INFRADEBT
Leading Infrastructure Finance

INDIA INFRADEBT LIMITED

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Contents

THE I ADVANTAGE

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

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 backended 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.

Corporate Information

Board Of Directors

Mrs. Lalita D. Gupte
Chairperson & Independent Director

Mr. Uday Chitale
Independent Director

Mr. Arun Tiwari
Independent Director

Mr. Partha Dey
Nominee Director

Ms. Nina Nagpal
Nominee Director

Mr. Suvek Nambiar
Managing Director & CEO

Senior Management

Mr. Akash Deep Jyoti
Chief Risk Officer

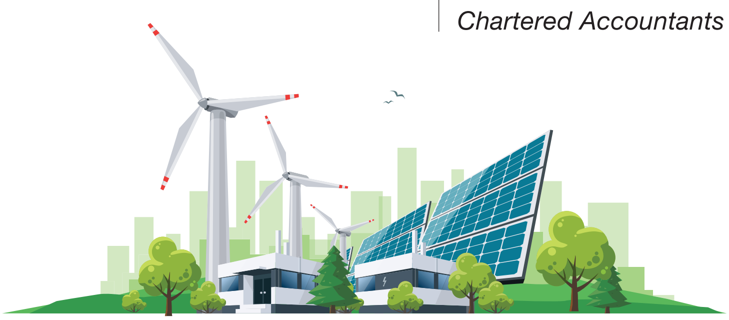
Mr. Surendra Maheshwari
Chief Financial Officer

Company Secretary & Compliance Officer

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:

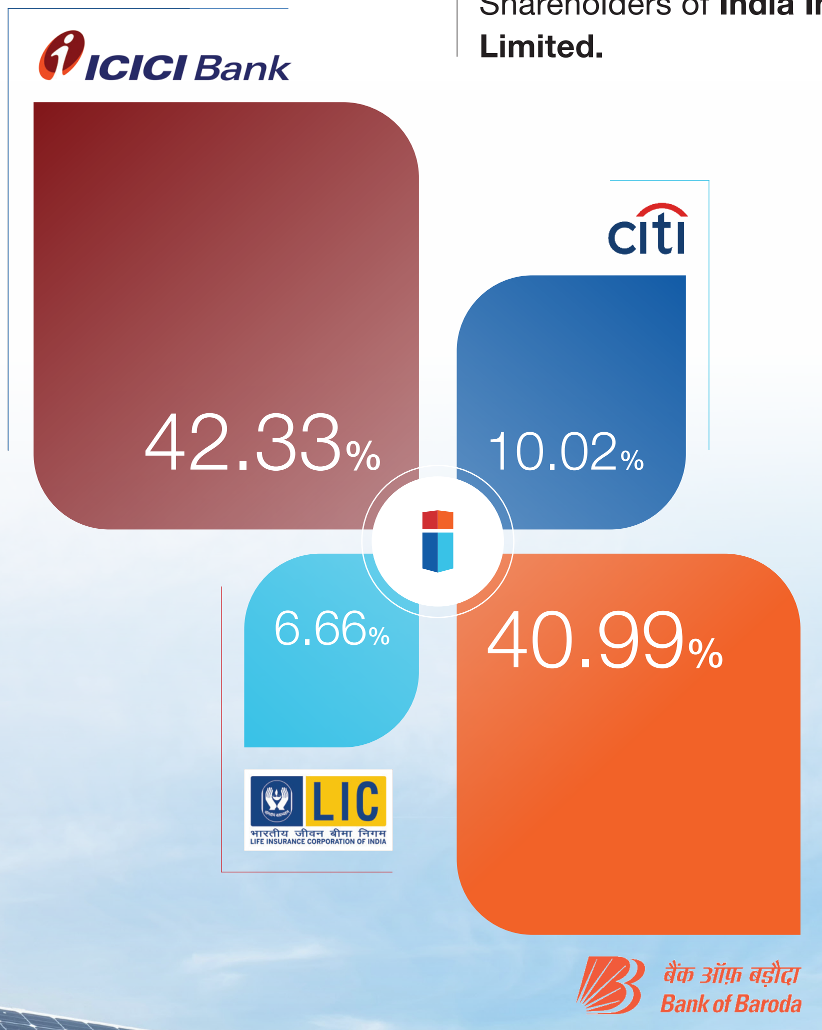
Link Intime India Pvt. Ltd.
C-101, 247 Park, L.B.S. Marg
Vikhroli (W),
Mumbai-400 083

Debenture Trustee

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

Shareholders

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



About Us

India Infradebt Limited (Infradebt) is an Infrastructure Debt Fund (IDF) set up 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.

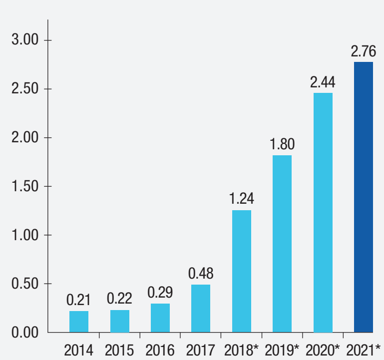
Infradebt was formed with an aim to finance the Infrastructure Projects (which have completed atleast one year of commercial operations) and reinforce their longterm financial resilience. In line with this, a major portion of Company's portfolio comprises of road projects awarded by the National Highways Authority of India and renewable energy projects (wind, solar, hydro and power transmission). Infradebt has further widened its reach by financing infrastructure projects belonging to sectors such as telecommunications, oil storage, education, transmission and hospitals. 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).

Profit after Tax

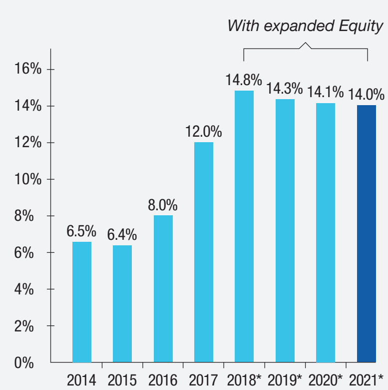
(₹ in billion)



**As per IndAS*

Return on Equity

(in %)



**As per IndAS*

Performance

FY2021 Highlights

- Asset book: ₹ 128.10 billion (99 projects)
- Rupee bonds outstanding: ₹ 123.96 billion. More than 350 institutional investors, mostly in long-term category
- Profit after tax of ₹ 2.76 billion and Return on Equity of 14.01%
- Maintained highest credit rating by CRISIL, ICRA, India Ratings at AAA/Stable
- Fourth consecutive year of dividend distribution
- Credit rating of the portfolio at "A-" (average)
- Contribution of ₹ 10.0 million to PM CARES Fund to strengthen the efforts of the Government of India towards fighting COVID-19

Milestones

08

Mar 2021 – largest incremental borrowing in a financial year: ₹ 30.65 billion

06

Mar 2019 – completion of full five years of operations in infrastructure financing sector, reaching balance sheet size of more than ₹ 100.00 billion

07

Mar 2020 – financed infrastructure assets of more than ₹ 115.00 billion

04

May 2016 – 1st renewable energy project disbursed

05

Mar 2018 – total investment of ~ ₹ 78.00 billion in 61 projects

02

DEC 2013 – 1st tripartite agreement executed (Financed PPP Project)

03

May 2014 – 1st issue of NCDs, raised ₹ 3.00 billion

01

Obtained **RBI license** and commenced **operations** in feb 2013

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 Ninth Annual Report of India Infradebt Limited (Infradebt/Company) with the audited statement of accounts for the year ended March 31, 2021.

FINANCIAL HIGHLIGHTS

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

(₹ in million)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Total Income	13,061.82	10,659.47
Profit Before Tax	2,764.43	2,444.65
Less: Provision for Tax[1]	-	-
Profit After Tax	2,764.43	2,444.65
Other Comprehensive Income:		
Remeasurement gain/(losses) on defined benefits plan	(7.23)	(0.99)
Total Comprehensive Income	2,757.20	2,443.66
Add: Balance brought forward from previous year	4,627.23	2,975.92
Balance available for appropriation	7,384.43	5,419.58
Appropriation:		
Special Reserve u/s 45-IC of Reserve Bank of India Act, 1934	552.89	488.93
Dividend paid on Equity shares	251.68	303.42[2]
Total Appropriation	804.57	792.35
Surplus carried forward to Balance Sheet	6,579.86	4,627.23

[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.

[2] Includes dividend distribution tax.

ANALYSIS OF THE FINANCIAL PERFORMANCE & DIVIDEND

In FY2021, Infradebt has made profit of ₹ 2,764.43 million as compared to profit of ₹ 2,444.65 million in FY2020. During FY2021, the income from operations was ₹ 13,011.82 million against ₹ 10,658.82 million of FY2020.

Infradebt proposes to transfer ₹ 552.89 million (Previous year: ₹ 488.93 million) to Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934 and carry forward ₹ 6,579.86 million (Previous year: ₹ 4,627.23 million) to the Balance Sheet.

Infradebt's Dividend Distribution 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 FY2021 and in line with the Dividend Distribution Policy, your Directors are happy to recommend payment of a dividend of ₹ 0.29 per equity share for FY2021.

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, declared as pandemic by the World Health Organization (WHO), has caused huge, unprecedented economic and financial disruptions during the year 2020 and still continuing in 2021. In response to the consequent lockdowns imposed by the Centre and the State from the last week of March 2020, Infradebt activated business continuity plan in line with government directives and mandated its employees to work from home. Infradebt remained fully operational in 2021 and continued to function seamlessly to provide best-in-class takeout funding and to supplement bank funding of infrastructure development in India.

In order to further strengthen the efforts of the Government of India towards fighting COVID-19, Infradebt contributed a sum of ₹ 10.0 million to The Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund' (PM CARES Fund) in the month of June 2021 as part of its CSR commitment for the Financial Year 2021-22.

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 the borrower(s), Infradebt offered moratorium to eligible borrowers based on a Board approved Policy and criteria.

In accordance with the instructions of RBI circular dated April 7, 2021, and the Indian Banks' Association (IBA) advisory letter dated April 19, 2021, the Company put in place a Board approved Policy to refund/ adjust the interest on interest charged during the moratorium period of March 1, 2020 to August 31, 2020 to the eligible borrowers. The details on reversal of interest on interest during the moratorium period have been provided in Note 2AN of Notes to Accounts included in the Financial Statements section of this Annual Report.

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
Address:	Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001.
Tel No.:	022-40807000
Fax No.:	022-6631 1776
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:

- Partha Dey, Head - Portfolio Management & Structured Finance Group, Syndication Group and Strategic Solutions Group, ICICI Bank Limited has been nominated by ICICI Bank Limited on the Board of Infradebt in place of G. Srinivas. Majority of the Board of Directors of Infradebt approved the appointment of Partha Dey as a Nominee Director on the Board of Infradebt effective September 8, 2020. Consequent to the same, G. Srinivas ceased

Directors' Report (Contd.)

to be a Director of Infradebt with effect from September 2, 2020. The Board placed on record its deep appreciation for his valuable contribution and guidance to Infradebt.

- Murali Ramaswami, Nominee Director of Bank of Baroda resigned from the Board of Infradebt effective January 5, 2021 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 Murali Ramaswami to Infradebt.
- Manish Kumar, Nominee Director of Citicorp Finance (India) Limited resigned from the Board of Infradebt effective March 25, 2021 due to change in role within Citigroup. The Board placed on record its deep appreciation for valuable contribution and guidance given by Manish Kumar to Infradebt.

Following change took place in the composition of the Board of Directors of Infradebt post closure of financial year:

- Nina Nagpal, Managing Director, Citicorp Finance (India) Limited has been nominated by Citicorp Finance (India) Limited on the Board of Infradebt in place of Manish Kumar. Majority of the Board of Directors of Infradebt by way of circulation on April 1, 2021 approved the appointment of Nina Nagpal as a Nominee Director on the Board of Infradebt effective April 1, 2021.

In terms of the provisions of the Companies Act, 2013 and the Articles of Association of Infradebt, Partha Dey 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 Partha Dey has been included in the Notice convening the Ninth Annual General Meeting of Infradebt.

During the year under review, none of the Non-Executive Directors had any pecuniary relationships or transactions with the Company.

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 the 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 at Manesar for inclusion of their name in the data bank of Independent Director. 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.

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

There was no change in the key managerial personnel during the year under review. The Board at its Meeting held on April 22, 2020, designated Gaurav Tolwani, Company Secretary as Company Secretary & Compliance Officer. 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 & Compliance Officer.

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. In view of COVID-19 pandemic and to adhere to the lockdown and social distancing norms, all the Board Meetings, Board Committee Meetings and Eighth Annual General Meeting of the Company were held during the financial year through video conferencing.

DETAILS OF BOARD MEETINGS

During the year, 4 (four) Board Meetings were held on April 22, 2020, August 17, 2020, October 26, 2020 and January 20, 2021. 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	4
G. Srinivas (DIN: 01407491) *(till September 2, 2020)*	Nominee Director (ICICI Bank Limited)	2	2
Partha Dey (DIN: 00242825) *(w.e.f. September 8, 2020)*	Nominee Director (ICICI Bank Limited)	2	2
Murali Ramaswami (DIN: 08659944) *(till January 5, 2021)*	Nominee Director (Bank of Baroda)	3	3
Manish Kumar (DIN: 03502160) *(till March 25, 2021)*	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 has delegated particular matters to Committees set up for the purpose. The Seven Board level Committees constituted by the Board are:

1. Audit Committee
2. Board Governance, Remuneration and Nomination Committee
3. Board Credit Committee (erstwhile Board Credit & Risk Committee; Name and powers changed effective April 23, 2021)
4. Board Risk Management Committee (constituted effective April 23, 2021)
5. Corporate Social Responsibility Committee
6. Information Technology Strategy Committee; and
7. Committee of Directors

AUDIT COMMITTEE

The Board of Directors of Infradebt 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, 2021, the Audit Committee comprised of Uday Chitale, Lalita D. Gupte, Arun Tiwari and Partha Dey.

Directors' Report (Contd.)

During the year, 4 (four) Meetings of the Audit Committee were held on April 22, 2020, August 17, 2020, October 26, 2020 and January 20, 2021. 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	4
G. Srinivas *(till September 2, 2020)*	2	2
Partha Dey *(w.e.f. September 8, 2020)*	2	2
Murali Ramaswami *(till January 5, 2021)*	3	2

Upon change in nomination by ICICI Bank Limited, G. Srinivas ceased to be a Member of the Audit Committee with effect from September 2, 2020 and Partha Dey became a Member of the Audit Committee with effect from September 8, 2020. On resigning from the Board of Infradebt, Murali Ramaswami ceased to be a Member of the Audit Committee effective January 5, 2021.

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, 2021, the Board Governance Committee comprised of Lalita D. Gupte, Uday Chitale, Arun Tiwari and Partha Dey.

During the year, 2 (two) Meetings of the Board Governance Committee were held on April 22, 2020 and August 17, 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
Lalita D. Gupte	2	2
Uday Chitale	2	2
Arun Tiwari	2	2
G. Srinivas *(till September 2, 2020)*	2	2
Partha Dey *(w.e.f. September 8, 2020)*	N.A.	N.A.
Murali Ramaswami *(till January 5, 2021)*	2	2
Manish Kumar *(till March 25, 2021)*	2	2

Upon change in nomination by ICICI Bank Limited, G. Srinivas ceased to be a Member of the Board Governance Committee with effect from September 2, 2020 and Partha Dey became a Member of the Board Governance Committee with effect from September 8, 2020. On resigning from the Board of Infradebt, Murali Ramaswami ceased to be a Member of the Board Governance Committee effective January 5, 2021. On resigning from the Board of Infradebt, Manish Kumar ceased to be a Member of the Board Governance Committee effective March 25, 2021.

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 COMMITTEE (ERSTWHILE BOARD CREDIT & RISK COMMITTEE)

The Board of Directors of Infradebt has constituted the Board Credit & Risk Committee (BCRC) on February 26, 2013. The BCRC 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, 2021, the BCRC comprised of Arun Tiwari, Lalita D. Gupte, Uday Chitale, Partha Dey and Suvek Nambiar as Members and Akash Deep Jyoti in capacity of Chief Risk Officer as permanent invitee.

The Board at its Meeting held on April 23, 2021, approved the split of BCRC by entrusting the "Risk Management" powers of the BCRC into a new Committee viz. Board Risk Management Committee (BRMC) and amended the name of the BCRC as Board Credit Committee (BCC).

During the year, 4 (four) Meetings of the BCC were held on June 26, 2020, October 26, 2020, December 28, 2020 and March 10, 2021. 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*	4	4
Lalita D. Gupte	4	4
Uday Chitale	4	4
G. Srinivas *(till September 2, 2020)*	1	1
Partha Dey *(w.e.f. September 8, 2020)*	3	3
Murali Ramaswami *(till January 5, 2021)*	3	3
Suvek Nambiar	4	4
Permanent invitee: Chief Risk Officer	4	4

Upon change in nomination by ICICI Bank Limited, G. Srinivas ceased to be a Member of the BCC with effect from September 2, 2020 and Partha Dey became a Member of the BCC with effect from September 8, 2020. On resigning from the Board of Infradebt, Murali Ramaswami ceased to be a Member of the BCC effective January 5, 2021.

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, 2021, CSR Committee comprised of Lalita D. Gupte, Uday Chitale, Arun Tiwari and Suvek Nambiar.

During the year, 1 (one) Meeting of the CSR Committee was held on April 22, 2020. 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 *(till March 25, 2021)*	1	1
Suvek Nambiar	1	1

On resigning from the Board of Infradebt, Manish Kumar ceased to be a Member of the CSR Committee effective March 25, 2021.

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 ₹ 37.14 million and the Company spent ₹ 37.15 million towards CSR activities during FY2021, 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, 2021, 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, 2 (two) Meetings of the Information Technology Strategy Committee were held on August 17, 2020 and January 20, 2021. 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*	2	2
Arun Tiwari	2	2
Suvek Nambiar, *Managing Director & CEO*	2	2
Akash Deep Jyoti, *Chief Risk Officer*	2	2
Ankur Sood, *Head HR & In-charge of IT Operations*	2	2

COMMITTEE OF DIRECTORS

The Board of Directors of Infradebt has constituted the Committee of Directors on January 22, 2014. Committee

Directors' Report (Contd.)

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 August 17, 2020 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 Director	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 of liquidity risk and overseeing the liquidity positions), Executive Credit Committee (erstwhile Executive Credit & Risk Committee; Name changed w.e.f. April 23, 2021) (approving credit proposals as per authorisation matrix approved by Board and reviewing existing assets) and Management Committee (to act as a Committee of Senior Executives as per the RBI Circular on Risk-based Audit Plan and to discuss various issues applicable to Infradebt).

ANNUAL RETURN

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 will be 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 ₹ 30.65 billion during FY2021. As at end of FY2021, the total outstanding borrowings have reached ₹ 123.96 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 FY2021. 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. 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 from amongst the aforesaid employee stock options plan.

Further, to expand the pool for the purpose of awarding further stock options for the next few years and uninterruptedly enable the Company to attract and retain talented human resources by offering them an opportunity to acquire a continuing equity interest in the Company, the Members at the Eighth AGM of Infradebt held on September 24, 2020, approved the "India Infradebt Limited – Employees Stock Option Plan 2020" (ESOP 2020).

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 - 4.

The disclosure with respect to the ESOP 2020 is not given, as no grants were made from it as on March 31, 2021.

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 23, 2021 has approved ratification of appointment of statutory auditors for FY2022 along with their remuneration.

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 - 5. 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 a 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) of the Companies Act, 2013 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, 2021

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

Directors' Report (Contd.)

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. There are 30 Board approved policies which are dynamic in nature and are updated/modified at least on an yearly basis to adopt to the dynamics of business requirement (evolving in nature), external factors such as COVID-19 pandemic and also to streamline the existing procedures. Major policies include; Credit and Recovery Policy, Liquidity and Interest Rate Risk Policy, Know Your Client and Anti-Money Laundering Policy, Fair Practices Code, Corporate Social Responsibility Policy, Resource Planning Policy, Information Security and Technology Policy, Business Continuity and Disaster Recovery Policy, Expected Credit Loss Policy, Policy on Resolution Framework for COVID-19 related stress, etc. The Board has also constituted various Committees (headed by independent directors) to focus on the critical functions of Infradebt such as (i) Board Governance, Remuneration and Nomination Committee (ii) Board Credit Committee (iii) Board Risk Management Committee (iv) Audit Committee and (v) Corporate Social Responsibility Committee. In addition to the above-mentioned committees, the Board has also constituted other committees (headed by Managing Director & CEO) such as (i) Executive Credit Committee (ii) Asset Liability Management Committee and (iii) Information Technology Steering Committee. 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 - 6.

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 FY2021, 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.

MAINTENANCE OF COST RECORDS

The maintenance of cost records, for the services rendered by the Company, pursuant to Section 148(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Cost Records and Audit) Rules, 2014, is not required. Hence, the disclosure requirement under sub-Rule 5 (ix) of Rule 8 of the Companies (Accounts) Rules, 2014 is not applicable.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

The Company, in the capacity of Financial Creditor, has not filed any applications with National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 during FY2021 for recovery of outstanding loans against any customer being Corporate Debtor.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During FY2021, there was no instance of onetime settlement with any Bank or Financial Institution.

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 - 7.

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 FY2021, 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, 2021 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.

Directors' Report (Contd.)

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.

The Directors express their deep sense of appreciation for the commitment and hard work, put in by the Management and the employees, which have helped Infradebt improve its business performance.

For and on behalf of the Board

Lalita D. Gupte
Chairperson
(DIN: 00043559)

Date : August 18, 2021
Place : Mumbai

Management Discussion And Analysis

a) Industry structure and developments

Infradebt has continued its steady growth in financing senior debt of projects in core sectors of roads and renewable energy while taking selective exposure to infrastructure sectors like oil terminals, education, transmission and healthcare for diversification.

The infrastructure sector has been experiencing consolidation by way of mergers and acquisitions and investments through InvIT platforms, which augurs well for the industry in creating larger play for long-term investors in the Public Private Partnerships (PPP) as well as Non-PPP space, but it also results in concentrations of projects with the few, large platforms. Going forward, the consolidation of assets/projects would help in creating credit worthy and bankable investment structures.

Infradebt has increased its asset book to ₹ 128.10 billion as on March 31, 2021, with financing extended to 99 companies, in aggregate, across roads, renewable energy and other infrastructure sectors. Along with the transportation sector, renewable energy sector (wind and solar) remains a focus sector for lending. As of March 31, 2021, Infradebt has ~58% of its asset book contributed through lending/investing in debt facilities in the renewable energy projects; out of the balance 42%, around ~33% is contributed by road projects and balance 9% is contributed by telecommunications, oil storage, education, transmission and hospitals projects.

Amid second wave of the pandemic, the economy is expected to get impacted by the series of pandemic waves and series of lockdowns; though the intensity of impact is expected to recede with increasing proportion of vaccinated population. The sectors to which Infradebt has exposure are the most essential for the economy of the country and therefore the long-term impact on these sectors is demonstrated to be negligible. Various initiatives such as easing of interest rate, liquidity infusion, RBI moratorium policy, etc. have considerably eased the short-term liquidity issues for the financial sector. As part of its response to the calamity, Infradebt has been maintaining an adequate liquidity position in form of available cash & cash equivalents and has been well placed to service its debt. Infradebt carries out regular stress testing exercise considering various adverse scenarios.

Infradebt shall continue to focus its business on the identified, core sectors with large ticket size and wide role in selected financing transactions and also look to diversify its asset portfolio to other sectors like warehouse, logistics, city gas distribution, railways, water treatment projects, airports, ports, etc.

b) Opportunities and Threats

Opportunities -

In the Union Budget for FY2022, the gross budgetary support towards capital expenditure has been increased significantly to ₹ 5.54 trillion with higher allocation towards the ministry of road transport and highways with ₹ 1.18 trillion as a support for the infrastructure sector. The National Infrastructure Pipeline (NIP) with 6,500 projects across sectors worth ₹ 103.00 trillion had been announced in December 2019. The Union Budget has expanded the scope of NIP to 7,400 projects and stated that around 217 projects worth ₹ 1.10 trillion have already been completed. 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 aimed at completion of 11,000 kms of national highways, predominantly in states such as Tamil Nadu (3,500 kms), Kerala (1,100 kms), Assam (1,300 kms), West Bengal (1,200 kms), etc. GOI has also announced development of 2,500 kms expressways, 9,000 kms of economic corridors, 2,000 kms of coastal and land port roads and 2,000 kms of strategic highways. Further, National Highways Authority of India (NHAI) is also planning to develop wayside amenities along the national highway and expressways at 600 locations in the next five years on PPP mode. As part of the commercialisation of highways, at least 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 opportunities in the roads sector. Amongst various initiatives to boost infrastructure development in India, GOI has announced easing of restrictions on funding through foreign portfolio investors in Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs). GOI in its budget announced setting up of a Development Finance Institution (DFI) with an allocation of ₹ 200.0 billion; this is expected to provide impetus to the financing requirement of under-construction

Annexure – 1 (Contd.)

infrastructure projects going forward. FasTAG has been made mandatory on all national highways from December 15, 2019 and it was stipulated that toll fee shall be charged at twice the rate applicable, from users opting for cash payment. On February 15, 2021, the Ministry of Road Transport and Highways (MoRTH) has made it compulsory to install FasTAG on all four wheelers vehicles on Indian roads. This is expected to improve efficiency, transparency of toll collection over the medium to long term and thereby reducing toll leakages. NHAI also proposes to implement GPS based tolling mechanism in next two to three years thereby reducing traffic congestions and requirement of toll plazas. The consequent improvement in toll revenues would help in improving the credit profile of existing and new road projects.

Renewable energy has emerged as the core focus sector for GOI under the present regime. As on March 31, 2021, India's total grid-interactive generation capacity stood at ~382 GW out of which ~94 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. Solar energy is the largest renewable energy source as on date with an operational capacity of ~40 GW followed by wind energy with an operational capacity of 39GW. Solar energy capacity has seen a rapid increase in the last 4-5 years from about 5 GW to 40 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 continue to add opportunities in the sector. The Government has set a target of 450 GW of renewable energy by 2030 with an aggressive approach towards reduction in power generation of the conventional power plants i.e., coal-based power plants. Post completion of construction, project sponsors are interested in refinancing their projects to benefit from the lower cost of debt and longer tenure debt thereby improving the viability of the projects. Infradebt plans to be a significant participant in the financing of these projects. Infradebt will continue to partner with banks (including Shareholders), NBFCs, other IDFs and financial institutions/capital market participants to undertake financing/ take-out financing initiatives.

Last year, despite the COVID-19 challenges impacting the financial sector (including retail), Infradebt proved to be relatively better insulated due to the cash-flow backed nature of its lending. Going forward, Infradebt would seek to continue its moderate growth and maintain its profitability. The strategy of Infradebt will be to continue to focus on sectors such as roads, renewable energy (wind, solar and selectively, hydro) projects, power transmission, logistics, railways, education, hotels, hospitals, etc.

Additionally, while competition for financing completed infrastructure assets has increased due to the surplus liquidity and projects' implementation pipeline getting delayed, Infradebt continues to have an edge by offering fixed rate loans. Such fixed rate loans provide a hedge to project owners against increasing interest rates.

The Union Budget for FY2022 amended the definition of Zero Coupon Bond (ZCB) as provided in Section 2(48) of the Income Tax Act, 1961, enabling the Infrastructure Debt Fund (IDF) as notified under Section 10(47) of the Income Tax Act, 1961 to issue ZCBs from FY2022. These tax efficient bonds shall emerge as the new major borrowing instrument for IDF-NBFCs, diversifying the investor base by including new investor categories including Family Offices, High Networth Individuals, etc. These long term NCDs will further help in asset liability management and reduce cost of funding.

Threats -

Interest from corporates in new financing structure such as InvITs and dollar 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 finance. InvITs have tax exemptions which make it attractive for overseas funds, especially sovereign funds. Also, given the reduction in benchmark rates, banks are more competitive in refinancing of completed projects with higher credit profile. This is likely to increase competition in the space.

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 any significant movement in terms of yields or liquidity will affect fund raising. 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 delay the pipeline of projects for Infradebt.

Funding on a consolidated/pooled basis, refinancing 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 change in the regulatory framework can have an impact on the profitability of Infradebt.

Additionally, the surfeit of liquidity unleashed by the Central Banks together with pipeline of new projects being implemented proceeding at a slower pace has resulted in severe competition of financing completed infrastructure projects. As the asset book of Infradebt comprises only such assets, there are increasing instances of such assets being targeted by other financing institutions.

c) Segment–wise or product-wise performance

The asset book as at the end of FY2021 stood at ₹ 128.10 billion after adjusting for redemption/ repayment of facilities during the year. Out of this, ₹ 42.50 billion has been provided to 24 road projects under the PPP framework (backed by a tripartite agreement) and ₹ 85.60 billion has been provided to 75 projects under the Non-PPP framework i.e., renewable energy and other sectors.

Issuances of senior secured NCDs aggregating to ₹ 30.65 billion along with scheduled repayment of ₹ 10.49 billion were done in FY2021. As at March 31, 2021, the total outstanding borrowings were ₹ 123.96 billion. 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 refinancing 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 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. Also, the loss given default of renewable energy projects is the lowest amongst other projects in infrastructure projects. Hence overall quality of Infradebt’s asset book is likely to remain robust. Apart from the above, Infradebt will also focus on opportunities in sectors 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 had faced temporary cash-flow disruptions during H1-FY2021, primarily due to COVID-19 related lockdown, a 21-day toll suspension for national highways announced by NHAI, reduced power off-take of the third-party off-takers and payment delays by a few state discoms. The magnitude of the impact of the COVID-19 on the Infradebt portfolio was negligible due to the projects being categorized under “essential services” as well as on account of the presence of in-built structural buffers in the form of upto six-month debt service reserve, bank lines of credit, co-obligor structures

Annexure – 1 (Contd.)

and sponsor support. The ₹ 900.00 billion relief package by the Government through Power Finance Corporation Limited (PFC) and Rural Electrification Corporation Limited (REC) for discoms to discharge its liabilities, which was increased to ₹ 1,250.00 billion, has helped the discoms in regularizing the payments and reducing the liability level to some extent. Partial payments out of this relief package have been released to various 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 the borrower projects.

Infradebt's exposure to road assets is safeguarded by way of tripartite agreement entered between NHAI (AAA, sub-sovereign authority), the borrowers and Infradebt and confirmed by other lenders, 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 of Infradebt 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 independent audit agencies to validate the robustness of risk-framework of Infradebt. Stringent credit appraisal framework ensures the minimization of credit risk. The Board has also 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 also 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 levels.

f) Internal control systems and their adequacy

There are adequate internal controls 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 23 project companies (including those under co-obligor structures) in the infrastructure sector, aggregating to ₹ 24.83 billion. Infradebt raised funds through the issuance of NCDs aggregating to ₹ 30.65 billion. A wide range of investor class subscribed to these issuances viz. insurance companies, pension funds, banks, mutual funds, provident funds and corporates.

In FY2021, Infradebt has made profit of ₹ 2,764.43 million as compared to profit of ₹ 2,444.65 million in FY2020. During FY2021, the income from operations was ₹ 13,011.82 million against ₹ 10,658.82 million in FY2020.

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, 2021, there were 22 employees in the Company.

Lalita D. Gupte
Chairperson
(DIN: 00043559)

Date: August 18, 2021

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: August 18, 2021

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 on CSR policy of the Company:

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 (which includes formulation of an annual action plan and implementation of the activities to be undertaken) and monitoring mechanism.

2. The Composition of CSR Committee:

As on March 31, 2021, the CSR Committee of Infradebt comprises three Independent Directors, one Nominee Director and one Executive Director. The composition of the CSR Committee as on March 31, 2021 is as below:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Lalita D. Gupte	Chairperson, Independent Director	1	1
2.	Uday Chitale	Member, Independent Director	1	1
3.	Arun Tiwari	Member, Independent Director	1	1
4.	Manish Kumar *(till March 25, 2021)*	Member, Nominee Director	1	1
5.	Suvek Nambiar	Member, Managing Director & CEO	1	1

3. Provide the web-link where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

Pursuant to Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, Composition of CSR Committee, CSR Policy and CSR projects approved by the Board for FY2021 are disclosed on the Infradebt's website. Web-link: https://www.infradebt.in/Disclosure-on-Corporate-Social-Responsibility-for-FY2021.pdf.

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

Not applicable, as the average CSR obligation in the three immediately preceding financial years (i.e. FY2018, FY2019 and FY2020) is ₹ 1,48,82,754.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Not applicable.

6. 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 FY2018, FY2019 and FY2020) calculated as specified by the Companies Act, 2013 is ₹ 185,72,23,420.

7.

Sl. No.	Particular	Amount (in ₹)
a.	Two percent of average net profit of the company as per section 135(5)	3,71,44,468
b.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
c.	Amount required to be set off for the financial year, if any	Nil
d.	Total CSR obligation for the financial year (7a+7b-7c)	3,71,44,468

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
3,71,45,600	Nil		Nil		

Annexure – 3 (Contd.)

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
Nil												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund' (PM CARE Fund)	Item no. viii - Contribution to PM CARES.	N.A.	PAN India		1,00,00,000	No	PM CARES Fund	N.A.
2	Mid-Day Meal (MDM) for Children (Through this program Akshaya Patra Foundation strives to eliminate classroom hunger by implementing the MDM Scheme in the government schools and government-aided schools).	Item no. ii - Promotion extreme hunger and poverty; and Item no. ii - Promotion of education	No	Andhra Pradesh	Srikakulam and Kuppam	48,08,730	No	Akshaya Patra Foundation	CSR00000286
3	Distribution of Happiness Kits (Through this program Akshaya Patra Foundation ensure health-hygiene and continuous learning is not compromised to Government school children who were regular beneficiaries of the MDM programme).	Item no. i - Eradicating extreme hunger and poverty; and Item no. ii - Promotion of education	No	Maharashtra Karnataka	Pune Bangalore	64,72,870	No	Akshaya Patra Foundation	CSR00000286

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
4	ImPaCCT holistic support strategy (Financial support to children and young adults with cancer).	Item no. i - Promoting Health Care	Yes	Maharashtra	Mumbai	85,30,000	No	ImPaCCT Foundation of Tata Memorial Hospital	CSR00001287
5	Rashtriya Netra Yagna (Flagship programme of Vision Foundation of India, aims at treating more than 1.0 million needy people from all over India requiring eye surgery)	Item no. i - Promoting Health Care	No	Maharashtra & Karnataka	Multiple District	73,34,000	No	Vision Foundation of India	CSR00002065
	Total					**3,71,45,600**			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 3,71,45,600

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5).	3,71,44,468
(ii)	Total amount spent for the Financial Year.	3,71,45,600
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1,132
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any.	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1,132

Annexure – 3 (Contd.)

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	FY2018	Nil	Nil	Nil			Nil
2	FY2019	Nil	Nil	Nil			Nil
3	FY2020	Nil	Nil	Nil			Nil
	Total	Nil	Nil	Nil			Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing
	Nil							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable.

(a) Date of creation or acquisition of the capital asset(s): Nil

(b) Amount of CSR spent for creation or acquisition of capital asset: Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Nil

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Nil

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

The CSR Committee hereby confirms that the Company has spent two per cent of the average net profit as per section 135(5) of the Companies Act, 2013.

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

Suvek Nambiar
Managing Director & CEO
(DIN: 06384380)

Date: August 18, 2021

Annexure – 4

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, 2021:

Sr. No.	Particulars	Under ESOP 2018
1.	Number of options granted	2,22,58,139
2.	Number of options vested	1,50,22,222
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	1,96,58,082

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, 2021	Options Exercised during the year ended March 31, 2021
1	Suvek Nambiar	Managing Director & CEO	35,35,917	Nil
2	Surendra Maheshwari	Chief Financial Officer	10,10,000	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, 2021	Options Exercised during the year ended March 31, 2021
		None		

Lalita D. Gupte
Chairperson
(DIN: 00043559)

Date: August 18, 2021

Annexure - 5

Form No. MR-3
Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[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** (U65923MH2012PLC237365) (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, the explanations and clarifications given to me and the representation made by the management and considering the relaxation granted by the Ministry of Corporate affairs warranted due to the spread of COVID-19 pandemic, I hereby report that in my opinion, the Company has, during the audit period ended on 31st March, 2021, 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 31st March, 2021, 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;

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;

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) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (SEBI (LODR) 2015);- to the extent applicable

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 (to the extent applicable).

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;

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

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 representative 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 8th Annual General Meeting held on Thursday, 24th September 2020;

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

Annexure – 5 (Contd.)

4. I further report that:

   The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women 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.

   - Due to Pandemic, MCA has granted relaxations through its general circulars from time to time for conducting Board and General Meeting, accordingly all the meetings have been conducted by Video Conferencing, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally 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, there was no dissenting views delivered 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 8th Annual General Meeting received approval from its Members for Issue of Non-Convertible Debentures for an additional aggregate amount not exceeding ₹ 70.00 billion in one or more tranches on private placement basis as per the Companies Act, 2013.

Jaipraksh Singh
Jaiprakash R Singh & Associates
FCS No.:7391
C P No.:4412
UDIN: F007391C000099087

Place: Mumbai
Date:15.04.2021

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.

Place: Mumbai
Date:15.04.2021

Jaiprakash Singh
Jaiprakash R Singh & Associates
FCS No.:7391
C P No.:4412
UDIN: F007391C000099087

Annexure - 6

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:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1.	Life Insurance Corporation of India, Venturer Company	Non-convertible Debentures (NCDs) issued in line with prevailing market rates to Life Insurance Corporation of India.	-	Subscribed 7,500 NCDs of the face value of ₹ 1.0 million each for cash at par aggregating to ₹ 7,500.0 million.	N.A.	N.A.
2.	Bank of Baroda, Venturer Company	Term deposit placed with Bank of Baroda.	Maturity period: 11 days	Outstanding Fixed deposit of ₹ 3,050.0 million.	N.A.	N.A.

Lalita D. Gupte
Chairperson
(DIN: 00043559)

Date: August 18, 2021

Annexure – 7

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 - 13:1

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 commission paid to Independent Directors is 33%. The percentage increase in remuneration of the Managing Director & CEO, Chief Financial Officer is 10% and Company Secretary is 25%.

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 22 on March 31, 2021.

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 12.6%, 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: August 18, 2021

Independent Auditor's Report

To the Members of India Infradebt Limited

Report on the Audit of the Indian Accounting Standards ("Ind AS") Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of India Infradebt Limited ("the Company"), which comprise the Balance sheet as at March 31 2021, 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, 2021, its profit including other comprehensive loss, 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, 2021. 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 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.	• 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.

Key audit matters	How our audit addressed the key audit matter
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 were 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 August 6, 2020 ("RBI circular") for resolution framework for Covid-19 related stress allowing lending institutions to implement a resolution plan in respect of its eligible corporate exposure without change in ownership, and personal loans, while classifying such exposures as Standard, subject to specified conditions. In accordance with its Board approved policy as described in Note 2AM. The Company has recorded a management overlay 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.	• Tested the operating effectiveness of the controls for staging of loans based on their past-due status. Tested samples 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 Covid-19 on the business activities of the Company and its loans and investment portfolio. • Performed inquiries with the Company's management with respect to any resolution plan under Reserve Bank of India's circular for Resolution framework for Covid-19 related stress. • 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 issues 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 (Contd.)

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">IT systems and controls</td></tr>
<tr><td>The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure accurate financial reporting.

Therefore, due to the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.</td><td>We performed the following procedures, assisted by specialized IT auditors on the IT infrastructure and applications relevant to financial reporting:

• Tested the design and operating effectiveness of IT access controls over the information systems that are critical to financial reporting.
• Tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.
• Tested the Company's periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization.
• In addition to the above, we tested the design and operating effectiveness of certain automated and IT dependent manual controls that were considered as key internal controls over financial reporting.
• Where deficiencies were identified, we tested compensating controls or performed alternate procedures.</td></tr>
</table>

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 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, 2021 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.

Independent Auditor's Report (Contd.)

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 books of account 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 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, 2021 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: 21102102AAAAGK7020

Place of Signature: Mumbai
Date: April 23, 2021

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, goods and service tax and other statutory dues applicable to it. 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	0*	AY 2013-14 to AY 2017-18	Commissioner of Income Tax (Appeals)

*Outstanding tax demand adjusted against the income tax refund order for subsequent Assessment years

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.

Independent Auditor's Report (Contd.)

(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: 21102102AAAAGK7020

Place: Mumbai
Date: April 23, 2021

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF INDIA INFRADEBT LIMTED

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 with reference to Ind AS financial statements of India Infradebt Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS 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 ("ICAI"). 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 with reference to these Ind AS 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 Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 with reference to these Ind AS 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 with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS 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 Company's internal financial controls with reference to these Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to these Ind AS Financial Statements

A company's internal financial controls with reference to Ind AS 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 controls with reference to Ind AS 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.

Independent Auditor's Report (Contd.)

Inherent Limitations of Internal Financial Controls With Reference to Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to Ind AS 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 with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS 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 with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2021, 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 issued by the ICAI.

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

per **Shrawan Jalan**
Partner
Membership Number: 102102
UDIN: 21102102AAAAGK7020

Place of Signature: Mumbai
Date: April 23, 2021

Balance sheet
as at March 31, 2021

(₹ in million)

	Notes	As at March 31, 2021 (Audited)	As at March 31, 2020 (Audited)
ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	2A	16,675.57	4,581.92
(b) Loans	2B	126,750.75	114,695.49
(c) Other financial assets	2C	11.97	9.28
2 Non-financial assets			
(a) Property, plant and equipment	2D	60.35	82.71
(b) Intangible assets	2E	0.79	0.62
(c) Other non-financial assets	2F	1,718.93	2,114.11
Total assets		**145,218.36**	**121,484.13**
LIABILITIES AND EQUITY			
Liabilities			
1 Financial liabilities			
(a) Debt securities	2G	119,816.55	98,455.94
(b) Subordinated liabilities	2H	4,143.16	4,142.12
(c) Other financial liabilities	2J	134.98	357.87
2 Non-financial liabilities			
(a) Provisions	2K	113.53	72.29
(b) Other non-financial liabilities	2L	18.05	11.38
Total liabilities		**124,226.27**	**103,039.60**
Equity			
(a) Equity share capital	2M	8,678.71	8,678.71
(b) Other equity	2N	12,313.38	9,765.82
Total equity		**20,992.09**	**18,444.53**
Total liabilities and equity		**145,218.36**	**121,484.13**

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 23, 2021

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, 2021

(₹ in million)

		Notes	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)
	REVENUE FROM OPERATIONS			
	(i) Interest income	2O	12,731.91	10,292.02
	(ii) Fees income		42.84	42.52
	(iii) Net gain on fair value changes	2P	237.07	324.28
(I)	**Total revenue from operations**		**13,011.82**	**10,658.82**
	Other income			
	(i) Other income	2Q	50.00	0.65
(II)	**Total other income**		**50.00**	**0.65**
(III)	**Total Income (I+II)**		**13,061.82**	**10,659.47**
	EXPENSES			
	(i) Finance costs	2R	9,653.04	7,623.14
	(ii) Impairment on financial instruments	2S	316.54	298.50
	(iii) Employee benefit expenses	2T	199.60	171.11
	(iv) Depreciation, amortization and impairment	2D & 2E	25.43	25.30
	(v) Other expenses	2U	102.78	96.77
(IV)	**Total expenses**		**10,297.39**	**8,214.82**
(V)	**Profit / (loss) before tax (V)=(III-IV)**		**2,764.43**	**2,444.65**
(VI)	**Tax expense**	2.3(K)	-	-
(VII)	**Profit / (loss) for the year (VII)=(V-VI)**		**2,764.43**	**2,444.65**
(VIII)	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit and loss			
	(a) Remeasurement profit/loss on defined benefit plan		(7.23)	(0.99)
			(7.23)	**(0.99)**
	(ii) Income tax effect		-	-
	Other comprehensive income for the year (VIII)=(i-ii)		**(7.23)**	**(0.99)**
(IX)	**Total comprehensive income for the year (net of taxes) (IX)=(VII+VIII)**		**2,757.20**	**2,443.66**
(X)	**Earnings per equity share in ₹**	2V	3.19	2.82
	Basic and diluted earnings per share of ₹ 10/-face value			

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 23, 2021

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, 2021

(₹ in million)

(A) EQUITY SHARE CAPITAL	Note	Amount
Balance as at March 31, 2019		8,678.71
Changes in equity share capital during the year		-
Balance as at March 31, 2020	2M	8,678.71
Changes in equity share capital during the year		-
Balance as at March 31, 2021		8,678.71

(B) OTHER EQUITY

(₹ in million)

	Reserves and surplus				Total
	Securities premium	**Statutory reserve u/s 45-IC of RBI Act, 1934**	**Shares option outstanding account (ESOP reserve)**	**Retained earning**	
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 year	**-**	**-**	**-**	**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)	-
Total comprehensive income for the year as at March 31, 2020	**3,717.02**	**1,370.43**	**51.14**	**4,627.23**	**9,765.82**
Profit/(Loss) for the year	-	-	-	2,764.43	2,764.43
Remeasurement of defined benefit plan	-	-	-	(7.23)	(7.23)
Total comprehensive income for the year	**-**	**-**	**-**	**2,757.20**	**2,757.20**
Dividend paid on equity shares (Dividend for 2020: ₹ 0.29 per share)	-	-	-	(251.68)	(251.68)
ESOP reserve	-	-	42.05	-	42.05
Transfer from retained earnings	-	552.88	-	(552.88)	-
Total comprehensive income for the year as at March 31, 2021	**3,717.02**	**1,923.31**	**93.19**	**6,579.86**	**12,313.38**

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 23, 2021

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

Cash Flow Statement

for the year ended March 31, 2021

(₹ in million)

Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2020 (Audited)
Cash flow from operating activities		
Profit before Tax	2,764.43	2,444.65
Adjustment to reconcile profit before tax to net cash flows		
Interest on fixed deposit	(228.84)	(5.96)
Income on redemption of liquid mutual funds	(237.07)	(324.28)
Interest income on T-Bills	(8.43)	-
Impairment of financial assets	316.54	298.50
Unwinding of discount on security deposit	0.71	0.65
Remeasurement gain/(loss) on defined benefit plans	(7.23)	(0.99)
Shares option outstanding account	42.05	28.12
Depreciation on fixed assets charged during the year	25.43	25.30
Operating profit before working capital changes	**2,667.58**	**2,466.00**
Movements in working capital:		
(Decrease)/ Increase in other financial liabilities	(222.90)	184.66
(Decrease)/ Increase in other non-financial liabilities	63.92	(4.40)
Decrease/ (Increase) in Loans	(12,371.79)	(17,647.58)
Decrease/ (Increase) in other financial asset	(3.41)	(0.12)
Decrease/ (Increase) in other non-financial asset	(0.66)	2.49
Cash generated from / (used in) operations	**(9,867.26)**	**(14,998.95)**
Direct taxes paid (net of refunds)	395.85	(641.03)
Net Cash flow from/ (used in) operating activities (A)	**(9,471.41)**	**(15,639.98)**
Cash flow from investing activities		
Purchase of fixed assets	(3.23)	(1.28)
Interest received on fixed deposit	228.84	5.96
Income on redemption of liquid mutual funds	237.07	324.28
Interest income on T-Bills	8.43	-
Net cash flow from/ (used in) investing activities (B)	**471.11**	**328.96**
Cash flow from financing activities		
Proceeds from lease payment	(16.01)	(14.67)
Proceeds from issuance of debt securities	31,851.64	19,482.86
Repayment of debt securities	(10,490.00)	(3,350.00)
Dividend paid on equity share	(251.68)	(298.25)
Dividend distribution tax on equity share	-	(5.17)
Net cash flow from/ (used in) financing activities (C)	**21,093.95**	**15,814.77**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**12,093.66**	**503.75**
Cash and cash equivalents at the beginning of the year	4,581.92	4,078.17
Cash and cash equivalents at the end of the year	**16,675.57**	**4,581.92**
Components of cash and cash equivalents		
With banks- on current account	758.82	858.74
- on deposit account	14,423.72	3,723.18
- Investment in Treasury Bills - Short Term	1,493.03	-
Total cash and cash equivalents (note. no. 2A)	**16,675.57**	**4,581.92**
Foot notes:		
1. Cash and bank balances reconciliation		
Cash and bank balance as at end of the year	16,675.57	4,581.92
Less: fixed deposits for a period greater than 3 months	-	-
Cash and cash equivalents as at end of the year	16,675.57	4,581.92

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 23, 2021

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.

These Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Change in Equity, Cash Flow Statements together with the Notes for the year ended March 31, 2021 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).

The Company has set procedures for both recurring and non-recurring fair value measurement of financial assets, which includes valuation techniques and inputs to use for each case.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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.

Significant Accounting Policies and Notes to Accounts (Contd.)

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. Where the ultimate collection of revenue lacks reasonable certainty, revenue recognition is postponed. Revenue of the Company mainly 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) Interest income on financial instruments is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate applicable. Effective Interest Rate ("EIR") is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. In case of stage 3 assets, interest income is recognised upon realisation basis. For financial assets measured at fair value through profit and loss ("FVTPL"), transaction costs are recognised in the statement of profit and loss at initial recognition.

(ii) 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

At each balance sheet date, management assesses whether there is any indication, based on internal/external factors, that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above. An assessment is made at the balance sheet date to see if there is an indication that a previously assessed impairment loss no longer exists or may have decreased. If such indication exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount, subject to maximum of depreciable historical cost. After impairment, depreciation is provided on the revised carrying amount of the asset over the remaining useful life.

(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. Loan to customers are recognised when funds are disbursed to the customers. For tradable securities, the Company recognizes the financial instruments on settlement date.

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 Other Comprehensive Income (FVOCI)

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

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.

Significant Accounting Policies and Notes to Accounts (Contd.)

The details of these conditions are outlined below:

(a) Business model assessment

A 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.

(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.

(III) 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.

(IV) Financial instruments at FVTPL

Financial assets that do not meet the criteria for amortised cost or at FVOCI, are measured at FVTPL. Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L

(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.

(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

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 full 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 is treated 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 records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with loan commitments, all referred to as 'Financial Instruments'. Equity instruments are not subject to impairment under Ind AS 109.

ECL is a probability- weighted estimate of credit losses. A credit loss 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 discounted at the original effective interest rate. Because ECL consider the amount and timing of payments, a credit loss arises even if the entity expects to be paid in full but later than when contractually due.

Significant Accounting Policies and Notes to Accounts (Contd.)

The key elements of ECL are, as follows:

Probability of Default (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.

Exposure At Default (EAD) : It is the current outstanding balance of loans including interest accrued thereon together with any expected drawdowns of committed facilities.

Loss Given Default (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.

(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). 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 bank 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 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, short term bank deposit with original maturities of three months or less and other short term highly liquid investments with 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 had 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.

(VI) Employee Share Based payments

Employees of the Company receive remuneration 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 and contingent liabilities

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. Contingent liability is disclosed when there is a possible obligation or a present obligation that may or may not result in outflow of resources. When the likelihood of outflow of resources is remote, no provision or disclosure is made.

Significant Accounting Policies and Notes to Accounts (Contd.)

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") any 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.

2A. Cash and cash equivalents

(₹ in million)

Particulars	At March 31, 2021	At March 31, 2020
Balance with Banks	758.82	858.74
Bank deposits with original maturity of less than 3 months	14,423.72	3,723.18
Investment in Treasury Bills - Short Term	1,493.03	-
Total	**16,675.57**	**4,581.92**

2B. Loans

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

(₹ in million)

Particulars	At March 31, 2021	At March 31, 2020
Term loan	71,943.65	71,627.36
Debt securities	56,152.14	44,096.63
Total - Gross	**128,095.79**	**115,723.99**
Less: Impairment loss allowance	1,345.04	1,028.50
Total - Net	**126,750.75**	**114,695.49**

(B)

(₹ in million)

Particulars	At March 31, 2021	At March 31, 2020
(a) Secured by tangible assets	128,095.79	115,723.99
(b) Secured by intangible assets	-	-
(c) Covered by Bank/Government guarantee	-	-
(d) Unsecured	-	-
Total - Gross	**128,095.79**	**115,723.99**
Less: Impairment loss allowance	1,345.04	1,028.50
Total - Net	**126,750.75**	**114,695.49**

2C. Other financial assets

(₹ in million)

Particulars	At March 31, 2021	At March 31, 2020
Receivable from client	0.35	0.36
Security deposit	11.09	7.88
Staff advances	0.53	1.03
Total	**11.97**	**9.28**

Notes to accounts

for the year ended March 31, 2021 (Contd.)

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, 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**
Additions	-	0.41	1.98	-	0.40	-	2.79
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2021	**0.77**	**2.78**	**2.03**	**4.42**	**23.55**	**80.81**	**114.36**

Particulars	Land	Computers-hardware	Office equipments	Vehicle	Lease hold improvements	Right of use premises	Total
Accumulated depreciation and impairment							
Balance as at March 31, 2019	**-**	**0.77**	**0.01**	**0.89**	**2.11**	**-**	**3.78**
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**
Depreciation expense	-	0.65	0.08	0.88	4.91	18.63	25.15
Disposals of assets	-	-	-	-	-	-	-
Balance as at March 31, 2021	**-**	**2.07**	**0.10**	**2.66**	**11.87**	**37.31**	**54.01**

Particulars	Land	Computers-hardware	Office equipments	Vehicle	Lease hold improvements	Right of use premises	Total
Carrying amount							
Balance as at March 31, 2019	0.77	1.21	0.04	3.53	20.90	-	26.45
Balance as at March 31, 2020	0.77	0.95	0.03	2.65	16.18	62.13	82.71
Balance as at March 31, 2021	**0.77**	**0.71**	**1.94**	**1.76**	**11.67**	**43.50**	**60.35**

Notes to accounts
for the year ended March 31, 2021 (Contd.)

2E. Intangible assets

(₹ in million)

Particulars	Computers - software	Total
Deemed cost		
Balance as at March 31, 2019	**0.20**	**0.20**
Additions	0.76	0.76
Disposals	-	-
Balance as at March 31, 2020	**0.96**	**0.96**
Additions	0.44	0.44
Disposals	-	-
Balance as at March 31, 2021	**1.40**	**1.40**

Particulars	Computers - software	Total
Accumulated depreciation and impairment		
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**
Depreciation expense	0.28	0.28
Disposals of assets	-	-
Balance as at March 31, 2021	**0.61**	**0.61**

Particulars	Computers - software	Total
Carrying amount		
Balance as at March 31, 2019	**0.09**	**0.09**
Balance as at March 31, 2020	**0.62**	**0.62**
Balance as at March 31, 2021	**0.79**	**0.79**

Notes to accounts
for the year ended March 31, 2021 (Contd.)

2F. Other non-financial assets

(₹ in million)

Particulars	At March 31, 2021	At March 31, 2020
TDS receivable/advance tax	1,694.07	2,089.92
Goods & service tax input credit	0.82	1.18
Prepaid expenses	23.89	22.00
Other assets	0.15	1.01
Total	**1,718.93**	**2,114.11**

Financial liabilities

2G. Debt securities

In India (at amortised cost)

(₹ in million)

Particulars	At March 31, 2021	At March 31, 2020
Secured non-convertible debentures (Refer note 2I below)	**119,816.55**	**98,455.94**

2H. Subordinated liabilities

In India (at amortised cost)

(₹ in million)

Particulars	At March 31, 2021	At March 31, 2020
Unsecured non-convertible debentures (Refer note 2I below)	**4,143.16**	**4,142.12**

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

(₹ in million)

Redeemable within	At March 31, 2021	At March 31, 2020
	Rate of Interest >=7<=9.70	Rate of Interest >=7.75<=9.70
0-12 Months	19,956.55	13,981.50
12-24 Months	22,900.00	15,250.00
24-36 Months	11,520.00	22,900.00
36-48 Months	22,900.00	9,020.00
48-60 Months	31,760.00	22,900.00
Above 60 Months	14,923.16	18,546.57
Total borrowings	**123,959.71**	**102,598.06**

2J. Other financial liabilities

(₹ in million)

Particulars	At March 31, 2021	At March 31, 2020
Advance interest/principal received from clients	84.85	291.73
Lease payment liability	50.13	66.14
Total	**134.98**	**357.87**

Notes to accounts
for the year ended March 31, 2021 (Contd.)

Non-Financial liabilities
2K. Provisions

(₹ in million)

Particulars	At March 31, 2021	At March 31, 2020
Provision for employee benefits		
Employee benefit payable	38.73	41.86
Provisions for gratuity	25.12	14.00
Provision for leave encashment	13.66	9.98
Total provision for employee benefits (i)	**77.51**	**65.84**
Other provisions		
Provision for expenses	36.02	6.45
Total other provisions (ii)	**36.02**	**6.45**
Total (i+ii)	**113.53**	**72.29**

2L. Other non-financial liabilities

(₹ in million)

Particulars	At March 31, 2021	At March 31, 2020
Statutory dues	18.05	11.38
Total	**18.05**	**11.38**

2M. Equity share capital

(₹ in million)

Particulars	At March 31, 2021	At March 31, 2020
Authorized:		
1,700,000,000 (31 March 2020: 1,700,000,000) equity shares of ₹ 10 each	17,000.00	17,000.00
500,000,000 (31 March 2020: 500,000,000) Preference shares of ₹ 10 each	5,000.00	5,000.00
Issued capital		
900,358,422 (31 March 2020: 900,358,422) equity shares of ₹ 10 each	9,003.58	9,003.58
Subscribed and fully paid up		
867,871,200 (31 March 2020: 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 year

Particulars	At March 31, 2021		At March 31, 2020	
	No. in million	(₹ in million)	No. in million	(₹ in million)
At the beginning of the year	867.87	8,678.71	867.87	8,678.71
Issued during the year	-	-	-	-
Outstanding at the end of the year	**867.87**	**8,678.71**	**867.87**	**8,678.71**

(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.

Notes to accounts

for the year ended March 31, 2021 (Contd.)

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

Name of the shareholder	At March 31, 2021		At March 31, 2020	
	No. in million	% holding in the class	No. in million	% holding in the class
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, 2021	At March 31, 2020
Statutory reserve u/s 45-IC of RBI Act, 1934		
Balance at the beginning of the year	1,370.43	881.50
Add: amount transferred from surplus balance in the statement of profit and loss	552.88	488.93
Closing balance (A)	**1,923.31**	**1,370.43**
Securities premium		
Balance at the beginning of the year	3,717.02	3,717.02
Add: Additions during the year	-	-
Closing balance (B)	**3,717.02**	**3,717.02**
Shares option outstanding account (ESOP reserve)		
Balance at the beginning of the year	51.14	23.01
Add: Additions during the year	42.05	28.13
Closing balance (C)	**93.19**	**51.14**
Profit & loss		
Surplus in profit and loss account at the beginning of the year	4,627.23	2,975.92
Add: Profit for the year	2,764.43	2,444.65
Add: Remeasurement gain/(losses) on defined benefits plan	(7.23)	(0.99)
Less: Transfer to statutory reserve (@ 20% of profit after tax as required by section 45-IC of Reserve Bank of India Act, 1934)	(552.89)	(488.93)
Less: Dividend paid on equity shares (including dividend distribution tax)	(251.68)	(303.42)
Total appropriations	**(804.57)**	**(792.35)**
Net surplus in the statement of profit and loss account at the end of the year (D)	**6,579.86**	**4,627.23**
Total other equity (A)+(B)+(C)+(D)	**12,313.38**	**9,765.82**

Revenue from operations

2O. Interest income

(₹ in million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest on Loans-(on financial assets measured at amortised cost)	12,494.64	10,286.06
Interest on deposits with banks	228.84	5.96
Interest income on T-Bills	8.43	-
Total	**12,731.91**	**10,292.02**

2P. Net gain on fair value changes

(₹ in million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(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	237.07	324.28
Total Net gain on fair value changes	**237.07**	**324.28**
(B) Fair value changes:		
- Realised	237.07	324.28
- Unrealised	-	-
Total Net gain on fair value changes	**237.07**	**324.28**

2Q. Other income

(₹ in million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest Received on IT Refund	49.29	-
Miscellaneous income	0.71	0.65
Total	**50.00**	**0.65**

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

(₹ in million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest expenses on debt securities	9,644.78	7,609.48
Other borrowing costs	3.29	7.34
Interest expenses-lease	4.97	6.32
Total	**9,653.04**	**7,623.14**

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for the year ended March 31, 2021 (Contd.)

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

(₹ in million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Impairment of loans	316.54	298.50
Total	**316.54**	**298.50**

2T. Employee benefits expenses

(₹ in million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and wages	142.02	129.55
Contribution to provident fund and other funds	4.88	4.53
Share based payment to employees	42.05	28.12
Gratuity	4.21	3.97
Leave encashment	4.75	1.94
Staff welfare	1.69	3.00
Total	**199.60**	**171.11**

2U. Other expenses

(₹ in million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Rent, rates & energy costs (Note 1)	2.87	3.49
Communication	1.30	1.56
Printing and stationery	0.06	0.54
Director's fees, allowances and expenses	5.42	4.80
Auditors fees & expenses (refer details below)	4.70	3.54
Legal & professional fees	20.04	26.53
Insurance	0.05	0.05
Travelling expenses	0.01	0.49
Stamp duty expenses	0.84	1.00
Office maintenance cost	1.37	1.53
Guarantee fee	20.01	20.65
Corporate social responsibility expenses	37.15	24.06
Others	8.96	8.54
Total	**102.78**	**96.77**

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

Notes to accounts
for the year ended March 31, 2021 (Contd.)

(₹ in million)

Payment to auditor	Year ended March 31, 2021	Year ended March 31, 2020
As auditor		
Audit fees	1.34	1.26
Tax audit fees	0.13	0.10
Limited review fees	0.55	0.30
Out of pocket expense	0.03	0.03
In other capacity		
Certification and other fees	2.65	1.85
Total	**4.70**	**3.54**

2V. Earnings Per Share

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

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, 2021	Year ended March 31, 2020
Net profit after tax (₹ in million)	2,764.43	2,444.65
Weighted average number of Equity Shares (No.)	867,871,200	867,871,200
Earnings per share	**3.19**	**2.82**

(Basic and diluted earnings per share of ₹10/-face value)

Notes to accounts

for the year ended March 31, 2021 (Contd.)

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, 2021							
	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	-	-	758.82	758.82	-	-	-	-
- Bank deposits with original maturity of less than 3 months	-	-	14,423.72	14,423.72	-	-	-	-
- Investment in Treasury Bills			1,493.03	1,493.03				
Loans and advances	-	-	126,750.75	126,750.75	-	-	-	-
	-	**-**	**143,426.32**	**143,426.32**	**-**	**-**	**-**	**-**
Financial liabilities								
Debt securities	-	-	119,816.55	119,816.55	-	-	-	-
Subordinated liabilities	-	-	4,143.16	4,143.16	-	-	-	-
	-	**-**	**123,959.71**	**123,959.71**	**-**	**-**	**-**	**-**

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

(₹ 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	-	-	114,695.49	114,695.49	-	-	-	-
	-	**-**	**119,277.41**	**119,277.41**	**-**	**-**	**-**	**-**
Financial liabilities								
Debt securities	-	-	98,455.94	98,455.94	-	-	-	-
Subordinated liabilities	-	-	4,142.12	4,142.12	-	-	-	-
	-	**-**	**102,598.06**	**102,598.06**	**-**	**-**	**-**	**-**

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.

2X. Financial instruments – Fair values and Risk management

Financial risk management

The Company (Infradebt) has exposure to the following risks:

(a) Credit risk (b) Liquidity risk (c) Market risk (d) Operational risk

The Company's Board of Directors has 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 27 Board-approved policies, which include - Credit Risk and Recovery Policy, Liquidity and Interest Rate risk Policy, Know Your Client and Anti-Money Laundering Policy, Fair Practices Code, Corporate Social Responsibility Policy, Resource Planning Policy, Information Security and Technology Policy, Business Continuity and Disaster Recovery Policy, Expected Credit Loss Policy, Policy on Resolution Framework for COVID-19 related stress etc.

The Board has constituted various Committees (headed by independent director's) consisting of Directors to focus on the critical functions of Infradebt, such as: (i) Board Governance, Remuneration and Nomination Committee -to decide on the appointment and recommendation of Directors and senior management, remuneration of MD & CEO, appraisal framework of all the employees, etc. (ii) Board Credit and Risk Committee- to decide on the scope related to credit policy formulation and approvals of credit proposals along with the risks associated with a particular project. (iii) Audit Committee- with a defined scope related to financial statements and auditors' report. (iv) Corporate Social Responsibility Committee- to decide on the utilization of the CSR funds and monitoring the progress of the CSR funds through quarterly progress reports. In addition to the above-mentioned committees, the Board has also constituted other committees (headed by MD & CEO) such as (i) Executive Credit and Risk Committee with a defined scope related to credit policy formulation and approvals of credit proposals along with the risks associated with a particular project. (ii) Asset Liability Management Committee- to look after the management of the balance sheet of Infradebt within the risk parameters laid down by the Board/Board Credit and Risk Committee and review of the asset-liability profile. (iii) Information Technology Steering Committee- for reviewing of Information Technology (IT) strategy and related IT matters. The Board has also appointed a Chief Risk Officer (CRO) to function independently with the specified roles and responsibilities.

(A) Credit risk

Credit risk arises from the risk of default and non -payment by the borrowers. The Company's exposure to credit risk is dependent on various aspects such as the financial health of the borrower, the severity of the consequences of default, the size of the loan, historical trends in default rates and various macro-economic considerations such as economic slowdown, pandemic such as COVID-19 etc.. Infradebt is restricted, by regulation, to invest in only those infrastructure projects that have completed at least one year of commercial operations. Further, in-built structural buffers (available on case-to-case basis) in the form of 3-6-month DSRA, sanctioned working capital lines, sponsor support undertaking, co-obligor structure etc. are available towards any unexpected exigencies. 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

Notes to accounts

for the year ended March 31, 2021 (Contd.)

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. As per the Credit & Recovery Policy, a minimum stand-alone threshold external rating (subject to time lines for obtaining the same) of "BBB-"is laid down for all the credit proposals.

(ii) Robust credit process- Risk framework and Internal ratings (sector specific internal rating models; 18-scale rating from AAA (highest safety) to D (default)).

(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 payment status.

(iv) Effective post disbursement monitoring with periodicity of asset reviews linked to external ratings, review of internal ratings, regular site visits, client engagements and annual risk analysis of the asset portfolio (for providing coverage on the performance of the portfolio and to identify the project companies/SPVs requiring close monitoring).

1. Credit quality analysis

a) Staging criteria

Following staging criteria is used:

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

(ii) 31- 90 as Stage II; and

(iii) outstanding > 90 DPD as stage III

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. As, Infradebt does not have significant historical record of past defaults, it relies on published data of external rating agencies for the PD. 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. With respect to the Stage III account100% PD is considered (based on CRISIL PD for 'D' rated assets).

c) Loss Given Default (LGD%)

The LGD is an estimate (in percentage) 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. Since Infradebt has exposure to only operational projects and majority of its projects are backed by concessions/ fixed-tariff purchase agreements, 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. In certain cases, the Company has considered relatively higher LGD on account of project specific issues. Renewable energy 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 2021 is considered for ECL computation purpose.

2. Risk categorisation

The Company classifies its portfolio into the following risk categories:

Low risk- Assets whose performance is in line with the projections which could lead to low risk in recovery of principal and/ or interest.

Medium risk- Assets facing temporary challenges which could lead to medium risk in recovery of principal and/ or interest.

High risk- Assets facing continuous challenges for an extended period which could lead to high risk in recovery of principal and/ or interest.

Quantitative details in relation to Credit risk refer annexure 1.

3. 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.

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 NBFCs. Infradebt conducts Asset Liability Committee (ALCO) meetings on a periodic basis to assess the liquidity position among other things which is chaired by MD&CEO. Till date the Company has effectively managed its asset-liability profile through fund raising at desired times. There has not been a single instance of delay in liability repayments since inception of the Company. Aspects such as concentration of funding, compliance position of HQLA (High Quality Liquidity Assets) requirement, compliance status of Liquidity Risk Management Framework (LRMF) have also been included.

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

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for the year ended March 31, 2021 (Contd.)

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. Infradebt does not have any currency risk due to nil exposure towards foreign currency assets and liabilities.

(D) Operational risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and system or from external events such as Covid-19 etc. Operational risk exists in every organization, regardless of size or complexity from the largest institutions to regional or small setups which are confined to single location such as Infradebt. Examples of operational risk include: risks arising from events such as hurricanes, Tsunamis, computer hacking, internal and external fraud and most importantly failure to adhere to internal policies. To the extent possible, company endeavours to control various factors such as data deletion or hacking or unauthorized access to the data base by various preventive measures such as password enabled programs, data storage at central location, IT audit etc. Furthermore, in the event of surge in Covid-19 cases, Infradebt ensured the safety of its employees by allowing them to work from home for over a year and the same will be continued till the time the situation improves. Even in such case, all the client interactions and routine operational work have been conducted with ease.

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, 2021			
	Stage 1	Stage 2	Stage 3	Total
Infrastructure refinance:				
Low risk	125,093.29	-	-	125,093.29
Medium risk	392.77	1,415.86	1,193.87	3,002.50
High risk	-	-	-	-
	125,486.06	**1,415.86**	**1,193.87**	**128,095.79**

(₹ in million)

	March 31, 2020			
	Stage 1	Stage 2	Stage 3	Total
Infrastructure refinance:				
Low risk	114,137.00	-	-	114,137.00
Medium risk	393.67	-	1,193.32	1,586.99
High risk	-	-	-	-
	114,530.67	**-**	**1,193.32**	**115,723.99**

*Please refer note 2X(A)(2) for risk categorisation definition.

2. **An analysis of changes in the gross carrying amount of loans and advances are as follows:**

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

(₹ in million)

	For the period Apr - Mar 21			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	114,530.67	-	1,193.32	115,723.99
Assets disbursed and repaid(Note 1)	12,371.25	-	0.55	12,371.80
Transfers to stage 1	-	-	-	-
Transfers to stage 2	(1,415.86)	1,415.86	-	-
Transfers to stage 3	-	-	-	-
Gross carrying amount closing balance	**125,486.06**	**1,415.86**	**1,193.87**	**128,095.79**

(₹ in million)

	For the period Apr - Mar 20			
	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	**114,530.67**	**-**	**1,193.32**	**115,723.99**

Note 1 - The addition in stage 3 assets represents amortisation impact.

Notes to accounts

for the year ended March 31, 2021 (Contd.)

3. Reconciliation of ECL balance is given below:

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

(₹ in million)

	For the period Apr - Mar 21			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	**849.25**	**-**	**179.25**	**1,028.50**
Assets disbursed and repaid	55.60	-	-	55.60
Transfers to stage 1	-	-	-	-
Transfers to stage 2	(222.18)	222.18	-	-
Transfers to stage 3	-	-	-	-
Changes to models and inputs used for ECL calculations	8.82	132.62	119.50	260.94
ECL allowance - closing balance	**691.49**	**354.80**	**298.75**	**1,345.04**

(₹ in million)

	For the period Apr - Mar 20			
	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**

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

(₹ in million)

March 31, 2021	Financial services	Road	Power Sector	Others	Total
Financial assets					
Cash and cash equivalents	16,675.57	-	-	-	16,675.57
Loans	-	42,496.87	75,988.65	9,610.27	128,095.79
Other financial assets	11.97	-	-	-	11.97
Total	**16,687.55**	**42,496.87**	**75,988.65**	**9,610.27**	**144,783.33**

(₹ in million)

March 31, 2020	Financial services	Road	Power Sector	Others	Total
Financial assets					
Cash and cash equivalents	4,581.92	-	-	-	4,581.92
Loans	-	38,164.59	67,868.99	9,690.41	115,723.99
Other financial assets	9.28	-	-	-	9.28
Total	**4,591.20**	**38,164.59**	**67,868.99**	**9,690.41**	**120,315.19**

Annexure II

Analysis of financial assets and liabilities by remaining contractual maturities

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, 2021	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	10,044.68	5,143.93	-	1,000.00	500.00	-	-	-	-	-	16,688.61
Loans	101.91	-	952.21	1,269.07	3,148.40	5,003.29	9,831.74	43,550.95	35,938.14	100,652.07	200,447.78
Other financial assets	-	-	0.06	0.06	0.06	0.18	0.18	8.57	-	2.85	11.97
	10,146.59	**5,143.93**	**952.27**	**2,269.14**	**3,648.46**	**5,003.47**	**9,831.92**	**43,559.52**	**35,938.14**	**100,654.93**	**217,148.37**
Financial liabilities											
Debt securities	-	-	960.00	3,069.10	3,638.66	3,246.67	13,631.53	47,791.69	63,749.93	15,016.24	151,103.83
Subordinated liabilities	-	-	-	-	-	-	357.25	2,058.80	422.50	2,988.46	5,827.01
Other financial liabilities	-	-	-	3.00	-	-	-	-	-	81.85	84.85
Other financial liabilities - Lease	1.40	-	-	1.40	1.42	4.84	10.56	30.50	-	-	50.13
	1.40	**-**	**960.00**	**3,073.50**	**3,640.09**	**3,251.51**	**13,999.35**	**49,880.99**	**64,172.43**	**18,086.55**	**157,065.82**
Total net financial assets / (liabilities)	**10,145.19**	**5,143.93**	**(7.73)**	**(804.36)**	**8.37**	**1,751.96**	**(4,167.43)**	**(6,321.47)**	**(28,234.29)**	**82,568.38**	**60,082.55**
Cumulative Mismatch	**10,145.19**	**15,289.12**	**15,281.39**	**14,477.03**	**14,485.40**	**16,237.36**	**12,069.93**	**5,748.46**	**(22,485.83)**	**60,082.55**	

Notes to accounts
for the year ended March 31, 2021 (Contd.)

(₹ in million)

As at March 31, 2020	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	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	101,716.77	193,876.38
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**	**101,716.77**	**198,478.22**
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	124,957.40
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**	**131,497.63**
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**
Cumulative Mismatch	**908.95**	**908.95**	**4,652.30**	**4,813.63**	**3,809.58**	**4,107.94**	**3,035.20**	**(11,138.85)**	**(13,632.92)**	**66,980.59**	

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, 2021											
Loans sanctioned not yet disbursed	2,921.62	-	-	-	-	-	-	-	-	-	2,921.62
As at March 31, 2020											
Loans sanctioned not yet disbursed	-	-	-	-	-	-	-	-	-	-	-

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

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 2AQ of notes to accounts

Notes to accounts
for the year ended March 31, 2021 (Contd.)

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	At March 31, 2021			At March 31, 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
1 Financial assets						
(a) Cash and cash equivalents	16,675.57	-	16,675.57	4,581.92	-	4,581.92
(b) Loans	9,686.97	117,063.78	126,750.75	7,277.35	107,418.14	114,695.49
(c) Other financial assets	0.90	11.07	11.97	1.42	7.86	9.28
2 Non-financial assets						
(a) Property, plant and equipment	-	60.35	60.35	-	82.71	82.71
(b) Intangible assets	-	0.79	0.79	-	0.62	0.62
(c) Other non-financial assets	24.71	1,694.22	1,718.93	23.18	2,090.93	2,114.11
Total assets	**26,388.15**	**118,830.21**	**145,218.36**	**11,883.87**	**109,600.26**	**121,484.13**
LIABILITIES AND EQUITY						
Liabilities						
1 Financial liabilities						
(a) Debt securities	19,909.51	99,907.04	119,816.55	13,929.36	84,526.58	98,455.94
(b) Subordinated liabilities	47.04	4,096.12	4,143.16	47.50	4,094.62	4,142.12
(c) Other financial liabilities	22.63	112.35	134.98	307.74	50.13	357.87
Non-financial liabilities						
(a) Provisions	77.55	35.98	113.53	51.22	21.07	72.29
(b) Other non-financial liabilities	18.05	-	18.05	11.38	-	11.38
Equity						
(a) Equity share capital	-	8,678.71	8,678.71	-	8,678.71	8,678.71
(b) Other equity	-	12,313.38	12,313.38	-	9,765.82	9,765.82
Total Liabilities and Equity	**20,074.78**	**125,143.58**	**145,218.36**	**14,347.20**	**107,136.93**	**121,484.13**

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 year refer note 2D.

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

(₹ in million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Opening Balance	**66.14**	**-**
Additions	-	80.81
Payments	16.01	14.67
Closing Balance	**50.13**	**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	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation charge	18.63	18.68
Interest expense on lease liabilities	4.97	6.32
Total amount recognised in profit or loss	**23.61**	**25.00**

The Company had total cash outflows for leases of ₹ 20.99 million in 31 March 2021 and ₹ 20.99 million in 31 March 2020 excluding GST.

2AB. Employee benefit disclosure

(i) Employees Stock Option Scheme

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 scheme 2018 in their Meetings held on August 24, 2018.

The Company provides share-based employee benefits to the employees of the Company, during the year ended March 31, 2021, employees stock option scheme 2018 (ESOS)-Grant-2018, ESOS-Grant-2019 & ESOS-Grant-2020 were in existence. The relevant details of the schemes and the grants are as below.

Notes to accounts
for the year ended March 31, 2021 (Contd.)

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 & financial year 2020-21 are as follows:

ESOS Grant-2018:

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**

ESOS Grant-2019:

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**

ESOS Grant-2020:

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 (₹)
21-Apr-20	1.00	0.29	30%	10.00	5.50	20.60	5.95%	22.04%	5.95
21-Apr-20	2.00	0.29	30%	10.00	6.00	20.60	6.06%	21.88%	6.27
21-Apr-20	3.00	0.29	40%	10.00	6.50	20.60	6.15%	21.84%	6.59
Weighted average option value									**6.30**

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:

ESOS Grant-2018:

Particulars	**Employee stock option granted under ESOP scheme 2018**		
	2018[1]	**2019[2]**	**2020[3]**
Options outstanding as at March 31, 2019	**6,933,333**	**-**	**-**
Add: Options granted	-	8,088,889	-
Less: Options forfeited/lapsed	1,200,026	1,400,031	-
Less: Options exercised	-	-	-
Options outstanding as at March 31, 2020	**5,733,307**	**6,688,858**	**-**
Add: Options granted	-	-	7,235,917
Less: Options forfeited/lapsed	-	-	-
Less: Options exercised	-	-	-
Options outstanding as at March 31, 2021	**5,733,307**	**6,688,858**	**7,235,917**

[1] The options outstanding at March 31, 2021 had weighted-average exercise price of ₹ 18.60 (March 31, 2020: ₹ 18.60) and a weighted-average contractual life of 10 years (March 31, 2020: 10 years).

[2] The options outstanding at March 31, 2021 had weighted-average exercise price of ₹ 18.70 (March 31, 2020: ₹18.70) and a weighted-average contractual life of 10 years (March 31, 2020: 10 years).

[3] The options outstanding at March 31, 2021 had weighted-average exercise price of ₹ 20.60 (March 31, 2020: ₹ NIL) and a weighted-average contractual life of 10 years (March 31, 2020: NIL years).

C. Carrying amount of liability in the financial statement

Carrying amount of liability is ₹ 93.19 millions for the year ended March 31, 2021 (March 31, 2020: ₹ 51.14 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.

Notes to accounts
for the year ended March 31, 2021 (Contd.)

2AB. Employee benefit disclosure

(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, 2021	
	Discount Rate	Salary Escalation Rate
Defined benefit obligation on increase in 50 bps	23.71	26.58
Impact of increase in 50 bps on DBO	(4.96%)	5.14%
Defined benefit obligation on decrease in 50 bps	26.63	23.74
Impact of decrease in 50 bps on DBO	5.33%	(4.85%)

Profit and loss account expense:

(₹ in million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Current service cost	3.24	3.11
Past service cost	-	-
Administration expenses	-	-
Interest on net defined benefit liability/(asset)	0.97	0.87
(Gain)/Losses on settlement	-	-
Total expense charged to profit and loss account	**4.21**	**3.98**

Amount recorded in Other Comprehensive Income(OCI):

(₹ in million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Opening amount recognized in OCI	0.87	(0.12)
Remeasurement during the year due to	-	-
Changes in financial assumptions	6.30	0.84
Changes in demographic assumptions	-	-
Experience adjustments	0.93	0.15
Actual return on plan assets less interest on plan assets	-	-
Amount recognize the effect of asset ceiling	-	-
Closing Amount recognised in OCI	**8.10**	**0.87**

Movement in Benefit Obligation:

(₹ in million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Opening net defined benefit liability/(asset)	14.00	11.45
Current service cost	3.24	3.11
Past service cost	-	-
Interest on net defined benefit liability/(asset)	0.97	0.87
Remeasurement during the year due to		
Actuarial loss/ (gain) arising from change in financial assumptions	6.30	0.84
Actuarial loss/ (gain) arising from change in demographic assumptions	-	-
Actuarial loss/ (gain) arising from experience adjustments	0.93	0.14
Benefits Paid	(0.31)	(2.42)
Liabilities assumed / (settled)	-	-
Liabilities extinquished on settlements	-	-
Closing net defined benefit liability/(asset)	**25.12**	**14.00**

2AC. Related party transactions

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	Citibank 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

Notes to accounts

for the year ended March 31, 2021 (Contd.)

ii. The following are the details of transactions during the year and balances as at March 31, 2021 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	4,308.71	-	4,308.71
	(4,578.66)	-	(4,578.66)
Processing Fee – EIR adjustment	11.40	-	11.40
	(13.41)	-	(13.41)
Accrued Interest on FDs	1.73	-	1.73
	(3.18)	-	(3.18)
Insurance premium paid- unamortized	0.28	-	0.28
	(0.26)	-	(0.26)
Liabilities			
Borrowing-debt securities	13,415.00	-	13,415.00
	(14,204.00)	-	(14,204.00)
Accrued Interest on debt securities	647.09	-	647.09
	(425.77)	-	(425.77)
Arranger fees – EIR adjustment	93.01	-	93.01
	(106.13)	-	(106.13)
Processing fee expenses on NCDs-(unamortised)-EIR adjustment	23.32	-	23.32
	(28.76)	-	(28.76)
Directors commission payable (net of TDS)	-	2.78	2.78
	-	(2.03)	(2.03)
Income			
Interest on fixed deposits	12.87	-	12.87
	(3.18)	(-)	(3.18)
Fees income-EIR	2.03	-	2.03
	(8.45)	(-)	(8.45)
Expenditure			
Arrangers fees expense – EIR	35.33	-	35.33
	(23.81)	(-)	(23.81)
Processing fee expenses on NCDs-(amortised)-EIR adjustment	5.44	-	5.44
	(5.38)	(-)	(5.38)
Interest – debt securities	1,120.64	-	1,120.64
	(626.37)	(-)	(626.37)
Staff cost[3]	1.27	51.73	53.00
	(1.23)	(48.71)	49.94
Director sitting fees & commission	-	5.42	5.42
	-	(4.80)	(4.80)
Other charges[4]	0.03	-	0.03
	(0.00)	(-)	(0.00)

Particulars	Investing Party including their subsidiaries, joint ventures and employees benefit companies	Key Management Personnel	Total
Transactions			
Fixed deposit placed	4,510.00	-	4,510.00
	(3,720.00)	-	(3,720.00)
Equity dividend paid	234.93	-	234.93
	(234.93)	(-)	(234.93)
Purchase of loan asset	-	-	-
	(968.00)	(-)	(968.00)
Debt securities subscribed	4,250.00	-	4,250.00
	(7,000.00)	(-)	(7,000.00)
Debt securities redemption- on maturity	935.00	-	935.00
	(350.00)	(-)	(350.00)

1) Figures in bracket pertains to March 31, 2020.

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 bank charges, pos machine charges, transaction cost and CCIL charges-Treasury bill & de-mat charges.

5) Party wise details of above are available with management.

2AD. Segment information

The Company is engaged primarily in business of financing and accordingly there are no reportable segments 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 ₹ 37.14 million (Previous year ₹ 24.05 million) and has incurred ₹ 37.15 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 contribution to fund prescribed in Schedule VII of the Companies Act, 2013 and the non-profit centre(s) engaged in the provision of health care.

Notes to accounts

for the year ended March 31, 2021 (Contd.)

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, 2021 Nil (March 31, 2020 – Nil)

2AM. A national lockdown was declared by Government of India with effect from March 24, 2020 as a result of the outbreak of Coronavirus, a virus causing potentially deadly respiratory tract infections (the "pandemic"), which was further extended in phases up to May 31, 2020. Subsequently, the lockdown has been lifted by the Government for certain activities in a phased manner outside specific containment zones. The impact of COVID – 19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to volatility in global and Indian financial markets and a decrease in global and local economic activity, which may persist even after the restrictions related to the COVID – 19 are lifted. Amongst various measures announced to mitigate the economic impact arising from the pandemic, the Reserve Bank of India issued circulars dated March 27, 2020, April 17, 2020 and May 23, 2020 allowing lending institutions to offer a moratorium to customers on payment of instalments falling due between March 1, 2020 and August 31, 2020 and circular dated August 06, 2020 - Resolution Framework for COVID-19-related Stress (together hereinafter referred as "RBI circulars"). The Company's Board has approved policy to extend the moratorium to its borrower and complied with the said RBI circulars. The extent to which the COVID19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's financial statements, will depend on ongoing as well as future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by us. At March 31, 2021, 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. 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. Reversal of Interest on Interest during Moratorium period

In accordance with the instructions as per the RBI circular dated April 07, 2021, the Company shall refund / adjust 'interest on interest' to all borrowers during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, and as per the methodology for calculation of the amount of such 'interest on interest', the Company has recognised a charge in its Profit and Loss Account for the year ended March 31, 2021 and provided for amount of ₹ 40.67 million to be credited or adjusted against customer balance, in case customer account has been closed with the Company, the same shall be refunded to the customer in due course of time.

2AO. 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 Q4FY2021 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

2AP. Previous year figures

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

2AQ. 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, 2021	As at March 31, 2020
i)	CRAR (%)	22.34%	23.18%
ii)	CRAR - Tier I Capital (%)	19.13%	19.06%
iii)	CRAR - Tier II Capital (%)	3.21%	4.12%
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)

Particulars	As at March 31, 2021	As at March 31, 2020
(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	-	-

Notes to accounts
for the year ended March 31, 2021 (Contd.)

(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, 2021	As at March 31, 2020
(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, 2021	As at March 31, 2020
(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.	Particular	Currency Derivatives/ Interest Rate Derivatives	
		As at March 31, 2021	As at March 31, 2020
(i)	Derivatives (Notional Principal Amount)	-	-
	For hedging	-	-
(ii)	Marked to Market Positions [1]	-	-
	a) Asset (+)	-	-
	b) Liability (-)	-	-
(iii)	Credit Exposure [2]	-	-
(iv)	Unhedged Exposures	-	-

(iv) (a) Disclosures relating to securitisation

(₹ in million)

Sr. No.	Particulars	No./ Amount As at March 31, 2021	As at March 31, 2020
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, 2021	As at March 31, 2020
(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	-	-

Notes to accounts
for the year ended March 31, 2021 (Contd.)

(c) Details of assignment transactions undertaken by NBFCs

(₹ in million)

Sr. No.	Particulars	As at March 31, 2021	As at March 31, 2020
(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, 2021	As at March 31, 2020
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, 2021	As at March 31, 2020
1	No. of accounts sold	-	-
2	Aggregate outstanding	-	-
3	Aggregate consideration received	-	-

(v)(a) Asset Liability Management Maturity pattern of certain items of Assets and Liabilities as at March 31, 2021

(₹ 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	106.95	-	190.14	369.74	2,230.83	2,322.56	4,466.75	24,437.91	20,897.95	73,072.96	128,095.79
Investments	-	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	903.86	2,943.70	3,327.37	2,340.28	10,441.33	34,420.00	54,660.00	14,923.16	123,959.70
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

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	115,723.99
Investments	-	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	477.38	373.65	2,897.80	3,532.87	6,699.80	38,150.00	31,920.00	18,546.57	102,598.06
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

Notes to accounts

for the year ended March 31, 2021 (Contd.)

(vi) Exposures

(a) Exposure to real estate sector

(₹ in million)

Category	As at March 31, 2021	As at March 31, 2020
a) Direct exposure		
(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, 2021	As at March 31, 2020
(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		**-**	**-**

(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, 2021, (March 31, 2020: Nil)

(e) Unsecured advances

There are no unsecured advances as at March 31, 2021, (March 31, 2020: 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 financial year ended March 31, 2021, (March 31, 2020: 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, 2021:-

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

Notes to accounts
for the year ended March 31, 2021 (Contd.)

(e) Remuneration of directors

(₹ in million)

Sr. No.	Particulars	As at March 31, 2021	As at March 31, 2020
1	Mr. Suvek Nambiar (MD & CEO)#	51.73	48.71
2	Mrs Lalita D. Gupte*	1.78	1.66
3	Mr. Uday Chitale*	1.82	1.69
4	Mr. Arun Tiwari*	1.82	1.45
	Total	**57.15**	**53.51**

#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, 2021	As at March 31, 2020
Provisions for depreciation on Investment	-	-
Provision towards NPA	119.50	179.25
Provision made towards Income tax	-	-
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets/ Investments	197.04	119.25

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

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

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
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, 2021	As at March 31, 2020
Total Advances to twenty largest borrowers	55,606.88	47,735.02
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	43%	41%

(c) Concentration of exposures

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Total Exposure to twenty largest borrowers / customers (Investment & advances)	55,606.88	47,735.02
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	43%	41%

(d) Concentration of NPAs

(₹ in million)

Particulars	As at March 31, 2021	As at March 31, 2020
Total Exposure to top four NPA accounts	**1,193.87**	**1,193.32**

(e) Sector-wise NPAs

Sr. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		As at March 31, 2021	As at March 31, 2020
1	Agriculture & allied activities	-	-
2	MSME	-	-
3	Corporate borrowers	1%	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, 2021	As at March 31, 2020
(i)	Net NPAs to Net Advances (%)	1%	1%
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	1,193.32	-
	(b) Additions during the year	0.55	1,193.32
	(c) Reductions during the year	-	-
	(d) Closing balance	1,193.87	1,193.32
(iii)	Movement of Net NPAs		
	(a) Opening balance	1,014.07	-
	(b) Additions during the year	-	1,014.07
	(c) Reductions during the year	(118.95)	-
	(d) Closing balance	895.12	1,014.07
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	179.25	-
	(b) Provisions made during the year	119.50	179.25
	(c) Write-off / write-back of excess provisions	-	-
	(d) Closing balance	298.75	179.25

Notes to accounts
for the year ended March 31, 2021 (Contd.)

(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, 2021	As at March 31, 2020
	-	-

(xiii) Disclosure of complaints

(a)Customer complaints

Sr. No.	Particulars	As at March 31, 2021	As at March 31, 2020
(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 23, 2021

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	As at March 31, 2021		As at March 31, 2020	
	Liabilities side :				
(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	119,816.54	-	98,455.94	-
	: Unsecured	4,143.16	-	4,142.12	-
	(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)

	Assets side :	As at March 31, 2021	As at March 31, 2020
		Amount outstanding	Amount outstanding
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] (Note 04) :		
	(a) Secured	128,095.79	115,723.99
	(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	-	-
	(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)	-	-

(₹ in million)

Assets side :	As at March 31, 2021	As at March 31, 2020
Long Term investments :		
1. Quoted :		
(i) Share : (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	As at March 31,2021			As at March 31,2020		
	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	As at March 31,2021		As at March 31,2020	
	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)

Particulars		As at March 31, 2021	As at March 31, 2020
(i)	Gross Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	1,193.87	1,193.32
(ii)	Net Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	895.12	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. 109/22.10.2019-20 (Mar-21)

(₹ 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
Performing Assets						
Standard	Stage 1	1,25,486.05	690.38	1,24,795.67	501.86	188.52
	Stage 2	1,415.86	354.80	1,061.06	5.58	349.21
Subtotal		1,26,901.91	1,045.18	1,25,856.73	507.44	537.73
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	1,193.87	298.75	895.12	239.00	59.75
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		1,193.87	298.75	895.12	239.00	59.75
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		1,193.87	298.75	895.12	239.00	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	2,921.62	1.11	2,920.51	-	1.11
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**2,921.62**	**1.11**	**2,920.51**	**-**	**1.11**
	Stage 1	1,28,407.67	691.49	1,27,716.18	501.86	189.63
	Stage 2	1,415.86	354.80	1,061.06	5.58	349.21
	Stage 3	1,193.87	298.75	895.12	239.00	59.75
Total	**Total**	**1,31,017.41**	**1,345.04**	**1,29,672.37**	**746.44**	**598.59**

INDIA INFRADEBT LIMITED

Disclosure on liquidity risk for the quarter ended March 31, 2021 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 Counter parties	Amount (₹ crore) [1]	% of Total Deposits	% of Total Liabilities
1	27	8,537	Not Applicable	69%

(ii) Top 20 large deposits: Not Applicable

(iii) Top 10 borrowings

Amount (₹ crore) [1]	% of Total Borrowings
5,193	43%

(iv) Funding Concentration based on significant instrument/product

Sr. No.	Name of the instrument/product	Amount (₹ crore) [1]	% of Total Liabilities
1	Non-Convertible Debentures	11,943	96%

(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 Liabilities2	16%
6	Other Short-Term Liabilities to Total Assets2	14%

(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.

Notes:

1. Face Value of the debentures
2. Other Short-Term liabilities include current maturities of long-term debentures

The following tables set forth, for the periods indicated, unweighted and weighted values of the LCR.

(₹ crore)

	Particulars	Three months ended March 31, 2021		Three months ended December 31, 2020		Three months ended September 30, 2020		Three months ended June 30, 2020	
		Total Unweighted Value (average)*	Total Weighted Value (average)#	Total Unweighted Value (average)*	Total Weighted Value (average)#	Total Unweighted Value (average)*	Total Weighted Value (average)#	Total Unweighted Value (average)*	Total Weighted Value (average)#
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)[1]	NA	162.69	NA	91.65	NA	48.21	NA	192.42
Cash Outflows[2]									
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	4.85	5.58	7.04	8.10	-	-	-	-
4	Secured wholesale funding	184.21	211.84	161.75	186.02	117.17	134.74	130.08	149.60
5	Additional requirements, of which								
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	-	-	-	-	-	-	-	-
7	Other contingent funding obligations	97.39	112.00	183.33	210.83	-	-	-	-
8	**Total Cash Outflows**	**268.45**	**329.42**	**352.13**	**404.95**	**117.17**	**134.74**	**130.08**	**149.60**
Cash Inflows									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	77.38	58.04	80.31	60.23	82.50	61.87	53.00	39.75
11	Other cash inflows[3]	889.35	667.02	1,170.60	877.95	810.16	607.62	727.79	545.84
12	**Total Cash Inflows**	**966.74**	**725.05**	**1,250.92**	**938.19**	**892.65**	**669.49**	**780.79**	**585.59**
			Total Adjusted Value		**Total Adjusted Value**		**Total Adjusted Value**		**Total Adjusted Value**
13	**Total HQLA**		**162.69**		**91.65**		**48.21**		**192.42**
14	**Total Net Cash Outflows**		**82.35**		**101.24**		**33.69**		**37.40**
15	**LIQUIDITY COVERAGE RATIO (%)**		**197.55%**		**90.53%**		**143.13%**		**514.52%**

*Unweighted values calculated as average monthly outstanding balances maturing or callable within 30 days (for inflows and outflows).

Weighted values calculated after the application of respective stress factors on inflow (75%) and outflow (115%)

Notes :

Includes current account balance and treasury bills

Does not include operating costs as guided by BCBS circular Basel III: LCR and liquidity risk monitoring tools published in January 2013

Includes FD maturing within 30 days and liquid fund balances

Liquidity coverage ratio

Reserve Bank of India (RBI) had introduced the liquidity coverage ratio (LCR) as part of Liquidity Risk Management Framework (LRMF) to ensure that an NBFC has an adequate stock of unencumbered high quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. As on March 31, 2021, the applicable minimum LCR required to be maintained by NBFCs is 50.0% (effective from December 01, 2020).

Liquidity of Infradebt is managed by the Asset Liability 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.

During the three months ended March 31, 2021, Infradebt maintained monthly average HQLA (after haircut) of ₹ 162.69 crores against the average HQLA requirement of ₹ 41.18 crores at minimum LCR requirement of 50.0%. The monthly average LCR of Infradebt for the three months ended March 31, 2021 was 197.55% (The monthly average LCR of Infradebt for the three months ended December 31, 2020 was 90.53%). HQLA primarily includes government securities and current account balances maintained with Scheduled Commercial Banks.

Infradebt being an IDF-NBFC is allowed to raise funds only through bonds as per extant RBI regulations. As on March 31, 2021, only significant liability instrument (single instrument amounting to more than 1% of the Infradebt's total liabilities) was Non-Convertible Debentures (inclusive of accrued interest) and its percentage contribution to the total liabilities was 99.75%. Further, the total borrowings mobilised from significant counterparties (from whom the funds borrowed were more than 1.00% of the Infradebt's total liabilities) were 68.70% of the total liabilities of Infradebt as on March 31, 2021.

The weighted cash outflows are primarily driven by Secured wholesale funding which includes debt obligations on Secured NCDs. During the three months ended March 31, 2021, Secured wholesale funding contributed 64.31% of the total weighted cash outflows (monthly average). The contingent funding obligation (undisbursed committed loan facility to the customer) and unsecured wholesale funding contributed remaining total weighted cash outflows. The total weighted cash inflows are primarily driven by Fixed Deposits (FDs) maturing within 30 days and liquid fund balances contributing 92.00% of weighted cash inflows while cash inflows from performing exposures contributed for the remaining total weighted cash inflows.

Notes

INFRADEBT
Leading Infrastructure Finance

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