

| Transportation

IL&FS Transportation Networks Limited

Regd. Office: The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051

Tel. No.: +91 22 2653 3333 **Facsimile:** +91 22 2652 3979,

Email: itnlinvestor@ilfsindia.com, **Website:** www.itnlindia.com

CIN: L45203MH2000PLC129790

Notice of Postal Ballot

Dear Members,

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 (the 'Act'), read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (the "Companies Rules") including any statutory modifications or re-enactments thereof and other applicable provisions, if any, for seeking approval of the Members by way of Postal Ballot for passing the proposed resolution as a Special Resolution authorizing the Board of Directors of the Company to Issue Non-Convertible Debentures on Private Placement basis as per the resolution given below

The Explanatory Statement pursuant to Section 102 of the Act setting out the material facts and the reasons thereof is annexed hereto along with the Postal Ballot Form, for your consideration

The Company has, in compliance with Rule 22(5) of the Companies Rules, appointed Mr. S. Anantha Rama Subramanian, Practising Company Secretary, (FCS: 4443; CP No.:1925), Mumbai, as the Scrutinizer for conducting the Postal Ballot Process in a fair and transparent manner

Members having shares in demat form and in physical form may vote either by way of Postal Ballot or by way of Remote E-voting (e-voting). In case Members wish to exercise their vote by using e-voting facility, they are required to follow the instructions in Note No. 4 of the accompanying notice. Members are requested to return the duly completed Postal Ballot Form in the enclosed self-addressed Business Reply Envelope not later than 5.00 pm IST on June 24, 2016

Special Business:

Issue of Non-Convertible Debentures:

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

"RESOLVED THAT pursuant to the provisions of Sections 42, 71, 179 and all other applicable provisions, if any, of the Companies Act, 2013, read with proviso to Rule 14(2)(a) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable rules, if any, made thereunder, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, ("Debt Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory modification thereof and any circulars, notifications, clarifications, rules passed thereunder from time to time) and in accordance with the Memorandum and Articles of Association of the Company, and subject to such approvals, consents, sanctions, permissions as may be necessary from all appropriate statutory and regulatory authorities, and subject to such conditions and modifications as may be prescribed by the respective statutory and/or regulatory authorities while granting such approvals, consents, sanctions, permissions which may be agreed to by the Board and subject to the total borrowings of the Company not exceeding the borrowing powers approved by the Members under Section 180(1)(c) of Companies Act 2013, the approval of the Members of the Company be and is hereby accorded to the Board of Directors to offer or invite subscription for secured/unsecured Non-Convertible Debentures including but not limited to subordinated Debentures, bonds, and/or other debt securities, etc. ("NCDs") (the "Issue") to the prospective investor(s) on a private placement basis in one or more tranches for an aggregate amount not exceeding ₹ 2,500 Crores, within the overall borrowing limits of the Company as may be approved by the Members from time to time

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized on behalf of the Company to do such acts, deeds and things as they may in their absolute discretion deem necessary or desirable in connection with such Issue or any matters incidental thereto including but not limited to the class of investors to whom NCDs are to be issued, the determination of the face value, issue price, issue size, timing, amount, security, coupon / interest rate(s), yield, utilization of issue proceeds, listing, allotment and other terms and conditions of Issue; and to deal with all such matters, settle all questions, difficulties or doubts that may arise in regard to the issue or allotment of such Debentures, and take all such

steps as may be necessary and to sign / execute, any deeds/documents/agreements/undertakings/papers/writings etc. as the Board may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to sub-delegate all or any of the above authorizations in favour of a Committee of the Board of Directors subject to such conditions as it may deem fit”.

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

Krishna Ghag
Vice President &
Company Secretary
Membership No: FCS 4489

May 13, 2016

Registered Office:

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

NOTES:

1. The Notice of the Postal Ballot is being sent to all the Members whose names appear in the Register of Members / Beneficial Owners and to Debenture Trustee as per the details furnished by the Depositories as on May 20, 2016
2. In accordance with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and pursuant to the provisions of Section 108 and 110 of the Act read with the related Rules, the Company is pleased to provide remote e-voting (“e-voting”) facility to all its Members through National Securities Depository Limited (“NSDL”) to enable them to cast their votes electronically
3. Members whose e-mail addresses are registered with the Company / Depositories are being sent Notice of Postal Ballot by email and others are sent by registered post along with Postal Ballot Form with the self-addressed Business Reply Envelope. Members who have received Postal Ballot Notice by email and who wish to vote through physical Postal Ballot Form are requested to download the Postal Ballot Form from the link <https://www.evoting.nsdl.com> or www.itnlindia.com or seek duplicate Postal Ballot Form from **Link Intime (India) Private Limited**, Registrar & Transfer Agents, (Unit: IL&FS Transportation Networks Ltd) C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078 and the duly filled in Form should be sent to the Scrutinizer
4. Instructions for remote e-voting are as under:
 - (a) The e-voting period commences on Thursday, May 26, 2016 (9.00 am IST) and ends on Friday, June 24, 2016 (5.00 pm IST). The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently
 - (b) The voting rights of Members shall be in proportion to their share in the paid up share capital of the Company as on the cut-off date i.e. Friday, May 20, 2016
 - (c) A Member can opt for only one mode of voting i.e. either through e-voting or by ballot. In case Member cast their votes by both modes, then the voting done by e-voting shall prevail and votes cast through physical postal ballot forms will be treated as invalid
 - (d) In case a Member receives an e-mail from NSDL (for Members whose email addresses are registered with the Depositories):
 - (i) Open email and open PDF file viz; “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>

- (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login
 - (v) If you are already registered with NSDL for e-voting then you can use your existing user ID and Password/PIN for casting your vote.
 - (vi) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential
 - (vii) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles
 - (viii) Select “EVEN” (Remote E-voting Event Number) of “IL&FS Transportation Networks Limited”
 - (ix) Now you are ready for e-voting as Cast Vote page opens
 - (x) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted
 - (xi) Upon confirmation, the message “Vote cast successfully” will be displayed
 - (xii) Once you have voted on the resolution, you will not be allowed to modify your vote
 - (xiii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to income108@yahoo.co.in with a copy marked to evoting@nsdl.co.in
- (e) In case a Member receives physical copy of the Postal Ballot Notice:
- (i) Initial password is provided as below/at the bottom of the Postal Ballot Form : **EVEN (Remote e-voting Event Number) USER-IDPASSWORD/PIN**
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote
- (f) The Scrutinizer will submit his report to the Company after the completion of scrutiny and the result of the postal ballot will be announced by the Chairman or a person authorized by him in writing on or before Tuesday, June 28, 2016 and the same will be displayed along with the Scrutinizer’s report, on the website of the Company (www.itnlindia.com) besides being communicated to the depositories and the Stock Exchanges viz., BSE and NSE
5. In case of any queries pertaining to e-Voting, members may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads section of <http://www.evoting.nsdl.com/> or contact Mr. Rajiv Ranjan, Assistant Manager, NSDL 4th floor, ‘A’ Wing, Trade World, Kamala Mills Compound, Lower Parel, Mumbai – 400013; at email: evoting@nsdl.co.in and Toll Free No.: 1800 222 990
6. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the Members at the Company’s Registered Office on all working days (except Saturdays, Sundays and Public holidays) between 2.00 pm and 4.00 pm up to the last date of the receipt of the postal ballot

ANNEXURE TO THE NOTICE

Statement setting out the material facts pursuant to Section 102 of the Act and reasons for proposing the resolution as stated in the Notice

Issue of Non-Convertible Debentures

Pursuant to the provisions of Section 42, Section 71, Section 179 of Companies Act, 2013 *read with* the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Company offering or making an invitation to subscribe to Non-Convertible Debentures (“NCDs”) is required to obtain the prior approval of the Members of the Company by way of a Special Resolution which is valid for a year. The validity of the Special Resolution passed by the Members on January 5, 2015 authorizing the Board of Directors to issue Non-Convertible Debentures to the extent of ₹ 5,000 Crores has since expired. Out of the aforesaid, the Company had raised only an amount of ₹ 1,915 Crores

Over the past few years, the Company had been considering lowering its short term nature of debt to a longer term debt from an operational perspective. The Company has been able to achieve significant correction by reducing the short term debt from 45% of the total debt to around 35% as at the end of March 31, 2016. In order to continue this trend to avail of longer term fund, the Company proposes to seek fresh approval for raising a sum of upto ₹ 2500 Crores by issue of NCDs so as to further reduce the short term debt

The resolution contained in the accompanying Notice, accordingly, seeks Members approval through Special Resolution for issue of Non-Convertible Debentures on Private Placement basis to the prospective investor(s) in one or more tranches for an aggregate amount not exceeding ₹ 2,500 Crores and authorizing Board of Directors including any Committee thereof for the aforesaid purpose and to complete all formalities in this connection

The Board of Directors of the Company recommends the Resolution to be passed as a Special Resolution as set out in the accompanying Notice for approval of the Members through Postal Ballot

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in the resolution, except to the extent of their equity shareholdings in the Company

A copy of each of the documents referred to in the accompanying Explanatory Statement is open for inspection at the Registered Office of the Company on all working days except Saturday and Sunday, between 2.00 p.m. and 4.00 p.m. upto the date of declaration of the Postal Ballot Result

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

Krishna Ghag
Vice President &
Company Secretary
Membership No: FCS 4489

May 13, 2016

Registered Office:

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