



IL&FS TRANSPORTATION NETWORKS LIMITED

**20TH
ANNUAL REPORT**

2019-20

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CORPORATE INFORMATION

Board of Directors

Mr. C. S. Rajan
Chairman

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

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

Mr. Nand Kishore
Director

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

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

Company Secretary

Krishna Ghag

Auditors

SRBC & Co LLP
Chartered Accountants

Committees of the Board

Audit Committee

Mr. Subrata Kumar Mitra,
Chairman

(effective December 2, 2020)

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

Mr. Vineet Nayyar
(upto October 31, 2020)

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

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

Stakeholders' Relationship Committee

Mr. Subrata Kumar Mitra,
Chairman

(effective December 2, 2020)

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

Mr. Nand Kishore

Mr. C. S. Rajan

Nomination and Remuneration Committee

Dr. Jagadip Narayan Singh,
Chairman

(effective December 2, 2020)

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

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

Mr. Vineet Nayyar
(upto October 31, 2020)

Corporate Social Responsibility Committee

Dr. Jagadip Narayan Singh,
Chairman

(effective December 2, 2020)

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

Mr. Nand Kishore

Mr. C. S. Rajan

Senior Management

Mr. Dilip Bhatia
Chief Executive Officer

Mr. S. C. Mittal
Head – Implementation

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

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

Mr. Krishna Ghag
Vice President & Company Secretary

Registered Office

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

Tel: +91 22 26533333

Fax: +91 22 26523979

Website: www.itnlindia.com

Email: itnlinvestor@ilfsindia.com

CIN: L45203MH2000PLC129790

Registrar & Share Transfer Agent

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

BRIEF PROFILE OF THE PRESENT BOARD OF DIRECTORS:

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

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

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

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

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

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

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

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

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

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

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

CORPORATE INFORMATION

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

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

NOTICE

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

ORDINARY BUSINESS:

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

SPECIAL BUSINESS:

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

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

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

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

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

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

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

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

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

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

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

Sd/-
Krishna Ghag
Vice President &
Company Secretary

Mumbai, December 7, 2020

Membership No. F4489

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

CIN: L45203MH2000PLC129790

Note:

The Company has been facing capacity issues due to loss of key employees while meeting the need for servicing information requirements and providing clarifications to multiple investigating agencies, providing information to enable the ongoing asset monetisation and restructuring activities and meeting 'going concern' requirements. Further, challenges are being faced by the respective subsidiaries in terms of valuation of underlying assets insufficient quorum on the board, outbreak of COVID 19 and the lockdown restrictions imposed and consequent extended timelines for finalizing and adopting audited financial statements. In view of the above, the Financial Statements of the subsidiary companies will not be available before the Annual General Meeting of the Company. Accordingly, the Company is unable to provide its Consolidated Financial Statement and salient features of the Financial Statements of the Company's subsidiaries and Joint Ventures in Form AOC- 1 as required under Section 129(3) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014. Further, an application has been filed by the holding company to the competent authority seeking an exemption for IL&FS Group including the Company from presenting its consolidated financial statement.

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

Other Notes:

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

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

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

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

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

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

15. In terms of Section 125 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules), unclaimed/unpaid dividend for FY 2010-11, FY 2011-12 and FY 2012-13 lying in the Company's bank account for a consecutive period of seven years amounting to ₹ 1,90,229, ₹ 1,87,900 and ₹ 5,62,324 was transferred to the Investor Education and Protection Fund (IEPF) on November 5, 2018, December 2, 2019 and September 24, 2020 respectively.

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