>	<b>Profit from ordinary activities before tax (7 - 8)</b>	<b>15,392</b>	<b>14,297</b>	<b>10,142</b>	<b>41,365</b>
<b>10</b>	<b>Tax expense</b>	<b>5,769</b>	<b>5,738</b>	<b>3,930</b>	<b>16,135</b>
<b>11</b>	<b>Net Profit from ordinary activities after tax (9 - 10)</b>	<b>9,623</b>	<b>8,559</b>	<b>6,212</b>	<b>25,230</b>
<b>12</b>	<b>Extraordinary items (net of tax expense ₹ Nil)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13</b>	<b>Net Profit for the period/year (11 - 12)</b>	<b>9,623</b>	<b>8,559</b>	<b>6,212</b>	<b>25,230</b>
<b>14</b>	<b>Paid-up equity share capital (face value - ₹ 10 per share)</b>	<b>19,427</b>	<b>19,427</b>	<b>19,427</b>	<b>19,427</b>
<b>15</b>	<b>Reserve excluding Revaluation Reserves as per last year balance sheet</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>174,953</b>
<b>16.i</b>	<b>Earnings per share (before extraordinary items) (of ₹ 10/- each) (not annualised):</b>				
	(a) Basic	4.95	4.41	3.20	12.99
	(b) Diluted	4.95	4.41	3.20	12.99
<b>16.ii</b>	<b>Earnings per share (after extraordinary items) (of ₹ 10/- each) (not annualised):</b>				
	(a) Basic	4.95	4.41	3.20	12.99
	(b) Diluted	4.95	4.41	3.20	12.99
	See accompanying note to the financial results				

**Part II : Select Information for the Quarter Ended June 30, 2012**

		(₹ in Lakhs)			
Particulars	Quarter ended June 30, 2012 (Unaudited)	Quarter ended March 31, 2012 (Unaudited)	Quarter ended June 30, 2011 (Unaudited)	Year ended March 31, 2012 (Audited)	
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>				
<b>1</b>	<b>Public shareholding</b>				
	- Number of shares	53,504,729	53,504,729	55,945,263	53,504,729
	- Percentage of shareholding	27.54%	27.54%	28.80%	27.54%
<b>2</b>	<b>Promoters and Promoter Group Shareholding</b>				
	a) Pledged / Encumbered				
	- Number of shares	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
	b) Non - encumbered				
	- Number of shares	140,763,003	140,763,003	138,322,469	140,763,003
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	72.46%	72.46%	71.20%	72.46%

Particulars		Quarter ended June 30, 2012
<b>B</b>	<b>INVESTOR COMPLAINTS</b>	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	6
	Disposed off during the quarter	6
	Remaining unresolved at the end of the quarter	Nil

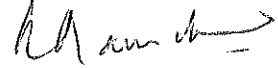


**NOTES**

- 1 The Company has only a single reportable primary (business) segment viz. Surface Transportation Business. Therefore segment information is provided only on a consolidated basis for the Company, its subsidiaries and jointly controlled entities / jointly controlled operations ("the Group").
- 2 During the Quarter ended June 30, 2012, two entities viz. Baleshwar Kharagpur Expressway Limited and Sikar Bikaner Highway Limited, have become subsidiaries of the Company. There is no material impact on the financial results of the Company as a consequence of the above.
- 3 The figures for the year ended March 31, 2012, Quarter ended March 31, 2012 and Quarter ended June 30, 2011 have been regrouped and / or re-arranged wherever necessary to conform to the classification adopted in the current quarter ended June 30, 2012.
- 4 The above results have been reviewed by the Audit Committee on August 9, 2012 and thereafter approved by the Board of Directors at its meeting held on August 9, 2012 and the results for the quarter ended June 30, 2012 have been subjected to a limited review by the statutory auditors of the Company.

*By*

On behalf of the Board



**K Ramchand**  
Managing Director

Place: Mumbai  
Date: August 09, 2012

**AUDITORS' REPORT  
TO THE BOARD OF DIRECTORS OF  
IL&FS TRANSPORTATION NETWORKS LIMITED**


1. We have reviewed the accompanying statement of Unaudited Consolidated Financial Results ("the Statement") of **IL&FS TRANSPORTATION NETWORKS LIMITED** ("the Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities / operations constitute "the Group") and its share of profit / loss (net) of associate companies for the quarter ended June 30, 2012. This Statement 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 these financial results based on our review.
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 misstatements. 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 opinion.
3. The Statement includes the results of the entities listed in Annexure.
4. The Statement reflects the Group's share of Revenues of Rs.51,734.63 lakhs and Loss after Tax (net) of Rs.152.13 lakhs for the quarter ended June 30, 2012 relating to nineteen subsidiaries whose financial information have been reviewed by the other auditors. The statement also reflects the Group's share of Revenues of Rs.8,971.75 lakhs and Profit after Tax of Rs.1,475.43 lakhs for the quarter ended June 30, 2012 relating to four jointly controlled entities whose financial information have been reviewed by other auditors. The Statement also reflects the Group's share of Loss after Tax amounting to Rs.276.73 lakhs for the quarter ended June 30, 2012 in respect of three associates whose financial information have been reviewed by other auditors. Accordingly, our assurance on the Statement in so far as it relates to the amounts included in respect of these subsidiaries, joint ventures and associates is based solely on the reports of such other auditors which have been furnished to us.
5. Without qualifying our report, we draw attention to the fact that the Capital Employed in the Statement 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.701,534.72 lakhs (42.06% of the total assets), the useful lives and the annual amortisation thereof;
  - ii. Provision for Overlay carried at Rs.6,773.90 lakhs in respect of intangible assets covered under service concession arrangements; and

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# Deloitte Haskins & Sells

- iii. Financial Assets covered under service concession arrangements, included as a part of Receivables against Service Concession Arrangements, carried at Rs.517,015.51 lakhs (31.00% 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.
6. The Statement includes the Group's proportionate share in the profit of one associate for the nine months ended December 31, 2011 amounting to Rs.199 lakhs based on the unaudited financial statements as at / for the nine months ended December 31, 2011. There is no financial information available with the Management thereafter.
7. Based on our review and read with our comments in paragraph 4 and 5 above and subject to our comments in paragraph 6 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, 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.
8. 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 from the details furnished by the Management and the particulars relating to undisputed investor complaints from the details furnished by the Registrars.

**For DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Registration No. 117366W)



Kalpesh J. Mehta  
Partner  
(Membership No.48791)

MUMBAI, August 9, 2012  
KJM/NDU

# Deloitte Haskins & Sells

ANNEXURE TO AUDITORS' REPORT  
(Referred to in paragraph (3) to our auditors' report)  
Re: IL&FS Transportation Networks Limited

Sr. No.	Name of the Entity	Percentage (%) Holding of the Company as on June 30, 2012
	<b>Subsidiaries:</b>	
1	Gujarat Road and Infrastructure Company Limited	83.61%
2	ITNL Road Investment Trust Scheme I	100.00%
3	North Karnataka Expressway Limited	87.00%
4	East Hyderabad Expressway Limited	74.00%
5	ITNL Road Infrastructure Development Company Limited	100.00%
6	IL&FS Rail Limited	69.29%
7	Elsamex S.A. (Consolidated)	100.00%
8	ITNL International Pte. Ltd.	100.00%
9	Vansh Nimay Infraprojects Limited	90.00%
10	West Gujarat Expressway Limited	74.00%
11	Rapid MetroRail Gurgaon Limited	59.26%
12	Hazaribagh Ranchi Expressway Limited	74.00%
13	Pune Sholapur Road Development Company Limited	100.00%
14	Moradabad Bareilly Expressway Limited	100.00%
15	Jharkhand Road Projects Implementation Company Limited	93.04%
16	Chenani Nashri Tunnelway Limited	100.00%
17	MP Border Checkpost Development Company Limited	51.00%
18	Badarpur Tollway Operations Management Limited	100.00%
19	Futureage Infrastructure India Limited	61.22%
20	Charminar Robopark Limited	89.92%
21	ITNL Offshore Pte. Ltd.	100.00%
22	Kiratpur Ner Chowk Expressway Limited	100.00%
23	Karyavattom Sports Facilities Limited	99.88%
24	Baleshwar Kharagpur Expressway Limited (from April 4, 2012)	99.88%
25	Sikar Bikaner Highway Limited (from May 9, 2012)	99.88%
26	ITNL International JLT (from May 10, 2012)	100.00%
	<b>Jointly Controlled Entities:</b>	
1	Noida Toll Bridge Company Limited	25.35%
2	N.A.M. Expressway Limited	50.00%
3	Jorabat Shillong Expressway Limited	50.00%
4	Chongqing Yuhe Expressway Co. Ltd.	49.00%
	<b>Associates:</b>	
1	Andhra Pradesh Expressway Limited	49.00%
2	Thiruvananthapuram Road Development Company Limited	50.00%
3	ITNL Toll Management Services Limited	49.00%
4	Warora Chandrapur Ballarpur Toll Road Limited	35.00%

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**IL&FS TRANSPORTATION NETWORKS LIMITED**

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

**Part I : Statement of Consolidated Unaudited Results for the Quarter Ended June 30, 2012**

(₹ in Lakhs)				
Particulars	Quarter ended June 30, 2012 (Unaudited)	Quarter ended March 31, 2012 (Unaudited)	Quarter ended June 30, 2011 (Unaudited)	Year ended March 31, 2012 (Audited)
<b>1</b>	<b>Income from operations</b>			
	(a) Income from operations	157,956	198,869	109,307
	(b) Other operating income	-	-	-
	<b>Total income from operations (net)</b>	<b>167,956</b>	<b>198,869</b>	<b>109,307</b>
<b>2</b>	<b>Expenses</b>			
	(a) Cost of materials consumed	3,342	7,497	699
	(b) Purchases of stock-in-trade	95	30	1
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(587)	(1,206)	104
	(d) Employee benefits expense	9,579	10,186	8,687
	(e) Depreciation and amortisation expense	2,420	2,754	1,608
	(f) Construction Contract Cost	80,612	116,627	51,736
	(g) Other expenditure	18,266	20,022	14,961
	<b>Total expenses</b>	<b>113,747</b>	<b>155,910</b>	<b>77,798</b>
<b>3</b>	<b>Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>44,209</b>	<b>42,959</b>	<b>31,511</b>
<b>4</b>	Other income	3,482	4,521	2,255
<b>5</b>	<b>Profit from ordinary activities before finance costs and exceptional items (3 + 4)</b>	<b>47,701</b>	<b>47,480</b>	<b>33,766</b>
<b>6</b>	Finance costs	25,201	23,081	14,257
<b>7</b>	<b>Profit from ordinary activities after finance costs but before exceptional items (5 - 6)</b>	<b>22,500</b>	<b>24,399</b>	<b>19,509</b>
<b>8</b>	Exceptional items	-	-	-
<b>9</b>	<b>Profit from ordinary activities before tax (7 - 8)</b>	<b>22,500</b>	<b>24,399</b>	<b>19,509</b>
<b>10</b>	Tax expense	9,120	5,713	7,659
<b>11</b>	<b>Net Profit from ordinary activities after tax (9 - 10)</b>	<b>13,380</b>	<b>18,686</b>	<b>11,850</b>
<b>12</b>	Extraordinary Items (net of tax expense ₹ Nil)	-	-	-
<b>13</b>	<b>Net Profit for the period / year (11 - 12)</b>	<b>13,380</b>	<b>18,686</b>	<b>11,850</b>
<b>14</b>	Share of profit transferred to minority (net)	931	1,765	240
<b>15</b>	Share of (loss) / profit of associates (net)	(277)	811	44
<b>16</b>	<b>Net Profit after taxes, minority interest and share of profit / (loss) of associates (13 - 14 + 15)</b>	<b>12,172</b>	<b>17,732</b>	<b>11,566</b>
<b>17</b>	Paid-up equity share capital (face value - ₹ 10 per share)	19,427	19,427	19,427
<b>18</b>	Reserve excluding Revaluation Reserves as per last year balance sheet	-	-	256,952
<b>19.i</b>	<b>Earnings per share (before extraordinary items) (of ₹ 10/- each) (not annualised):</b>			
	(a) Basic	6.24	9.10	5.93
	(b) Diluted	6.24	9.10	5.93
<b>19.ii</b>	<b>Earnings per share (after extraordinary items) (of ₹ 10/- each) (not annualised):</b>			
	(a) Basic	6.24	9.10	5.93
	(b) Diluted	6.24	9.10	5.93
	See accompanying notes to the financial results			

**Part II : Select Information for the Quarter Ended June 30, 2012**

Particulars	Quarter ended June 30, 2012 (Unaudited)	Quarter ended March 31, 2012 (Unaudited)	Quarter ended June 30, 2011 (Unaudited)	Year ended March 31, 2012 (Audited)
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>			
<b>1</b>	<b>Public shareholding</b>			
	- Number of shares	53,504,729	53,504,729	53,504,729
	- Percentage of shareholding	27.54%	27.54%	27.54%
<b>2</b>	<b>Promoters and Promoter Group Shareholding</b>			
	<b>a) Pledged / Encumbered</b>			
	- Number of shares	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-
	<b>b) Non - encumbered</b>			
	- Number of shares	140,763,003	140,763,003	140,763,003
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	72.46%	72.46%	72.46%

Particulars	Quarter ended June 30, 2012
<b>B</b>	
<b>INVESTOR COMPLAINTS</b>	
Pending at the beginning of the quarter	Nil
Received during the quarter	6
Disposed off during the quarter	6
Remaining unresolved at the end of the quarter	Nil



## Segmentwise Revenue, Results and Capital Employed under Clause 41 of the Listing Agreement

The Company has only a single reportable primary (business) segment viz. Surface Transportation Business. Therefore segment information is provided only on a consolidated basis for ITNL, its subsidiaries and jointly controlled entities / jointly controlled operations ("the Group").

		(₹ in Lakhs)			
Particulars		Quarter ended June 30, 2012 (Unaudited)	Quarter ended March 31, 2012 (Unaudited)	Quarter ended June 30, 2011 (Unaudited)	Year ended March 31, 2012 (Audited)
1	<b>Segment Revenue</b>				
	(a) Surface Transportation	154,574	194,603	105,710	544,188
	(b) Others	3,382	4,266	3,597	16,374
	<b>Total</b>	<b>157,956</b>	<b>198,869</b>	<b>109,307</b>	<b>560,562</b>
	Less: Intersegment Revenue		-	-	-
	<b>Net Sales/Income From Operations</b>	<b>157,956</b>	<b>198,869</b>	<b>109,307</b>	<b>560,562</b>
2	<b>Segment Results Profit before tax and interest from each segment</b>				
	(a) Surface Transportation Business	45,386	44,959	32,019	141,737
	(b) Others	333	522	227	1,586
	<b>Total</b>	<b>45,719</b>	<b>45,481</b>	<b>32,246</b>	<b>143,323</b>
	Less: Unallocated expenses				
	(i) Interest	25,201	23,082	14,257	72,821
	(ii) Others	1,510	2,536	735	4,423
	Add:				
	(i) Income	3,492	4,535	2,255	12,381
	<b>Total Profit Before Tax</b>	<b>22,500</b>	<b>24,399</b>	<b>19,509</b>	<b>78,460</b>
3	<b>Capital employed</b>				
	(a) Surface Transportation Business	1,365,621	890,808	782,852	890,808
	(b) Others	5,473	6,863	6,212	6,863
	(c) Unallocated assets net of (liabilities)	(1,048,206)	(591,945)	(539,382)	(591,945)
	<b>Total</b>	<b>322,888</b>	<b>305,726</b>	<b>249,682</b>	<b>305,726</b>

### NOTES

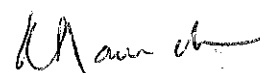
- The Consolidated Financial Results for the quarter ended June 30, 2012 have been prepared in accordance with the principles and procedures as set out in AS-21 on 'Consolidated Financial Statements', AS-23 on 'Accounting for Investments in Associates in Consolidated Financial Statements' and AS-27 on 'Financial Reporting of Interests in Joint Ventures'.

#### 2 Stand-alone Information

		(₹ in Lakhs)			
Particulars		Quarter ended June 30, 2012 (Unaudited)	Quarter ended March 31, 2012 (Unaudited)	Quarter ended June 30, 2011 (Unaudited)	Year ended March 31, 2012 (Audited)
	Total Income from operations	76,929	103,651	52,158	277,258
	Profit Before Tax	15,392	14,297	10,142	41,365
	Profit After Tax	9,623	8,559	6,212	25,230

- During the quarter ended June 30, 2012, three entities viz. Baleshwar Kharagpur Expressway Limited, Sikar Bikaner Highway Limited and ITNL International JLT have become subsidiaries of the Company. There is no material impact on the financial results of the Company as a consequence of the above.
- The consolidated Financial Results of the Company includes share of profits in respect of an associate which is consolidated based on unaudited financial information available with the Management for the period upto December 31, 2011. The auditors report is qualified to that extent.
- The figures for the year ended March 31, 2012, quarter ended March 31, 2012 and quarter ended June 30, 2011 have been regrouped and / or re-arranged wherever necessary to conform to the classification adopted in the current quarter ended June 30, 2012.
- The above results have been reviewed by the Audit Committee on August 9, 2012 and thereafter approved by the Board of Directors at its meeting held on August 9, 2012 and the results for the quarter ended June 30, 2012 have been subjected to a limited review by the statutory auditors of the Company.

On behalf of the Board



**K Ramchand**  
Managing Director

Place: Mumbai  
Date: August 09, 2012

*Handwritten initials*