

August 30, 2019

Listing Department
BSE Limited
25, P J Towers, Dalal Street
Mumbai- 400001

Listing Department
National Stock Exchange of India Limited
Bandra Kurla Complex, Bandra (East)
Mumbai – 400051

Scrip Code No.: 533177

Scrip Code No.: IL&FSTRANS EQ

Sub : Disclosure of reasons for delay in submission of financial results under Reg. 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended June 30, 2019

Ref : SEBI Circular No. CIR/CFD/CMD-1/142/2018 dated November 19, 2018

Dear Sirs,

As per Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR**”), the IL&FS Transportation Networks Limited (“**Company**”) is required to submit its financial results on a quarterly/yearly basis in the format as specified by the Board within the period as stipulated in the said regulations.

With respect to the foregoing, we hereby submit that –

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, the National Company Law Tribunal, Mumbai bench (“**NCLT**”), by way of an order dated October 1, 2018, suspended the erstwhile board of directors of Infrastructure Leasing and Financial Services Limited (“**IL&FS**”) and re-constituted the same with persons proposed by the Union of India (such reconstituted board, referred to as the “**New Board**”), with additional directors being appointed subsequently pursuant to the orders of the NCLT.
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 Union of India (“**UOI**”) acting through Ministry of Corporate Affairs (“**MCA**”) on October 30, 2018, and subsequently filed by the UOI 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 UOI on December 2, 2018, and was subsequently filed by the UOI 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 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 (“NCLAT Order”). 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. Please also note that the NCLT passed an order dated January 1, 2019 pursuant to an application filed by UOI 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. Subsequently, IL&FS had submitted to the UOI: (a) the Third Progress Report on the ‘*Proposed Resolution Framework for IL&FS Group*’ dated December 17, 2018 (“**Initial Resolution Framework**”); and (b) the Addendum to the Initial Resolution Framework dated January 15, 2019 (the “**Addendum Framework**” together with the Initial Resolution Framework, the “**Resolution Framework**”), which sets out the process to be followed for the resolution of IL&FS group entities. A report titled “*Fourth Report on Progress and Way Forward*” dated January 15, 2019 was submitted to the UOI by the New Board, which *inter alia* provides the key steps that have been taken since the Second Report till January 12, 2019. The UOI filed an affidavit dated February 11, 2019, *inter alia*, submitting the list of domestic and foreign group entities and a list containing the categorisation of domestic entities, pursuant to the order passed by the Hon’ble National Company Law Appellate Tribunal (“NCLAT”) NCLAT on February 4, 2019. In terms of the order passed by the NCLAT on February 11, 2019, the NCLAT permitted the resolution of such “Green” entities to continue in accordance with the Resolution Framework “*and subject to the supervision of the Hon’ble Justice (Retd.) D.K. Jain.*” The report titled “*Fifth Report on Progress and Way Forward*” dated August 05, 2019 is submitted to the UOI by the New Board which reflects the development made by the New Board in the resolution of IL&FS and its group companies and briefly captures, classification of IL&FS group entities into ‘green’, ‘amber’ and ‘red’ category to put in place payment protocol for each of the above category, categories update on asset level resolution and other monetization measures, appointment of chartered accountants firms for recasting of accounts, cost cutting measures, special audit sanctioned by the New Board.
6. As previously informed, considering various events and circumstances (*including proposed divestment and restructuring*) in relation to IL&FS and its group companies which includes the Company, it will be challenging for the Company and its management to prepare financial statements of the Company within the time period prescribed under Regulation 33 of the LODR. Further, considering the circumstances the Company and its management require sufficient time to adequately and sufficiently assess the existing issues, and to review and verify the financial position of the Company.

Since the reconstitution of the board of directors of IL&FS pursuant to the order of the NCLT, multiple changes have been effected and steps undertaken, considering the objective of seeking a resolution to prevent any further adverse impact on financial stability. This includes changes in management, steps to control cash flows, and engaging with advisors in relation to developing plans for resolution. Thus, the Company and its management have been primarily engaged in these efforts toward implementing the objective of New Board

7. In light of the aforementioned circumstances, we hereby inform the finalization of financial results would be delayed and the Company are not be in a position to submit the financial results for the year ended March 31, 2018 and quarter ended June 30, 2019 within the time specified in Regulation 33 of LODR.
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 NCLAT Order and the special circumstances of this case, we request and urge the NSE/BSE to not take any coercive/pecuniary actions against the Company as stated in the Letter as there is a stay imposed by NCLAT which exists in favour of IL&FS and its group companies in relation to actions (as mentioned above) that cannot be taken against IL&FS and its group companies (including the Company).

We request you to please take note of our aforesaid submissions in relation to delay in filing of the financial results for the year ended March 31, 2018 and quarter ended June 31, 2019 and not initiate any adverse action against the Company for the aforementioned delay. We look forward to a favorable consideration given the special circumstances.

Thank you

Yours faithfully,
For IL&FS Transportation Networks Limited



Krishna Ghag
Vice President & Company Secretary