

February 20, 2019

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E)
Mumbai – 400 051

Kind Attn: Kautuk Upadhyay, Chief Manager

Dear Sir,

Re: Your email dated February 07, 2019 for non-receipt of intimation for board meeting under Regulation 29 and letter bearing no. NSE/LIST/74200 dated February 18, 2019 for non-compliance under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“Letter”).

We, IL&FS Transportation Networks Limited, having our office at the IL&FS Financial Centre, Plot-C, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051 (“ITNL” or the “Company”), hereby acknowledge the receipt of the Letter from National Stock Exchange of India Limited (“NSE”) with reference to non-compliance under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

With respect to the foregoing, we hereby submit the detailed reasons for delay in submission of financial results for quarter ended December 31, 2018 in light of the SEBI Circular dated November 19, 2018 –

1. As you would be aware and previously informed, pursuant to the proceedings filed by the Union of India under Sections 241 and 242 of the Companies Act, 2013, on account of grounds of, *inter alia*, (i) mismanagement of public funds by the erstwhile board of directors of Infrastructure Leasing and Financial Services Limited (“IL&FS”); and (ii) affairs of IL&FS being conducted in a manner prejudicial to the public interest, the National Company Law Tribunal, Mumbai bench (“NCLT”), by way of an order dated October 1, 2018, suspended the erstwhile board of directors of IL&FS and re-constituted the same with persons proposed by the Union of India (such reconstituted board, referred to as the “New Board”).
2. In compliance with the NCLT’s order of October 1, 2018, a Report on Progress and Way Forward (“First Progress Report”) was submitted by IL&FS to the Ministry of Corporate Affairs (“MCA”) on October 30, 2018, and subsequently filed by the MCA with the NCLT on October 31, 2018. The First Progress Report *inter alia* sets out the magnitude and complexity of the problem faced and the approach to be followed by the New Board towards

achieving the final resolution, including listing out indicative next steps. The Second Report on Progress and Way Forward (“**Second Progress Report**”) was submitted to the MCA on December 2, 2018, and was subsequently filed by the MCA with the NCLT on December 3, 2018, *inter alia* setting out the assessment and evaluation of options being considered towards achieving final resolution, certain cost optimization measures being undertaken and an assessment of liquidity measures and going concern status. The reports are available in the public domain.

3. Additionally, the National Company Law Appellate Tribunal, New Delhi (the “NCLAT”) has passed an order of moratorium on October 15, 2018 in respect of actions (*as set out therein*) that cannot be taken against IL&FS and its group companies (including the Company), which includes, amongst others, institution or continuation of suits or any other proceedings by any party or person or bank or company, etc. against ‘IL&FS’ and its group companies in any Court of Law or Tribunal and any action by any party or person or bank or company, etc. to foreclose, recover or enforce any security interest created on the assets of ‘IL&FS’ and its group companies. This has been done taking into consideration the nature of the case, larger public interest and economy of the nation, and interest of IL&FS and its group companies. **This moratorium has subsequently been modified by the NCLAT order dated January 11, 2019.**
4. In a recent development, please also note that the NCLT passed an order dated January 1, 2019 pursuant to an application filed by MCA under Section 130 of the Companies Act, 2013 permitting reopening and recasting of accounts of (a) IL&FS; (b) IL&FS Financial Services Limited and (c) ITNL, for the past 5 financial years (i.e. FY 13 to FY 18).
5. The New Board is in the process of implementing the roadmap (as submitted with the NCLT) for the Company to, *inter alia*, undertake divestment, restructuring and/or consolidation of its investments and assets, as the case may be, in accordance with the roadmap which had a definite impact on the accounting and financial aspects of the Company.
6. In light of the divestment and restructuring, the examination of financial statements and evaluation of internal financial records and other complexities involved has led to a delay in finalizing the financial results for the quarter ended September 30, 2018 and December 31, 2018 due to which the Company is not in a position to hold board meetings for approving the aforementioned financial results.
7. The Company is in the process of reviewing and finalising the same and will be in a position to undertake all applicable legal compliances in this regard once, the financial results are finalised.
8. We also draw your attention to Clause 7 of the SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 03, 2018 (“**Circular**”), which clearly sets out that –

“the recognized stock exchanges may keep in abeyance the action or withdraw the action in specific cases where specific exemption from compliance with the requirements under the Listing Regulations/ moratorium on enforcement proceedings has been provided for under any Act, Court/Tribunal orders etc.”

In light of the existing moratorium for the Company and the special circumstances of this case, we request and urge the NSE to not take any coercive/pecuniary actions against the Company as there is a moratorium imposed by NCLAT which exists in favour of IL&FS and its group companies.

We request you to please take our reasons disclosed herein in respect to the delay in submission of financial results on your record and look forward to a favorable consideration at your end, given the special circumstances.

Please let us know, if you need any information.

Thank you,

Yours faithfully,
For IL&FS Transportation Networks Limited



Krishna Ghag
Vice President &
Company Secretary