

September 2, 2010

General Manager,
Listing Department,
Bombay Stock Exchange Limited,
P.J. Tower, Dalal Street,
Mumbai 400 001
Fax Nos: 022- 22722037/39/41/61
022-22723121/3719/1278/1557/3354
/3577

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

Dear Sirs,

Scrip Code No: IL&FSTRANS EQ

Re: Minutes of Annual General Meeting

Please find enclosed the Minutes of the 10th Annual General Meeting of the Company held on Wednesday, August 4, 2010 at 3.30 p.m.

Thank you.

Yours faithfully,
IL&FS Transportation Networks Limited



Krishna Ghag
Associate Vice President &
Company Secretary

Minutes of the Tenth Annual General Meeting of the Members of IL&FS Transportation Networks Limited held on Wednesday, August 4, 2010 at 3.30 p.m. at the Y B Chavan Auditorium, Gen. J. Bhosale Marg, Mumbai 400 021

Present

Mr. Deepak Dasgupta	Chairman
Mr. Ravi Parthasarathy	Director
Mr. Hari Sankaran	Director
Mr. Arun K Saha	Director
Mr. R C. Sinha	Director
Mr. H P Jamdar	Director
Mr. R. S. Chandra	Director
Mr. Vibhav Kapoor	Director
Mr. Deepak Satwalekar	Director
Mr. K Ramchand	Managing Director
Mr. Mukund Sapre	Executive Director

Mr. Krishna Ghag Company Secretary

- a) Mr Ravi Parthasarathy representative of Infrastructure Leasing & Financial Services Limited under Section 187 of the Companies Act, 1956
- b) Mr Arun Saha representative of IL&FS Employees Welfare Trust under Section 187 of the Companies Act, 1956
- c) 61 members in person
- d) Mr. Sanjiv Pilgaonkar, Partner, M/s. Deloitte Haskins & Sells, Chartered Accountants

The Directors' and Auditors' Report, the audited Balance Sheet as at March 31, 2010 and the Profit & Loss Account for the year ended March 31, 2010, the Proxy Register, Register of Directors' shareholding and certified copies of the resolutions of Infrastructure Leasing & Financial Services Limited and IL&FS Employees Welfare Trust pursuant to Section 187 of the Companies Act, 1956, were tabled

The Chairman announced that the Company has received 15 proxies representing 51,42,233 equity shares

The requisite quorum being present, the Chairman welcomed the members present at the meeting and called the meeting to order. He introduced the persons sitting on the dais and conveyed apologies of Mr Pradeep Puri, Director, who was unable to attend the meeting

With the consent of the Shareholders, the Notice convening the meeting and the Annexure to the Auditors Report were taken as read

The Chairman thereafter requested Mr. Krishna Ghag, Company Secretary to read the Auditors Report

Mr. Krishna Ghag, Company Secretary then read the Auditors' Report

The Chairman extended a warm welcome to all the Shareholders and congratulated them for the overwhelming response to the Initial Public Offering of the Company. He also thanked all Government Agencies, National Highways Authority of India, Bankers, other

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business associates for their unstinted support over the years and the enthusiasm and commitment demonstrated by the employees of the Company

The Chairman conveyed his gratitude to the Shareholders for their trust in the Company and looked forward to their continued support

The Chairman then proposed the following resolution regarding adoption of accounts as an Ordinary Resolution:

Resolution No. 1

"RESOLVED THAT the Balance Sheet as at March 31, 2010 and the Profit & Loss Account for the year ended as on that date, together with the Report of the Directors and Auditors thereon laid before the Members at the Meeting be and are hereby received, approved and adopted"

Mrs. Ashalata Maheshwari seconded the above resolution

Before putting the resolution to vote, the Chairman invited questions from the Members

Mrs Ashalata Maheshwari, Mr Rohinton Framroze Battiwala, Ms. C. E. Mascarenhas, Mr. Shailesh Mahadevia, Mr. Beruz Framroz Pourudehi and Mr. Harshad L. Savani, shareholders spoke at the meeting

All the aforesaid Shareholders congratulated the Board of Directors for the successful Initial Public Offering by the Company, the performance of the Company for the Financial Year 2009-10 and for proposing a good dividend in the first year of Initial Public Offering by the Company. The Shareholders sought details on the current order book of the Company, the operations of the international subsidiary, Elsamex SA, Spain and plans for undertaking projects in ports, railways and airports sector including the Company's intention to consider activities relating to coal evacuation. Some of the Shareholders sought clarifications on Mega Highways Projects, the implications of change in law and land acquisition for the road projects undertaken by the Company and whether the Company was planning any additional borrowings since it had to make significant investments for the Projects on hand. They also sought clarification on the relationship of Noida Toll Bridge Company Ltd with the Company, the number of employees on the rolls of the Company and the reasons for making investments in mutual funds and the appropriateness of the cost of ₹.1,100 Crores for the 4.9 Kms elevated metro rail project. One of the Shareholders also wanted to know, if the Company was proposing to obtain certification for ISO 14,000 and 18,000 relating to protection of environment and safety at the project sites besides obtaining ISO 9001:2008 certifications

The Chairman then requested Mr. K. Ramchand, Managing Director to respond to the queries of the Shareholders

While responding to the information sought by the Shareholders, Mr. Ramchand stated that the Company was incorporated by Infrastructure Leasing & Financial Services Limited, the Parent Company for domiciling Surface Transportation projects except Ports, which is domiciled in a separate company. Since the projects relating to other sectors viz. Ports, Railways, and Airports are also connected through roads, the Company will certainly explore any opportunities arising in these sectors. The Company has recently signed agreements for development of 2 Airport Projects at Gulbarga and Shimoga in the State of Karnataka. With regard to the coal evacuation project, he stated that the Company was exploring the possibility of developing a railway line from the coal mine for coal evacuation

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Mr. Ramchand stated that Elsamex SA had been acquired in the year 2008 and details of acquisition had been disclosed in the Prospectus issued for the purposes of Initial Public Offering by the Company. The acquisition of Elsamex was made considering the technology it possesses in the maintenance and operations of roads. Besides, it also has one of the laboratories in Europe that have been recognized in Europe. Since Elsamex is mainly into maintenance activities which has to continue irrespective of the recession, we do not foresee any major problems in the operations of Elsamex

Mr. Ramchand then informed that the Company's order book as at March 31, 2010 was ₹.10,000 Crores, which has since grown to ₹. 16,000 Crores at the end of the first quarter of the current financial year. The Company was awarded the tunnel project in the State of Jammu & Kashmir by National Highways Authority of India worth ₹.3,700 Crores, which is one of the largest annuity projects of the Company. All the projects that the Company has as of date are prestigious

The Company has debts at the parent company level as well as at the SPV level. Debt at the parent company level is basically short term debt for 1-2 years at an average borrowing cost of 9.5 to 10% whereas the debt at the SPV level it is for a longer term ranging from 12 to 15 years with an average borrowing cost of 10.3% p.a

Mega Highways Projects are those which are in the range of 400 to 500 Kms. with a project size of over \$ 1 Billion. As regards the impact of any change in law, he clarified that in case the Government makes any changes in law, which could have an impact on infrastructure projects, the Concession Agreement provides for the Concessionaire to be insulated from such adverse impact. Citing an example he stated that any policy decision by the Authority to discontinue the levy of toll on the roads developed by the Company would result in the Government having to compensate the Company for the revenue loss. He clarified that the land acquisition is the responsibility of the Government and any delay in handing over of the land by the Authority is backed by a clause in the Agreement which provides for compensation to be paid to the Concessionaire

Mr. Ramchand informed the Shareholders that the Company has received the ISO 9001:2008 Certification and the Company is one of the front runners in maintaining safety and security and in protecting environment along the roads built by the Company. The Company has undertaken a number of social / developmental activities in the regions where the roads have been built by the Company. At one of the projects under operation, the Company has deployed a bus which is equipped with Computers and moves in villages educating people on operating computers. A similar initiative for teaching English is also proposed in due course. On the environmental front, the Company has ensured reforestation by planting about 1500 trees on Vadodara Halol Toll Road and 3,000 trees on Ahmedabad Mehsana Toll Road in place of those that were cut during the road construction

Mr. Ramchand informed that the Company had reported a Profit after Tax of ₹.104 Crores for the first quarter of the current financial year. He also mentioned that the appreciation in value of the share by 25% over the issue price of the share was a decent return on the investments made by the shareholders. In response to a query in connection with the number of employees, he stated that the Company had 235 employees on its rolls and approximately 300-400 employees in the SPVs, which are largely appointed for maintenance and operations including toll collections

In connection with the metro rail project, he stated that although the Project cost of ₹. 1,100 Crores for 4.9 Km elevated metro rail project in Gurgaon looks to be a huge figure, however the project cost of ₹.200 Crores per Km is considered to be an appropriate cost per km of track

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With regard to relation of the Company with Noida Toll Bridge Company Limited he informed that the Company and IL&FS are its Promoters with equity stake close to 26%

On the investment of funds by the Company in mutual funds, he informed that the excess cash in the hands of the Company at any given time which is required to be invested in the projects in the next 30 to 45 days is invested in mutual funds which earn better income than keeping the same in current account

While explaining the concept of lane kilometers, he stated that if the Company has a road project with 6 lanes for a length of 100 kms it will be calculated as 600 lane kms. Since the Company has projects with different lanes, it was necessary to devise this concept of lane kms to standardize the size of roads built by the Company and is now being adopted by other players in the industry

The resolution was then put to vote on a show of hands and carried Nem Con

Resolution No. 2

The following resolution was proposed as an Ordinary Resolution by Mr. Aspi Bhesania and seconded by Mrs. Ashalata Maheshwari:

"RESOLVED THAT a dividend at the rate of Rs 3.00 per equity share as recommended by the Board of Directors on 194,267,732 equity shares, be and is hereby declared for payment to the Members of the Company whose names appear on the Register of Members as on August 4, 2010 and to the beneficial owners of the shares as on July 27, 2010 in respect of the shares held in electronic form, out of the current profits of the Company for the financial year ended March 31, 2010"

The resolution was then put to vote on a show of hands and carried Nem Con

Resolution No. 3

The following Resolution was proposed as an Ordinary Resolution by Mr Rohinton Framroze Battiwala and seconded by Mr Shailesh Mahadevia:

"RESOLVED THAT Mr. Arun K Saha, who retires by rotation pursuant to Article 148 of the Article of Association of the Company and is eligible for re-election, be and is hereby re-appointed as a Director of the Company liable to retire by rotation"

The resolution was then put to vote on a show of hands and carried Nem Con

Resolution No. 4

The following Resolution was proposed as an Ordinary Resolution by Mr. Beruz Framroze Pourudehi and seconded by Mrs C. E. Mascarenhas:

"RESOLVED THAT Mr. Pradeep Puri, who retires by rotation pursuant to Article 148 of the Article of Association of the Company, be and is hereby re-appointed as Director of the Company liable to retire by rotation"

The resolution was then put to vote on a show of hands and carried Nem Con

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Resolution No. 5

The following Resolution was proposed as an Ordinary Resolution by Mr. Aspi Bhesania and seconded by Mr. Shailesh Mahadevia:

"RESOLVED THAT Mr. R. C. Sinha who retires by rotation pursuant to Article 148 of the Article of Association of the Company be and is hereby re-appointed as Director of the Company liable to retire by rotation"

The resolution was then put to vote on a show of hands and carried Nem Con

Resolution No. 6

The following Resolution was proposed as an Ordinary Resolution by Mr Shailesh Mahadevia and seconded by Mr Ashalata Maheshwari:

"RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s Deloitte Haskins & Sells, Chartered Accountants, Mumbai, registered with the Institute of Chartered Accountants of India vide Membership No. 117366W be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company at such remuneration plus service tax and reasonable out of pocket expenses as may be determined by the Board of Directors of the Company"

The resolution was then put to vote on a show of hands and carried Nem Con

Resolution No. 7

The following Resolution was proposed as an Ordinary Resolution by Mr Harshad L. Savani and seconded by Mr. Beruz Framroz Pourudehi:

"RESOLVED that Mr. R. S. Chandra, who was appointed by the Board of Directors as an Additional Director of the Company pursuant to Article 134 of the Articles of Association of the Company with effect from May 25, 2010 and who holds office upto the date of this Meeting in terms of Section 260 of the Companies Act, 1956 (the Act) and in respect of whom the Company has received a notice in writing under Section 257 of the Act from a Member proposing his candidature for the office of a Director of the Company, be and is hereby appointed a Director of the Company liable to retire by rotation"

The resolution was then put to vote on a show of hands and carried Nem Con

Resolution No. 8

The following Resolution was proposed as a Special Resolution by Mr. J. P. Maheshwari and seconded by Mr Rohinton Framroze Battiwala:

"RESOLVED that pursuant to Article 139.2 of the Articles of Association of the Company and the provisions of Sections 309, 310, 349, 350 and other applicable provisions, if any, of the Companies Act, 1956, commission in the aggregate not exceeding 1% per annum of the net profits of the Company computed in the manner laid down in the Companies Act, 1956, for each of the five financial years of the Company commencing from April 1, 2010 be paid to and distributed amongst the Non-Executive

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Directors of the Company, as may be determined by the Board of Directors of the Company in such proportion and manner of such payment and distribution as the Board may from time to time decide"

The resolution was then put to vote on a show of hands and carried Nem Con

Resolution No. 9

The following Resolution was proposed as a Special Resolution by Mr. Aspi Bhesania and seconded by Mrs. Mrs C. E. Mascarenhas:

"RESOLVED that an approval be and is hereby accorded to the Company in terms of Section 163 of the Companies Act, 1956 to keep its Registers and Index of Members and copies of Annual Returns prepared under Section 159 of the Companies Act, 1956 together with copies of certificates and documents required to be annexed thereto under Section 161 of the Companies Act, 1956 or one or more of them at the office premises of the Company's Registrar & Share Transfer Agents viz. Link Intime India Private Limited ("R&T Agents") at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078, India and/or at such other place(s) within the city of Mumbai where the R&T Agents may shift its office from time to time and/or at the Registered Office of the Company at The IL&FS Financial Centre, C-22, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051"

The resolution was then put to vote on a show of hands and carried Nem Con

There being no other business the meeting concluded with a vote of thanks to the chair

Chairman : *X [Signature]*
Date : August 30, 2010

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