INFRADEBT
Leading Infrastructure Refinance

Invigorate
Incremental Returns
Insulate
Inviolable Commitment

***Powering** the wheels of*
Indian economy

INDIA INFRADEBT LIMITED
8TH ANNUAL REPORT 2019-20

THE I ADVANTAGE

INVIGORATE
By financing infrastructure projects at competitive interest rates, with longer duration, serves to further strengthen financial viability and returns. Besides, executing partial takeout of the senior debt and providing structured benefits like moratorium and back-ended repayment schedule, it improves the risk profile and leads to stronger credit rating for projects and upgrades their marketability to the Capital Markets.

INCREMENTAL RETURNS
There's always room for improvement, even at the top. Competitive interest rates, coupled with structured benefits, lead to sustained cash flows. This improves project valuations and transforms them into attractive investment opportunities for investors.

INSULATE
With primarily fixed-rate funding, all projects stay insulated from fluctuating financial markets, thus improving their long-term viability and profitability. As for investments, it creates a stable risk-return profile through regulatory ring-fencing of asset exposure of Infradebt.

INVIOLABLE COMMITMENT
Built on strong foundations, the Infradebt IDF-NBFC framework was conceived by the Ministry of Finance, and it has been operationalized by four of India's leading financial institutions – ICICI Bank Limited, Bank of Baroda, Citicorp Finance (India) Limited and Life Insurance Corporation of India.

With strong financial expertise, India Infradebt Limited is a leading IDF-NBFC that creates a profitable position for both investors and projects.

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mrs. Lalita D. Gupte
Chairperson & Independent Director

Mr. Uday Chitale
Independent Director

Mr. Arun Tiwari
Independent Director

Mr. G. Srinivas
Nominee Director

Mr. Murali Ramaswami
Nominee Director

Mr. Manish Kumar
Nominee Director

Mr. Suvek Nambiar
Managing Director & CEO

SENIOR MANAGEMENT

Mr. Akash Deep Jyoti
Chief Risk Officer

Mr. Surendra Maheshwari
Chief Financial Officer

COMPANY SECRETARY

Mr. Gaurav Tolwani

STATUTORY AUDITORS

S. R. Batliboi & Co. LLP
Chartered Accountants

REGISTERED OFFICE

The Capital
'B' Wing, 1101A,
Bandra-Kurla Complex
Mumbai – 400 051

REGISTRAR & TRANSFER AGENT

For Equity:
3i Infotech Limited
Tower #5, 3rd Floor,
International Infotech Park
Vashi Railway Station Complex, Vashi,
Navi Mumbai – 400 703

For Debentures:
Link Intime India Pvt. Ltd.
C-101, 247 Park, L.B.S. Marg
Vikhroli (W),
Mumbai-400 083

DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited
Asian Building, Ground Floor
17, R. Kamani Marg, Ballard Estate,
Mumbai - 400 001
Tel.: 022- 4080 7000

SHAREHOLDERS

Four leading financial sector institutions of the Country are the Shareholders of India Infradebt Limited.

ICICI BANK
42.33%

BANK OF BARODA
40.99%

CITICORP FINANCE
10.02%

LIC
6.66%

ABOUT US

India Infradebt Limited (Infradebt) is an Infrastructure Debt Fund (IDF) formulated by four of India's leading financial institutions under Non-Banking Financial Company (NBFC) format. The objective of the Company is to create an alternative class of funding infrastructure by bringing in long term domestic or offshore institutional investors such as insurance companies, provident and pension funds, amongst others.

Infradebt was formed with an aim to finance the Public-Private Infrastructure Projects (which have completed atleast one year of commercial operations) and reinforce their long-term financial resilience. In line with this, a major portion of Company's portfolio comprises of road projects awarded by the National Highways Authority of India. Subsequent to the revised guidelines announced by Reserve Bank of India (RBI), which allows IDF-NBFCs to lend/invest in all infrastructure sectors (including non-PPP projects), Infradebt has widened its reach to sectors such as renewable energy (wind, solar, hydro and power transmission) as its focus areas along with telecommunications, logistics and hospitals as areas for investment/ lending. Infradebt at present has the largest exposure to the renewable energy segment followed by exposure to road segment.

Further, Infradebt is allowed to borrow from the market by way of bonds (Non-Convertible debentures) with a minimum maturity of five years (except up to 10% of total outstanding borrowing as allowed by RBI vide circular dated April 21, 2016). With its strategic focus areas, it has a diverse range of long-term investors, of which the prominent categories include Life Insurance Companies, General Insurance Companies, Provident Funds, Pension Funds, Banks and Debt Mutual Funds.

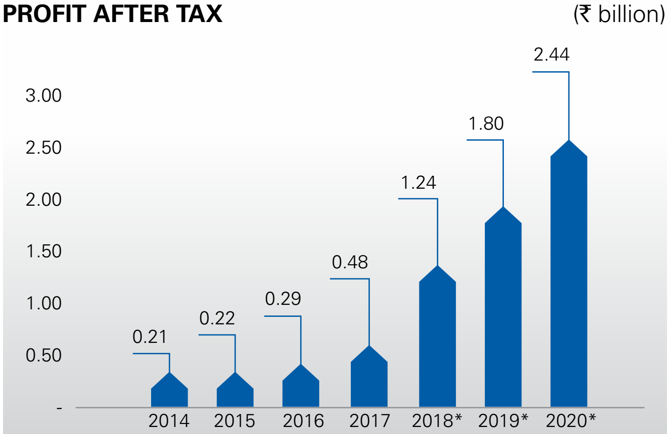
Built on an experienced management team, strong credit framework, sound business practices, and regulated business model, the Company has a long-term domestic credit rating of AAA with a stable outlook awarded by three leading rating agencies – CRISIL (majority-owned by S&P), ICRA (majority-owned by Moody's) and India Ratings (100% subsidiary of FITCH).

PERFORMANCE

FY2020 Highlights

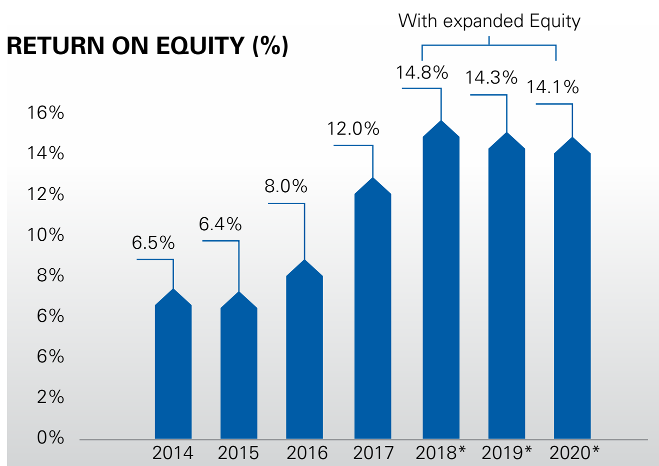
- **Asset book:** ₹ 115.72 billion (94 projects)
- **Rupee bonds outstanding:** ₹102.60 billion
- **Profit after tax of** ₹ 2.44 billion and **Return on Equity** of 14.1%
- **Maintained highest credit rating by CRISIL, ICRA, India Ratings** at AAA/Stable
- **Third consecutive dividend distributed for FY2020**

PROFIT AFTER TAX (₹ billion)



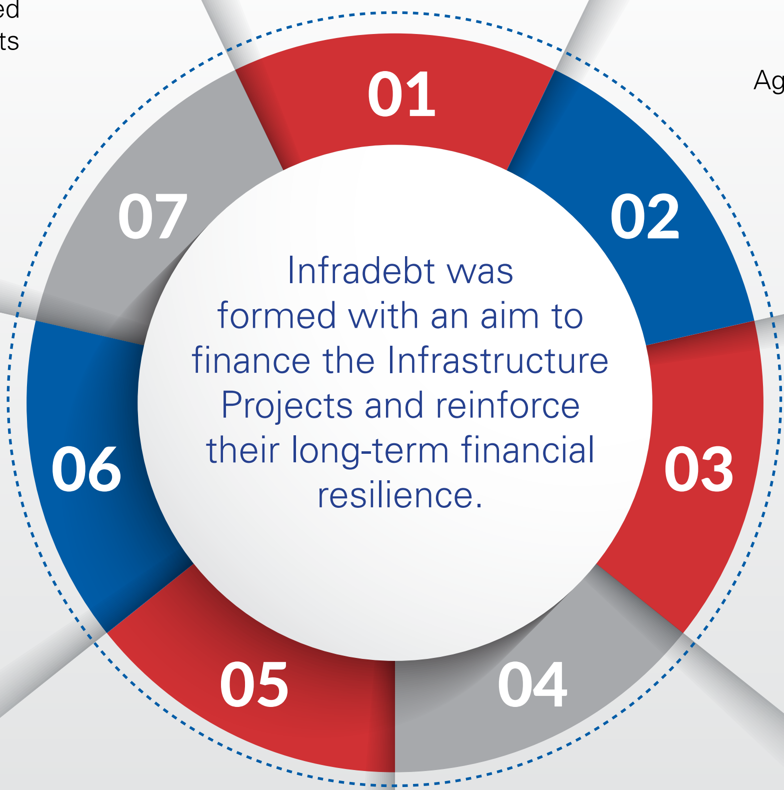
* As per IndAS

RETURN ON EQUITY (%)



* As per IndAS

MILESTONES



01 – Obtained RBI license and Commenced Operations in Feb 2013

02 – Dec 2013 – 1st Tripartite Agreement Executed

03 – May 2014 – 1st Issue of NCDs Raised ₹ 3.00 billion

04 – Feb 2016 – 1st Renewable Energy project disbursed

05 – Mar 2018 – Total Investment of ~ ₹ 78.00 billion In 61 Projects

06 – Mar 2019 – Completion of full five years of Operations in Infrastructure Financing, Reaching Balance Sheet size of more than ₹ 100.00 billion

07 – Mar 2020 – Financed Infrastructure Assets of more than ₹115.00 billion

VISION

To be the most preferred infrastructure finance provider in India and contribute to nation-building.

MISSION

To provide best in class takeout funding and to supplement bank funding of infrastructure development in India.

Directors' Report

Dear Members,

Your Directors have pleasure in presenting the Eighth Annual Report of India Infradebt Limited (Infradebt/Company) with the audited statement of accounts for the year ended March 31, 2020.

FINANCIAL HIGHLIGHTS

The summary of the financial results for the year under review is as follows:

(₹ in million)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Total Income	10,659.47	9,126.67
Profit Before Tax	2,444.65	1,802.23
Less: Provision for Tax[1]	-	-
Profit After Tax	2,444.65	1,802.23
Other Comprehensive Income:		
Remeasurement gain/(losses) on defined benefits plan	(0.99)	(0.16)
Total Comprehensive Income	2,443.66	1,802.07
Add: Balance brought forward from previous year	2,975.92	1,735.95
Balance available for appropriation	5,419.58	3,538.02
Appropriation:		
Special Reserve u/s 45-IC of Reserve Bank of India Act, 1934	488.93	360.45
Dividend paid on Equity shares including dividend distribution tax	303.42	201.67
Total Appropriation	**792.35**	**562.11**
Surplus carried forward to Balance Sheet	4,627.23	2,975.92

1. As per Section 10(47) of the Income tax Act, 1961, income of Infradebt does not form part of total income and hence is exempt from income tax

ANALYSIS OF THE FINANCIAL PERFORMANCE & DIVIDEND

In FY2020, Infradebt has made profit of ₹ 2,444.65 million as compared to profit of ₹ 1,802.23 million in FY2019. During FY2020, the income from operations was ₹ 10,658.82 million against ₹ 9,126.15 million of FY2019.

Infradebt proposes to transfer ₹ 488.93 million (Previous year: ₹ 360.45 million) to Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934 and carry forward ₹ 4,627.23 million (Previous year: ₹ 2,975.92 million) to the Balance Sheet.

Infradebt's Dividend Policy is based on the financial performance in the year, Statutory/ Regulatory requirements relating to minimum capital adequacy, capital requirement for business growth and stakeholders objectives and Credit rating agencies' requirements relating to maximum leverage. Given the financial performance for FY2020 and in line with the Dividend Policy, your Directors are happy to recommend payment of a dividend of ₹ 0.29 per equity share for FY2020.

The payment of the final dividend is subject to declaration by the Members at the ensuing Annual General Meeting.

SHARE CAPITAL

There has been no change in the issued and paid up share capital of the Company during the year.

STATE OF AFFAIRS OF THE COMPANY & FUTURE OUTLOOK

The operating and financial performance along with the future outlook of Infradebt has been covered in the Management Discussion and Analysis Report which forms part of this Directors' Report. During the year under review, there has been no change in the nature of business of Infradebt.

COVID-19 PANDEMIC

The outbreak of COVID-19, which has been declared as pandemic by the World Health Organization (WHO), has caused huge, unprecedented economic and financial disruptions. In response to the consequent lockdowns imposed by the Centre and the State from last week of March 2020, Infradebt activated business continuity plan in line with government directives and mandated its employees to work from home.

While loss of lives and resource due to COVID-19 pandemic were inevitable and irreversible, Infradebt tried to ensure that infrastructure financing was not disrupted.

In order to further strengthen the efforts of the Government of India towards fighting COVID-19, Infradebt contributed a sum of ₹ 10.00 million to The Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund' (PM CARES Fund) in the month of June, 2020 as part of its CSR commitment for the Financial Year 2020-21

A detailed discussion on impact of COVID-19 on the NBFC sector and operations of the Company is covered in the Management Discussion and Analysis Report.

MORATORIUM OF LOANS

The Reserve Bank of India issued guidelines on the COVID-19 Regulatory Package announced on March 27, 2020 and May 23, 2020 permitting all commercial banks, co-operative banks, All India Financial Institutions, and NBFCs to give moratorium to all eligible borrowers in respect of instalments falling due between March 1, 2020 to August 31, 2020. Accordingly, on specific request(s) of borrower(s), Infradebt offered moratorium to eligible borrowers based on a Board approved policy and criteria.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF INFRADEBT

There have been no material changes and commitments, if any, affecting the financial position of Infradebt which have occurred between the end of the financial year of Infradebt to which the financial statements relate and the date of the report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report is enclosed with this Directors' Report as Annexure – 1.

DEBENTURE TRUSTEE

As per SEBI circular no. CIR/IMD/DF/18/2013 dated October 29, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of Debenture Trustee are as under:

Name	: IDBI Trusteeship Services Limited
Contact details	: Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001
Tel No.	: 022-40807000
Fax No.	: 022-40807080/ 022-66311776
E-mail	: itsl@idbitrustee.com
Website	: www.idbitrustee.com

The details are available on the website of Infradebt - www.infradebt.in

DIRECTORS

During the year, the following changes took place in the composition of the Board of Directors of Infradebt:

- Papia Sengupta, Nominee Director of Bank of Baroda resigned from the Board of Infradebt effective October 5, 2019 on superannuating and demitting office as Executive Director of Bank of Baroda. The Board placed on record its deep appreciation for valuable contribution and guidance given by Papia Sengupta to Infradebt.
- Murali Ramaswami, Executive Director, Bank of Baroda has been nominated by Bank of Baroda on the Board of Infradebt in place of Papia Sengupta. Majority of the Board of Directors of Infradebt by way of circulation on March 6, 2020 approved the appointment of Murali Ramaswami as a Nominee Director on the Board of Infradebt effective March 6, 2020.

In terms of the provisions of the Companies Act, 2013 and the Articles of Association of Infradebt, Manish Kumar is liable to retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment. The ordinary resolution in respect of re-appointment of Manish Kumar has been included in the Notice Convening the Eighth Annual General Meeting of Infradebt.

DECLARATION BY INDEPENDENT DIRECTORS

Lalita D. Gupte, Uday Chitale and Arun Tiwari are Independent Directors on the Board of Infradebt. All Independent Directors have given declarations that they fulfill the conditions specified in Section 149 of the Companies Act, 2013 and the sub-rule (1) and sub-rule (2) of rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the same has been taken on record by Board of Infradebt.

INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTOR(S) APPOINTED DURING THE YEAR

During the year, there was no instance of appointment of new Independent Director(s). Further, in compliance with rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors of Infradebt have registered themselves with Indian Institute of Corporate Affairs (the Institute) at Manesar for inclusion of their name in the data bank of Independent Director. The Independent Director(s) required to pass a one-time online proficiency self-assessment test conducted by the Institute within a period of one year from date of inclusion of name will be complied within the timeline. The Board of Infradebt confirms and is of the opinion that the Independent Directors on the Board of Infradebt have adequate integrity, expertise and experience (including the proficiency) to act as Independent Director.

FIT AND PROPER CRITERIA

All the Directors have given a fit and proper declaration prescribed by RBI and meet the fit and proper criteria stipulated by RBI.

Directors' Report (Contd...)

STATEMENT ON FORMAL ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS

The performance evaluation of the Board as a whole, its Committees and individual Directors is done on an annual basis, based on the questionnaire with specific focus on devotion of enough time and attention to long term strategic issues, openness and transparency in the discussion amongst Board Members, quality, quantity and timeliness of flow of information and discharge of fiduciary duties.

KEY MANAGERIAL PERSONNEL

The key managerial personnel of Infradebt (within the meaning of the Companies Act, 2013) include Suvek Nambiar, Managing Director & CEO, Surendra Maheshwari, Chief Financial Officer and Gaurav Tolwani, Company Secretary.

CORPORATE GOVERNANCE

The Board of Directors supports the broad principles of Corporate Governance. The Board has a formal schedule of matters reserved for its consideration and decision.

DETAILS OF BOARD MEETINGS

During the year, 4 (four) Board Meetings were held on April 24, 2019, July 17, 2019, November 6, 2019 and January 21, 2020. The details of attendance at Board Meetings held during the year are given below:

Name of Director	Category	Board Meetings	
		Held	**Attended**
Lalita D. Gupte (DIN: 00043559)	Chairperson & Independent Director	4	4
Uday Chitale (DIN: 00043268)	Independent Director	4	4
Arun Tiwari (DIN: 05345547)	Independent Director	4	3
G. Srinivas (DIN: 01407491)	Nominee Director (ICICI Bank Limited)	4	3
Papia Sengupta (DIN: 07701564) *(ceased w.e.f. October 5, 2019)*	Nominee Director (Bank of Baroda)	2	2
Murali Ramaswami (DIN: 08659944) *(appointed w.e.f. March 6, 2020)*	Nominee Director (Bank of Baroda)	N.A.	N.A.
Manish Kumar (DIN: 03502160)	Nominee Director (Citicorp Finance (India) Limited)	4	4
Suvek Nambiar (DIN: 06384380)	Managing Director & CEO	4	4

To enable better and more focused attention on the affairs of Infradebt, the Board delegates particular matters to Committees set up for the purpose. The Six Board level Committees constituted by the Board in this connection are:

1. Audit Committee
2. Board Governance, Remuneration and Nomination Committee
3. Board Credit & Risk Committee
4. Corporate Social Responsibility Committee
5. Information Technology Strategy Committee; and
6. Committee of Directors

AUDIT COMMITTEE

The Board of Directors of Infradebt has constituted the Audit Committee on November 22, 2012. The Audit Committee was re-constituted by the Board of Directors on February 26, 2013, January 22, 2014, October 15, 2014, February 23, 2015, April 22, 2015 and August 24, 2018. At March 31, 2020, the Audit Committee comprised of Uday Chitale, Lalita D. Gupte, Arun Tiwari, G. Srinivas and Murali Ramaswami.

During the year, 4 (four) Meetings of the Audit Committee were held on April 24, 2019, July 17, 2019, November 6, 2019 and January 21, 2020. The attendance of its Members at its Meetings held during the year is given below:

Name of the Member	Number of Meetings	
	Held	Attended
Uday Chitale, *Chairman*	4	4
Lalita D. Gupte	4	4
Arun Tiwari	4	3
G. Srinivas	4	3
Papia Sengupta *(ceased w.e.f. October 5, 2019)*	2	2
Murali Ramaswami *(member w.e.f. March 6, 2020)*	N.A.	N.A.

Papia Sengupta ceased to be a Member of the Audit Committee effective October 5, 2019. Upon change in nomination by Bank of Baroda, Murali Ramaswami become a Member of the Audit Committee with effect from March 6, 2020.

WHISTLE BLOWER/VIGIL MECHANISM

As per the requirement of Section 177(9) of the Companies Act, 2013, Infradebt has established whistle blower/vigil mechanism and forms part of Code of Business Conduct and Ethics. Code of Business Conduct and Ethics has been hosted on the website of Infradebt - https://www.infradebt.in/code-of-business-conduct-ethics-15.pdf.

BOARD GOVERNANCE, REMUNERATION AND NOMINATION COMMITTEE

The Board of Directors of Infradebt has constituted the Board Governance, Remuneration and Nomination Committee (Board Governance Committee) on February 26, 2013. The Board Governance Committee was re-constituted by the Board of Directors on February 23, 2015, April 22, 2015, April 21, 2017 and August 24, 2018. At March 31, 2020, the Board Governance Committee comprised of Lalita D. Gupte, Uday Chitale, Arun Tiwari, G. Srinivas, Murali Ramaswami and Manish Kumar.

During the year, 1 (one) Meeting of the Board Governance Committee was held on April 24, 2019. The attendance of its Members at its Meeting held during the year is, given below:

Name of the Member	Number of Meetings	
	Held	Attended
Lalita D. Gupte	1	1
Uday Chitale	1	1
Arun Tiwari	1	1
G. Srinivas	1	Nil
Papia Sengupta *(ceased w.e.f. October 5, 2019)*	1	1
Murali Ramaswami *(member w.e.f. March 6, 2020)*	N.A.	N.A.
Manish Kumar	1	1

Papia Sengupta ceased to be a Member of the Board Governance Committee effective October 5, 2019. Upon change in nomination by Bank of Baroda, Murali Ramaswami become a Member of the Board Governance Committee with effect from March 6, 2020.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Policy of Infradebt on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-Section (3) of Section 178, is enclosed with this Directors' Report as Annexure - 2.

BOARD CREDIT & RISK COMMITTEE

The Board of Directors of Infradebt has constituted the Board Credit & Risk Committee on February 26, 2013. The Board Credit & Risk Committee was re-constituted by the Board of Directors on October 15, 2014, February 23, 2015, April 22, 2015, August 24, 2018 and January 21, 2020. At March 31, 2020, the Board Credit & Risk Committee comprised of Arun Tiwari, Lalita D. Gupte, Uday Chitale, G. Srinivas, Murali Ramaswami and Suvek Nambiar as Members and Akash Deep Jyoti in capacity of Chief Risk Officer as permanent invitee.

During the year, 7 (seven) Meetings of the Board Credit & Risk Committee were held on April 24, 2019, May 30, 2019, July 17, 2019, August 30, 2019, October 22, 2019, November 25, 2019 and January 21, 2020. The attendance of its Members at its Meetings held during the year is given below:

Name of the Member	Number of Meetings	
	Held	Attended
Arun Tiwari, *Chairman*	7	4
Lalita D. Gupte	7	7
Uday Chitale	7	6
G. Srinivas	7	6
Papia Sengupta *(ceased w.e.f. October 5, 2019)*	4	3
Murali Ramaswami *(member w.e.f. March 6, 2020)*	N.A.	N.A.
Suvek Nambiar	7	7
Permanent invitee: Chief Risk Officer *(w.e.f. January 21, 2020)*	1	1

Papia Sengupta ceased to be a Member of the Board Credit & Risk Committee effective October 5, 2019. Upon change in nomination by Bank of Baroda, Murali Ramaswami become a Member of the Board Credit & Risk Committee with effect from March 6, 2020.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE, POLICY & INITIATIVE

The Board of Directors of Infradebt has constituted the Corporate Social Responsibility (CSR) Committee on April 15, 2014. The CSR Committee was re-constituted by the Board of Directors on February 23, 2015, April 22, 2015, April 21, 2017 and August 24, 2018. At March 31, 2020, CSR Committee comprised of Lalita D. Gupte, Uday Chitale, Arun Tiwari, Manish Kumar and Suvek Nambiar.

Directors' Report (Contd...)

During the year, 1 (one) Meeting of the CSR Committee was held on April 24, 2019. The attendance of its Members at its Meeting held during the year is, given below:

Name of the Member	Number of Meetings	
	Held	Attended
Lalita D. Gupte, *Chairperson*	1	1
Uday Chitale	1	1
Arun Tiwari	1	1
Manish Kumar	1	1
Suvek Nambiar	1	1

The CSR Policy has been hosted on the website of Infradebt -https://www.infradebt.in/corporate-social-responsibility-policy-15.pdf.

As per the provisions of the Act, the Company is required to spend at least 2% of the average net profits of the Company made during the three immediately preceding financial years towards CSR activities. This amount aggregated to ₹ 24.05 million and the Company spent ₹ 24.06 million towards CSR activities during FY2020, the details of which are part of Annual Report on CSR activities enclosed with this Directors' Report as Annexure - 3.

INFORMATION TECHNOLOGY STRATEGY COMMITTEE

The Board of Directors of Infradebt has constituted the Information Technology Strategy Committee on January 25, 2018. The Information Technology Strategy Committee was re-constituted by the Board of Directors on August 24, 2018 and July 17, 2019. At March 31, 2020, Information Technology Strategy Committee comprised of Uday Chitale, Arun Tiwari, Suvek Nambiar in capacity of Managing Director & CEO, Akash Deep Jyoti in capacity of Chief Risk Officer and Ankur Sood in capacity of Head HR & In-charge of IT Operations.

During the year, 4 (four) Meetings of the Information Technology Strategy Committee were held on April 24, 2019, July 17, 2019, November 6, 2019 and January 21, 2020. The attendance of its Members at its Meetings held during the year is, given below:

Name of the Member	Number of Meetings	
	Held	Attended
Uday Chitale, *Chairman*	4	4
Arun Tiwari	4	3
Suvek Nambiar, *Managing Director & CEO*	4	4
Akash Deep Jyoti, *Chief Risk Officer*	4	4
Ankur Sood, *Head HR & In-charge of IT Operations*	4	4

COMMITTEE OF DIRECTORS

The Board of Directors of Infradebt has constituted the Committee of Directors on January 22, 2014. Committee of Directors comprised of any two Directors as its members.

No Meeting of Committee of Directors was held during the year.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

In terms of Schedule IV of the Companies Act, 2013, a Meeting of the Non-Executive Independent Directors of the Company was held on April 24, 2019 without the attendance of the Non-Independent Directors and members of the Management of the Company. The attendance details of the said Meeting held during the year is given in the table below:

Name of the Independent Directors	Number of Meetings	
	Held	Attended
Lalita D. Gupte	1	1
Uday Chitale	1	1
Arun Tiwari	1	1

OTHER COMMITTEES

In addition to the above, the Board has from time to time constituted various executive committees, namely, Debenture Allotment Committee (approving allotment of debentures issued by Infradebt), Information Technology Steering Committee (review of Information Technology (IT) related matters under supervision of the Information Technology Strategy Committee), Asset Liability Management Committee (responsible for review and managing of asset liability profile, implementation the liquidity risk and overseeing the liquidity positions) and Executive Credit & Risk Committee (approving credit proposals as per authorisation matrix approved by Board and reviewing existing assets).

ANNUAL RETURN

As required under rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of the annual return is enclosed with this Directors' Report as Annexure – 4. The extract of the annual return has been hosted on the website of Infradebt - www.infradebt.in.

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013, read with proviso to rule 12(1) of the Companies (Management and Administration) Rules, 2014, an Annual Return in Form No. MGT-7 has been hosted on the website of Infradebt - www.infradebt.in.

ISSUE OF DEBENTURES

With an increase in the portfolio during the year, Infradebt has accessed borrowed funds to meet its funding requirement. Infradebt met its funding requirement through issue of senior secured Non-Convertible Debentures (NCDs) aggregating to ₹ 19.00 billion during FY2020. As at end of FY2020, the total outstanding borrowings have reached ₹ 102.60 billion

The Company has been regular in repayment of its borrowings and payment of interest thereon.

CREDIT RATINGS

The secured NCDs have been rated "AAA/Stable" by CRISIL Limited and ICRA Limited. The unsecured NCDs (in the form of subordinated debt) of Infradebt have been rated "AAA/Stable" by CRISIL Limited, ICRA Limited and India Ratings and Research Private Limited.

The ratings mentioned above were reaffirmed by the Rating Agencies during FY2020. With the above rating affirmations, Infradebt continues to enjoy the highest level of rating from major rating agencies.

EMPLOYEES STOCK OPTION PLAN

The Members at the Sixth Annual General Meeting (AGM) held on September 17, 2018, approved an "India Infradebt Limited – Employees Stock Option Plan 2018" (ESOP 2018), to enable Infradebt to attract and retain talented human resources by offering them an opportunity to acquire a continuing equity interest in the Company which will reflect their efforts in building the growth and the profitability of the Company. Additionally, it will provide existing Employees an opportunity for investment in the Company's equity interest in recognition of their efforts to grow and build the Company. The Scheme also aligns with the long-term interest of all stakeholders.

The ESOP 2018 was successfully implemented, and the Company had, from time to time, granted, cancelled and reallocated stock options to the eligible employees.

Disclosure with respect to the ESOP 2018 in terms of Section 62 of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, is enclosed with this Directors' Report as Annexure - 5.

In light of expanding the pool for the purpose of awarding further stock options for the next few years, it was felt necessary that Infradebt expands the employee stock option scheme, in a manner which would uninterruptedly enable the Company to attract and retain talented human resources. Based on the recommendation of Board Governance Committee, Board of Directors at its Meeting held on August 17, 2020, approved the ESOP 2020, subject to approval of the Members of the Company at the ensuing Annual General Meeting.

PUBLIC DEPOSITS

Infradebt being a Non Deposit Accepting NBFC has not accepted any deposits from the public during the period under review and shall not accept any deposits from the public without obtaining prior approval of Reserve Bank of India.

RBI GUIDELINES

Infradebt is having a valid Certificate of Registration dated February 8, 2013 issued by RBI under Section 45-IA of the Reserve Bank of India Act, 1934. Infradebt has complied with the Regulations of the Reserve Bank of India as are applicable to it as a Systemically Important Non-Deposit Taking Non-Banking Financial Company.

AUDITORS

S.R. Batliboi & Co. LLP, Chartered Accountants, Mumbai, was re-appointed as statutory auditors by the Members at the Fifth Annual General Meeting (AGM) held on September 15, 2017 to hold office till conclusion of Tenth AGM subject to ratification by the Members every year. Infradebt has received letter from S. R. Batliboi & Co. LLP to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from appointment. Approval for ratification of appointment of statutory auditors from the Members is not required pursuant to the amendments made in Section 139 vide Companies Amendment Act, 2017. As per the authority granted by the Members at the Sixth AGM held on September 17, 2018, the Board at its Meeting held on April 22, 2020 has approved ratification of appointment of statutory auditors for FY2021.

AUDITORS' REPORT

The Auditors' Report to the Members does not contain any qualification. The Notes to the Accounts referred to in the Auditors' Report are self-explanatory and do not call for further comments.

SECRETARIAL AUDIT REPORT

The Secretarial Audit Report obtained from M/s. Jaiprakash R. Singh & Associates, Company Secretaries is enclosed with this Directors' Report as Annexure - 6. The Secretarial Audit Report does not contain any qualification.

INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS

During the year under review, the Statutory Auditors have not reported any incident of fraud to the Audit Committee.

SECRETARIAL STANDARDS

The relevant Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) related to the Board Meetings and General Meetings have been complied with by Infradebt.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT

Infradebt being an NBFC, is engaged in business of financing or takeout financing of infrastructure facility in the ordinary course of business, accordingly, provisions of the Section 186 of the Companies Act, 2013 relating to the loans made, guarantee given or securities provided are not applicable to Infradebt. Thus, provisions of Section 134(3)(g) requiring to provide the particulars of loans, guarantees or investments are not applicable and hence not given.

DISCLOSURES PURSUANT TO REGULATION 53(f) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (SEBI LODR) AS ON MARCH 31, 2020

The disclosures in compliance with the Accounting Standard on "Related Party" required as per point 1 of Part A of Schedule V of SEBI LODR and disclosures of transactions of Infradebt with any person or entity belonging to its promoter/promoter group which hold(s) 10% or more shareholding have been provided in Note 2AC of Notes to Accounts included in the Financial Statements section of this Annual Report. The disclosure requirements referred to in point 2 of Part A of Schedule V of SEBI LODR are not applicable as Infradebt does not have any holding or subsidiary Company.

RISK MANAGEMENT POLICY AND INTERNAL ADEQUACY

Infradebt has in place a Progressive Risk Management system to identify, assess, monitor and mitigate various risks to key business objectives on an on-going basis. Various Risk Management Policies are reviewed on an annual basis at the Board level. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the Meetings of the Executive Credit & Risk Committee, Audit Committee, Board Credit & Risk Committee and the Board of Directors of the Company. The Board has appointed a Chief Risk Officer (CRO) to function independently with specific roles and responsibilities ensuring independent functioning for highest standards of Risk Management. Infradebt has adequate internal controls and processes in place with respect to its financial statements, which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These controls and processes are driven through various policies, procedures and certification from statutory auditors. The internal auditors also review these internal control systems annually. The audit observations and follow up actions thereon are reported to the Audit Committee and Board of Directors.

RELATED PARTY TRANSACTIONS

Infradebt has formed a Board approved Policy on Related Party Transactions in line with the requirements of the Companies Act, 2013. The Policy provides a framework for proper approval and reporting of transactions between Infradebt and its related parties. The Policy on Related Party Transactions has been hosted on the website of Infradebt - https://www.infradebt.in/infradebt-rpt-policy-v1.pdf.

All Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The particulars of material contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No. AOC -2 which is enclosed with this Directors' Report as Annexure - 7.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

Since Infradebt does not own any manufacturing facility and considering its activities as an IDF-NBFC, the particulars regarding conservation of energy and technology absorption as required to be disclosed pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are not applicable and hence not given.

During FY2020, Infradebt did not have any foreign exchange earnings and expenditures.

ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

PERSONNEL

In terms of Section 197 of the Companies Act, 2013 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement relating to particulars of employees of the Company is available for inspection by the Members at the Registered Office of the Company during business hours on working days. Any Member interested in obtaining a copy of this statement may write an email or letter to the Company Secretary at the Registered Office.

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this, Directors' Report as Annexure - 8.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During FY2020, there were no complaints reported under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, the Directors confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. they have selected such accounting policies and applied them consistently and made judgments and estimates

that are reasonable and prudent so as to give a true and fair view of the state of affairs of Infradebt for the year ended March 31, 2020 and of the profit of Infradebt for that year;

3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of Infradebt and for preventing and detecting fraud and other irregularities;
4. they have prepared the annual accounts on a going concern basis;
5. they have laid down internal financial controls to be followed by Infradebt and that such internal financial controls are adequate and were operating effectively; and
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

Infradebt is grateful to the Government of India, the Reserve Bank of India, Ministry of Finance, Ministry of Road Transport and Highways, National Highways Authority of India, Insurance Regulatory & Development Authority of India, other regulatory authorities, concession granting authorities, clients, consultants, credit rating agencies, debenture trustee, debt arrangers, debt investors, internal auditors, statutory auditors and other stakeholders for their valuable guidance and support and wishes to express sincere appreciation for their continued cooperation and assistance. Infradebt looks forward to their continued support in future.

Infradebt would also like to express its gratitude for the support and guidance received from ICICI Bank Limited, Bank of Baroda, Citicorp Finance (India) Limited and Life Insurance Corporation of India.

For and on behalf of the Board

Lalita D. Gupte
Chairperson
(DIN: 00043559)

Date : September 1, 2020
Place : Mumbai

Annexure – 1

MANAGEMENT DISCUSSION AND ANALYSIS

a) Industry structure and developments

Infradebt has continued its growth in financing of projects in various infrastructure sectors and has made investments into new sectors such as oil terminal/ storage, education and transmission.

The infrastructure sector has been experiencing consolidation by way of acquisitions of assets by large developers, and also entry of investors with large capital outlay (creating various investment platforms), which augurs well for the industry in creating larger play of long-term investors in the PPP as well as Non-PPP space. Going forward, the consolidation of assets / projects would help in creating credit worthy and bankable investment structures. This would help in widening the financing opportunities.

Infradebt has increased its business to an asset book of ₹ 115.72 billion as on March 31, 2020, with financing extended to 94 companies, in aggregate, across roads, renewable energy and other infrastructure sectors. Along with the transportation sector, renewable energy sector (wind and solar) remains an important focus sector for lending. As of March 31, 2020, Infradebt has ~67% of its asset book contributed through lending/investing in debt facilities in the Non-PPP projects (renewable energy, telecommunications, oil storage, education, transmission and hospitals) whereas the balance asset portfolio of ~33% is contributed by projects under the PPP framework with a tripartite agreement (road projects).

The ongoing COVID-19 crisis has had an impact on the market in various sectors of the economy which have direct/indirect impact on various projects in the Infradebt portfolio. However, as sectors that Infradebt has exposure to are essential for the economy of the country, the long-term impact on these sectors is expected to be negligible. Also, actions by the Government of India and the Reserve Bank of India such as liquidity funding to state utilities and the moratorium on term loans is expected to mitigate the short / medium term impact to a great extent by providing liquidity buffers. Infradebt has also formed and adopted a Policy governing the granting of moratorium for payment of all instalments on term loans due between March 1, 2020 and August 31, 2020. This Policy has been availed by certain clients across the portfolio. Infradebt's portfolio is well placed on an overall basis to service its debt on account of various buffers, including available cash and debt reserves, thus demonstrating the credit strength of the portfolio. Infradebt has also been maintaining a strong liquidity position. Infradebt carries out regular stress testing exercise considering various scenarios and also endeavors to keep its Asset-Liability buckets positive upto one-year period.

Infradebt shall continue to focus its business on the identified sectors with higher ticket size and wider role in selected refinancing transactions and also look to diversify its asset portfolio to other sectors like logistics, city gas distribution, railways etc.

b) Opportunities and Threats

Opportunities –

In the Union Budget for FY2020, the Government had stated that ~₹ 100.0 trillion shall be invested in infrastructure over the next five years. The National Infrastructure Pipeline with 6,500 projects across sectors worth ₹ 103.0 trillion had been announced in December 2019. Sectors like roads & highways, renewable energy and power transmission are expected to drive the investments in the coming years with private sector participation.

Improvement in road infrastructure has been one of the key focus areas for the Government of India (GOI). GOI has announced development of 2,500 km access control highways, 9,000 km of economic corridors, 2,000 km of coastal and land port roads and 2,000 km of strategic highways. As part of the commercialisation of highways, atleast 12 lots of highway bundles with total length of over 6,000 kms have been proposed to be monetised before 2024. The awards of these new projects and completion of the large number of awarded projects in the last few years will add to the opportunity in the roads sector.

FasTAG has been made mandatory on all national highways from December 15, 2019 and this is expected to improve efficiency and transparency of toll collection over the medium to long term. This would help in better evaluating the credit profile of existing and new transactions.

As on July 31, 2020, India's total grid-interactive generation capacity stood at ~372 GW out of which ~88 GW is contributed by renewable energy sources. The GOI announced a large renewable power production target of 175 GW by FY2022; this comprises generation of 100 GW from solar power, 60 GW from wind energy, 10 GW from biomass and 5 GW from small hydro power projects. While wind energy is the largest renewable energy source as on date with an operational capacity of ~38 GW, solar energy capacity has seen a rapid increase in the last 3-4 years from about 5 GW to 35 GW currently and has seen the largest capacity addition among the energy sources in the past year. This rapid increase in the renewable energy capacity aided by GOI's thrust on renewable energy will add to the opportunities in the sector.

Post completion of construction, project sponsors are keen to refinance their projects to benefit from lower cost of debt and longer tenure debt and increase the viability of the projects. Infradebt plans to be a significant participant in the financing of these projects. In this regard, Infradebt endeavours to partner with Banks (including shareholders), NBFCs and other financial institutions/capital market participants to undertake financing initiatives.

A shift in focus of many banks which have traditionally funded infrastructure towards retail lending and away from infrastructure / corporate lending is expected to reduce the number of institutions funding infrastructure projects and IDF-NBFCs are expected to emerge as a key port of call for infrastructure funding going forward.

Infradebt shall continue to focus on sectors such as roads, renewable energy (wind, solar and selectively, hydro) projects, power transmission, logistics, railways, education, hotels, hospitals, etc., although IDF-NBFC guidelines allow financing of projects in the entire infrastructure space.

The last two to three years have been quite challenging with the demise of a large infrastructure company (IL&FS), default by a large housing financing company (DHFL) as well as some smaller NBFCs active in the real estate domain. Even during this challenging environment, Infradebt has been able to grow moderately and able to maintain its profitability. While additionally the COVID-19 challenges have affected the financial sector (including retail) adversely, Infradebt is relatively well insulated due to the cash flow backed nature of its lending and would seek to continue its moderate growth.

Threats –

Interest from corporates in new financing structure such as InvITs and Hold-co bond structures especially in roads and renewable energy is expected to increase going forward and this may affect the pipeline of operational projects available for financing. InvITs have tax exemptions which make it attractive for overseas funds, especially sovereign funds.

Also, given the reduction in benchmark rates, bank lending rates are expected to fall further and banks would remain in competition for assets with high credit profile.

One of the key threats for the upcoming financial year would be the impact of the COVID-19 crisis on both the Indian financial system and on the general economy including sectors to which Infradebt has exposure. Infradebt is dependent on the bond markets for its liabilities and as such any significant movements in terms of yields or liquidity would affect fund raising. Also, many sectors throughout the economy have been impacted by the COVID-19 crisis which directly and indirectly impact Infradebt exposures. Any significant long-term impact in such sectors could adversely impact the asset quality of Infradebt. Also, slowdown in project execution in various sectors due to disturbance of supply chain and availability of labor may impact timelines for commissioning of projects and thus the pipeline of projects for Infradebt.

Funding on a consolidated/ pooled basis, financing by capital market participants like mutual funds, volatility in debt capital markets for capital raising and regulatory changes could adversely impact the future performance of Infradebt. Success of IDF-NBFCs is significantly dependent on a facilitative regulatory framework; any adverse changes in the regulatory framework can have an impact on the profitability of Infradebt.

c) Segment–wise or product-wise performance

The asset book as at the end of FY2020 stood at ₹ 115.72 billion after adjusting for redemption/repayment of facilities during the year. Out of this, ₹ 38.16 billion has been provided to 24 road projects under the PPP framework (backed by a tripartite agreement) and ₹ 77.56 billion has been provided to 70 projects under the Non-PPP framework i.e., renewable energy and other sectors.

The outstanding borrowing of Infradebt in the form of Non-Convertible Debentures (NCDs) as at March 31, 2020 stood at ₹ 102.60 billion after adjusting for the principle repayments made during the year aggregating to ₹ 3.35 billion. During FY2020, issuances of senior secured NCDs aggregating to ₹ 19.00 billion were done. All the above issuances were rated "AAA" by leading domestic credit rating agencies. These issuances were subscribed by a wide variety of investors, including insurance companies, pension funds, provident funds, banks and mutual funds among others.

d) Outlook

Based on the assessment of the projects completed and projects under construction, availability of projects for financing and discussions with the credit rating agencies, transportation and renewable energy remain the largest target sectors for Infradebt due to the presence of sizeable operational projects and awards/ongoing development of new projects in the sectors. Infradebt's asset book mainly consists of National Highways Authority of India (NHAI) road projects (PPP category) and renewable energy (wind, solar & hydro) projects. NHAI road projects are backed by a tripartite agreement which provides priority to Infradebt's debt over other project lenders in case of any termination payment received from NHAI. The renewable energy projects, with operating histories of over one year, have a very low likelihood of default. Hence overall quality of Infradebt's asset book is likely to remain robust. Apart from the above, Infradebt will also focus on opportunities in other sub-sectors of infrastructure like hospitals, hotels, logistics, education, power transmission and telecommunications on a selective basis.

Infradebt proposes to continue raising long terms funds from insurance companies, pension funds, mutual funds and other market participants. As a result of the default by IL&FS, entities like mutual funds and pension funds are likely to avoid investing directly in infrastructure projects. This is expected to direct investments from mutual funds and pension funds into infrastructure investment vehicles like IDF-NBFCs. The liquidity in the market is also likely to improve with the IL&FS matter being resolved in the medium to long-term. However, the perception about NBFCs in general continues to be weak which has been further affected due to the COVID outbreak. Infradebt would continue to demonstrate its resilient business model despite the challenging business environment.

e) Risks and concerns

Infradebt's exposure is primarily to operational road and renewable energy projects, which have faced temporary cash-flow disruptions due to COVID-19 related lockdown. This disruption was due to 21 day toll suspension for national highways announced by NHAI, reduced power off-take of the third-party off-takers and payment delays by few of the state discoms. The mitigating factors are the status of 'essential services' for these sectors as well as comfortable structural liquidity of the projects (in the form of upto six month debt service reserve, bank lines of credit, co-obligor structures and sponsor support). The ₹ 900.00 billion relief package by the Government through Power Finance Corp. (PFC) and Rural Electrification Corp. (REC) for discoms to discharge its liabilities is helping the discoms make regular payments to electricity generators. Partial payments out of this relief package have been released to Uttar Pradesh, Telanga and Andhra Pradesh state discoms. Further, the underlying counter-party contracts (NHAI Concession in case of national highways, Power Purchase Agreement with state discoms in case of renewable energy) are strong, and provide protection to borrower projects.

Infradebt's exposure to road assets is safeguarded by way of tripartite agreement entered between NHAI (AAA, sub-sovereign authority), other lenders and Infradebt, which entitles Infradebt to have first charge on the termination payments. Any reduction in the toll revenue will be mitigated by the structural liquidity in the short term and first charge on the termination payments in the event of default in the long term. Similarly, the renewable energy projects supplying power to state discoms are backed by fixed-tariff power-purchase agreements with sub-sovereign, state governments. These projects enjoy "must run" status resulting in a robust revenue model even in a situation of demand reduction due to shut down.

Infradebt has prudently managed its business and financial risks during the year. Going forward, it needs to proactively monitor and control the risk factors. This is particularly relevant in the context of the COVID-19 pandemic and its impact on asset quality, increasingly volatile interest rates and their impact on borrowing costs, upcoming redemption of the liabilities and its impact on liquidity risk, seasoning of the assets and its impact on credit risk, increasing scale and complexity of operations and its impact on operating risk and finally, changing regulatory regime for NBFCs in general and IDF-NBFCs in particular thereby impacting the regulatory risk.

The credit strength is mainly reflected by the highest credit rating of "AAA" with stable outlook accorded by three leading rating agencies – CRISIL Limited, ICRA Limited and India Ratings and Research Private Limited – for its debt. Infradebt maintains strong credit standards and filters to ensure that asset quality remains robust. In addition to the internal policies, controls and governance framework, there is an oversight of credit rating agencies as well as various audit agencies to validate the robustness of risk-framework of Infradebt. Stringent credit appraisal framework ensures the minimization of credit risk. As the RBI has allowed additional sectors to be financed by IDF-NBFCs, in addition to the PPP projects backed by the tripartite agreement, Infradebt will be required to manage higher degree of risks with respect to these new sectors, though the benefit of risk diversification will also accrue on this account. The Board has appointed a Chief Risk Officer (CRO) to function independently with specific roles and responsibilities ensuring independent functioning for highest standards of Risk Management.

The asset-liability risk arises mainly out of the regulatory requirement of minimum five-year maturity of the borrowings and credit market's practice of annual interest rate resets of the assets. This mismatch is partly offset by the relaxation provided by RBI to allow IDF-NBFCs to raise less than five-year maturity of the borrowings to the extent of 10% of the overall outstanding borrowing. The liquidity risk is low mainly due to longer tenure of liabilities as compared to assets as well as high ability to access the debt market due to 'Highest' credit rating. Further, the Company can access its sponsors for NCD investments as well as equity (by way of Rights Issue). The interest rate risk arises out of fixed-rate borrowings undertaken to fund the variable and semi-fixed rate investments within the overall asset portfolio. There is an additional risk of the bank base rates and/or MCLR not increasing in line with the wholesale borrowing rates of Infradebt which leads to the pressure on the interest margins for Infradebt. The recent steep decline in interest rates has led to Bank funding rates becoming more attractive than that of NBFCs. There is a regulatory risk of material changes in guidelines issued by RBI or government institutions. Finally, as the scale of operations increase along with the complexity, there is a need to manage the operational risks relating to business continuity, environment, crisis management, process, systems and operations, people and information technology.

Finally, Infradebt is conscious of the environment and the social impacts of the infrastructure projects which it finances and endeavours to mitigate the same to the extent possible. As Infradebt can only finance projects which have completed one year of operations, the environment and social risks of such completed projects are low and of assessable level.

f) Internal control systems and their adequacy

There is an adequate internal control and risk management systems to ensure compliance to internal policies and external regulations. These pertain to compliance with NBFC guidelines of RBI, guidelines issued by Ministry of Finance and timeliness and accuracy of reporting to RBI. The internal control mechanism involves ensuring adequate checks and balances for all major decisions, requires adequate Board oversight for all significant decisions and warrants Board control for all critical measures. Infradebt has adopted various policies (viz. Credit and Recovery Policy, Liquidity & Interest Rate Risk

Policy among others) that are approved by the Board. The policies are reviewed and amended on regular basis, at least once a year.

g) Discussion on financial performance with respect to operational performance

During the year under review, Infradebt made disbursements to 28 project companies in the infrastructure sector, aggregating to ₹ 31.10 billion. Infradebt raised funds through the issuance of NCDs aggregating to ₹ 19.00 billion. A wide range of investor class subscribed to these issuances viz. insurance companies, pension funds, banks, mutual funds, provident funds and corporates.

In FY2020, Infradebt has made profit of ₹ 2,444.65 million as compared to profit of ₹ 1,802.23 million in FY2019. During FY2020, the income from operations was ₹ 10,658.82 million against ₹ 9,126.15 million in FY2019.

h) Material developments in Human Resources/ Industrial Relations front, including number of people employed

The human resources are a key component of Infradebt's business plan. Accordingly, there is a performance-based remuneration system for ensuring employee satisfaction and retention. As of March 31, 2020, there were 21 employees in the Company.

Lalita D. Gupte
Chairperson
(DIN: 00043559)

Date: September 1, 2020

Annexure – 2

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS & OFFICIALS IN THE SENIOR MANAGEMENT, THEIR REMUNERATION AND REMUNERATION OF OTHER EMPLOYEES

1. Criteria of selection of Non-Executive Directors

a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of finance, taxation, law, governance and general management.

b. In case of appointment of Independent Directors, the Board Governance Remuneration & Nomination Committee (BGC) shall satisfy itself with regard to:

   i. the independent nature of the Directors vis-à-vis Infradebt so as to enable the Board to discharge its function and duties effectively.

   ii. compliance of rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 i.e. to get himself/herself registered with Independent Directors data bank at Indian Institute of Corporate Affairs at Manesar and pass the online proficiency self-assessment test (if applicable).

c. The BGC shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

d. The BGC shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:

   i. Qualification, expertise and experience of the Directors in their respective fields;

   ii. Personal, Professional or business standing;

   iii. Diversity of the Board.

e. In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

2. Remuneration of Non-Executive Directors

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings and commission as detailed hereunder:

i. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

ii. A Non-Executive Director may also be entitled to receive commission on an annual basis, of such sum as may be approved by the Board and the Shareholders of India Infradebt Limited and based on the recommendation of the BGC.

3. Criteria for selection of Managing Director & CEO

The BGC shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board. The Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

4. Remuneration for the Managing Director & CEO

i. At the time of appointment or re-appointment, the Managing Director & CEO shall be paid such remuneration as may be mutually agreed between the Company (which includes the BGC and the Board of Directors) and the Managing Director & CEO within the overall limits prescribed under the Companies Act, 2013.

ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

iii. The remuneration of the Managing Director & CEO is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises performance bonus and long term incentives.

iv. In determining the remuneration (including the fixed increment and performance bonus) the BGC shall ensure / consider the following:

   a. the relationship of remuneration and performance benchmarks is clear;

   b. balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;

   c. responsibility required to be shouldered by the Managing Director & CEO, the industry benchmarks and the current trends;

   d. the Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.

5. Appointment of Senior Management Officials/ Key Managerial Personnel (KMP)

The Companies Act, 2013 defines "senior management" under the explanation to Section 178 of the Act as personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

In line with the same, functional heads directly reporting to the MD & CEO would be classified as Senior Management at Infradebt.

A candidate in order to fulfill the criteria of being appointed in senior management or as KMP should have relevant skills, performance track record and experience in handling core functions relevant to an organisation.

6. Remuneration Policy for the Senior Management, Key Managerial Personnel and other Employees

I. In determining the remuneration, the following shall be ensured / considered:

   i. the relationship of remuneration and performance benchmark is clear;

   ii. the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;

   iii. the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus and long term incentives;

   iv. the remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individual's performance vis-à-vis KRAs / KPIs, industry benchmark and current compensation trends in the market.

II. MD & CEO will carry out the individual performance review of the Senior Management Employees based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, within the overall framework approved by the BGC.

Lalita D. Gupte
Chairperson
(DIN: 00043559)

Date: September 1, 2020

Annexure – 3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

As required under Section 135(4) of the Companies Act, 2013 and Rule 9 of Companies (Accounts) Rules, 2014, the details with respect to CSR are as follows:

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs

The CSR Policy of Infradebt focuses on addressing critical social, environmental and economic needs of the marginalized/underprivileged sections of the society with an approach to integrate the solutions to these problems to benefit the communities at large and create social and environmental impact.

The CSR Policy of Infradebt details the CSR projects that would be undertaken, governance structure, operating framework and monitoring mechanism.

The CSR Policy was approved by the Corporate Social Responsibility Committee in April 2015, and subsequently was put up on the Infradebt's website. Web-link to the Company's CSR Policy: https://www.infradebt.in/corporate-social-responsibility-policy-15.pdf.

2. The Composition of the CSR Committee.

The CSR Committee of Infradebt comprises three Independent Directors, one nominee Director and one Executive Director. The composition of the Committee is as below:

Lalita D. Gupte *(Chairperson)*

Uday Chitale

Arun Tiwari

Manish Kumar

Suvek Nambiar

3. Average net profit of the company for last three financial years

The average net profit of the Company for the last three financial years (i.e. FY2017, FY2018 and FY2019) calculated as specified by the Companies Act, 2013 is ₹ 1,20,26,74,532.

4. Prescribed CSR Expenditure (2% of the amount as in item 3 above)

The prescribed CSR expenditure requirement for FY2020 is ₹ 2,40,53,491.

5. Details of CSR spent during the financial year.

(a) Total amount spent for the financial year: ₹ 2,40,57,000

(b) Amount unspent, if any: NIL

(c) Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(4)	(5)	(6)
S. No	**CSR project or activity identified**	**Sector in which the Project is covered**	**Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs was undertaken**	**Amount outlay (budget) project or programs wise (In ₹)**	**Amount spent on the projects or programs Sub-heads: I) Direct expenditure on projects or programs 2) Overheads (In ₹)**	**Cumulative expenditure upto to the reporting period (In ₹)**	**Amount spent Direct or through implementing agency**
1	Midday meal for Children (Through this program Akshaya Patra Foundation strives to eliminate classroom hunger by implementing the Mid-Day Meal Scheme in the government schools and government-aided schools)	Health Care	**State:** Rajasthan **City:** Nathadwara **State:** Odisha **City:** Puri	99,99,000	99,99,000	99,99,000	Through implementing agency i.e. Akshaya Patra Foundation
2	Rashtriya Netra Yagna (Flagship programme of Vision Foundation of India, aims at treating more than 1 million needy people from all over India requiring eye surgery)	Health Care	**State:** Maharashtra **City:** Mumbai, Pune, Udgir, Latur and Nandura.	64,99,800	64,99,800	64,99,800	Through implementing agency i.e. Vision Foundation of India
3	ImPaCCT holistic support strategy (Financial support to children and young adults with cancer)	Health Care	**State:** Maharashtra **City:** Mumbai	75,58,200	75,58,200	75,58,200	Through implementing agency i.e. ImPaCCT Foundation

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

Not applicable.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

Date: September 1, 2020

Lalita D. Gupte
Chairperson – CSR Committee
(DIN: 00043559)

Suvek Nambiar
Managing Director & CEO
(DIN: 06384380)

Annexure – 4

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2020

[Pursuant to rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	:	U65923MH2012PLC237365
Registration Date	:	October 31, 2012
Name of the Company	:	India Infradebt Limited
Category/Sub-category of the Company	:	Company limited by shares/ Indian Non-Government Company
Address of the Registered Office and contact details	:	India Infradebt Limited, The Capital, "B" Wing, 1101A, Bandra-Kurla Complex, Mumbai – 400 051 (T): +91 22 68196900 (F): +91 22 68196910 Email: info@infradebt.in
Whether listed company	:	Yes (Debentures are listed)
Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	:	For Equity: 3i Infotech Limited Tower #5, 3rd Floor, International Infotech Park, Vashi Railway Station Complex, Vashi, Navi Mumbai - 400 703 (T): +91 22 71238105 (F): +91 22 71238099 For Debentures: Link Intime India Private Limited C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai-400078 (T): +91 22 49186000 (F): +91 22 49186060

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1.	Finance to Infrastructure projects	64990	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
		Nil			

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	-	-	-	-	-	-	-	-	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	-	-	-	-	-	-	-	-	-
(e) Banks / FI	81,00,93,421	1	81,00,93,422	93.34	81,00,93,421	1	81,00,93,422	93.34	-
(f) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	81,00,93,421	1	81,00,93,422	93.34	81,00,93,421	1	81,00,93,422	93.34	-
(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other – Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	81,00,93,421	1	81,00,93,422	93.34	81,00,93,421	1	81,00,93,422	93.34	-
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks / FI	5,77,77,778	-	5,77,77,778	6.66	5,77,77,778	-	5,77,77,778	6.66	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIIs	-	-	-	-	-	-	-	-	-

Annexure – 4 (Contd...)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	5,77,77,778	-	5,77,77,778	6.66	5,77,77,778	-	5,77,77,778	6.66	-
2. Non-Institutions									
(a) Bodies Corp.									
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
(c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	5,77,77,778	-	5,77,77,778	6.66	5,77,77,778	-	5,77,77,778	6.66	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	86,78,71,199	1	86,78,71,200	100	86,78,71,199	1	86,78,71,200	100	-

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	ICICI Bank Limited	36,73,61,005	42.33	-	36,73,61,005	42.33	-	-
2.	Bank of Baroda	35,57,32,414	40.99	-	35,57,32,414	40.99	-	-
3.	Citicorp Finance (India) Limited	8,70,00,000	10.02	-	8,70,00,000	10.02	-	-
4.	Rajneesh Sharma (Nominee of Bank of Baroda)	1	-	-	1	-	-	-
5.	Prashant Mistry (Nominee of ICICI Bank Limited)	1	-	-	1	-	-	-
6.	Vivek Ranjan (Nominee of ICICI Bank Limited)	1	-	-	1	-	-	-
	Total	**81,00,93,422**	**93.34**	**-**	**81,00,93,422**	**93.34**	**-**	**-**

Note: Prashant Mistry and Vivek Ranjan are holding shares on behalf of ICICI Bank Limited and Rajneesh Sharma is holding share on behalf of Bank of Baroda, and have transferred the beneficial interest in such shares in favour of the respective institutions.

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	No change during the year			
Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	No change during the year			
At the End of the year	No change during the year			

Annexure – 4 (Contd...)

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Life Insurance Corporation of India				
At the beginning of the year	5,77,77,778	6.66	-	-
Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	No change during the year			
At the End of the year (or on the date of separation, if Separated during the year)	5,77,77,778	6.66	5,77,77,778	6.66

(v) Shareholding of Directors and Key Managerial Personnel:

For Each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	Nil			
Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	Nil			
At the End of the year	Nil			

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	79,520.00	4,100.00	-	83,620.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,912.41	47.02	-	2,959.43
Total (i+ii+iii)	**82,432.41**	**4,147.02**	**-**	**86,579.43**
Change in Indebtedness during the financial year				
Addition	19,000.00	-	-	19,000.00
Reduction	(3,350.00)	-	-	(3,350.00)
Interest accrued but not due	531.59	0.48	-	532.07
Net Change	**16,181.59**	**0.48**	**-**	**16,182.07**
Indebtedness at the end of the financial year				
i) Principal Amount	95,170.00	4,100.00	-	99,270.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	3,444.00	47.50	-	3,491.50
Total (i+ii+iii)	**98,614.00**	**4,147.50**	**-**	**102,761.50**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in million)

Sr. No.	Particulars of Remuneration	Managing Director & CEO
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	42.05
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.03
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2.	Stock Option	Detailed in Annexure 5
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify…	-
5.	Others, please specify - Long Term Incentive	6.63
	Total (A)	48.71

Annexure – 4 (Contd...)

B. Remuneration to other Directors:

(₹ in million)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	Lalita D. Gupte	Uday Chitale	Arun Tiwari	
	Fee for attending board/committee meetings	0.91	0.94	0.69	2.54
	Commission*	0.75	0.75	0.75	2.25
	Others, please specify	-	-	-	-
	Total (1)	**1.66**	**1.69**	**1.44**	**4.79**
2.	Other Non-Executive Directors				
	Fee for attending board/committee meetings	No remuneration paid to other Non-Executive Directors			
	Commission				
	Others, please specify				
	Total (2)	-	-	-	-
	Total (B)=(1+2)	**1.66**	**1.69**	**1.44**	**4.79**

* As on March 31, 2020, Commission for the financial year ended March 31, 2020, as approved by the Members of the Company, is payable to Independent Directors.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD

(₹ in million)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer	**Company Secretary**	**Total**
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12.74	2.52	15.26
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.04	-	0.04
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	Detailed in Annexure 5	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify…	-	-	-
5.	Others, please specify-Long Term Incentive	1.70	-	1.70
	Total (C)	**14.48**	**2.52**	**17.00**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		
Compounding					

Lalita D. Gupte
Chairperson
(DIN: 00043559)

Date: September 1, 2020

Annexure – 5

Disclosures under the India Infradebt Limited – Employees Stock Option Plan 2018 (ESOP 2018) pursuant to Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 as on financial year ended March 31, 2020:

Sr. No.	Particulars	Under ESOP 2018
1.	Number of options granted	150,22,222
2.	Number of options vested	69,33,333
3.	Number of options exercised	0
4.	Total number of shares arising as a result of exercise of options	0
5.	Number of options lapsed / cancelled	26,00,057
6.	Exercise Price of the options exercised in ₹/per equity share	NA
7.	Variation of terms of options	NA
8.	Money realised by the exercise of Options	NA
9.	Total number of options in force	124,22,165

10. Employee wise details of options granted to:

i. Details of options granted to Key Managerial Personnel:-

Sr. No.	Name of Key Managerial Personnel	Designation	ESOP 2018	
			Options granted during the year ended March 31, 2020	Options Exercised during the year ended March 31, 2020
1	Suvek Nambiar	Managing Director & CEO	3,535,917	Nil
2	Surendra Maheshwari	Chief Financial Officer	909,239	Nil

ii. Details of any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year:-

The details are available for inspection by the Members at the Registered Office of the Company during business hours on working days. Any Member interested in obtaining the said details may write to the Company Secretary at the Registered Office.

iii. Details of identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant:-

Sr. No.	Name of Key Managerial Personnel	Designation	ESOP 2018	
			Options granted during the year ended March 31, 2020	Options Exercised during the year ended March 31, 2020
		None		

Lalita D. Gupte
Chairperson
(DIN: 00043559)

Date: September 1, 2020

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended March 31, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
INDIA INFRADEBT LIMITED
U65923MH2012PLC237365
The Capital, 'B' Wing,1101A,
Bandra Kurla Complex
Mumbai-400051.

Dear Sirs,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by INDIA INFRADEBT LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted online under COVID-19 Pandemic in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the soft copy of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on March 31, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by INDIA INFRADEBT LIMITED ("The Company") for the period ended on March 31, 2020,according to the provisions of:

    I. The Companies Act, 2013 (the Act) and the Rules made thereunder;

    II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

    III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

    IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - Not applicable

    V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended till date to the extent applicable to the Company:-

        a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;- Not applicable

        b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;- Not applicable

        c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

        d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;- Not applicable

        e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

        f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

        g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable

        h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable

        i) Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (SEBI (LODR) 2015); and

        j) Bye Laws of Stock exchange

    VI. Applicable RBI regulations to the Company:

        a) Reserve Bank of India Act, 1934. (Master Circulars issued by RBI to the extent applicable).

        b) Non- Banking Finance Companies Regulations issued by the Reserve Bank of India (RBI) as amended from time to time (To the extent applicable).

        c) Prevention of Money Laundering Act, 2002 and guidelines issued by SEBI/RBI/FIU.

    VII. Other applicable laws.

        a) The Bombay Shops and Establishments Act, 1948;

        b) The Payment of Gratuity Act, 1972;

        c) The Employees Provident Funds and Miscellaneous Provisions Act, 1952;

Annexure – 6 (Contd...)

d) Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975; and

e) The Negotiable Instruments Act, to the extent of Section 138;

2. I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreement entered into by the Company with the BSE Limited under SEBI (LODR), 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

During the Course of Secretarial Audit, I have relied on the representation made by the Company and its various heads for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

3. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:

a) maintenance of various statutory registers and documents and making necessary entries therein;

b) closure of the Register of Members;

c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;

d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;

e) notice of Board meetings and Committee meetings of Directors;

f) the meetings of Directors and Board Committees including passing of resolutions by circulation;

g) the 7th Annual General Meeting held on Friday, September 20, 2019;

h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;

i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;

j) constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and re-appointment of Directors including the Managing Director;

k) payment of remuneration to Directors including the Managing Director;

l) appointment and remuneration of Auditors;

m) borrowings and registration, modification and satisfaction of charges wherever applicable; and

n) Investment of the Company's funds including Investments.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

4. I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while dissenting members' views are captured and recorded as part of the minutes.

5. I further report that:

Based on the information received and records maintained, there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the year under review, the Company has obtained approval for borrowings as under in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

(i) The Company in its 7th Annual General Meeting received approval from its Members for Issue of Non-Convertible Debentures for an additional aggregate amount not exceeding ₹ 50.00 billion in one or more tranches on private placement basis as per the Companies (Prospectus and Allotment of Securities) Rules, 2014. This will remain valid for one year.

Jaiprakash Singh
Jaiprakash R Singh & Associates
FCS No.:7391
C P No.:4412
UDIN: F007391B000159543

Place: Mumbai
Date:15.04.2020

Note: My report is to be read along with Annexure A.

‘Annexure A’

To,
The Members
INDIA INFRADEBT LIMITED
U65923MH2012PLC237365
The Capital, ‘B’ Wing,1101A,
Bandra Kurla Complex
Mumbai-400051.

My report is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion. In view of the prevailing lockdown restrictions owing to the pandemic “COVID”, the audit has been done with remote access of documents shared.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Jaiprakash Singh
Jaiprakash R Singh & Associates
FCS No.:7391
C P No.:4412
UDIN: F007391B000159543

Place: Mumbai
Date:15.04.2020

Annexure – 7

FORM NO. AOC - 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Amount paid as advances, if any:
1.	Bank of Baroda, Venturer Company	Non-convertible Debentures (NCDs) issued in line with prevailing market rates to Bank of Baroda.	-	Subscribed 5,000 NCDs of the face value of ₹ 1.00 million each for cash at par aggregating to ₹ 5,000.00 million.	N.A.
2.	ICICI Bank Limited, Venturer Company	Term deposits placed with ICICI Bank Limited.	Maturity period ranging 30-32 days	A fixed deposit of ₹ 3,720.00 million was placed during the year.	N.A.
3.	ICICI Bank Limited, Venturer Company	Term Loan Disbursement	-	Purchase of loan asset from ICICI Bank Limited amounting to ₹ 968.00 million.	N.A.
4.	ICICI Bank Limited, Venturer Company	Infradebt's bank balance lying in current account with ICICI Bank Limited.	Continuing	Standard terms of the Bank applicable. Outstanding balance of ₹ 858.16 million at March 31, 2020.	N.A.

Lalita D. Gupte
Chairperson
(DIN: 00043559)

Date: September 1, 2020

Annexure – 8

DETAILS IN TERMS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. **The ratio of remuneration of each director to the median remuneration of the employees for the financial year:**

   Managing Director & CEO - 11.98:1

2. **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

   The percentage increase in remuneration of the Managing Director & CEO, Chief Financial Officer is 10% and Company Secretary is 28.58%.

3. **The percentage increase in the median remuneration of employees in the financial year:**

   The percentage increase in the median remuneration of the employees in the financial year is around 12%.

4. **The number of permanent employees on the rolls of the company:**

   The number of permanent employees was 21 on March 31, 2020.

5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

   The average percentage increase made in the salaries of total employees other than Key Managerial Personnel is around 11%, while the average increase in the remuneration of the Key Managerial Personnel is 10.70%.

6. **Affirmation that the remuneration is as per the remuneration policy of the Company:**

   Yes, it is confirmed.

Lalita D. Gupte
Chairperson
(DIN: 00043559)

Date: September 1, 2020

Independent Auditor's Report

To the Members of India Infradebt Limited

Report on the Audit of the Indian Accounting Standard ('Ind AS') Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of India Infradebt Limited (the "Company"), which comprises the Balance sheet as at March 31 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of financial instruments (expected credit losses) *(as described in note 2X of the standalone Ind AS financial statements)*	
Ind AS 109 requires the Company to provide for impairment of its loan receivables (financial instruments) using the expected credit losses (ECL) approach. ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances. In the process, a significant degree of judgement has been applied by the management for: a) Defining qualitative/ quantitative thresholds for 'significant increase in credit risk' ("SICR") and 'default'. b) Determining effect of less frequent past events on future probability of default. Impact of CoVID-19 The spread of COVID-19 has severely impacted many economies around the globe. Businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses, resulting in an economic slowdown and economic uncertainties. Measures have also been taken by the Government and the Reserve Bank to ease the burden on businesses from hardship. Pursuant to the Reserve Bank of India circular dated March 27, 2020 ("RBI circular") allowing lending institutions to offer a moratorium to customers on payment of instalments falling due between March 1, 2020 and May 31, 2020, the Company has extended a moratorium to its borrower in accordance with its Board approved policy as described in Note 2AM. In accordance with the guidance from ICAI, extension of the moratorium by itself is not considered to result in a SICR for a borrower. The Company has recorded a management overlay of ₹ 426.40 million as part of its ECL, to reflect among other things an increased risk of deterioration in macro-economic factors caused by Novel Coronavirus (CoVID-19) pandemic. In accordance with the guidance in Ind AS 109, the management overlay estimate takes into account reasonable and supportable information. In view of the high degree of management's judgement involved in estimation the effect of CoVID-19 and the consequential effect on ECL, it was considered as a key audit matter.	• Our audit procedures included considering the Company's accounting policies for impairment of loan receivables and assessing compliance with the policies in terms of Ind AS 109. • Tested the assumptions used by the Company for staging of loan portfolio into various categories and default buckets for determining the PD and LGD rates. • Tested the operating effectiveness of the controls for staging of loans based on their past-due status. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3. • Tested the input data used for determining the PD and LGD rates and agreed the data with the underlying books of accounts and records. • Performed inquiries with the Company's management and its risk management function to assess the impact of lock-down on the business activities of the Company and its loans and investment portfolio. • Read and assessed the Company's policy with respect to moratorium pursuant to the RBI circular and tested the implementation of such policy on a sample basis. • Tested assumptions used by the management in determining the overlay for macro-economic factors (including CoVID-19 pandemic) in accordance with the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued on March 13, 2020. • Tested the arithmetical accuracy of computation of ECL provision performed by the Company. • Read and assessed the disclosures included in the Ind AS financial statements in respect of expected credit losses with the requirements of Ind AS 107 and 109. • Read and assessed the specific disclosures made in the Ind AS financial statements with regards to managements evaluation of the uncertainties arising from CoVID-19 and its impact on ECL. This significant matter is fundamental to the understanding of the user of the financial statements.

Independent Auditor's Report

To the Members of India Infradebt Limited (Contd...)

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership Number: 102102
UDIN: 20102102AAAACT7885

Place of Signature: Mumbai
Date: April 22, 2020

Annexure 1

Annexure 1 Referred to under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: India Infradebt Limited ("the Company")

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and location of fixed assets.

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanation given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, and other statutory dues applicable to it, except in case of goods and services tax for the month of March 2020 where the government has allowed depositing of tax dues without payment of late fee and interest vide notification no 31/2020 & 32/2020 of Central Tax dated April 03, 2020. The provisions relating to employees' state insurance, duty of customs, duty of excise, value added tax and cess are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, goods and services tax and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to employees' state insurance, duty of customs, duty of excise, value added tax and cess are not applicable to the Company.

(c) According to the information and explanations given to us, the dues of income-tax, goods and service tax and cess outstanding on account of any dispute, are as follows:

Nature of Statue	Nature of dues	Amount (₹ in million)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax Net demand raised against the Company	₹ 331.98 (Paid under protest: ₹ 58.55)	AY 2013-14 to AY 2017-18	Commissioner of Income Tax (Appeals)

The provisions relating to employees' state insurance, duty of customs, duty of excise, value added tax and cess are not applicable to the Company.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of non-convertible debentures for the purposes for which they were raised.

(x) Based upon the audit procedures performed for the purposes of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanation given by the management, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xi) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership Number: 102102
UDIN: 20102102AAAACT7885

Place of Signature: Mumbai
Date: April 22, 2020

Annexure 2

ANNEXURE 2 To the Independent Auditor's Report of Even Date on the Standalone Financial Statements of India Infradebt Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of India Infradebt Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership Number: 102102
UDIN: 20102102AAAACT7885

Place of Signature: Mumbai
Date: April 22, 2020

Balance Sheet
as at March 31, 2020

(₹ in million)

	Notes	As at March 31, 2020 (Audited)	As at March 31, 2019 (Audited)
ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	2A	4,581.92	4,078.17
(b) Loans	2B	1,14,695.49	97,346.42
(c) Other financial assets	2C	9.28	9.81
2 Non-financial assets			
(a) Property, plant and equipment	2D	82.71	26.44
(b) Intangible assets	2E	0.62	0.09
(c) Other non-financial assets	2F	2,114.11	1,475.57
Total assets		**1,21,484.13**	**1,02,936.50**
LIABILITIES AND EQUITY			
Liabilities			
1 Financial liabilities			
(a) Debt securities	2G	98,455.94	82,324.17
(b) Subordinated liabilities	2H	4,142.12	4,141.03
(c) Other financial liabilities	2J	357.87	107.07
2 Non-financial liabilities			
(a) Provisions	2K	72.29	81.71
(b) Other non-financial liabilities	2L	11.38	6.36
Total liabilities		**1,03,039.60**	**86,660.34**
Equity			
(a) Equity share capital	2M	8,678.71	8,678.71
(b) Other equity	2N	9,765.82	7,597.45
Total equity		**18,444.53**	**16,276.16**
Total liabilities and equity		**1,21,484.13**	**1,02,936.50**
Significant accounting policies and notes on accounts	1& 2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. BATLIBOI & CO. LLP
ICAI Firm registration number: 301003E/E300005
Chartered Accountants

per Shrawan Jalan
Partner
Membership No. 102102

Place: Mumbai
Date: April 22, 2020

For and on behalf of the Board of Directors

Lalita D. Gupte
Chairperson
DIN: 00043559

Suvek Nambiar
Managing Director & CEO
DIN: 06384380

Surendra Maheshwari
Chief Financial Officer

Gaurav Tolwani
Company Secretary

Statement of Profit and Loss
for the year ended March 31, 2020

(₹ in million)

			Notes	Year ended March 31, 2020 (Audited)	Year ended March 31, 2019 (Audited)
ASSETS					
		Revenue from operations			
	(i)	Interest income	2O	10,292.02	8,619.60
	(ii)	Fees income		42.52	80.62
	(iii)	Net gain on fair value changes	2P	324.28	425.93
(I)		**Total revenue from operations**		**10,658.82**	**9,126.15**
		Other income			
	(i)	Other income	2Q	**0.65**	**0.52**
(II)		**Total other income**		**0.65**	**0.52**
(III)		**Total Income (I+II)**		**10,659.47**	**9,126.67**
		Expenses			
	(i)	Finance costs	2R	7,623.14	6,638.22
	(ii)	Impairment on financial instruments	2S	298.50	421.25
	(iii)	Employee benefit expenses	2T	171.11	162.12
	(iv)	Depreciation, amortization and impairment	2D & 2E	25.30	3.54
	(v)	Other expenses	2U	96.77	99.31
(IV)		**Total expenses**		**8,214.82**	**7,324.44**
(V)		**Profit / (loss) before tax (V)=(III-IV)**		**2,444.65**	**1,802.23**
(VI)		Tax expense	2.3(K)	-	-
(VII)		**Profit / (loss) for the period (VII)=(V-VI)**		**2,444.65**	**1,802.23**
(VIII)		**Other comprehensive income**			
	(i)	Items that will not be reclassified to profit and loss			
		(a) Remeasurement profit/loss on defined benefit plan		(0.99)	(0.16)
				(0.99)	**(0.16)**
	(ii)	Income tax effect		-	-
		Other comprehensive income for the period (VIII)=(i-ii)		**(0.99)**	**(0.16)**
(IX)		**Total comprehensive income for the period (net of taxes) (IX)=(VII+VIII)**		**2,443.66**	**1,802.07**
(X)		**Earnings per equity share in ₹**	2V		
		Basic and diluted earnings per share of ₹10/-face value		2.82	2.53
Significant accounting policies and notes on accounts			1& 2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. BATLIBOI & CO. LLP
ICAI Firm registration number: 301003E/E300005
Chartered Accountants

per Shrawan Jalan
Partner
Membership No. 102102

Place: Mumbai
Date: April 22, 2020

For and on behalf of the Board of Directors

Lalita D. Gupte
Chairperson
DIN: 00043559

Suvek Nambiar
Managing Director & CEO
DIN: 06384380

Surendra Maheshwari
Chief Financial Officer

Gaurav Tolwani
Company Secretary

Statement of Changes in Equity
as at March 31, 2020

(A) Equity share capital

(₹ in million)

	Note	Amount
Balance as at March 31, 2018		**5,777.78**
Changes in equity share capital during the period		2,900.93
Balance as at March 31, 2019	**2M**	**8,678.71**
Changes in equity share capital during the period		-
Balance as at March 31, 2020		**8,678.71**

(B) Other Equity

(₹ in million)

	Reserves and surplus				Total
	Securities premium	**Statutory reserve u/s 45-IC of RBI Act, 1934**	**Stock option outstanding account**	**Retained earning**	
As at March 31, 2018	**1,222.22**	**521.05**	**-**	**1,735.95**	**3,479.23**
Profit/(Loss) for the period	-	-	-	1,802.23	1,802.23
Remeasurement of defined benefit plan	-	-	-	(0.16)	(0.16)
Total comprehensive income for the period	**-**	**-**	**-**	**1,802.08**	**1,802.08**
Issue of share capital	2,494.80	-	-	-	2,494.80
Dividend paid on equity shares including dividend distribution tax (Dividend for 2018: ₹ 0.29 per share)	-	-	-	(201.67)	(201.67)
Transfer from retained earnings	-	360.45	-	(360.45)	-
ESOP reserve	-	-	23.01	-	23.01
As at March 31, 2019	**3,717.02**	**881.50**	**23.01**	**2,975.92**	**7,597.45**
Profit/(Loss) for the year	-	-	-	2,444.65	2,444.65
Remeasurement of defined benefit plan	-	-	-	(0.99)	(0.99)
Total comprehensive income for the period	**-**	**-**	**-**	**2,443.66**	**2,443.66**
Dividend paid on equity shares including dividend distribution tax (Dividend for 2019: ₹ 0.29 per share)	-	-	-	(303.42)	(303.42)
ESOP reserve	-	-	28.13	-	28.13
Transfer from retained earnings	-	488.93	-	(488.93)	-
As at March 31, 2020	**3,717.02**	**1,370.43**	**51.14**	**4,627.23**	**9,765.82**

Cash Flow Statement
for the year ended March 31, 2020

(₹ in million)

Particulars	Year ended March 31, 2020 (Audited)	Year ended March 31, 2019 (Audited)
Cash flow from operating activities		
Profit before Tax	**2,443.66**	**1,802.07**
Adjustment to reconcile profit before tax to net cash flows		
Interest on fixed deposit	(5.96)	(6.03)
Impairment of financial assets	298.50	421.25
Debt security - EIR adjustment	22.98	25.31
Subordinate debt - EIR adjustment	0.61	1.37
Loans - EIR adjusment	(53.09)	(38.60)
Shares option outstanding account	28.12	23.01
Depreciation on fixed assets charged during the year	25.30	3.54
Operating profit before working capital changes	**2,760.12**	**2,231.92**
Movements in working capital:		
(Decrease)/ Increase in other financial liabilities	184.66	15.42
(Decrease)/ Increase in other non-financial liabilities	(4.40)	(12.47)
Decrease/ (Increase) in Loans	(17,594.49)	(20,824.68)
Decrease/ (Increase) in other financial asset	0.54	(5.20)
Decrease/ (Increase) in other non-financial asset	2.49	(6.74)
Cash generated from / (used in) operations	**(14,651.08)**	**(18,601.74)**
Direct taxes paid (net of refunds)	(641.03)	(575.54)
Net Cash flow from/ (used in) operating activities (A)	**(15,292.11)**	**(19,177.28)**
Cash flow from investing activities		
Purchase of fixed assets	(1.28)	(23.90)
Interest received on fixed deposit	5.96	6.03
Net cash flow from/ (used in) investing activities (B)	**4.68**	**(17.87)**
Cash flow from financing activities		
Proceeds from issuance of equity share capital	-	5,395.74
Proceeds from lease payment	(14.67)	-
Proceeds from issuance of debt securities	16,108.79	13,268.50
Proceeds from issuance of subordinated liabilities	0.47	-
Dividend paid on equity share	(298.25)	(167.56)
Dividend distribution tax on equity share	(5.17)	(34.11)

Cash Flow Statement
for the year ended March 31, 2020

(₹ in million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	(Audited)	(Audited)
Net cash flow from/ (used in) financing activities (C)	**15,791.18**	**18,462.57**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**503.75**	**(732.58)**
Cash and cash equivalents at the beginning of the year	4,078.17	4,810.75
Cash and cash equivalents at the end of the year	**4,581.92**	**4,078.17**
Components of cash and cash equivalents		
With banks- on current account	858.74	266.29
- on deposit account	3,723.18	3,811.88
Total cash and cash equivalents (note. no. 2A)	**4,581.92**	**4,078.17**
Note: For disclosure relating to changes on liabilities arising from financing activity, refer note 2Z		
Foot notes:		
1. Cash and bank balances reconciliation		
Cash and bank balance as at end of the year	4,581.92	4,078.17
Less: fixed deposits for a period greater than 3 months	-	-
Cash and cash equivalents as at end of the year	**4,581.92**	**4,078.17**

Note:

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in Ind AS 7 on "Statement of Cash Flows".

Significant accounting policies (refer note 2)

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. BATLIBOI & CO. LLP
ICAI Firm registration number: 301003E/E300005
Chartered Accountants

per Shrawan Jalan
Partner
Membership No. 102102

Place: Mumbai
Date: April 22, 2020

For and on behalf of the Board of Directors

Lalita D. Gupte
Chairperson
DIN: 00043559

Suvek Nambiar
Managing Director & CEO
DIN: 06384380

Surendra Maheshwari
Chief Financial Officer

Gaurav Tolwani
Company Secretary

Significant Accounting Policies and Notes to Accounts

1. Background of the Company and nature of operation

India Infradebt Limited (the "Company") was incorporated on October 31, 2012 in Mumbai, India, to carry out the business of a specialized financial institution classified as an Infrastructure Debt Fund- Non-Banking Financial Company under the Infrastructure Debt Fund- Non-Banking Financial Companies (Reserve Bank) Directions, 2011 of Reserve Bank of India (RBI). The Company's principal activity is to re-finance/ partially finance the debt liabilities of the infrastructure projects (subject to each such project company completing the construction/ implementation of the Infrastructure Project undertaken by it and satisfactorily operating the same for at least one year from completion of construction/implementation) in order to accelerate and enhance the flow of long term debt in infrastructure projects.

2. Basis of Preparation, Measurement and Significant accounting policies

2.1 Basis of preparation and measurement

(A) Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

The Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Change in Equity, Cash Flow Statements together with the Notes for the period ended 31 March 2020 have been prepared in accordance with Ind AS. The accounting policies have been consistently applied by the Company.

(B) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for fair value through other comprehensive income (FVOCI) instruments, and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value.

(C) Measurement of fair values

The Company's accounting policies and disclosures require financial instruments to be measured at fair values.

The Company has an established control framework with respect to the measurement of fair values. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2.2 Presentation of financial statements

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is being presented in Note 2Z.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported on a net basis when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event.

2.3 Significant Accounting Policies

(A) Recognition of income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue of the Company comprises of the Interest income from the Loans & advances and Investments, Loans/ Investments Processing fees income, Annual review fees, Profit and Loss on sale of liquid mutual funds, etc.

(i) Income from interest is being accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest except for Stage 3 assets where, it is recognized upon realization.

(ii) The revenue on account of processing fees on loans & advances and Investments are recognized on the amortized cost basis using Effective Interest Rate (EIR) method. The above recognition is as per the requirements of the Ind

AS 109. The annual review fees, Prepayment Fees & Other Fees is recognized upfront when it becomes due.

(B) Property plant and equipments

(I) Recognition and measurement

Property, Plant and Equipment (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

(II) Subsequent expenditure

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repair and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

(III) Depreciation

Depreciation is provided on Straight Line Method ('SLM'), which reflects the management's estimate of the useful life of the respective assets. The estimated useful life used to provide depreciation are as follows:

Particulars	Estimated useful life by the Company
Computers	3 years
Office Equipments	5 years
Vehicles	5 years
Leasehold improvements	over the life of the lease

The management has estimated, supported by independent assessment by professionals, the useful lives of Vehicles are depreciated over the period of 5 years, which are lower than those indicated in schedule II. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss till the date of sale.

(IV) De-recognition

Gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

(C) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets consisting of Computer Softwares are carried at cost less accumulated amortisation.

Amortisation

Intangible assets are amortised using the straight line method over a period of 4 years, which is the management's estimate of its useful life. The amortisation period and the amortisation method are reviewed at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

(D) Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an individual asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

(E) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when Company becomes party to the contractual provisions of the instruments.

1. Date of recognition

Financial assets and liabilities, with the exception of loans, debt securities and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

2. Initial measurement of financial instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

3. Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

(i) Amortised cost,

(ii) Fair Value Through Profit or Loss (FVTPL),

(iii) Fair Value through Other Comprehensive Income (FVOCI)

All Financial liabilities are measured at amortized cost using effective interest method or fair value through profit and loss.

(I) Financial Assets at amortised cost

The Company measures Bank balances, Loans and other financial investments at amortised cost if both of the following conditions are met:

(i) The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flow;

(ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The details of these conditions are outlined below:

(a) Business model assessment

An Company's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. Consequently, this assessment is not performed on the basis of scenarios that the entity does not reasonably expect to occur, such as so called 'worst case' or 'stress case' scenarios

If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward

(b) The SPPI test

As a second step of its classification process the Company assesses the contractual terms of financial asset to identify whether they meet the SPPI test.

Contractual cash flows that are solely payments of principal and interest on the principal amount outstanding and are consistent with a basic lending arrangement.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

(II) Financial Liabilities at amortized cost

After initial measurement, debt securities are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

(III) Financial assets and financial liabilities at FVTPL

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

(i) The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis;

(ii) The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy;

(iii) Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Company's own credit risk. Such changes in fair value are recorded in the Own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or finance cost, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

(IV) Financial instruments at FVOCI

Financial instruments are measured at FVOCI when both of the following conditions are met:

(i) The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets

ii) The contractual terms of the financial asset meet the SPPI test.

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income are recognised in profit or loss in the same manner as for financial assets measured at amortised cost.

4. Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities during the year/period.

5. Derecognition of financial assets and liabilities

(i) Financial asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

a. the contractual right to receive cash flows from the financial assets have expired; or

Significant Accounting Policies
and Notes to Accounts (Contd...)

b. the company has transferred its right to receive cash flows from the assets or has assumed an obligation to pay the received cash flows in fill without material delay to third party; and either

c. the Company has transferred substantially all the risks and rewards of the asset; or

d. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or substantial modification as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability de-recognized and the consideration paid is recognised in profit or loss.

6. Impairment of financial assets

(I) Overview of ECL principles

The Company records allowance for expected credit losses on financial assets that are measured at amortized cost and at FVTOCI. Equity instruments are not subject to impairment under Ind AS 109.

The Company recognises 12–months expected credit losses ("12mECL") for all financial assets that are measured at amortized cost and at FVTOCI, if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition.

The expected credit losses are measured as lifetime expected credit losses ("LTECL") if the credit risk on financial asset increases significantly since its initial recognition.

Both LTECLs and 12mECLs are calculated on an individual basis depending on the nature of the underlying financial instruments.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition.

(II) The calculation of ECLs

The Company calculates ECLs based on a probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The key elements of ECL are, as follows:

PD : The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

EAD : The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest.

LGD : The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

(F) Leasing

The Company follows Ind AS 116 for setting out principles of the recognition, measurement, presentation and disclosure of leases.

Company as a lessee

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets.

The Company as a lessee at the commencement date of a lease, recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right-of-use the underlying asset during the lease term (i.e., the right-of-use asset), subject to guidance provided by the Ind AS 116 for first time application. The Company separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

(G) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

For the purpose of cash flows statement, cash and cash equivalents includes cash in hand, cheques on hand, balances with banks in current accounts and other short term highly liquid investments with original maturities of three months or less.

(H) Retirement and other employee benefits

(I) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages and performance incentives which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

(II) Provident Fund

All the employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future Provident Fund benefits other than its annual contribution and recognises such contributions as an expense, when an employee renders the related service.

(III) Gratuity

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated year mentioned under 'The Payment of Gratuity Act, 1972'. The Company accounts for liability of future gratuity benefits based on an external actuarial valuation on projected unit credit method carried out for assessing liability as at the reporting date.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

a. Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements;

b. Net interest expense or income.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other comprehensive income ('OCI') in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

(IV) Compensated absences

Accumulated leave which is expected to be utilised within next 12 months is treated as short term compensated absences and the accumulated leave which are carried forward beyond 12 months are treated as long term compensated absences.

Compensated absences are provided for, based on actuarial valuation report as short term and long term compensated absences. The actuarial valuation is done as per projected unit credit method as at the reporting date.

Actuarial gains/losses are immediately taken to Statement of profit and loss account and are not deferred.

(V) Long Term Incentives

The Company has a long term incentive plan which is paid in three annual tranches. The Company accounts for the liability as per an actuarial valuation report. The actuarial valuation of the long term incentives liability is calculated based on certain assumptions, as per the projected unit credit method made at reporting period. Actuarial gains/losses are immediately taken to Statement of profit and loss account and are not deferred. The company has discontinued the Long Term Incentive plan from financial year 2018-19.

Significant Accounting Policies
and Notes to Accounts (Contd...)

(VI) Employee Share Based payments

Employees of the Company receive remuneration apart from normal salaries, also in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value of option at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions (if any) are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

(I) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

(J) Dividends on ordinary shares

The Company recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company.

As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(K) Income Tax

As per Section 10(47) of the Income Tax Act, 1961 (the "Act") income of the Company do not form part of total income and hence is exempt from income tax. Hence, no provision for tax has been made in the books of accounts.

2.4 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Company's accounting policies, management has made the following judgements, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

(A) Fair value of financial instruments:

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique.

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

(B) Impairment of financial assets:

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk.

These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

2. Notes to accounts for the year ended March 31, 2020

2A. Cash and cash equivalents

(₹ in million)

Particulars	At March 31, 2020	At March 31, 2019
Cash and cash equivalents		
Balance with Banks	858.74	266.29
Bank deposits with original maturity of less than 3 months	3,723.18	3,811.88
Total	**4,581.92**	**4,078.17**

2B. Loans

Other than public sector loans in India (at amortised cost)

(A)

(₹ in million)

Particulars	At March 31, 2020	At March 31, 2019
Term loan	71,627.36	54,092.29
Debt securities	44,096.63	43,984.13
Total - Gross	**1,15,723.99**	**98,076.42**
Less: Impairment loss allowance	1,028.50	730.00
Total - Net	**1,14,695.49**	**97,346.42**

(B)

(₹ in million)

Particulars	At March 31, 2020	At March 31, 2019
(a) Secured by tangible assets	1,15,723.99	98,076.42
(b) Secured by intangible assets	-	-
(c) Covered by Bank/Government guarantee	-	-
(d) Unsecured	-	-
Total - Gross	**1,15,723.99**	**98,076.42**
Less: Impairment loss allowance	1,028.50	730.00
Total - Net	**1,14,695.49**	**97,346.42**

2C. Other financial assets

(₹ in million)

Particulars	At March 31, 2020	At March 31, 2019
Receivable from client	0.36	0.37
Security deposit	7.88	8.73
Staff advances	1.03	0.71
Total	**9.28**	**9.81**

Notes to Financial Statements (Contd...)
for the year ended March 31, 2020

2D. Property, plant and equipment

(₹ in million)

Particulars	Land	Computers-hardware	Office equipments	Vehicle	Lease hold improvements	Right of use premises	Total
Deemed cost							
Balance as at March 31, 2018	**0.77**	**1.11**	**0.03**	**4.42**	**-**	**-**	**6.33**
Additions	-	0.87	0.02	-	23.01	-	23.90
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2019	**0.77**	**1.98**	**0.05**	**4.42**	**23.01**	**-**	**30.23**
Additions	-	0.39	-	-	0.14	80.81	81.34
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2020	**0.77**	**2.37**	**0.05**	**4.42**	**23.15**	**80.81**	**111.57**

(₹ in million)

Particulars	Land	Computers-hardware	Office equipments	Vehicle	Lease hold improvements	Right of use premises	Total
Accumulated depreciation and impairment							
Balance as at March 31, 2018	**-**	**0.29**	**0.00**	**0.01**	**-**	**-**	**0.30**
Depreciation expense	-	0.48	0.01	0.88	2.11	-	3.49
Disposals of assets	-	-	-	-	-	-	-
Balance as at March 31, 2019	**-**	**0.77**	**0.01**	**0.89**	**2.11**	**-**	**3.79**
Depreciation expense	-	0.64	0.01	0.88	4.85	18.68	25.07
Disposals of assets	-	-	-	-	-	-	-
Balance as at March 31, 2020	**-**	**1.41**	**0.02**	**1.78**	**6.96**	**18.68**	**28.86**

(₹ in million)

Particulars	Land	Computers-hardware	Office equipments	Vehicle	Lease hold improvements	Right of use premises	Total
Carrying amount							
Balance as at March 31, 2018	**0.77**	**0.82**	**0.02**	**4.41**	**-**	**-**	**6.03**
Balance as at March 31, 2019	**0.77**	**1.21**	**0.04**	**3.53**	**20.90**	**-**	**26.44**
Balance as at March 31, 2020	**0.77**	**0.95**	**0.03**	**2.64**	**16.19**	**62.13**	**82.71**

2E. Intangible assets

(₹ in million)

Particulars	Computers - software	Total
Deemed cost		
Balance as at March 31, 2018	**0.20**	**0.20**
Additions	-	-
Disposals	-	-
Balance as at March 31, 2019	**0.20**	**0.20**
Additions	0.75	0.75
Disposals	-	-
Balance as at March 31, 2020	**0.95**	**0.95**

(₹ in million)

Particulars	Computers - software	Total
Accumulated depreciation and impairment		
Balance as at March 31, 2018	**0.06**	**0.06**
Depreciation expense	0.05	0.05
Disposals of assets	-	-
Balance as at March 31, 2019	**0.11**	**0.11**
Depreciation expense	0.22	0.22
Disposals of assets	-	-
Balance as at March 31, 2020	**0.33**	**0.33**

(₹ in million)

Particulars	Computers - software	Total
Carrying amount		
Balance as at March 31, 2018	**0.14**	**0.14**
Balance as at March 31, 2019	**0.09**	**0.09**
Balance as at March 31, 2020	**0.62**	**0.62**

2F. Other non-financial assets

(₹ in million)

Particulars	At March 31, 2020	At March 31, 2019
TDS receivable/advance tax	2,089.92	1,448.89
Goods & service tax input credit	1.18	1.27
Prepaid expenses	22.00	24.38
Other assets	1.01	1.03
Total	**2,114.11**	**1,475.57**

Notes to Financial Statements (Contd...)
for the year ended March 31, 2020

Financial liabilities

2G. Debt securities

In India (at amortised cost)

(₹ in million)

Particulars	At March 31, 2020	At March 31, 2019
Secured non-convertible debentures (Refer note 2I below)	**98,455.94**	**82,324.17**

2H. Subordinated liabilities

In India (at amortised cost)

(₹ in million)

Particulars	At March 31, 2020	At March 31, 2019
Unsecured non-convertible debentures (Refer note 2I below)	**4,142.12**	**4,141.03**

2I. Maturity profile of Non-Convertible Debentures are set out below:

(₹ in million)

Redeemable within	At March 31, 2020	At March 31, 2019
	Rate of Interest >=7.75<=9.70	Rate of Interest >=7.75<=9.70
0-12 Months	13,976.86	6,308.73
12-24 Months	15,242.99	10,481.42
24-36 Months	22,885.74	15,240.06
36-48 Months	8,980.59	22,882.32
48-60 Months	22,836.61	8,972.07
Above 60 Months	18,675.27	22,580.60
Total borrowings	**1,02,598.06**	**86,465.20**

2J. Other financial liabilities

(₹ in million)

Particulars	At March 31, 2020	At March 31, 2019
Advance interest/principal received from clients	291.73	107.07
Lease payment liability	66.14	-
Total	**357.87**	**107.07**

Non-Financial liabilities

2K. Provisions

(₹ in million)

Particulars	At March 31, 2020	At March 31, 2019
Provision for employee benefits		
Employee benefit payable	41.86	54.68
Provisions for gratuity	14.00	11.45
Provision for leave encashment	9.98	9.72
Total provision for employee benefits (i)	**65.84**	**75.85**
Other provisions		
Provision for expenses	6.45	5.87
Total other provisions (ii)	**6.45**	**5.87**
Total (i+ii)	**72.29**	**81.71**

2L. Other non-financial liabilities

(₹ in million)

Particulars	At March 31, 2020	At March 31, 2019
Statutory dues	11.38	6.36
Total	**11.38**	**6.36**

2M. Equity share capital

(₹ in million)

Particulars	At March 31, 2020	At March 31, 2019
Authorized:		
1,700,000,000 (31 March 2019: 1,700,000,000) equity shares of ₹ 10 each	17,000.00	17,000.00
500,000,000 (31 March 2019: 500,000,000) Preference shares of ₹ 10 each	5,000.00	5,000.00
Issued capital		
900,358,422 (31 March 2019: 900,358,422) equity shares of ₹ 10 each	9,003.58	9,003.58
Subscribed and fully paid up		
867,871,200 (31 March 2019: 867,871,200) equity shares of ₹ 10 each, fully paid up	8,678.71	8,678.71
Total	**8,678.71**	**8,678.71**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

(₹ in million)

Particulars	At March 31, 2020		At March 31, 2019	
	No. in million	(₹ in million)	No. in million	(₹ in million)
At the beginning of the year	867.87	8,678.71	577.78	5,777.78
Issued during the year	-	-	290.09	2,900.93
Outstanding at the end of the year	**867.87**	**8,678.71**	**867.87**	**8,678.71**

Notes to Financial Statements (Contd...)
for the year ended March 31, 2020

(b) Terms/Rights attached to equity shares

The Company has only one class of equity shares referred to as equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

(₹ in million)

Name of the shareholder	At March 31, 2020		At March 31, 2019	
	No. in million	(₹ in million)	No. in million	(₹ in million)
Equity shares of ₹ 10 each fully paid				
ICICI Bank Limited (including its nominees)	367.36	42.33%	367.36	42.33%
Bank of Baroda (including its nominee)	355.73	40.99%	355.73	40.99%
Citicorp Finance (India) Limited	87.00	10.02%	87.00	10.02%
Life Insurance Corporation of India	57.78	6.66%	57.78	6.66%

As per records of the Company, including its register of shareholders and representation received from the management regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

2N. Other equity

(₹ in million)

Particulars	**At March 31, 2020**	**At March 31, 2019**
Statutory reserve u/s 45-IC of RBI Act, 1934		
Balance at the beginning of the year	881.50	521.05
Add: amount transferred from surplus balance in the statement of profit and loss	488.93	360.45
Closing balance (A)	**1,370.43**	**881.50**
Securities premium		
Balance at the beginning of the year	3,717.02	1,222.22
Add: Additions during the year	-	2,494.80
Closing balance (B)	**3,717.02**	**3,717.02**
Shares option outstanding account		
Balance at the beginning of the year	23.01	-
Add: Additions during the year	28.13	23.01
Closing balance (C)	**51.14**	**23.01**
Profit & loss		
Surplus in profit and loss account at the beginning of the year	2,975.92	1,735.95
Add: Profit for the year	2,444.65	1,802.23
Add: Remeasurement gain/(losses) on defined benefits plan	(0.99)	(0.16)
Less: Transfer to statutory reserve (@ 20% of profit after tax as required by section 45-IC of Reserve Bank of India Act, 1934)	(488.93)	(360.45)
Less: Dividend paid on equity shares (including dividend distribution tax)	(303.42)	(201.67)
Total appropriations	**(792.35)**	**(562.11)**
Net surplus in the statement of profit and loss account at the end of the year (D)	**4,627.23**	**2,975.92**
Total other equity (A)+(B)+(C)+(D)	**9,765.82**	**7,597.45**

Revenue from operations

2O. Interest income

(₹ in million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest on Loans-(on financial assets measured at amortised cost)	10,286.06	8,613.57
Interest on deposits with banks	5.96	6.03
Total	**10,292.02**	**8,619.60**

2P. Net gain on fair value changes

(₹ in million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(A) Net gain on financial instruments at fair value through profit or loss		
(i) Net gain on sale of financial instruments or fair valuation of investment on mutual fund	324.28	425.93
Total Net gain on fair value changes	**324.28**	**425.93**
(B) Fair value changes:		
- Realised	324.28	425.93
- Unrealised	-	-
Total Net gain on fair value changes	**324.28**	**425.93**

2Q. Other income

(₹ in million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Miscellaneous income	0.65	0.52
Total	**0.65**	**0.52**

2R. Finance costs (on financial liabilities measured at amortised cost)

(₹ in million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest expenses on debt securities	7,609.48	6,632.43
Other borrowing costs	7.34	5.79
Interest expenses-lease	6.32	-
Total	**7,623.14**	**6,638.22**

Notes to Financial Statements (Contd...)
for the year ended March 31, 2020

2S. Impairment of financial instruments (on financial assets measured at amortised cost)

(₹ in million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Impairment of loans	298.50	421.25
Total	**298.50**	**421.25**

2T. Employee benefits expenses

(₹ in million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and wages	129.55	126.83
Contribution to provident fund and other funds	4.53	4.44
Share based payment to employees	28.12	23.01
Gratuity	3.97	3.60
Leave encashment	1.94	1.91
Staff welfare	3.00	2.33
Total	**171.11**	**162.12**

2U. Other expenses

(₹ in million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Rent, rates & energy costs (Note 1)	3.49	22.13
Communication	1.56	1.03
Printing and stationery	0.54	0.42
Director's fees, allowances and expenses	4.80	5.34
Auditors fees & expenses (refer details below)	3.54	4.18
Legal & professional fees	26.53	21.03
Insurance	0.05	0.02
Travelling expenses	0.49	0.81
Stamp duty expenses	1.00	6.50
Office maintenance cost	1.53	0.70
Guarantee fee	20.65	19.70
Corporate social responsibility expenses	24.06	13.99
Others	8.54	3.46
Total	**96.77**	**99.31**

Note 1: Ind AS 116 has been applicable w.e.f. April, 1 2019. Refer note number 2AA for details.

(₹ in million)

Payment to auditor	**Year ended March 31, 2020**	**Year ended March 31, 2019**
As auditor		
Audit fees	1.26	1.11
Tax audit fees	0.10	0.10
Limited review fees	0.30	0.25
Out of pocket expense	0.03	0.03
In other capacity		
Certification and other fees	1.85	2.69
Total	**3.54**	**4.18**

2V. Earnings Per Share

Basic EPS calculated by dividing the net profit for the period attributable to equity holders by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of equity shares outstanding during the year and the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the profit and share data used in the basic and diluted EPS computation

(₹ in million)

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Net profit after tax (₹ in million)	2,444.65	1,802.23
Weighted average number of Equity Shares (No.)	86,78,71,200	71,36,84,559
Earnings per share	**2.82**	**2.53**
(Basic and diluted earnings per share of ₹10/-face value)		

2W. Financial instruments – Fair values

A. Category wise financial asset & financial liability

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if, the carrying amount is a reasonable approximation of fair value.

(₹ in million)

	As at March 31, 2020							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Cash and cash equivalents								
– Bank balance	-	-	858.74	858.74	-	-	-	-
– Bank deposits with original maturity of less than 3 months	-	-	3,723.18	3,723.18	-	-	-	-
Loans and advances	-	-	1,14,695.49	1,14,695.49	-	-	-	-
	-	**-**	**1,19,277.41**	**1,19,277.41**	**-**	**-**	**-**	**-**
Financial liabilities								
Debt securities	-	-	98,455.94	98,455.94	-	-	-	-
Subordinated liabilities	-	-	4,142.12	4,142.12	-	-	-	-
	-	**-**	**1,02,598.06**	**1,02,598.06**	**-**	**-**	**-**	**-**

Note: There are no other categories of financial instruments other than those mentioned above

2W. Financial instruments – Fair values (Contd...)

(₹ in million)

	As at March 31, 2019							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Cash and cash equivalents								
– Bank balance	-	-	266.29	266.29	-	-	-	-
– Bank deposits with original maturity of less than 3 months	-	-	3,811.88	3,811.88	-	-	-	-
Loans and advances	-	-	97,346.42	97,346.42	-	-	-	-
	-	**-**	**1,01,424.59**	**1,01,424.59**	**-**	**-**	**-**	**-**
Financial liabilities								
Debt securities	-	-	82,324.17	82,324.17	-	-	-	-
Subordinated liabilities	-	-	4,141.03	4,141.03	-	-	-	-
	-	**-**	**86,465.20**	**86,465.20**	**-**	**-**	**-**	**-**

Note: There are no other categories of financial instruments other than those mentioned above

The fair value of cash and cash equivalents and other bank balances approximated their carrying value largely due to short term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual creditworthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

Notes to Financial Statements (Contd...)
for the year ended March 31, 2020

2X. Financial instruments – Fair values and Risk management

Financial risk management

The Company has exposure to the following risks from financial instruments:

(a) Credit risk, (b) Liquidity risk, (c) Asset-liability risk d) Market risk, and (e) Operational risk

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework - both policy and implementation.

The Company's risk management policies are established to identify, analyse, allocate and manage the risks faced by the projects. There are well-defined risk parameters and limits. The risk management policies are reviewed on the periodic basis and at least once every year. There are 23 Board-approved policies, which include - Credit Risk and Recovery Policy, Liquidity and Interest Rate risk Policy, etc.

The Board has constituted Board Credit and Risk Committee (BCRC, 6 members, headed by an Independent Director) and Executive Credit and Risk Committee (ECRC, 4 members, headed by MD & CEO) with a defined scope related to approvals of credit proposals, delegating power to approve post sanction matter, reviewing all major credit portfolios of the Company. The Board has also constituted an Audit Committee (5 members, headed by an Independent director) with a defined scope related to finance, audit and miscellaneous matters of which the main are examining company's financial statements and auditors report, recommending to the board the appointment, reappointment, removal of statutory auditor, reviewing function of the whistle blower mechanism and evaluating risk management systems. The Board has also appointed a Chief Risk Officer (CRO) to function independently with a specified roles and responsibilities ensuring independent functioning for highest standards of Risk Management.

(A) Credit risk

Credit risk arises from the risk of default and non -payment by the borrowers. The borrower may default in their repayment obligations due to various reasons namely decline in traffic/Power PLFs/Sales volumes, decline in sales realization/tariffs, increase in receivables and regulatory reasons. The cash collection of the borrowers of Infradebt could be affected temporarily on account of lockdown due to Covid-19 pandemics, however the structural liquidity in the project in the form of DSRA, Co-obligor structure etc. will offset the impact. Recovery risk means the extent of realizable value in the event of default of a particular project asset. Expected Credit Loss (ECL) is calculated based on probability of default (PD), loss given default (LGD) and Exposure at default (EAD) as mentioned below.

ECL= (PD)* (LGD)* (EAD)

Management of credit risk

The effective Management of credit risk is a critical component of Risk management and essential for the long-term success of the organization. Loans and Investments are the largest source of credit risk for the Company. The credit risk management practices adopted by the Company primarily address the following areas (i) Sound credit infrastructure - Documented Credit & Recovery Policy, credit concentration norms, risk management framework, internal credit rating process and Independent CRO and Risk department. (ii) Robust credit process-, Risk framework and Internal ratings (iii) Maintaining an adequate credit administration- Mapping of sanctioned notes with term sheet, ensuring compliance of covenants, collection notices to the parties & reconciliation of the payments status, and (iv) Effective post disbursement monitoring with periodicity linked to external ratings, review of internal ratings, regular site visits and client engagements.

1. Credit quality analysis

a) Staging criteria

Following staging criteria is used:

(i) standard and 0 - 30 as stage 1;

(ii) 31- 90 as Stage 2; and

(iii) outstanding > 90 DPD as stage 3

Staging of individual cases may be determined on case to case basis.

b) Probability of Default (PD)

The PD is an estimate of the likelihood of default over a given time horizon. In the absence of default history, PD has been sourced based on external reports. . Based on the external rating of the borrower the resultant PD is assigned. Lifetime PD is computed using Basic exponentiation formula based on the average residual maturity of the loan / investment.

c) Loss Given Default (LGD)

The LGD is an estimate of the loss arising in the case where a default occurs at a given time. LGD is calculated by dividing potential loss (based on Net Present Value of cash flow generated in a stress scenario) or actual loss by outstanding debt at the time of default, which is expressed as a percentage. Since Infradebt has exposure to only operational projects and majority of its projects are backed by concessions, the LGD of these projects will be low. The LGD of road projects is low on account of tripartite agreement with sub-sovereign entity (NHAI) which ensures Infradebt having first charge on the termination payment in the concessionaire's event of default. On a conservative basis, higher LGD for three IL&FS road projects is taken as the resolution plans for these assets is sub-judice and any recovery proceedings against these entities has been prohibited by NCLAT. Renewable projects are backed by a concession or fixed-tariff power-purchase agreements with sub-sovereign or state governments, hence there is a significant component of concession value of these projects so LGD for these projects is low. In case of projects other than roads and renewable energy sectors, the LGD is relatively higher.

d) Exposure At Default (EAD)

The current outstanding balance of loans and NCDs including interest accrued thereon as on 31st March 2020 is considered for ECL computation purpose.

Quantitative details in relation to Credit risk refer annexure 1.

2. Collateral held and other credit enhancements

Security and other credit enhancements

The amount and type of security required depends on an assessment of the credit risk of the borrower.

The main types of security obtained are, as follows:

a) Charge on movable and immovable property.

b) Charge on current assets, inventory and receivables.

c) Charge on intangible assets.

d) Charge on bank accounts related to projects.

e) Pledge of shares (Sponsor's holding in the borrower) and listed shares of the group entities (on a case to case basis)

f) Corporate Guarantees/Personal Guarantees (on a case to case basis).

Management monitors the value of collateral and may request additional security / credit comforts as permitted in the underlying agreement.

(B) Liquidity risk

The goal of liquidity management would be to ensure that the Company is always in a position to efficiently meet both expected and unexpected current and future cash outflows without negatively affecting its daily operation or financial condition.

The Company uses various tools for measurement, monitoring and reporting of liquidity risk.

(i) Liquidity Gap statement: It is used as a standard tool for measuring and managing net funding requirements and calculation of cumulative surplus or deficit of funds for selected maturity buckets. Liquidity risk is measured using various gap statements such as: Structural liquidity statement, short term dynamic liquidity statement. (ii) Ratios: such as (a) core assets to core liabilities- measures long-term liquidity of the Company. This indicates the extent to which core assets (assets maturing greater than 1 year) are funded by core liabilities (liabilities maturing greater than 1 year). (b) Liquid assets to short term liabilities- The ratio essentially indicates whether the Company is in a position to honour short-term liability repayments/ potential outflows in next 30 days. Liquid assets comprise of high-quality liquid assets having residual maturity of less than or equal to one month. Short-term liabilities comprise of liabilities having residual maturity of less than or equal to one month. (c) Short-term liabilities to total assets d) Short term liabilities to long term assets. The Company has defined liquidity buckets in line with the RBI master directions for NBFC. Infradebt conducts Asset Liability Committee (ALCO) on a periodic basis to assess the liquidity position among other things. ALCO is chaired by MD&CEO.

Quantitative details in relation to Liquidity risk refer annexure 2

(C) Market risk

Market risk is the risk of losses in the balance sheet positions arising from adverse movement in market variables. The various market risk that can impact the Company are interest rate risk, debt market liquidity risk and regulatory risk. In terms of interest rate risk, the changes in interest rates can impact differentially the assets and liabilities based on their maturity profile and reset covenants. To the extent possible the Company endeavors to minimize mismatches in maturity profile of its assets and liabilities by deploying funds in the assets with effective maturities that are similar to the period for which funds are raised from the market. The debt market liquidity determines the quantum of funds that the Company can raise as well as the interest rate at which the funds are available. Tight liquidity markets may be triggered by lack of systemic liquidity as well as lack of investor's interest in the NBFCs. The regulatory risk pertains to any drastic change in the policies of regulators mainly RBI and SEBI.

Notes to Financial Statements (Contd...)
for the year ended March 31, 2020

2X. Financial instruments – Risk management

Annexure I

1. The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

Loans and advances to customers at amortized cost: (₹ in million)

	March 31, 2020			
	Stage 1	Stage 2	Stage 3	Total
Infrastructure refinance:				
Low risk	1,14,137.00	-	-	1,14,137.00
Medium risk	393.67	-	1,193.32	1,586.99
High risk	-	-	-	-
	1,14,530.67	**-**	**1,193.32**	**1,15,723.99**

(₹ in million)

	March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total
Infrastructure refinance:				
Low risk	92,827.90	-	-	92,827.90
Medium risk	2,418.86	2,829.66	-	5,248.52
High risk	-	-	-	-
	95,246.76	**2,829.66**	**-**	**98,076.42**

2. An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans and advances and investment debt securities is, as follows:

(i) Loans and advances to customers at amortized cost: (₹ in million)

	For the period Apr - Mar 2020			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**95,246.76**	**2,829.66**	**-**	**98,076.42**
Assets disbursed and repaid	17,647.57	-	-	17,647.57
Transfers to stage 1	2,829.66	(2,829.66)	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	(1,193.32)	-	1,193.32	-
Gross carrying amount closing balance	**1,14,530.67**	**-**	**1,193.32**	**1,15,723.99**

(₹ in million)

	For the period Apr - Mar 2019			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**77,213.15**	**-**	**-**	**77,213.15**
Assets disbursed and repaid	20,863.27	-	-	20,863.27
Transfers to stage 1	-	-	-	-
Transfers to stage 2	(2,829.66)	2,829.66	-	-
Transfers to stage 3	-	-	-	-
Gross carrying amount closing balance	**95,246.76**	**2,829.66**	**-**	**98,076.42**

3. Reconciliation of ECL balance is given below:

(i) Loans and advances to customers at amortized cost:

(₹ in million)

	For the period Apr - Mar 2020			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	**358.06**	**371.94**	**-**	**730.00**
Assets disbursed and repaid	76.20	-	-	76.20
Transfers to stage 1	371.94	(371.94)	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	(179.25)	-	179.25	-
Changes to models and inputs used for ECL calculations	222.30	-	-	222.30
ECL allowance - closing balance	**849.25**	**-**	**179.25**	**1,028.50**

(₹ in million)

	For the period Apr - Mar 2019			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	**308.75**	**-**	**-**	**308.75**
Assets disbursed and repaid	74.91	-	-	74.91
Transfers to stage 1	-	-	-	-
Transfers to stage 2	(11.54)	371.94	-	360.40
Transfers to stage 3	-	-	-	-
Changes to models and inputs used for ECL calculations	(14.06)	-	-	(14.06)
ECL allowance - closing balance	**358.06**	**371.94**	**-**	**730.00**

4. The following table shows the risk concentration by industry for the components of the balance sheet:

(₹ in million)

March 31, 2020	Financial services	Road	Renewable	Others	Total
Financial assets					
Cash and cash equivalents	4,581.92	-	-	-	4,581.92
Loans	-	38,164.59	67,868.99	9,690.41	1,15,723.99
Other financial assets	9.28	-	-	-	9.28
Total	**4,591.20**	**38,164.59**	**67,868.99**	**9,690.41**	**1,20,315.19**

(₹ in million)

March 31, 2019	Financial services	Road	Renewable	Others	Total
Financial assets					
Cash and cash equivalents	4,078.17	-	-	-	4,078.17
Loans	-	41,436.87	53,672.15	2,967.40	98,076.42
Other financial assets	9.81	-	-	-	9.81
Total	**4,087.98**	**41,436.87**	**53,672.15**	**2,967.40**	**1,02,164.40**

Notes to Financial Statements (Contd...)
for the year ended March 31, 2020

Annexure II

Analysis of financial assets and liabilities by remaining contractual maturities

1. The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at:

(₹ in million)

As at March 31, 2020	1 day to 7 days	8 days to 14 days	15 days to 30/31 days	Over one month to 2 months	Over 2 months to 3 months	Over 3 Months upto 6 months	Over 6 Months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Financial assets											
Cash and cash equivalents	858.74	-	3,733.82	-	-	-	-	-	-	-	4,592.56
Loans	50.21	-	519.19	608.34	2,161.22	4,753.94	9,221.44	37,442.12	37,403.15	1,01,716.77	1,93,876.38
Other financial assets	-	-	0.34	0.40	0.09	0.54	0.04	-	7.86	-	9.28
	908.95	**-**	**4,253.35**	**608.75**	**2,161.30**	**4,754.47**	**9,221.48**	**37,442.12**	**37,411.01**	**1,01,716.77**	**1,98,478.22**
Financial liabilities											
Debt securities	-	-	510.00	447.42	3,165.35	4,456.11	9,937.38	49,411.37	39,482.58	17,547.19	1,24,957.40
Subordinated liabilities	-	-	-	-	-	-	356.85	2,204.80	422.50	3,198.21	6,182.36
Other financial liabilities	-	-	-	-	-	-	-	-	-	291.73	291.73
Other financial liabilities - Lease	-	-	-	-	-	-	-	-	-	66.14	66.14
	-	**-**	**510.00**	**447.42**	**3,165.35**	**4,456.11**	**10,294.23**	**51,616.17**	**39,905.08**	**21,103.28**	**1,31,497.63**
Total net financial assets / (liabilities)	**908.95**	**-**	**3,743.35**	**161.32**	**(1,004.04)**	**298.36**	**(1,072.75)**	**(14,174.05)**	**(2,494.07)**	**80,613.49**	**66,980.59**

(₹ in million)

As at March 31, 2019	1 day to 7 days	8 days to 14 days	Up to 30/31 days	Over one month to 2 months	Over 2 months to 3 months	Over 3 Months upto 6 months	Over 6 Months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Financial assets											
Cash and cash equivalents	3,680.37	400.58	-	-	-	-	-	-	-	-	4,080.95
Loans	127.51	125.65	817.03	881.61	1,674.92	3,904.81	8,933.04	31,012.16	30,097.39	88,619.41	1,66,193.53
Other financial assets	-	0.37	0.10	1.60	0.10	0.25	0.18	-	7.21	-	9.81
	3,807.89	**526.60**	**817.13**	**883.21**	**1,675.02**	**3,905.06**	**8,933.22**	**31,012.16**	**30,104.60**	**88,619.41**	**1,70,284.29**
Financial liabilities											
Debt securities	-	-	240.00	1,927.52	1,115.87	1,476.23	5,284.68	37,391.11	37,216.44	23,023.64	1,07,675.49
Subordinated liabilities	-	-	-	-	-	-	356.85	714.10	2,058.80	3,408.85	6,538.60
Other financial liabilities	-	-	-	-	-	-	-	-	-	107.07	107.07
	-	**-**	**240.00**	**1,927.52**	**1,115.87**	**1,476.23**	**5,641.53**	**38,105.21**	**39,275.24**	**26,539.56**	**1,14,321.16**
Total net financial assets / (liabilities)	**3,807.89**	**526.60**	**577.13**	**(1,044.30)**	**559.15**	**2,428.84**	**3,291.69**	**(7,093.05)**	**(9,170.64)**	**62,079.85**	**55,963.13**

2. The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments. Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

(₹ in million)

	1 day to 7 days	8 days to 14 days	Up to 30/31 days	Over one month to 2 months	Over 2 months to 3 months	Over 3 Months upto 6 months	Over 6 Months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
As at March 31, 2020											
Loans sanctioned not yet disbursed	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2019											
Loans sanctioned not yet disbursed	-	-	-	788.00	-	-	-	-	-	-	**788.00**

The Company expects that not all of the contingent liabilities or commitments will be drawn before expiry of the commitments.

Notes to Financial Statements (Contd...)
for the year ended March 31, 2020

2Y. Capital disclosure

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI) of India. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI. Company has complied in full with all its externally imposed capital requirements over the reported period, as a prudent policy over and above this, company has made an additional provision of on account of Macro economic factors affecting infrastructure sector

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

Quantitative details relating to Capital to Risk (weighted) Asset Ratio (CRAR) refer note 2AP of notes to accounts

2Z. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(₹ in million)

Particulars	As at March 31, 2020			As at March 31, 2019		
	Within 12 months	After 12 months	Total	No. in million	(₹ in million)	Total
ASSETS						
1 Financial assets						
(a) Cash and cash equivalents	4,581.92	-	4,581.92	4,078.17	-	4,078.17
(b) Loans	7,277.35	1,07,418.14	1,14,695.49	7,159.40	90,187.02	97,346.42
(c) Other financial assets	1.42	7.86	9.28	2.60	7.21	9.81
2 Non-financial assets						
(a) Property, plant and equipment	-	82.71	82.71	-	26.44	26.44
(b) Intangible assets	-	0.62	0.62	-	0.09	0.09
(c) Other non-financial assets	23.18	2,090.93	2,114.11	26.68	1,448.89	1,475.57
Total assets	**11,883.87**	**1,09,600.26**	**1,21,484.13**	**11,266.85**	**91,669.65**	**1,02,936.50**
LIABILITIES AND EQUITY						
Liabilities						
1 Financial liabilities						
(a) Debt securities	13,929.36	84,526.58	98,455.94	6,261.71	76,062.46	82,324.17
(b) Subordinated liabilities	47.50	4,094.62	4,142.12	47.02	4,094.01	4,141.03
(c) Other financial liabilities	307.74	50.13	357.87	107.07	-	107.07
2 Non-financial liabilities						
(a) Provisions	51.22	21.07	72.29	53.70	28.01	81.71
(b) Other non-financial liabilities	11.38	-	11.38	6.36	-	6.36
Equity						
(a) Equity share capital	-	8,678.71	8,678.71	-	8,678.71	8,678.71
(b) Other equity	-	9,765.82	9,765.82	-	7,597.45	7,597.45
Total Liabilities and Equity	**14,347.20**	**1,07,136.93**	**1,21,484.13**	**6,475.86**	**96,460.64**	**1,02,936.50**

2AA. Lease

The company has elected to apply Ind AS 116 'Leases', applying the provisions of the standard retrospectively with cumulative effect of initially applying the standard recognised at the date of initial application.

Quantitative details relating the carrying amounts of right-of-use assets recognised and the movements during the period refer note 2D.

The carrying amounts of lease liability and the movement during the period are as follows

(₹ in million)

Particulars	Amount
Opening Balance as at 1st April, 2019	**-**
Additions	80.81
Payments	14.67
Closing Balance as at 31st March, 2020	**66.14**

The maturity analysis of lease liabilities are disclosed in note 2X annexure II

The following are the amounts recognised in profit or loss

(₹ in million)

Particulars	Amount
Depreciation charge	18.68
Interest expense on lease liabilities	6.32
Total amount recognised in profit or loss	**25.00**

The Company had total cash outflows for leases of ₹ 20.99 million in 31 March 2020 excluding GST.

2AB. Employee benefit disclosure

(i) Employees Stock Option Scheme

The Company provides share-based employee benefits to the employees of the Company, during the year ended March 31, 2020, employees stock option scheme 2018 (ESOP 2018) was in existence. The relevant details of the schemes and the grants are as below.

The Board of Directors approved the share based employee benefits i.e. issue of stock options to the key employees and directors of the company under ESOP 2018 scheme in their Meetings held on August 24, 2018.

A. Measurement of fair value

The fair value of the options using Black - Scholes Option pricing model and the inputs used in the measurement option of the grant-date fair values of the equity-settled share based payment options granted during the financial year 2018-19 & financial year 2019-20 are as follows:

Notes to Financial Statements (Contd...)
for the year ended March 31, 2020

ESOP 2018 - Grant 2018:

(₹ in million)

Grant date	Year(s) to vesting	Dividend (₹)	Vesting %	Exercise period from Grant (Years)	Expected Term (Years)	Exercise price (₹)	Risk-free interest rate	Volatility (%)	Option price (₹)
17-Oct-18	1.00	0.38	30%	10.00	5.50	18.60	7.89%	19.7%	5.48
17-Oct-18	1.50	0.38	30%	10.00	5.79	18.60	7.92%	19.6%	5.63
17-Oct-18	2.50	0.38	40%	10.00	6.29	18.60	7.94%	19.3%	5.88
Weighted average option value									**5.69**

ESOP 2018 - Grant 2019:

(₹ in million)

Grant date	Year(s) to vesting	Dividend (₹)	Vesting %	Exercise period from Grant (Years)	Expected Term (Years)	Exercise price (₹)	Risk-free interest rate	Volatility (%)	Option price (₹)
24-Apr-19	1.00	0.29	30%	10.00	5.50	18.70	7.30%	17.6%	5.41
24-Apr-19	2.00	0.29	30%	10.00	6.00	18.70	7.36%	19.2%	5.89
24-Apr-19	3.00	0.29	40%	10.00	6.50	18.70	7.41%	19.0%	6.17
Weighted average option value									**5.86**

Assumptions:

Expected option life: The expected option life is assumed to be mid-way between option vesting and expiry of each tranche.

Risk free rate: Zero coupon sovereign bond yields were utilized with maturity equal to expected term of the option

Volatility: Since the company is unlisted, volatility has been calculated using the historical values of the BSE Finance Index. Volatility was calculated by using the standard deviation of daily change in index level. The historical data considered commensurate with the expected option term.

B. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option programmes were as follows:

ESOP 2018 - Grant 2018:

(₹ in million)

Particulars	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
	March 31, 2020	**March 31, 2020**	**March 31, 2019**	**March 31, 2019**
Equity-settled share-based payments				
Options outstanding as at the beginning of the year	69,33,333	18.60	-	-
Add: Options granted during the year	-	-	69,33,333	18.60
Less: Options forfeited/lapsed during the year	12,00,026	18.60	-	-
Less: Options exercised during the year	-	-	-	-
Options outstanding as at the year end	**57,33,307**	**18.60**	**69,33,333**	**18.60**

The options outstanding at March 31, 2020 had an exercise price of ₹ 18.60 (March 31, 2019: ₹. 18.60) and a weighted-average contractual life of 10 years (March 31, 2019: 10 years).

ESOP 2018 - Grant 2019:

(₹ in million)

Particulars	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019
Equity-settled share-based payments				
Options outstanding as at the beginning of the year	-	-	-	-
Add: Options granted during the year	80,88,889	18.70	-	-
Less: Options lapsed/cancelled during the year	14,00,031	18.70	-	-
Less: Options exercised during the year	-	-	-	-
Options outstanding as at the year end	**66,88,858**	**18.70**	**-**	**-**

The options outstanding at March 31, 2020 had an exercise price of ₹ 18.70 (March 31, 2019: ₹. NIL) and a weighted-average contractual life of 10 years (March 31, 2019: NIL years).

C. Carrying amount of liability in the financial statement

Carrying amount of liability is ₹ 51.14 millions for the year ended March 31, 2020 (March 31, 2019: ₹ 23.01 millions).

D. Expense recognised in the statement of profit and loss

Refer note 2T on employee benefit expense, for information on expense charged to the Statement of profit and loss on account of share based payments.

(ii) Gratuity

Sensitivity analysis:

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the change in defined benefit obligation and impact in percentage terms compared with the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

(₹ in million)

Particulars	Year ended March 31, 2020	
	Discount Rate	Salary Escalation Rate
Defined benefit obligation on increase in 50 bps	13.15	14.89
Impact of increase in 50 bps on DBO	(4.87%)	5.17%
Defined benefit obligation on decrease in 50 bps	14.89	13.15
Impact of decrease in 50 bps on DBO	5.22%	(4.87%)

Notes to Financial Statements (Contd...)

for the year ended March 31, 2020

Profit and loss account expense:

(₹ in million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost	3.11	2.89
Past service cost	-	-
Administration expenses	-	-
Interest on net defined benefit liability/(asset)	0.87	0.71
(Gain)/Losses on settlement	-	-
Total expense charged to profit and loss account	**3.98**	**3.60**

Amount recorded in Other Comprehensive Income(OCI):

(₹ in million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Opening amount recognized in OCI	(0.12)	(0.27)
Remeasurement during the period due to		
Changes in financial assumptions	0.84	-
Changes in demographic assumptions	-	(0.01)
Experience adjustments	0.15	0.16
Actual return on plan assets less interest on plan assets	-	-
Amount recognize the effect of asset ceiling	-	-
Closing Amount recognised in OCI	**0.87**	**(0.12)**

Movement in Benefit Obligation:

(₹ in million)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Opening net defined benefit liability/(asset)	11.45	7.69
Current service cost	3.11	2.89
Past service cost	-	-
Interest on net defined benefit liability/(asset)	0.87	0.71
Remeasurement during the period due to		
Actuarial loss/ (gain) arising from change in financial assumptions	0.84	-
Actuarial loss/ (gain) arising from change in demographic assumptions	-	(0.00)
Actuarial loss/ (gain) arising from experience adjustments	0.14	0.16
Benefits Paid	(2.42)	-
Liabilities assumed / (settled)	-	-
Liabilities extinquished on settlements	-	-
Closing net defined benefit liability/(asset)	**13.99**	**11.45**

2AC. Related party transactions as per Ind AS-24

i) Names of related parties as identified by the management and nature of relationship are as follows:

Sr. no.	Nature of relationship	Name of party
1.	Investing Party	ICICI Bank Limited
2.		Bank of Baroda
3.		Citicorp Finance (India) Limited
4.	Subsidiary of Investing Party	ICICI Securities Primary Dealership Limited
5.		ICICI Home Finance Company Limited
6.		ICICI Prudential Life Insurance Company Limited
7.		ICICI Lombard General Insurance Company Limited
8.		BOB Capital Markets Limited
9.	Holding Company of Investing Party	Citi Bank N.A.
10.	Subsidiaries, Joint Ventures and Employee Benefit Companies of Investing Party	ICICI Bank Limited Provident Fund
11.		Pension Fund of ICICI Bank Limited
12.		Provident Fund of ICICI Bank Limited Excluded
13.		ICICI Home Finance Company Limited Employees' Provident Fund
14.		ICICI Prudential Life Insurance Company Limited Employees' Provident Fund
15.		NPS Trust- A/C ICICI Prudential Pension Fund Scheme C - Tier I & Tier-II
16.		India First Life Insurance Company Limited
17.		Bank of Baroda (Employees) Pension Fund
18.		Bank of Baroda Provident Fund Trust
19.	Key Management Personnel	Mr. Suvek Nambiar, Managing Director & CEO
20.		Mrs. Lalita D. Gupte, Independent Director and Chairperson
21.		Mr. Uday Chitale, Independent Director
22.		Mr. Arun Tiwari, Independent Director
23.		Mr. M D Mallya (up to May 28, 2018)

ii) The following are the details of transactions during the year and balances as at March 31, 2020 with related parties

(₹ in million)

Particulars	Investing Party including their subsidiaries, joint ventures and employees benefit companies	Key Management Personnel	Total
Assets			
Bank balance & fixed deposits	4,578.66	-	4,578.66
	(266.15)	(-)	(266.15)
Processing Fee – EIR adjustment	13.41	-	13.41
	(21.56)	(-)	(21.56)
Insurance premium paid- unamortized	0.26	-	0.26
	(0.29)	(-)	(0.29)
Liabilities			
Equity capital infusion (including share premium)	-	-	-
	(5,395.74)	(-)	(5,395.74)
Borrowing-debt securities	14,204.00	-	14,204.00
	(6,093.00)	(-)	(6,093.00)
Accrued Interest on debt securities	425.77	-	425.77
	(215.14)	(-)	(215.14)

Notes to Financial Statements (Contd...)
for the year ended March 31, 2020

(₹ in million)

Particulars	Investing Party including their subsidiaries, joint ventures and employees benefit companies	Key Management Personnel	Total
Arranger fees – EIR adjustment	106.13	-	106.13
	(92.06)	(-)	(92.06)
Processing fee expenses on NCDs-(unamortised)-EIR adjustment	28.76	-	28.76
	(-)	(-)	(-)
Directors commission payable (net of TDS)	-	2.03	2.03
	(-)	(1.74)	(1.74)
Income			
Interest on fixed deposits	3.18	-	3.18
	(2.16)	(-)	(2.16)
Fees income-EIR	8.45	-	8.45
	(2.18)	(-)	(2.18)
Expenditure			
Rent & shared services	-	-	-
	(3.08)	(-)	(3.08)
Arrangers fees expense – EIR	23.81	-	23.81
	(26.16)	(-)	(26.16)
Processing fee expenses on NCDs-(amortised)-EIR adjustment	5.38	-	5.38
	(-)	(-)	(-)
Interest – debt securities	626.37	-	626.37
	(474.06)	(-)	(474.06)
Staff cost[3]	1.23	48.71	49.94
	(1.40)	(48.14)	(49.54)
Director sitting fees & commission	-	4.80	4.80
	(-)	(5.34)	(5.34)
Other charges[4]	0.00	-	0.00
	(0.22)	(-)	(0.22)
Transactions			
Fixed deposit placed	3,720.00	-	3,720.00
	(1,960.00)	-	(1,960.00)
Equity dividend paid	234.93	-	234.93
	(150.80)	(-)	(150.80)
Purchase of loan asset	968.00	-	968.00
	(2,250.00)	(-)	(2,250.00)
Debt securities subscribed	7,000.00	-	7,000.00
	(7,260.00)	(-)	(7,260.00)
Debt securities redemption- on maturity	350.00	-	350.00
	(-)	(-)	(-)

1) Figures in bracket pertains to March 31, 2019.
2) Disclosure of the name of the related party and nature of their relationship has been made only when there have been transactions with those parties other than those as required to be disclosed by Ind AS 24.
3) As the liabilities for gratuity and leave encashment are, provided on an actuarial basis for the Company as a whole, the amounts pertaining to the Key Management Personnel (KMP) is not included above.
4) Other charges include stamp duty payment, bank charges, pos machine charges & de-mat charges.
5) Party wise details of above are available with management.

2AD. Segment information

The Company is engage primarily in business of financing and accordingly there are no reportable segment as per Ind AS-108 on ₹ Operating Segments' notified under the Companies (Indian Accounting Standard) Rules, 2015 (as amended). The Company operates in a single geographical segment i.e. domestic.

2AE. Income taxes

As per section 10 (47) of the Income Tax Act, 1961, any income of Infrastructure Debt Fund will be exempt from income tax. CBDT vide its notification no. 83/2016/F.No.173/50/2013-ITA-I dated September 16, 2016, has notified India Infradebt Limited as an Infrastructure Debt Fund for the purpose of clause (47) of section 10 of Income Tax Act, 1961.

2AF. Due to micro and small enterprises

There are no amounts that need to be disclosed pertaining to Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED').

2AG. As per Section 135 of the Companies Act, 2013, the Company is under obligation to incur ₹ 24.05 million (Previous year ₹ 13.99 million) and has incurred ₹ 24.06 million in cash, being 2% of the average net profit during the three immediately preceding financial years, calculated in the manner as stated in the Act towards Corporate Social Responsibility through the non-profit centre(s) engaged in the provision of health care.

2AH. The Company has not accepted deposits, within the meaning of 'Public Deposits' as defined in the prudential norms issued by the Reserve Bank of India.

2AI. In accordance with RBI Master Direction No. DNBS. PPD.01/66.15.001/2016-17 dated September 29, 2016, no fraud was detected and reported during the year and previous year.

2AJ. In accordance with RBI Master Direction No. DNBR. PD. 008/03.10.119/2016-17 dated September 1, 2016, the Company did not enter into any credit default swaps during the year and previous year.

2AK. In accordance with RBI Master Direction No. DNBR. PD. 008/03.10.119/2016-17 dated September 1, 2016, the Company has not lent against gold jewellery during the year and previous year.

2AL. Details of expenditure in foreign currency for the year ended March 31, 2020 Nil (March 31, 2019 – Nil)

2AM. A national lockdown was declared by Government of India with effect from March 24, 2020 as a result of the recent outbreak of Coronavirus, a virus causing potentially deadly respiratory tract infections (the "pandemic"). Amongst various measures announced to mitigate the economic impact arising from the pandemic, the Reserve Bank of India issued a circular dated March 27, 2020 ("RBI circular") allowing lending institutions to offer a moratorium to customers on payment of instalments falling due between March 1, 2020 and May 31, 2020. The Company' Board has approved policy to extend the moratorium to its borrower in accordance with the RBI circular. At March 31, 2020, the Company has recorded a provision for expected credit loss considering reasonable and supportable information available upto the date of approval of these financial statements. The Company has performed sensitivity analysis and stress testing on the assumptions used. Based on current indicators of future economic conditions, the Company expects to recover carrying amount of the financial assets. The Company will continue to closely monitor any material changes to future economic conditions and resultant impact, if any, on the expected credit loss provisions.

2AN. As required by RBI circular number DOR.No.BP.BC.63/21.04.048/2019-20 dated 17-April-2020 the required disclosure is given below;

(₹ in million)

	Particulars	Amount
(i)	Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of said circular;	Nil
(ii)	Respective amount where asset classification benefits is extended.	Nil
(iii)	Provisions made during the Q4FY2020 in terms of paragraph 5 of said circular;	Nil
(iv)	Provisions adjusted during the respective accounting periods against slippages and the residual provisions in terms of paragraph 6.	Nil

Notes to Financial Statements (Contd...)
for the year ended March 31, 2020

2AO. Previous year figures

Previous period end figures have been regrouped / reclassified,where necessary, to confirm to this year's classification.

2AP.

The following additional information (other than what is already disclosed elsewhere) is disclosed in terms of RBI Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 (Ref. No. DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016.)

(i) Capital

(₹ in million)

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
i)	CRAR (%)	23.18%	26.09%
ii)	CRAR - Tier I Capital (%)	19.06%	20.74%
iii)	CRAR - Tier II Capital (%)	4.12%	5.35%
iv)	Amount of subordinated debt raised as Tier-II capital during the year	-	-
v)	Amount raised by issue of Perpetual Debt Instruments during the year	-	-

(ii) Investment

(₹ in million)

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
(1)	Value of Investments		
	(i) Gross Value of Investments	-	-
	(a) In India	-	-
	(b) Outside India,	-	-
	(ii) Provisions for Depreciation	-	-
	(a) In India	-	-
	(b) Outside India,	-	-
	(iii) Net Value of Investments	-	-
	(a) In India	-	-
	(b) Outside India,	-	-
(2)	Movement of provisions held towards depreciation on investments.		
	(i) Opening balance	-	-
	(ii) Add : Provisions made during the year	-	-
	(iii) Less : Write-off / write-back of excess provisions during the year	-	-
	(iv) Closing balance	-	-

(iii) Derivatives

(a) Forward rate agreement / Interest rate swap

There are no forward rate agreement/interest rate swaps entered during the current financial year and the previous financial year.

(₹ in million)

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
(i)	The notional principal of swap agreements	-	-
(ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-
(iii)	Collateral required by the NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap book	-	-

(b) Exchange traded interest rate (IR) derivatives

(₹ in million)

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	-	-
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on 31st March 2019 (instrument-wise)	-	-
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-	-
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-	-

(c) Quantitative disclosures

(₹ in million)

Sr. No.	Particulars	Currency Derivatives/ Interest Rate Derivatives	
		As at March 31, 2020	As at March 31, 2019
(i)	Derivatives (Notional Principal Amount)	-	-
	For hedging	-	-
(ii)	Marked to Market Positions [1]	-	-
	a) Asset (+)	-	-
	b) Liability (-)	-	-
(iii)	Credit Exposure [2]	-	-
(iv)	Unhedged Exposures	-	-

Notes to Financial Statements (Contd...)

for the year ended March 31, 2020

(iv) (a) **Disclosures relating to securitisation**

(₹ in million)

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
1	No of SPVs sponsored by the NBFC for securitisation transactions	-	-
2	Total amount of securitised assets as per books of the SPVs sponsored	-	-
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet	-	-
	a) Off-balance sheet exposures	-	-
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures	-	-
	First loss	-	-
	Others	-	-
4	Amount of exposures to securitisation transactions other than MRR	-	-
	a) Off-balance sheet exposures	-	-
	i) Exposure to own securitizations	-	-
	First loss	-	-
	Loss	-	-
	ii) Exposure to third party securitisations	-	-
	First loss	-	-
	Loss	-	-
	b) On-balance sheet exposures	-	-
	i) Exposure to own securitizations	-	-
	First loss	-	-
	Loss	-	-
	ii) Exposure to third party securitisations	-	-
	First loss	-	-
	Loss	-	-

(b) **Details of financial assets sold to securitisation /reconstruction company for asset reconstruction**

(₹ in million)

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

(c) Details of assignment transactions undertaken by NBFCs

(₹ in million)

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

(d) Details of non-performing financial assets purchased/sold

A. Details of non-performing financial assets purchased:

(₹ in million)

Sr. No.		Particulars	As at March 31, 2020	As at March 31, 2019
1	(a)	No. of accounts purchased during the year	-	-
	(b)	Aggregate outstanding	-	-
2	(a)	Of these, number of accounts restructured during the year	-	-
	(b)	Aggregate outstanding	-	-

B. Details of non-performing financial assets sold:

(₹ in million)

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
1	No. of accounts sold	-	-
2	Aggregate outstanding	-	-
3	Aggregate consideration received	-	-

Notes to Financial Statements (Contd...)
for the year ended March 31, 2020

(v) (a) Asset Liability Management Maturity pattern of certain items of Assets and Liabilities as at March 31, 2020

(₹ in million)

	1 day to 7 days	8 days to 14 days	Up to 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3months & up to 6 months	Over 6 months & up to 1 year	Over 1year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances*	50.21	0.00	110.13	152.70	1,305.27	1,994.48	3,710.56	17,392.06	20,811.06	70,197.51	1,15,723.99
Investments	-	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	477.38	373.65	2,897.80	3,532.87	6,699.80	38,150.00	31,920.00	18,546.57	1,02,598.06
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

Asset Liability Management Maturity pattern of certain items of Assets and Liabilities as at March 31, 2019

(₹ in million)

	1 day to 7 days	8 days to 14 days	Up to 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3months & up to 6 months	Over 6 months & up to 1 year	Over 1year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances*	135.60	122.66	135.69	110.30	875.44	1,507.20	4,301.70	14,183.10	16,292.90	60,411.83	98,076.42
Investments	-	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	223.56	1,833.24	871.49	740.94	2,640.20	25,740.00	31,920.00	22,495.77	86,465.20
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

* Advances includes total portfolio of loans & investments together

(vi) Exposures

(a) Exposure to real estate sector

(₹ in million)

Category	Direct exposure		As at March 31, 2020	As at March 31, 2019
a)	(i)	Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	-	-
	(ii)	Commercial Real Estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multi- purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	-	-
	(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -	-	-
		a. Residential	-	-
		b. Commercial Real Estate	-	-
Total exposure to real estate sector			**-**	**-**

(b) Exposure to capital market

(₹ in million)

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
(ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	bridge loans to companies against expected equity flows / issues;	-	-
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total exposure to capital market		**-**	**-**

Notes to Financial Statements (Contd...)
for the year ended March 31, 2020

(c) Details of financing of parent company products

Not applicable, since no parent company in current year and previous year.

(d) Details of single borrower limit (SGL) / group borrower limit (GBL) exceeded by the NBFC

The Company has not exceeded the Single Borrower Limit (SGL) / Group Borrower Limit (GBL) during the financial year ended March 31, 2020, (March 31, 2019: Nil)

(e) Unsecured advances

There are no unsecured advances as at March 31, 2020, (March 31, 2019: Nil)

(vii) **(a) Registration obtained from other financial sector regulators**

The Company has not obtained registration from other financial sector regulators except Reserve Bank of India.

(b) Disclosure of penalties imposed by RBI and other regulators

No penalties were imposed by the regulator during the year during the financial year ended March 31, 2020, (March 31, 2019: Nil)

(c) Related party transactions

A) Details of all material transactions with related parties has been disclosed in the notes to accounts.

B) Policy on dealing with related party transactions

The Company undertakes various transactions with related parties in the ordinary course of business. The Company has a Board approved policy on related party transactions, which has been disclosed on the website of the Company and can be viewed at http://infradebt.in/infradebt-rpt-policy-v1.pdf

(d) Ratings assigned by credit rating agencies and migration of ratings during the year

The Company has been assigned following credit rating from all rating agencies during the financial year ended March 31, 2020:-

(₹ in million)

Sr. No.	Name of rating agencies	Rating of product	Rating assigned
1	Crisil Ltd	Debentures	AAA/Stable
2	ICRA Ltd	Debentures	AAA/Stable
3	ICRA Ltd	Sub-ordinated Debt	AAA/Stable
4	Crisil Ltd	Sub-ordinated Debt	AAA/Stable
5	ICRA Ltd	Commercial Paper	A1+
6	India Ratings & Research Pvt.Ltd.	Sub-ordinated Debt	IND AAA/Stable

(e) Remuneration of directors

(₹ in million)

Sr. No.	Name of directors	As at March 31, 2020	As at March 31, 2019
1	Mr. Suvek Nambiar (MD & CEO)#	48.71	48.14
2	Mr. M D Mallya*	-	0.31
3	Mrs Lalita D. Gupte*	1.66	1.97
4	Mr. Uday Chitale*	1.69	2.00
5	Mr. Arun Tiwari*	1.45	1.06
Total		**53.51**	**53.48**

#As the liabilities for gratuity, leave encashment & share based payments are provided for the Company as a whole, the amounts pertaining to it are not included above.

*Remuneration of Independent Directors includes commission payable for the respective financial year.

(viii) Additional disclosures

(a) Provisions and Contingencies

(₹ in million)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at March 31, 2020	As at March 31, 2019
Provisions for depreciation on Investment	-	-
Provision towards NPA	179.25	-
Provision made towards Income tax	-	-
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets/ Investments	119.25	421.25

(ix) Concentration of Deposits, Advances, Exposures and NPAs

(a) Concentration of Deposits (for deposit taking NBFCs)

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Total Deposits of twenty largest depositors	-	-
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	-	-

(b) Concentration of advances

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Total Advances to twenty largest borrowers	47,735.02	45,865.71
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	41%	47%

(c) Concentration of exposures

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Total Exposure to twenty largest borrowers / customers (Investment & advances)	47,735.02	45,865.71
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	41%	47%

(d) Concentration of NPAs

(₹ in million)

Particulars	As at March 31, 2020	As at March 31, 2019
Total Exposure to top four NPA accounts	1,193.32	-

Notes to Financial Statements (Contd...)
for the year ended March 31, 2020

(e) Sector-wise NPAs

(₹ in million)

Sr. No.	Particulars	Percentage of NPAs to Total Advances in that sector As at March 31, 2020	As at March 31, 2019
1	Agriculture & allied activities	-	-
2	MSME	-	-
3	Corporate borrowers	1%	-
4	Services	-	-
5	Unsecured personal loans	-	-
6	Auto loans	-	-
7	Other personal loans	-	-

(x) Movement of NPAs

(₹ in million)

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
(i)	Net NPAs to Net Advances (%)	1%	-
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	-	-
	(b) Additions during the year	1,193.32	-
	(c) Reductions during the year	-	-
	(d) Closing balance	1,193.32	-
(iii)	Movement of Net NPAs		
	(a) Opening balance	-	-
	(b) Additions during the year	1,014.07	-
	(c) Reductions during the year	-	-
	(d) Closing balance	1,014.07	-
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	-	-
	(b) Provisions made during the year	179.25	-
	(c) Write-off / write-back of excess provisions	-	-
	(d) Closing balance	179.25	-

(xi) Overseas assets (for those with Joint Ventures and Subsidiaries abroad)

(₹ in million)

Name of the Joint Venture/ Subsidiary	Other Partner in the JV	Country	Total Assets
Not Applicable, as the company does not have any Joint venture and Subsidiaries abroad			

(xii) Off-balance Sheet SPVs sponsored

(₹ in million)

Name of the SPV sponsored	Domestic	Overseas
	As at March 31, 2020	As at March 31, 2019
	-	-

(xiii) Disclosure of complaints

(a) Customer complaints

(₹ in million)

Sr. No.	Name of directors	As at March 31, 2020	As at March 31, 2019
(a)	No. of complaints pending at the beginning of the year	-	-
(b)	No. of complaints received during the year	-	-
(c)	No. of complaints redressed during the year	-	-
(d)	No. of complaints pending at the end of the year	-	-

As per our report of even date

For S.R. BATLIBOI & CO. LLP
ICAI Firm registration number: 301003E/E300005
Chartered Accountants

per Shrawan Jalan
Partner
Membership No. 102102

Place: Mumbai
Date: April 22, 2020

For and on behalf of the Board of Directors

Lalita D. Gupte
Chairperson
DIN: 00043559

Suvek Nambiar
Managing Director & CEO
DIN: 06384380

Surendra Maheshwari
Chief Financial Officer

Gaurav Tolwani
Company Secretary

ANNEXURE I

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company

(as required in terms of paragraph 18 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

(₹ in million)

	Particulars				
	Liabilities side :	**At March 31, 2020**		**At March 31, 2019**	
(1)	Loans and advances availed by the non-banking finance company inclusive of interest accrued thereon but not paid:	**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**
	(a) Debentures : Secured	98,455.94	-	82,324.17	-
	: Unsecured	4,142.12	-	4,141.03	-
	(other than falling within the meaning of public deposits*)				
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans	-	-	-	-
	(d) Inter-corporate loans and borrowing	-	-	-	-
	(e) Commercial Paper	-	-	-	-
	(f) Public Deposits*	-	-	-	-
	(g) Other Loans (specify nature) – Banks Loans	-	-	-	-
	(h) Other Loans (specify nature) – Cash Credit	-	-	-	-
	(i) Other Loans (specify nature) – Finance Lease Obligation	-	-	-	-
	*Please see Note 1 below				
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :	**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**
	(a) In the form of Unsecured debentures	-	-	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
	(c) Other public deposits	-	-	-	-
	*Please see Note 1 below				

(₹ in million)

	Particulars				
	Assets side :	**At March 31, 2020**		**At March 31, 2019**	
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] (Note 04) :	**Amount outstanding**		**Amount outstanding**	
	(a) Secured		1,15,723.99		98,076.42
	(b) Unsecured		-		-
(4)	Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities				
	(i) Lease assets including lease rentals under sundry debtors :				
	(a) Finance lease		-		-
	(b) Operating lease		-		-

(₹ in million)

Particulars Assets side :	At March 31, 2020		At March 31, 2019	
(ii) Stock on hire including hire charges under sundry debtors:				
(a) Assets on hire		-		-
(b) Repossessed Assets		-		-
(iii) Other loans counting towards AFC activities (refer note 4)				
(a) Loans where assets have been repossessed		-		-
(b) Loans other than (a) above		-		-
(5) Break-up of Investments :				
Current Investments :				
1. Quoted :				
(i) Shares : (a) Equity		-		-
(b) Preference		-		-
(ii) Debentures and Bonds		-		-
(iii) Units of mutual funds		-		-
(iv) Government Securities		-		-
(v) Others (please specify)		-		-
2. Unquoted :				
(i) Shares : (a) Equity		-		-
(b) Preference		-		-
(ii) Debentures and Bonds		-		-
(iii) Units of mutual funds		-		-
(iv) Government Securities		-		-
(v) Others (Please specify)		-		-
Long Term investments :				
1. Quoted :				
(i) Shares : (a) Equity		-		-
(b) Preference		-		-
(ii) Debentures and Bonds		-		-
(iii) Units of mutual funds		-		-
(iv) Government Securities		-		-
(v) Others (Please specify)				
2. Unquoted :				
(i) Shares : (a) Equity		-		-
(b) Preference		-		-
(ii) Debentures and Bonds		-		-
(iii) Units of mutual funds		-		-
(iv) Government Securities		-		-
(v) Others (Please specify)		-		-

(6) Borrower group-wise classification of assets financed as in (3) and (4) above : Please see Note 2 below

(₹ in million)

Category	At March 31, 2020			At March 31, 2019		
	Amount net of provisions			Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties **						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Please see note 3 below (₹ in million)

Category	At March 31, 2020		At March 31, 2019	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	-	-	-	-
Total	**-**	**-**	**-**	**-**

** As per Accounting Standard of ICAI (Ind AS) (Please see Note 3)

(8) Other information

(₹ in million)

Sr. No.	Particulars	At March 31, 2020 Amount	At March 31, 2019 Amount
(i)	Gross Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	1,193.32	-
(ii)	Net Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	1,014.07	-
(iii)	Assets acquired in satisfaction of debt	Nil	Nil

Notes:

1 As defined in point xix of paragraph 3 of Chapter -2 of these Directions.

2 Provisioning norms shall be applicable as prescribed in these Directions.

3 All accounting standards and guidance notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

4 Loans and advances includes total portfolio of loans & investments together

Disclosure as per RBI circular DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 (Mar-20)

(₹ in million)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing Assets						
Standard	Stage 1	1,14,530.67	849.25	1,13,681.42	458.28	390.97
	Stage 2	-	-	-	-	-
Subtotal		1,14,530.67	849.25	1,13,681.42	458.28	390.97
Non-Performing Assets (NPA)						
Substandard	Stage 3	1,193.32	179.25	1,014.07	119.50	59.75
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		1,193.32	179.25	1,014.07	119.50	59.75
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	**Stage 1**	1,14,530.67	849.25	1,13,681.42	458.28	390.97
	Stage 2	-	-	-	-	-
	Stage 3	1,193.32	179.25	1,014.07	119.50	59.75
	Total	**1,15,723.99**	**1,028.50**	**1,14,695.49**	**577.78**	**450.72**

Disclosure on liquidity risk for the quarter ended March 2020 under RBI circular no. RBI/2019-20/88 DOR. NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Sr. No.	Number of Significant Counterparties	Amount (₹ crore)	% of Total deposits	% of Total Liabilities
1	26	6,994	Not Applicable	68%

(ii) Top 20 large deposits: Not Applicable

(iii) Top 10 borrowings

Amount (₹ crore)	% of Total Borrowings
4,402	44%

(iv) Funding Concentration based on significant instrument/product

Sr. No.	Number of Significant Counterparties	Amount (₹ crore)	% of Total Liabilities
1	Non-Convertible Debentures	9,501	92%
2	Sub-ordinated Debt	409	4%

(v) Stock Ratios:

Sr. No.	Particulars	Ratio
1	Commercial Paper to Total Liabilities	NIL
2	Commercial Paper to Total Assets	NIL
3	NCDs (Original maturity < 1 Year) to Total Liabilities	NIL
4	NCDs (Original maturity < 1 Year) to Total Assets	NIL
5	Other Short-Term Liabilities to Total Liabilities	14%
6	Other Short-Term Liabilities to Total Assets	12%

(vi) Institutional set-up for liquidity risk management

India Infradebt Limited (Infradebt) has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. Atleast four meetings of ALCO are conducted in a financial year. The Board Credit & Risk Committee (BCRC), a sub-committee of the Board of Directors of the Company along with Chief Risk Officer being the permanent invitee, oversees the liquidity risk management. The BCRC subsequently updates the Board of Directors on the same. Infradebt has a Board approved Liquidity & Interest Rate Risk Policy which covers the aspect of Liquidity Risk Management, Interest Rate Risk Management, Resource Planning & Funding Strategies, Stress Testing & Contingency Funding Plan and Management Information System.