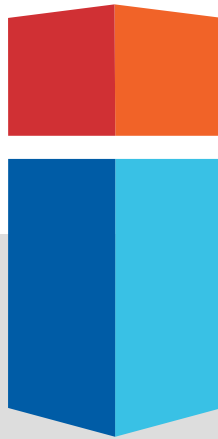


 INVIGORATE



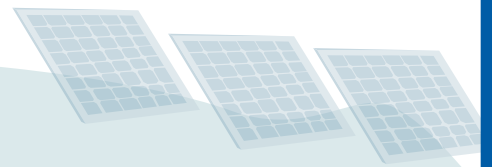
 INCREMENTAL
RETURNS



 INSULATE



 INVIOLEABLE
COMMITMENT



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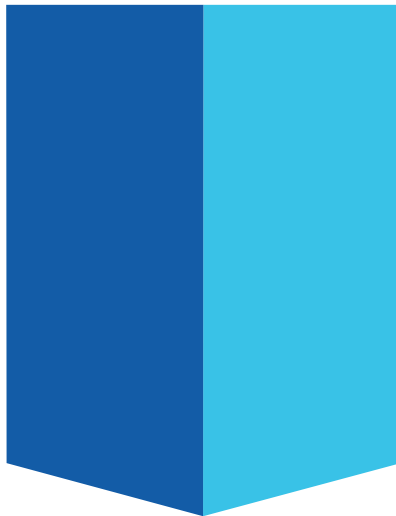
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THE ADVANTAGE



INVIGORATE

Revitalizing infrastructure projects; the competitive interest rates with longer duration further strengthens financial viability and returns. Besides, executing partial takeout of the senior debt providing structured benefits like moratorium, back-ended repayment schedule, 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, which in turn improves their long term viability & profitability. This protection extends further to the investments by creating a stable risk return profile through regulatory ringfencing of asset exposure of InfraDebt.

INVIOLEABLE COMMITMENT

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

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mrs. Lalita D. Gupte	<i>Chairperson & Independent Director</i>
Mr. Uday Chitale	<i>Independent Director</i>
Mr. Arun Tiwari	<i>Independent Director</i>
Mr. G. Srinivas	<i>Nominee Director</i>
Mr. Mayank K. Mehta	<i>Nominee Director</i>
Mr. Manish Kumar	<i>Nominee Director</i>
Ms. Sadhana Dhamane	<i>Nominee Director</i>
Mr. Suvek Nambiar	<i>Managing Director & CEO</i>

SENIOR MANAGEMENT

Mr. Akash Deep Jyoti	<i>Head – Risk & Compliance</i>
Mr. Rajesh K. Gupta	<i>Head – Assets</i>
Mr. Surendra Maheshwari	<i>Chief Financial Officer</i>

COMPANY SECRETARY

Mr. Gaurav Tolwani

STATUTORY AUDITORS

S. R. Batliboi & Co. LLP *Chartered Accountants*

REGISTERED OFFICE

ICICI Bank Towers
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

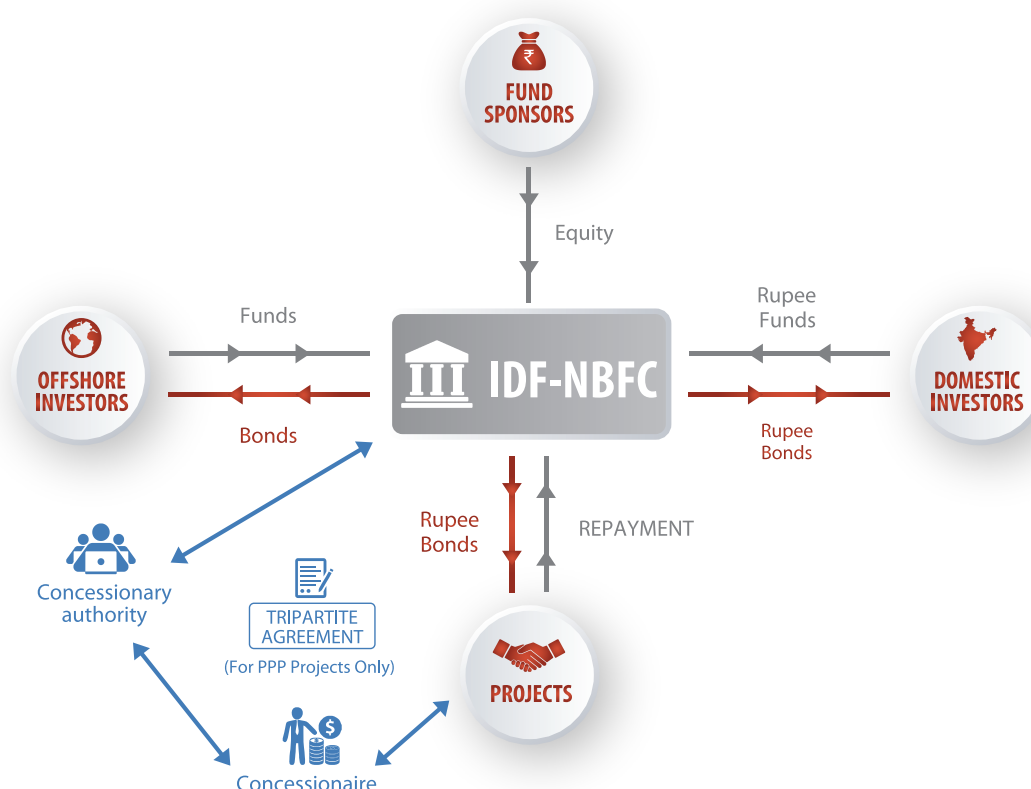
Asian Building, Ground Floor
17, R. Kamani Marg, Ballard Estate,
Mumbai - 400 001

INFRASTRUCTURE DEBT FUND

Created under the Non Banking Financial Company (NBFC) framework, Infrastructure Debt Fund (IDF-NBFC) provides an alternative channel of infrastructure funding by bringing in long-term investors. These include domestic and offshore institutions like insurance companies, mutual funds, provident and pension funds seeking reliable investments. Raising resources through rupee or dollar denominated bonds of minimum five year maturity, IDF-NBFC refinances the existing debt of infrastructure projects which have completed one year of commercial operations. Investing in Public Private Partnership (PPP) Projects, IDF-NBFC executes a Tripartite Agreement with the Concessionaire and

the Concessionary Authority, the confirming party being the existing lenders. IDF-NBFC can also invest in Non-PPP projects which have completed one year of commercial operations (without Tripartite Agreement). With relatively lower risk assets, IDF-NBFC carries the advantage of a concession on credit concentration norms along with 100% income tax exemption, making it an ideal choice for institutions considering stable long-term earnings. With strong financial expertise, India Infradebt Limited is the first IDF-NBFC that creates a win-win for both Investors and Projects alike.

REFINANCING FRAMEWORK



ABOUT US

India Infradebt Limited (Infradebt) is an Infrastructure Debt Fund (IDF) under NBFC format, formulated by four of India's leading financial institutions, with the objective of creating an alternative class of funding infrastructure by bringing in long term domestic/offshore institutional investors like insurance companies, provident/pension funds, etc.

Infradebt was formed with the objective of refinancing the existing debt of Public Private Infrastructure Projects and rebuilding their long term financial resilience. Hence, a major portion of Infradebt's portfolio comprised of road projects awarded by the National Highways Authority of India. Subsequent to the revised guidelines announced by Reserve Bank of India (RBI) allowing IDF-NBFCs to lend/invest in all infrastructure sectors (including non PPP projects), Infradebt has included sectors such as renewable energy (wind, solar, hydro and power transmission) as its focus areas. In addition, it also included sectors such as telecommunications, logistics, hotels and hospitals as areas for investment/lending. The requirement for projects to have achieved atleast one year of commercial operations will continue for all the projects.

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

Built on sound business practices, regulated business model, experienced management team and strong credit framework, Infradebt has received a long-term domestic credit rating of AAA with stable outlook awarded by 3 leading rating agencies – CRISIL (majority owned by S&P), ICRA (majority owned by Moody's) and India Ratings (100% subsidiary of FITCH) and has ensured highest risk adjusted returns for long-term investors.

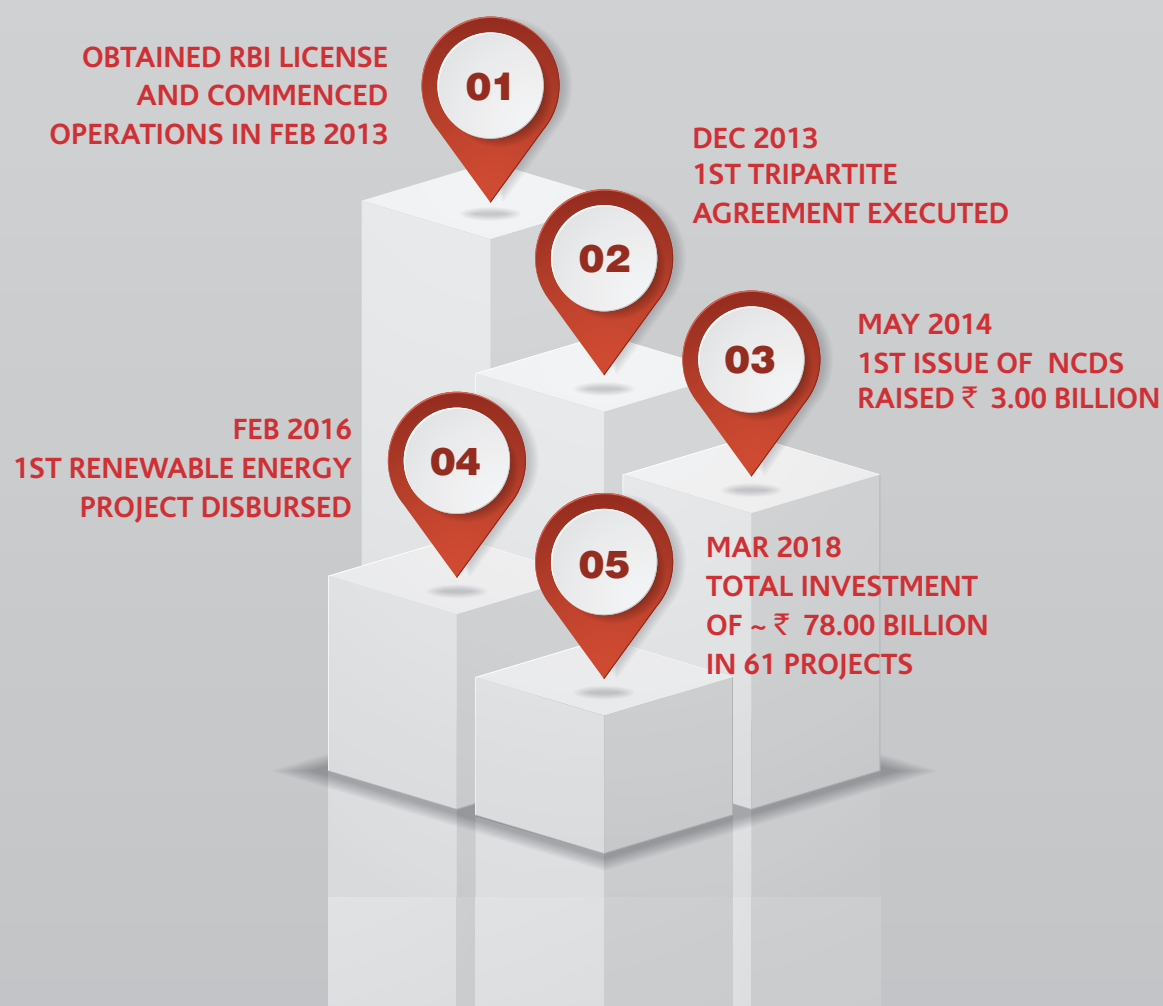


PERFORMANCE

FY2018 HIGHLIGHTS:

- Asset book: ₹ 77.19 billion (61 projects)
- Rupee bonds raised till March 31, 2018: ₹ 71.00 billion
- Profit after tax of ₹ 1.32 billion and ROE of 15.8%
- Additional equity of ₹ 4.00 billion raised by way of rights issue
- AAA/Stable rating by CRISIL, ICRA, India Ratings
- Maiden dividend distributed for FY2017

MILESTONES



SHAREHOLDERS



38.0 %



15.1 %



36.9 %



10.0 %

* Together with wholly owned subsidiary ICICI Home Finance Company Limited

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Sixth Annual Report of India Infradebt Limited (Infradebt/ Company) with the audited statement of accounts for the year ended March 31, 2018.

Financial Highlights

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

(₹ in million)

	For the year ended March 31, 2018	For the year ended March 31, 2017
Total Income	6,623.0	3,347.4
Profit Before Tax	1,324.8	481.0
Less: Provision for Tax ¹	-	-
Profit After Tax	1,324.8	481.0
Add: Balance brought forward from previous year	1,024.4	639.6
Balance available for appropriation	2,349.2	1,120.6
Appropriation:		
Special Reserve u/s 45-IC of Reserve Bank of India Act, 1934	265.0	96.2
Dividend paid on Equity shares including dividend distribution tax	192.0	-
Total Appropriation	457.0	96.2
Surplus carried forward to Balance Sheet	1,892.2	1,024.4

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

Analysis of the Financial Performance & Dividend

In FY2018, Infradebt has made profit of ₹ 1,324.8 million as compared to profit of ₹ 481.0 million in FY2017. During FY2018, the income from operations was ₹ 6,271.7 million against ₹ 3,144.0 million of FY2017.

Infradebt proposes to transfer ₹ 265.0 million (Previous year: ₹ 96.2 million) to Special Reserve created u/s 45-IC of Reserve Bank of India Act, 1934 and carry forward ₹ 1,892.2 million (Previous year: ₹ 1,024.4 million) to the Balance Sheet.

Infradebt's Dividend Policy is based on the financial performance in the year, Statutory/ Regulatory requirements relating to minimum capital adequacy and Credit rating agencies' requirements relating to maximum leverage. Given the financial performance for FY2018 and in line with the Dividend Policy, your Directors are happy to recommend payment of a dividend of ₹ 0.29 per equity share for FY2018.

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

DIRECTORS' REPORT (CONTD...)

Rights Issue

During the year under review, the Company has successfully completed its maiden Rights Issue and has allotted 27,77,77,777 Equity shares of face value of ₹ 10/- each at a premium of ₹ 4.40 per share aggregating to ₹ 4,000.0 million. Consequent upon the issue of additional Equity shares, the paid up capital of Company as at March 31, 2018 is ₹ 577,77,77,770.

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.

Material changes and commitments if any, affecting the Financial Position of Infradebt

There have been no material changes and commitments, 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 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 Trustees are as under:

Name: IDBI Trusteeship Services Limited

Contact details: Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001.
Tel No. 022-40807000

Directors

G. Srinivas, Senior General Manager, ICICI Bank Limited has been nominated by ICICI Bank Limited on the Board of Infradebt in place of K. M. Jayarao. The Board of Infradebt at its Meeting held on January 25, 2018 noted the appointment of G. Srinivas as a Nominee Director on the Board of Infradebt with effect from January 22, 2018. Consequent to the same, K. M. Jayarao ceased to be a Director of Infradebt with effect from January 22, 2018. The Board placed on record its deep appreciation for his valuable contribution and guidance to Infradebt.

M. D. Mallya, Independent Director resigned from the Board of Infradebt effective close of business hours on May 28, 2018. The Board placed on record its deep appreciation for his valuable contribution and guidance to Infradebt.

The Board of Directors at its Meeting held on August 24, 2018, appointed Arun Tiwari as an Additional (Independent) Director. Arun Tiwari holds office up to the date of the forthcoming Annual General Meeting (AGM) and is eligible for appointment.

DIRECTORS' REPORT (CONTD...)

Arun Tiwari has over 38 years of professional experience in banking and financial market operations. He holds post-graduate degree in chemistry and a certificate in computer programming. He has served as the Chairman and Managing Director (CMD) of Union Bank of India, a premier Public Sector Bank from Dec 2013 to June 2017. He has also served as an Executive Director of Allahabad Bank. Prior to that, he has spent 33 years in diverse functions and roles at Bank of Baroda and left Bank of Baroda as a General Manager (GM). Arun Tiwari as the Corporate GM (Wholesale Banking) at Bank of Baroda was responsible for the entire wholesale portfolio (including infrastructure) of the Bank.

Infradebt has received notice under Section 160 of the Companies Act, 2013 proposing candidature of Arun Tiwari for the office of Director of Infradebt.

In terms of the provisions of the Companies Act, 2013 and the Articles of Association of Infradebt, Manish Kumar would retire by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment. Manish Kumar has offered himself for re-appointment.

Declaration by Independent Directors

Lalita D. Gupte, M. D. Mallya (ceased effective close of business hours on May 28, 2018), 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 same has been relied upon by Infradebt.

Fit and Proper Criteria

All the Directors have given a fit and proper declaration prescribed by Reserve Bank of India (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

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

Corporate Governance

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

DIRECTORS' REPORT (CONTD...)

Details of Board Meetings

During the year, 4 (four) Board Meetings were held on April 21, 2017, July 18, 2017, October 24, 2017 and January 25, 2018. 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
M. D. Mallya (DIN: 01804955) (ceased w.e.f. May 28, 2018)	Independent Director	4	4
Uday Chitale (DIN: 00043268)	Independent Director	4	4
K. M. Jayarao (DIN: 01077289) (ceased w.e.f. January 22, 2018)	Nominee Director (ICICI Bank Limited)	3	2
G. Srinivas (DIN: 01407491) (appointed in place of K. M. Jayarao w.e.f. January 22, 2018)	Nominee Director (ICICI Bank Limited)	1	1
Mayank K. Mehta (DIN: 03554733) (appointed in place of A. D. Parulkar w.e.f. July 18, 2017)	Nominee Director (Bank of Baroda)	2	2
A. D. Parulkar (DIN: 07628416) (ceased w.e.f. July 18, 2017)	Nominee Director (Bank of Baroda)	2	1
Manish Kumar (DIN: 03502160)	Nominee Director (Citicorp Finance (India) Limited)	4	3
Sadhana Dhamane (DIN: 01062315)	Nominee Director (Life Insurance Corporation of India)	4	2
Suvek Nambiar (DIN: 06384380)	Managing Director & CEO	4	4

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

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

DIRECTORS' REPORT (CONTD...)

Audit Committee

The Board of Directors of Infradebt has constituted the Audit Committee on November 22, 2012. The Audit Committee was re-constituted by the Board of Directors on February 26, 2013, January 22, 2014, October 15, 2014, February 23, 2015 and April 22, 2015. At March 31, 2018, the Audit Committee comprised of Uday Chitale, Lalita D. Gupte, M. D. Mallya, G. Srinivas and Mayank K. Mehta.

During the year, 4 (four) Meetings of the Audit Committee were held on April 21, 2017, July 18, 2017, October 24, 2017 and January 25, 2018. 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 (<i>Chairman</i>)	4	4
Lalita D. Gupte	4	4
M. D. Mallya (<i>ceased w.e.f. May 28, 2018</i>)	4	4
K. M. Jayarao (<i>ceased w.e.f. January 22, 2018</i>)	3	2
G. Srinivas (<i>Member w.e.f. January 22, 2018</i>)	1	1
A. D. Parulkar (<i>ceased w.e.f. July 18, 2017</i>)	2	1
Mayank K. Mehta (<i>Member w.e.f. July 18, 2017</i>)	2	2

Upon change in nomination by ICICI Bank Limited, K. M. Jayarao ceased to be a Member of the Audit Committee and G. Srinivas became a Member of the Audit Committee with effect from January 22, 2018.

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 - <http://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 and April 21, 2017. At March 31, 2018, the Board Governance Committee comprised of M. D. Mallya, Lalita D. Gupte, Uday Chitale, G. Srinivas, Mayank K. Mehta and Manish Kumar.

DIRECTORS' REPORT (CONTD...)

During the year, 2 (two) Meetings of the Board Governance Committee were held on April 21, 2017 and July 18, 2017. The attendance of its Members at its Meetings held during the year is, given below:

Name of the Member	Number of Meetings	
	Held	Attended
M. D. Mallya (<i>ceased w.e.f. May 28, 2018</i>)	2	2
Lalita D. Gupte	2	2
Uday Chitale	2	2
K. M. Jayarao (<i>ceased w.e.f. January 22, 2018</i>)	2	1
G. Srinivas (<i>Member w.e.f. January 22, 2018</i>)	N.A.	N.A.
A. D. Parulkar (<i>ceased w.e.f. July 18, 2017</i>)	1	0
Mayank K. Mehta (<i>Member w.e.f. July 18, 2017</i>)	N.A.	N.A.
Manish Kumar	2	1

Upon change in nomination by ICICI Bank Limited, K. M. Jayarao ceased to be a Member of the Board Governance Committee and G. Srinivas became a Member of the Board Governance Committee with effect from January 22, 2018.

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 appended as Annexure - 3 to this Report.

Board Credit & Risk Committee

The Board of Directors of Infradebt has constituted the Board Credit & Risk Committee on February 26, 2013. The Board Credit & Risk Committee was re-constituted by the Board of Directors on October 15, 2014, February 23, 2015 and April 22, 2015. At March 31, 2018, the Board Credit & Risk Committee comprised of M. D. Mallya, Lalita D. Gupte, Uday Chitale, G. Srinivas, Mayank K. Mehta, Sadhana Dhamane and Suvek Nambiar.

During the year, 10 (ten) Meetings of the Board Credit & Risk Committee were held on April 21, 2017, May 11, 2017, June 22, 2017, July 28, 2017, August 29, 2017, September 26, 2017, November 13, 2017, December 21, 2017, January 25, 2018 and March 1, 2018. The attendance of its Members at its Meetings held during the year is given below:

Name of the Member	Number of Meetings	
	Held	Attended
M. D. Mallya, <i>Chairman (ceased w.e.f. May 28, 2018)</i>	10	10
Lalita D. Gupte	10	7
Uday Chitale	10	10

DIRECTORS' REPORT (CONTD...)

Name of the Member	Number of Meetings	
	Held	Attended
K. M. Jayarao (<i>ceased w.e.f. January 22, 2018</i>)	8	4
G. Srinivas (<i>Member w.e.f. January 22, 2018</i>)	2	2
A. D. Parulkar (<i>ceased w.e.f. July 18, 2017</i>)	3	1
Mayank K. Mehta (<i>Member w.e.f. July 18, 2017</i>)	7	3
Sadhana Dhamane	10	4
Suvek Nambiar	10	10

Upon change in nomination by ICICI Bank Limited, K. M. Jayarao ceased to be a Member of the Board Credit & Risk Committee and G. Srinivas became a Member of the Board Credit & Risk Committee with effect from January 22, 2018.

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 and April 21, 2017. At March 31, 2018, CSR Committee comprised of Lalita D. Gupte, M. D. Mallya, Uday Chitale, Manish Kumar and Suvek Nambiar.

During the year, 2 (two) Meetings of the CSR Committee were held on April 21, 2017 and January 25, 2018. 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, <i>Chairperson</i>	2	2
M. D. Mallya (<i>ceased w.e.f. May 28, 2018</i>)	2	2
Uday Chitale	2	2
Manish Kumar	2	2
Suvek Nambiar (<i>appointed as Member w.e.f. April 21, 2017</i>)	1	1

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

The Annual Report on CSR activities is annexed herewith as Annexure - 2.

DIRECTORS' REPORT (CONTD...)

Separate Meeting of Independent Directors

In terms of Schedule IV of the Companies Act, 2013, a Meeting of the Non-Executive Independent Directors of the Company was held on April 21, 2017 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 Member	Number of Meetings	
	Held	Attended
Lalita D. Gupte	1	1
M. D. Mallya (ceased w.e.f. May 28, 2018)	1	1
Uday Chitale	1	1

Other Committees

In addition to the above, the Board has from time to time constituted various committees, namely, Committee of Directors (approving allotment of securities excluding debenture, obtaining of working capital facility and transfer of equity shares), Debenture Allotment Committee (approving allotment of debentures issued by Infradebt), Information Technology Strategy Committee and Information Technology Steering Committee (approval/review of Information Technology (IT) strategy and related IT matters under authorisation/supervision of the Board), Asset Liability Management Committee (responsible for review and managing of asset liability profile) and Executive Credit & Risk Committee (approving credit proposals as per authorisation matrix approved by Board and reviewing existing assets).

Extract of Annual Return

As required under Section 92(3) of the Companies Act, 2013, the extract of annual return is enclosed as Annexure - 4. The extract of the annual return has been hosted on the website of Infradebt - www.infradebt.in.

Issue of Debentures

With an increase in the portfolio during the year, Infradebt has accessed borrowed funds to meet its funding requirement. Infradebt met its funding requirement through issue of senior secured Non-Convertible Debentures (NCDs) aggregating to ₹ 26.45 billion and issue of unsecured NCDs (in the form of subordinated debt) of ₹ 2.50 billion during FY2018. As at end of FY2018, the total borrowings stood at ₹ 71.00 billion.

Credit Ratings

The senior 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.

DIRECTORS' REPORT (CONTD...)

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 RBI.

RBI Guidelines

Infradebt has complied with the Regulations of the RBI as are applicable to an Infrastructure Debt Fund and 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 them 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 and to fix their remuneration is being sought from the Members at Sixth AGM.

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 report as Annexure - 4. 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.

DIRECTORS' REPORT (CONTD...)

Particulars of Loans, Guarantee or Investment

Infradebt being an NBFC, is engaged in business of providing loans in the ordinary course of business and 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, provision of Section 134(3)(g) requiring to provide the particulars of loans, guarantees or investments are not applicable and hence not given.

Disclosures pursuant to Regulation 53(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) as on March 31, 2018

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 have been provided in Note 2T of Notes to Accounts included in the Financial Statements section of this Annual Report. The disclosure requirements referred to in point 2 of Part A of Schedule V of SEBI LODR are not applicable as Infradebt does not have any holding or subsidiary Company.

Risk Management Policy and Internal Adequacy

Infradebt has in place a Progressive Risk Management system to identify, assess, monitor and mitigate various risks to key business objectives on an on-going basis. Various Risk Management Policies are reviewed on an annual basis at the Board level. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the Meetings of the Audit Committee, Board Credit & Risk Committee and the Board of Directors of the Company. Enhanced risk analysis is done for the new sectors which have been allowed to be refinanced by the RBI. 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. These internal control systems are also reviewed by the internal auditors annually. Significant 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 - <http://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 is disclosed in Form No. AOC -2 which is enclosed as Annexure - 7 to this report.

DIRECTORS' REPORT (CONTD...)

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 Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are not applicable and hence not given.

During FY2018, Infradebt's foreign expenditure amounted to ₹ 1.6 million (Previous year: Nil). Infradebt did not have any foreign exchange earnings.

Orders Passed by Regulators or Courts or Tribunals impacting the going concern status of the Company

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

Personnel

In terms of Section 197 of the Companies Act, 2013 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement relating to particulars of employees of the Company is available for inspection by the Members at the Registered Office of the Company during business hours on working days. Any Member interested in obtaining a copy of this statement may write 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 report as Annexure - 6.

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 FY2018, 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, 2018 and of the profit of Infradebt for that year;

DIRECTORS' REPORT (CONTD...)

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, shareholders and other stakeholders for their valuable guidance and support and wishes to express sincere appreciation for their continued cooperation and assistance. Infradebt looks forward to their continued support in future.

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

For and on behalf of the Board

Lalita D. Gupte
Chairperson
(DIN: 00043559)

Date : August 24, 2018
Place : Mumbai

ANNEXURE – 1

Management Discussion and Analysis Report

a) Industry structure and developments

Infradebt has been able to carve out and sustain its pivotal role in refinancing of infrastructure projects in roads and renewable energy sectors. Infradebt continued its growth momentum from the previous years, creating an anchorship role for IDF-NBFCs as a first port of call for refinancing of infrastructure projects.

The refinancing market has been challenging for the past few years due to the slowdown in the pipeline of new projects. This year was additionally challenging due to various changes in regulations and market conditions. The change in the refinancing policy framework by the Reserve Bank of India (RBI) towards the end of the financial year has led to a slowdown in the refinancing of operational projects, especially in the Infrastructure sector. In addition, the volatility in debt capital markets in late Q3-FY2018 and Q4-FY2018 has also slowed the pace of bond market transactions.

Some of the recent trends in the project refinancing space which also pose a challenge to Infradebt are refinancing of debt of multiple projects on a consolidated basis and transfer of projects to Infrastructure Investment Trusts (InvIT) and raising funds at the InvIT level. These trends can lead to a reduction in the refinancing opportunities for Infradebt.

In spite of the aforementioned challenges, Infradebt's business has scaled up to an asset book of ₹ 77.19 billion as on March 31, 2018, with refinancing extended to 61 project companies, in aggregate, across roads, renewable energy and other infrastructure sectors. Along with the transportation sector, renewable energy sector (wind and solar) remains an important focus sector for lending. As of March 31, 2018, Infradebt has ~52% of its asset book contributed through lending/investing in debt facilities in the Non-PPP projects (renewable energy, hotels, hospitals, telecommunications, etc.) whereas the balance asset portfolio of ~48% is contributed by projects under the PPP framework with a tripartite agreement (road projects).

With the increase in size of balance sheet in FY2018, Infradebt shall continue to focus its business on the identified sectors with higher ticket size and wider role in selected refinancing transactions.

b) Opportunities and Threats

Opportunities – As per estimates¹, India will need an infrastructure spending of ~₹ 50,000.00 billion over the five year period between FY2018 to FY2022, with a major portion in power, transport and urban infrastructure sectors. Even though the private investment in infrastructure was subdued during FY2012-FY2017, due to the fiscal constraints limiting further Government spending, a substantial portion of the investment is required from the private sector.

Improvement in road infrastructure has been one of the key focus areas for the Government of India (GOI). After a slowdown in FY2012-2014 to about 11km/day, the pace of road construction has increased to 26km/day in FY2018. Build, Operate and Transfer (BOT) had been the preferred model for awarding of projects by National Highways Authority of India (NHAI) from FY2009 till FY2013. From FY2013 to FY2016, due to the liquidity stress in the road sector, the Government had been awarding roads on Engineering Procurement Construction (EPC) basis rather than BOT basis. More recently, NHAI has been awarding projects on a Hybrid Annuity Model (HAM) with awards of 43 projects aggregating to ~₹ 447.00 billion in FY2016 and FY2017. In addition to the BOT, HAM and EPC models, NHAI has identified 104 highway stretches worth

¹Union Budget 2018-19

ANNEXURE – 1 (CONTD...)

~₹ 700.00 billion to be awarded on Toll Operate Transfer (TOT) model with award of the first concession under the TOT model in March 2018. The awards of these new projects and completion of the large number of awarded projects in the last few years will add to the opportunity in the roads sector.

As on March 31, 2018, the India's total power generation capacity stood at 340 GW out of which 65 GW is contributed by renewable energy sources. The GOI announced a large renewable power production target of 175 GW by FY2022; this comprises generation of 100 GW from solar power, 60 GW from wind energy, 10 GW from biomass and 5 GW from small hydro power projects. While wind energy is the largest renewable energy source as on date with an operational capacity of 33 GW, solar energy capacity has seen a rapid increase in the last 2-3 years from about 5 GW to more than 20 GW currently and has seen the largest capacity addition among the energy sources in the past year. This rapid increase in the renewable energy capacity aided by GOI's thrust on renewable energy will add to the opportunities in the sector.

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

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

Threats – Aggressive pricing by banks, infrastructure finance companies and other IDFs, competition to retain existing operational projects by banks, bank lending rates remaining subdued, evolution of new structures like InvIT, holdco funding, 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 IDFs is significantly dependent on a facilitative regulatory framework; any adverse changes in the regulatory framework can have an impact on the profitability of Infradebt.

c) Segment-wise or product-wise performance

The asset book as at the end of FY2018 stood at ₹ 77.19 billion after adjusting for redemption/repayment of facilities during the year. Out of this, ₹ 37.20 billion has been provided to 24 road projects under the PPP framework (backed by a tripartite agreement) and ₹ 39.99 billion has been provided to 37 projects under the Non-PPP framework i.e., renewable energy and other sectors.

Till March 31, 2018, Infradebt has raised a total of ₹ 71.00 billion of funds from the debt capital market. The fund-raising commenced in FY2015 with issuances of senior secured NCDs aggregating ₹ 5.50 billion and an issuance of subordinated unsecured NCDs of ₹ 1.60 billion. This was followed up by issuances of senior secured NCDs aggregating ₹ 14.60 billion in FY2016 and ₹ 20.35 billion in FY2017. Further issuances of senior secured NCDs aggregating ₹ 26.45 billion and issue of subordinate unsecured NCDs of ₹ 2.50 billion was done during FY2018. 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 and mutual funds among others.

ANNEXURE – 1 (CONTD...)

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. Apart from the above, Infradebt will focus on opportunities in other sub-sectors of infrastructure like hospitals, hotels, 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.

e) Risks and concerns

Infradebt has prudently managed its business and financial risks during the year. Going forward, it needs to proactively monitor and control the risk environment. This is particularly relevant in the context of the fast changing ecosystem viz. increasingly volatile interest rates and their impact on borrowing costs, upcoming redemption of the liabilities and its impact on liquidity risk, seasoning of the assets and its impact on credit risk, increasing scale and complexity of operations and its impact on operating risk and finally, changing regulatory regime for NBFCs in general and IDF-NBFCs in particular thereby impacting the regulatory risk. The credit strength is mainly reflected by the highest credit rating of "AAA" with stable outlook accorded by three leading rating agencies – CRISIL Limited, ICRA Limited and India Ratings and Research Private Limited – for its debt. Infradebt maintains strong credit standards and filters to ensure that asset quality remains robust. In addition to the internal policies, controls and governance framework, there is an oversight of credit rating agencies as well as various audit agencies to validate the robustness of risk framework of Infradebt. Stringent credit appraisal framework ensures the minimization of credit risk. As the RBI has allowed additional sectors to be refinanced by IDF-NBFCs, in addition to the PPP projects backed by the tripartite agreement, Infradebt will be required to manage higher degree of risks with respect to these new sectors, though the benefit of risk diversification will also accrue on this account.

The 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 currently low, but only until the NCDs repayments commence from May 2019 onwards. 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. There is a regulatory risk of material changes in guidelines issued by RBI or government institutions. Finally, as the scale of operations increase along with the complexity, there is a need to manage the operational risks relating to business continuity, environment, crisis management, process, systems and operations, people and information technology. During the year, Infradebt undertook IT gaps analysis and IT assets risk assessment in accordance with RBI Directions.

ANNEXURE – 1 (CONTD...)

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

f) Internal control systems and their adequacy

There is an adequate internal control and risk management systems to ensure compliance to internal policies and external regulations. These pertain to compliance with NBFC guidelines of RBI, guidelines issued by Ministry of Finance and timeliness and accuracy of reporting to RBI. The internal control mechanism involves ensuring adequate checks and balances for all major decisions, requires adequate Board oversight for all significant decisions and warrants Board control for all critical measures. Infradebt has adopted various policies (viz. Credit and Recovery Policy, Liquidity & Interest Rate Risk policy) 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 (under takeout/re-financing from existing lenders) to 23 project companies in the infrastructure sector, aggregating to ₹ 35.90 billion. Infradebt raised funds through the issuance of NCDs aggregating to ₹ 28.95 billion. A wide range of investor class subscribed to these issuances viz. insurance companies, pension funds, mutual funds, provident funds and corporates.

In FY2018, Infradebt has made profit of ₹ 1,324.8 million as compared to profit of ₹ 481.0 million in FY2017. During FY2018, the income from operations was ₹ 6,271.7 million against ₹ 3,144.0 million in FY2017.

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, 2018, there were 21 employees in the Company.

Lalita D. Gupte
Chairperson
(DIN: 00043559)

Date : August 24, 2018

ANNEXURE – 2

Annual Report on Corporate Social Responsibility Activities

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

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

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

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

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

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

2. The Composition of the CSR Committee.

The CSR Committee of Infradebt as at March 31, 2018 comprised three Independent Directors, one nominee Director and one Executive Director. The composition of the Committee as at March 31, 2018 is as below:

Lalita D. Gupte (*Chairperson*)

M. D. Mallya (ceased w.e.f. May 28, 2018)

Uday Chitale

Manish Kumar

Suvek Namibar

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

The average net profit of the Company for the last three financial years calculated as specified by the Companies Act, 2013 is ₹ 330.34 million.

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

The prescribed CSR expenditure requirement for FY2018 is ₹ 6.61 million.

5. Details of CSR spent during the financial year.

(a) Total amount spent for the financial year: ₹ 6.61 million

(b) Amount unspent, if any: NIL

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

ANNEXURE – 2 (CONTD...)

1	2	3	4	5	6	7	8
S. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (₹ in million)	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads (₹ in million)	Cumulative expenditure upto to the reporting period (₹ in million)	Amount spent Direct or through implementing agency
1	ImPaCCT holistic support strategy (Financial support to children and young adults with cancer)	Health Care	Mumbai City	2.60	2.60	2.60	Through implementing agency i.e. ImPaCCT Foundation
2	Rashtriya Netra Yagna (Flagship programme of Vision Foundation of India, aims at treating more than 1 million needy people from all over India requiring eye surgery)	Health Care	Maharashtra	2.46	2.46	2.46	Through implementing agency i.e. Vision Foundation of India
3	Mobile 1000 Van (For administering free primary healthcare)	Health Care	Aurangabad	1.55	1.55	1.55	Through implementing agency i.e. Wockhardt Foundation

ANNEXURE – 2 (CONTD...)

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

Not applicable.

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

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

Lalita Gupte

Chairperson

DIN: 00043559

Suvek Nambiar

Managing Director & CEO

DIN: 06384380

Date : August 24, 2018

ANNEXURE – 3

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

ANNEXURE – 3 (CONTD...)

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; and
 - 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 Managing Director & 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;

ANNEXURE – 3 (CONTD...)

- 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. Managing Director & 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 24, 2018

ANNEXURE – 4

Form No. MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2018

[Pursuant to Section 92(1) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details:

CIN	: U65923MH2012PLC237365
Registration Date	: October 31, 2012
Name of the Company	: India Infradebt Limited
Category/Sub-category of the Company	: Company limited by shares/ Indian Non-Government Company
Address of the Registered Office and contact details	: ICICI Bank Towers, Bandra-Kurla Complex, Mumbai – 400 051 (T): +91 22 26536963 (F): +91 22 26531122 Email: info@infradebt.in
Whether listed company	: Yes (Debentures are listed)
Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	: <u>For Equity:</u> 3i Infotech Limited Tower #5, 3rd Floor, International Infotech Park, Vashi Railway Station Complex, Vashi, Navi Mumbai - 400 703 (T): +91 22 71238105 (F): +91 22 71238099 <u>For Debentures:</u> Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 078 (T): +91 22 49186000 (F): +91 22 49186060

ANNEXURE – 4 (CONTD...)

II. Principal Business Activities of the Company

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	Finance – To refinance part of the debt liabilities of the infrastructure project companies	64990	100%

III. Particulars of Holding, Subsidiary and associate Companies

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

IV. Share Holding Pattern (Equity Share Capital Breakup as Percentage of Total Equity)

(i) Category-wise Share Holding

[illegible]

[illegible]

ANNEXURE – 4 (CONTD...)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(ii) Individual - shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
(c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	3,00,00,000	-	3,00,00,000	10.00	5,77,77,778	-	5,77,77,778	10.00	0
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	21,29,99,998	8,70,00,002	30,00,00,000	100.00	49,07,77,775	8,70,00,002	57,77,77,777	100.00	0

(ii) Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the company	Total % of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	ICICI Bank Ltd.	8,99,99,999	30.00	-	21,70,49,179	37.56	-	7.56
2.	Bank of Baroda	8,99,99,999	30.00	-	21,29,50,818	36.86	-	6.86
3.	Citicorp Finance (India) Ltd.	8,70,00,000	29.00	-	8,70,00,000	15.06	-	(13.94)
4.	ICICI Home Finance Company Ltd.	30,00,000	1.00	-	30,00,000	0.52	-	(0.48)
5.	Jagat Reshamwala (Nominee of ICICI Bank Ltd.)	1	0.00	-	1	0.00	-	-
6.	Rajneesh Sharma (Nominee of Bank of Baroda)	1	0.00	-	1	0.00	-	-
Total		27,00,00,000	90.00	-	51,99,99,999	90.00	-	-

Note: Jagat Reshamwala and Rajneesh Sharma are holding shares on behalf of ICICI Bank Limited and Bank of Baroda respectively, and have transferred the beneficial interest in such shares in favour of the respective institutions.

ANNEXURE – 4 (CONTD...)

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	ICICI Bank Ltd.				
	At the beginning of the year	8,99,99,999	30.00	-	-
	Equity shares allotted on April 4, 2017	12,70,49,180	-	21,70,49,179	37.56
	At the End of the year	21,70,49,179	37.56	21,70,49,179	37.56
2.	Bank of Baroda				
	At the beginning of the year	8,99,99,999	30.00	-	-
	Equity shares allotted on April 4, 2017	12,29,50,819	-	21,29,50,818	36.86
	At the End of the year	21,29,50,818	36.86	21,29,50,818	36.86
3.	Citicorp Finance (India) Ltd.				
	At the beginning of the year	8,70,00,000	29.00	-	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	-	-	8,70,00,000	15.06
	At the End of the year	8,70,00,000	15.06	8,70,00,000	15.06
4.	ICICI Home Finance Company Ltd.				
	At the beginning of the year	30,00,000	1.00	-	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	-	-	30,00,000	0.52
	At the End of the year	30,00,000	0.52	30,00,000	0.52
5.	Jagat Reshamwala (Nominee of ICICI Bank Ltd.)				
	At the beginning of the year	1	0.00	-	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	-	-	1	0.00
	At the End of the year	1	0.00	1	0.00
6.	Rajneesh Sharma (Nominee of Bank of Baroda)				
	At the beginning of the year	1	0.00	-	-
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	-	-	1	0.00
	At the End of the year	1	0.00	1	0.00

ANNEXURE – 4 (CONTD...)

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

	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Life Insurance Corporation of India				
At the beginning of the year	3,00,00,000	10.00		
Equity shares allotted on November 2, 2017	2,77,77,778	-	5,77,77,778	10.00
At the End of the year (or on the date of separation, if Separated during the year)	5,77,77,778	10.00	5,77,77,778	10.00

(v) Shareholding of Directors and Key Managerial Personnel:

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

V. Indebtedness

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

(₹ in million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	40,450.00	1,600.00	-	42,050.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	907.93	4.79	-	912.72
Total (i+ii+iii)	41,357.93	1,604.79	-	42,962.72

ANNEXURE – 4 (CONTD...)

	(₹ in million)			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in Indebtedness during the financial year				
Addition	26,450.00	2,500.00	-	28,950.00
Reduction	-	-	-	-
Net Change	26,450.00	2,500.00	-	28,950.00
Indebtedness at the end of the financial year				
i) Principal Amount	66,900.00	4,100.00	-	71,000.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,205.65	47.04	-	2,252.69
Total (i+ii+iii)	69,105.65	4,147.04	-	73,252.69

VI. Remuneration of Directors and Key Managerial Personnel

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

(₹ in million)		
Sl. No.	Particulars of Remuneration	Managing Director & CEO
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	35.12
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.15
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify...	-
5.	Others, please specify - Long Term Incentive	7.92
	Total (A)	44.19

B. Remuneration to other directors:

					(₹ in million)
Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	Lalita D. Gupte	M. D. Mallya	Uday Chitale	
	Fee for attending board/committee meetings	0.52	0.58	0.58	1.68
	Commission*	0.75	0.75	0.75	2.25
	Others, please specify	-	-	-	-
	Total (1)	1.27	1.33	1.33	3.93

ANNEXURE – 4 (CONTD...)

(₹ in million)				
Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
2	Other Non-Executive Directors			
	Fee for attending board/committee meetings	No remuneration paid to other Non-Executive Directors		
	Commission			
	Others, please specify			
	Total (2)	-	-	-
	Total (B)=(1+2)	1.27	1.33	1.33
				3.93

* As on March 31, 2018, Commission for the financial year ended March 31, 2018, as approved by the Members of the Company, is payable to Independent Directors.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ in million)				
Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer	Company Secretary	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10.67	1.78	12.45
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.10	-	0.10
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
	Commission	-	-	-
4.	- as % of profit			
	- others, specify...			
5.	Others, please specify-Long Term Incentive	2.04	-	2.04
	Total (C)	12.81	1.78	14.59

ANNEXURE – 4 (CONTD...)

VII. Penalties / Punishment/ Compounding of offences:

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

Lalita D. Gupte
Chairperson
(DIN: 00043559)

Date : August 24, 2018

ANNEXURE – 5

Form No. MR-3 Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[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
ICICI Bank Towers,
Bandra-Kurla Complex,
MUMBAI-400051.

Dear Sirs,

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31st March, 2018, 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, 2018, according to the provisions of:
 - I. The Companies Act, 2013 (the Act) and the Rules made thereunder.
 - II. 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 (Issue and Listing of Debt Securities) Regulations, 2008;
 - b) Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - c) Bye Laws of Stock exchange; and
 - d) Prevention of Money Laundering Act, 2002 and guidelines issued by SEBI/RBI/FIU.
 - III. Applicable RBI regulations to the Company:
 - a) Reserve Bank of India Act, 1934 (Master Circulars issued by RBI to the extent applicable).

ANNEXURE – 5 (CONTD...)

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

IV. 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; and
- e) The Negotiable Instruments Act, to the extent of Section 138.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- (ii) The Debt Listing Agreements entered into by the Company with the BSE Limited.

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

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

During the audit, I have checked various documents submitted to me and relied on Compliance Certificates submitted by the Managing Director & CEO, Head – Risk & Compliance and Chief Financial Officer to the Board of Directors confirming the compliances with all 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 Committees of Directors including passing of resolutions by circulation;
- g) the 5th Annual General Meeting held on Friday, 15th September, 2017;
- h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;

ANNEXURE – 5 (CONTD...)

- 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 reappointment of Directors including the Managing Director;
- k) payment of remuneration to Directors including the Managing Director;
- l) appointment and remuneration of Auditors ;
- m) borrowings and registration, modification and satisfaction of charges wherever applicable; and
- n) Investment of the Company's funds including Investments.

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

4. I further report that:

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

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

5. I further report that:

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

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

Place: Mumbai
Date : 16.04.2018

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

ANNEXURE – 5 (CONTD...)

ANNEXURE – A

To,
The Members
India Infradebt Limited
ICICI Bank Towers,
Bandra-Kurla Complex,
Mumbai-400051, India

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.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Place : Mumbai
Date : 16.04.2018

ANNEXURE – 6

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:** 12.71:1
2. **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive officer, Company Secretary or Manager, if any, in the financial year:**
The percentage increase in remuneration of the Managing Director & CEO, Chief Financial Officer is 10% and Company Secretary is 13%.
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 11.2%.
4. **The number of permanent employees on the rolls of the company:**
The number of permanent employees was 21 on March 31, 2018
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 13.34%, while the average increase in the remuneration of the Key Managerial Personnel is 10.10%.
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 24, 2018

ANNEXURE – 7

FORM NO. AOC - 2

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

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

- Details of contracts or arrangements or transactions not at arm's length basis: Nil
- 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.	ICICI Bank Limited, Venturer Company	Infradebt's bank balance lying in ICICI Bank.	Continuing	Standard terms of the Bank applicable. Outstanding balance of ₹ 707.6 million at March 31, 2018.	Not applicable	Not applicable

Note: The definition of related party was amended by Ministry of Corporate Affairs vide its notification dated February 9, 2018. The material contracts or arrangement or transactions with entities becoming related party effective February 9, 2018 are taken for the part period i.e. from February 9, 2018 to March 31, 2018.

For and on behalf of the Board

Date : August 24, 2018
Place : Mumbai

Lalita D. Gupte
Chairperson
(DIN: 00043559)

INDEPENDENT AUDITOR'S REPORT

To the Members of India Infradebt Limited

Report on the Financial Statements

We have audited the accompanying financial statements of India Infradebt Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by 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, 2018, its profit, and its cash flows for the year ended on that date.

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 purpose 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
 - (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) 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, 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 Prevention Fund by the Company.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Jitendra H. Ranawat

Partner

Membership Number: 103380

Place of Signature: Mumbai

Date: 16 April 2018

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.
- (i) (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (i) (c) According to the information and explanation given by the management, the title deeds of immovable properties included in 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 from the public.
- (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, good and service tax, 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.
- (vii) (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, goods and service 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.
- (vii) (c) According to the information and explanations given to us, the dues of income tax outstanding on account of any dispute are as follows:

Nature of statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	35,366,490	AY 2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	121,539,100	AY 2014-15	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	175,076,350	AY 2015-16	Commissioner of Income Tax (Appeals)

ANNEXURE 1 (CONTD...)

- (viii) According to the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders or government.
- (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 the Company or no fraud on 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 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 Jitendra H. Ranawat
Partner
Membership Number: 103380
Place of Signature: Mumbai
Date: 16 April 2018

ANNEXURE 2

"ANNEXURE 2" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF INDIA INFRADEBT LIMITED

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

To the Members of India Infradebt Limited

We have audited the internal financial controls over financial reporting of India Infradebt Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

ANNEXURE 2 (CONTD...)

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Jitendra H. Ranawat

Partner

Membership Number: 103380

Place of Signature: Mumbai

Date: 16 April 2018

BALANCE SHEET

AT MARCH 31, 2018

(₹ in '000)			
Particulars	Notes No.	At March 31, 2018 (Audited)	At March 31, 2017 (Audited)
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2A	57,77,778	30,00,000
Reserves and surplus	2B	36,35,516	12,80,466
		94,13,294	42,80,466
Share application money pending allotment	2C	-	18,29,508
		-	18,29,508
Non-current liabilities			
Long-term borrowings	2D	7,10,00,000	4,20,50,000
Long-term provisions	2E	3,45,159	2,15,278
		7,13,45,159	4,22,65,278
Current liabilities			
Short-term provisions	2E	51,480	43,607
Other current liabilities	2F	23,56,983	9,75,351
		24,08,463	10,18,958
TOTAL EQUITY AND LIABILITIES		8,31,66,916	4,93,94,210
ASSETS			
Non-current assets			
Fixed assets	2G		
Tangible assets		6,028	1,812
Intangible assets		143	181
Non-current investments	2H	3,68,15,171	3,04,92,174
Long-term loan and advances	2I	3,37,46,241	1,31,32,716
Other non-current assets	2J	9,39,400	4,07,749
		7,15,06,983	4,40,34,632
Current assets			
Current investments	2H	30,19,705	12,07,870
Short-term loan and advances	2I	36,05,319	7,53,765
Cash and cash equivalents	2K	48,08,199	32,98,799
Other current assets	2J	2,26,710	99,144
		1,16,59,933	53,59,578
TOTAL ASSETS		8,31,66,916	4,93,94,210
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 Jitendra H. Ranawat
Partner
Membership No. 103380

Place : Mumbai
Date: April 16, 2018

For and on behalf of the Board of Directors

Lalita D. Gupte
Chairperson
DIN: 00043559

Surendra Maheshwari
Chief Financial officer

Suvek Nambiar
Managing Director & CEO
DIN: 06384380

Gaurav Tolwani
Company Secretary

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2018

(₹ in '000)

Particulars	Notes No.	Year ended March 31, 2018 (Audited)	Year ended March 31, 2017 (Audited)
Income			
Revenue from operations	2L	62,71,741	31,43,973
Other income	2M	3,51,237	2,03,380
Total Revenue (I)		66,22,978	33,47,353
Expenses			
Employee benefit expense	2N	1,45,971	1,27,607
Finance costs	2O	49,49,779	25,82,293
Depreciation and amortization expense	2G	987	844
Other expenses	2P	75,042	48,484
Contingent provision against standard assets	2Q	1,26,400	1,07,125
Total Expenses (II)		52,98,179	28,66,353
Profit/ (Loss) before tax (III)=(I)-(II)		13,24,799	4,81,000
Tax expenses			
Current tax		-	-
Profit/ (Loss) for the year		13,24,799	4,81,000
Earnings per equity share :			
Basic and diluted earnings per share of ₹10/-face value	2R	2.37	1.60
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 Jitendra H. Ranawat

Partner

Membership No. 103380

Place : Mumbai

Date: April 16, 2018

For and on behalf of the Board of Directors**Lalita D. Gupte**

Chairperson

DIN: 00043559

Surendra Maheshwari

Chief Financial officer

Suvek Nambiar

Managing Director & CEO

DIN: 06384380

Gaurav Tolwani

Company Secretary

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2018

(` in '000)

Particulars	Year ended March 31, 2018 (Audited)	Year ended March 31, 2017 (Audited)
Cash flow from operating activities		
Profit before Tax	13,24,799	4,81,000
Adjustment to reconcile profit before tax to net cash flows		
Interest received on fixed deposit	(1,956)	(23,808)
Income on Redemption of Liquid Mutual Funds	(3,46,913)	(1,90,688)
Contingent provision against standard assets	1,26,400	1,07,125
Depreciation on fixed assets charged during the year	987	844
Operating profit before working capital changes	11,03,317	3,74,473
Movements in working capital:		
Increase in other current liabilities	13,89,505	3,92,314
Increase in non current liabilities	3,481	9,593
Decrease/ (Increase) in non current investment	(63,22,997)	(62,32,822)
Decrease/ (Increase) in current investment	(18,11,835)	(3,93,550)
Decrease/ (Increase) in long term loan and advances	(2,06,13,525)	(1,31,32,716)
Decrease/ (Increase) in short term loan and advances	(28,51,554)	(7,53,765)
Decrease/ (Increase) in other non current assets	(6,544)	(7,025)
Decrease/ (Increase) in other current assets	(1,27,566)	(38,607)
Cash generated from / (used in) operations	(2,92,37,718)	(1,97,82,105)
Direct taxes paid (net of refunds)	(5,25,107)	(2,41,644)
Net Cash flow from/ (used in) operating activities (A)	(2,97,62,825)	(2,00,23,751)
Cash flow from investing activities		
Purchase of fixed assets	(5,165)	(542)
Interest received on fixed deposit	1,956	23,808
Income on Redemption of Liquid Mutual Funds	3,46,913	1,90,688
Fixed deposits placed with the banks (Maturity greater than 3 months)	-	4,49,252
Net cash flow from/ (used in) investing activities (B)	3,43,704	6,63,206
Cash flow from financing activities		
Proceeds from share application money pending allotment	(18,29,508)	18,29,508
Proceeds from issuance of equity share capital	40,00,000	-
Proceeds from issuance of debentures	2,89,50,000	2,03,50,000
Dividend paid on equity share	(1,59,500)	-
Dividend distribution tax on equity share	(32,471)	-
Net cash flow from/ (used in) financing activities (C)	3,09,28,521	2,21,79,508
Net increase/(decrease) in cash and cash equivalents (A + B + C)	15,09,400	28,18,964
Cash and cash equivalents at the beginning of the year	32,98,799	4,79,835
Cash and cash equivalents at the end of the year	48,08,199	32,98,799
Components of cash and cash equivalents		
With banks- on current account	7,08,199	19,98,799
- on deposit account	41,00,000	13,00,000
Total cash and cash equivalents (note. No. 2K)	48,08,199	32,98,799

Foot notes:

1. Cash and bank balances reconciliation

Cash and bank balance as at end of the year

Less: fixed deposits for a period greater than 3 months

Cash and cash equivalents as at end of the year

2. The above cash flow statement has been prepared under the 'Indirect Method' as set out in accounting standard-3 on "Cash Flow Statements" issued by the Institute of Chartered Accountants of India.

Significant accounting policies (refer note 1)

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 Jitendra H. Ranawat

Partner

Membership No. 103380

Place : Mumbai

Date: April 16, 2018

For and on behalf of the Board of Directors

Lalita D. Gupte

Chairperson

DIN: 00043559

Surendra Maheshwari

Chief Financial officer

Suvek Nambiar

Managing Director & CEO

DIN: 06384380

Gaurav Tolwani

Company Secretary

SIGNIFICANT ACCOUNTING POLICIES

AND NOTES TO ACCOUNTS

I. Corporate information

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/ take-out part of 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.

II Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014, Companies (Accounting Standards) Rules, 2006, Companies (Accounting Standards) Amendment Rules, 2016 and the provisions of the Reserve Bank of India as applicable to a Non-Banking Financial Company. The financial statements have been prepared on an accrual basis and under the historical cost convention. The presentation and disclosures in these financial statements are in accordance with Schedule III of the Companies Act, 2013.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

1: Significant accounting policies :

A. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosures of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

B. Revenue recognition

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.

- i. Interest income on investments and loan & advances is recognized on a time proportion basis taking into account the amount outstanding and applicable interest rate except for non-performing assets where, it is recognized upon realization, as per the income recognition and assets classification norms of RBI.

Fee income including processing fees is accounted for upfront when it becomes due.

SIGNIFICANT ACCOUNTING POLICIES (CONTD...)

C. Fixed assets

Fixed assets including intangible assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of a fixed asset 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.

D. Depreciation and amortization

Depreciation on plant, property and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. Intangible assets are amortized on a straight line basis over the estimated useful economic life. The Company has used the following useful lives to provide depreciation on its plant, property and equipment.

Particular	Useful lives estimated by the management (years)
Computers	3
Vehicles	5
Software	4
Office equipment	5

The management has estimated, supported by independent assessment by professionals, the useful lives of Vehicles are depreciated over the estimated useful lives 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

E. Loans & advances

Loan & advances are classified into performing and non-performing advances ('NPAs') as per the RBI guidelines and are stated net of specific provisions made towards NPAs. Further, NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by the RBI. Provisions for NPAs are made at rates as prescribed by the RBI

F. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

SIGNIFICANT ACCOUNTING POLICIES (CONTD...)

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

These investments are valued in accordance with the RBI guidelines and the Accounting Standard (AS) 13 on 'Accounting for Investments'. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at their acquisition cost or at amortised cost, if acquired at a premium/discount, over/under the face value. Any premium/discount, over/under the face value of investments acquired is amortised over the remaining period to maturity on straight line basis.

However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

G. Provisions

A provision is recognized when the Company has a present obligation as a result of past event, 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

H. Retirement and other employee benefits

- i. Retirement benefits in the form of provident fund is a defined benefit contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no obligations other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund schemes as an expenditure, when an employee renders the related service.
- ii. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation using the projected unit credit method, made at the end of each year. Actuarial gains and losses for defined benefit plan are recognized in full in the period in which they occur in the statement of profit and loss of the year.
- iii. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.
- iv. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

SIGNIFICANT ACCOUNTING POLICIES (CONTD...)

- v. The Company recognizes long term incentive benefit as a liability and an expense when the Company has a present obligation as a result of past event. If this benefit falls due more than 12 month after the balance sheet date, they are measured at present value of the future cash flow using the discount rate determined by reference to market yields at the balance sheet date on government bond.

I. Income taxes

As per Section 10(47) of the Income Tax Act, 1961 (the "Act") income of the Company do not form part of total income and hence is exempt from income tax. Hence, no provision for tax has been made in the books of accounts. (Refer note 2V)

J. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are not adjusted since there are no dilutive potential equity shares.

K. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

L. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

M. Borrowing cost

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2018

2. Notes to accounts

2A. Share capital

(' in '000)

Particulars	At March 31, 2018	At March 31, 2017
Authorized:		
1,000,000,000 (31 March 2017: 1,000,000,000) equity shares of ₹ 10 each	1,00,00,000	1,00,00,000
300,000,000 (31 March 2017: 300,000,000) Preference shares of ₹ 10 each	30,00,000	30,00,000
Issued, subscribed and fully paid up		
577,777,777 (31 March 2017: 300,000,000) equity shares of ₹ 10 each, fully paid up	57,77,778	30,00,000
Total	57,77,778	30,00,000

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

Equity shares

Particulars	At March 31, 2018		At March 31, 2017	
	No. in '000	(₹ in '000)	No. in '000	(₹ in '000)
At the beginning of the year	3,00,000	30,00,000	3,00,000	30,00,000
Issued during the year	2,77,778	27,77,778	-	-
Outstanding at the end of the year	5,77,778	57,77,778	3,00,000	30,00,000

(b). Terms/Rights attached to equity shares

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

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

Particulars	At March 31, 2018		At March 31, 2017	
	No. in '000	% holding in the class	No. in '000	% holding in the class
Equity shares of ₹ 10 each fully paid				
ICICI Bank Limited (including its nominees)	2,17,049	37.57%	90,000	30.00%
Bank of Baroda (including its nominees)	2,12,951	36.86%	90,000	30.00%
Citicorp Finance (India) Limited	87,000	15.06%	87,000	29.00%
Life Insurance Corporation of India	57,778	10.00%	30,000	10.00%

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.

NOTES TO FINANCIAL STATEMENTS (CONTD...)

2B. Reserves and surplus

(₹ in '000)		
Particulars	At March 31, 2018	At March 31, 2017
Statutory reserve u/s 45-IC of RBI Act, 1934		
Balance at the beginning of the year	2,56,093	1,59,893
Add: amount transferred from surplus balance in the statement of profit and loss	2,64,960	96,200
Closing balance (A)	5,21,053	2,56,093
Securities Premium Account		
Balance at the beginning of the year	-	-
Add: Additions during the year	12,22,222	-
Closing balance (B)	12,22,222	-
Profit & loss		
Surplus in profit and loss account at the beginning of the year	10,24,373	6,39,573
Add: Profit for the year	13,24,799	4,81,000
Less: Transfer to statutory reserve [@ 20% of profit after tax as required by section 45-IC of Reserve Bank of India Act, 1934]	(2,64,960)	(96,200)
Less: Dividend paid on Equity shares including dividend distribution tax	(1,91,971)	-
Total appropriations	(4,56,930)	(96,200)
Net surplus in the statement of profit and loss account at the end of the period (B)	18,92,241	10,24,373
Total reserve and surplus (A)+(B)	36,35,516	12,80,466

2C. Share application money pending allotment

(₹ in '000)		
Particulars	At March 31, 2018	At March 31, 2017
Share application money pending allotment	-	18,29,508
Total	-	18,29,508

NOTES TO FINANCIAL STATEMENTS (CONTD...)

2D. Long-term borrowings

(₹ in '000)

Particulars	Non-current portion		Current maturities	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
Secured debentures				
150 (March 31, 2017: 150) 8.10% secured redeemable non-convertible debentures (Maturity date: December 25, 2026) (#)	1,50,000	1,50,000	-	-
3,000 (March 31, 2017: 3,000) 8.24% secured redeemable non-convertible debentures (Maturity date: November 30, 2026) (#)	30,00,000	30,00,000	-	-
950 (March 31, 2017: 950) 8.24% secured redeemable non-convertible debentures (Maturity date: August 29, 2026) (#)	9,50,000	9,50,000	-	-
500 (March 31, 2017: 500) 8.57% secured redeemable non-convertible debentures (Maturity date: June 30, 2026) (#)	5,00,000	5,00,000	-	-
500 (March 31, 2017: 500) 8.51% secured redeemable non-convertible debentures (Maturity date: May 05, 2026) (#)	5,00,000	5,00,000	-	-
820 (March 31, 2017: 820) 8.65% secured redeemable non-convertible debentures (Maturity date: March 21, 2026) (#)	8,20,000	8,20,000	-	-
700 (March 31, 2017: 700) 8.65% secured redeemable non-convertible debentures (Maturity date: March 21, 2026) (#)	7,00,000	7,00,000	-	-
1,550 (March 31, 2017: 1,550) 8.62% secured redeemable non-convertible debentures (Maturity date: March 07, 2026) (#)	15,50,000	15,50,000	-	-
100 (March 31, 2017: 100) 8.70% secured redeemable non-convertible debentures (Maturity date: January 28, 2026) (#)	1,00,000	1,00,000	-	-
940 (March 31, 2017: 940) 8.60% secured redeemable non-convertible debentures (Maturity date: January 08, 2026) (#)	9,40,000	9,40,000	-	-
2,000 (March 31, 2017: 2,000) 8.50% secured redeemable non-convertible debentures (Maturity date: Nov 19, 2025) (#)	20,00,000	20,00,000	-	-
500 (March 31, 2017: 500) 8.45% secured redeemable non-convertible debentures (Maturity date: February 04, 2025) (#)	5,00,000	5,00,000	-	-
2,150 (March 31, 2017: Nil) 7.95% secured redeemable non-convertible debentures (Maturity date: July 12, 2024) (#)	21,50,000	-	-	-

NOTES TO FINANCIAL STATEMENTS (CONTD...)

(₹ in '000)

Particulars	Non-current portion		Current maturities	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
1,000 (March 31, 2017: Nil) 8.02% secured redeemable non-convertible debentures (Maturity date: June 01, 2024) (#)	10,00,000	-	-	-
1,650 (March 31, 2017: 1,650) 9.70% secured redeemable non-convertible debentures (Maturity date: May 28, 2024) (##)	16,50,000	16,50,000	-	-
3,000 (March 31, 2017: Nil) 8.37% secured redeemable non-convertible debentures (Maturity date: February 28, 2023) (#)	30,00,000	-	-	-
4,500 (March 31, 2017: Nil) 7.90% secured redeemable non-convertible debentures (Maturity date: October 31, 2022) (#)	45,00,000	-	-	-
5,000 (March 31, 2017: Nil) 7.75% secured redeemable non-convertible debentures (Maturity date: August 30, 2022) (#)	50,00,000	-	-	-
3,000 (March 31, 2017: Nil) 8.00% secured redeemable non-convertible debentures (Maturity date: July 26, 2022) (#)	30,00,000	-	-	-
3,000 (March 31, 2017: Nil) 7.75% secured redeemable non-convertible debentures (Maturity date: July 22, 2022) (#)	30,00,000	-	-	-
1,500 (March 31, 2017: Nil) 7.92% secured redeemable non-convertible debentures (Maturity date: July 20, 2022) (#)	15,00,000	-	-	-
1,300 (March 31, 2017: Nil) 8.00% secured redeemable non-convertible debentures (Maturity date: July 01, 2022) (#)	13,00,000	-	-	-
5,000 (March 31, 2017: 5,000) 8.25% secured redeemable non-convertible debentures (Maturity date: March 23, 2022) (#)	50,00,000	50,00,000	-	-
1,050 (March 31, 2017: 1,050) 8.05% secured redeemable non-convertible debentures (Maturity date: February 23, 2022) (#)	10,50,000	10,50,000	-	-
2,150 (March 31, 2017: 2,150) 7.95% secured redeemable non-convertible debentures (Maturity date: January 19, 2022) (#)	21,50,000	21,50,000	-	-
1,350 (March 31, 2017: 1,350) 8.05% secured redeemable non-convertible debentures (Maturity date: December 27, 2021) (#)	13,50,000	13,50,000	-	-

NOTES TO FINANCIAL STATEMENTS (CONTD...)

(₹ in '000)

Particulars	Non-current portion		Current maturities	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
1,100 (March 31, 2017: 1,100) 8.24% secured redeemable non-convertible debentures (Maturity date: August 30, 2021) (#)	11,00,000	11,00,000	-	-
1,150 (March 31, 2017: 1,150) 8.57% secured redeemable non-convertible debentures (Maturity date: June 30, 2021) (#)	11,50,000	11,50,000	-	-
1,200 (March 31, 2017: 1,200) 8.57% secured redeemable non-convertible debentures (Maturity date: June 23, 2021) (#)	12,00,000	12,00,000	-	-
1,680 (March 31, 2017: 1,680) 8.51% secured redeemable non-convertible debentures (Maturity date: May 10, 2021) (#)	16,80,000	16,80,000	-	-
570 (March 31, 2017: 570) 8.51% secured redeemable non-convertible debentures (Maturity date: May 05, 2021) (#)	5,70,000	5,70,000	-	-
880 (March 31, 2017: 880) 8.65% secured redeemable non-convertible debentures (Maturity date: March 22, 2021) (#)	8,80,000	8,80,000	-	-
600 (March 31, 2017: 600) 8.65% secured redeemable non-convertible debentures (Maturity date: March 20, 2021) (#)	6,00,000	6,00,000	-	-
1,450 (March 31, 2017: 1,450) 8.62% secured redeemable non-convertible debentures (Maturity date: March 08, 2021) (#)	14,50,000	14,50,000	-	-
1,400 (March 31, 2017: 1,400) 8.70% secured redeemable non-convertible debentures (Maturity date: January 28, 2021) (#)	14,00,000	14,00,000	-	-
1,560 (March 31, 2017: 1,560) 8.60% secured redeemable non-convertible debentures (Maturity date: January 08, 2021) (#)	15,60,000	15,60,000	-	-
2,600 (March 31, 2017: 2,600) 8.65% secured redeemable non-convertible debentures (Maturity date: August 21, 2020) (#)	26,00,000	26,00,000	-	-
2,000 (March 31, 2017: Nil) 7.88% secured redeemable non-convertible debentures (Maturity date: June 01, 2020) (#)	20,00,000	-	-	-
2,000 (March 31, 2017: 2,000) 8.55% secured redeemable non-convertible debentures (Maturity date: February 04, 2020) (#)	20,00,000	20,00,000	-	-

NOTES TO FINANCIAL STATEMENTS (CONTD...)

(₹ in '000)

Particulars	Non-current portion		Current maturities	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
1,350 (March 31, 2017: 1,350) 9.70% secured redeemable non-convertible debentures (Maturity date: May 28, 2019) (##)	13,50,000	13,50,000	-	-
Total secured (A)	6,69,00,000	4,04,50,000	-	-
Unsecured debentures				
2,500 (March 31, 2017: Nil) 8.45% unsecured redeemable non-convertible debentures-subordinates debts (included in Tier II Capital) (Maturity date: May 18, 2028)	25,00,000	-	-	-
1,600 (March 31, 2017: 1,600) 9.10% unsecured redeemable non-convertible debentures-subordinates debts (included in Tier II Capital) (Maturity date: June 20, 2022)	16,00,000	16,00,000	-	-
Total unsecured (B)	41,00,000	16,00,000	-	-
Total	7,10,00,000	4,20,50,000	-	-

#Above debentures secured by charge on the immovable property & hypothecation/ charge over all receivables, cash flows and other movable assets of the Company, from time to time

##Above debentures secured by charge on the immovable property, pledge over bonds or debentures subscribed by the Company from time to time & hypothecation/ charge over all receivables, cash flows and other movable assets of the Company, from time to time

2E. Provisions

(₹ in '000)

Particulars	Long-Term		Short-Term	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
Provision for employee benefits				
Employee benefit payable	21,844	18,935	49,991	42,859
Provisions for gratuity	7,434	8,042	260	109
Provision for leave encashment	7,135	5,955	1,229	639
Total (i)	36,413	32,932	51,480	43,607
Other provisions				
Contingent provision against standard assets/ Investments	3,08,746	1,82,346	-	-
Total (ii)	3,08,746	1,82,346	-	-
Total (i+ii)	3,45,159	2,15,278	51,480	43,607

NOTES TO FINANCIAL STATEMENTS (CONTD...)

2F. Other current liabilities

(₹ in '000)

Particulars	At March 31, 2018	At March 31, 2017
Provision for expenses	4,611	4,089
Statutory dues	8,036	1,783
Interest accrued and not due on borrowings	22,52,685	9,12,721
Advance interest/principal received from clients	91,651	56,758
Total	23,56,983	9,75,351

2G. Fixed assets

(₹ in '000)

Particulars	Gross Block (At Cost)				Depreciation and Amortization				Net Block	
	As at April 1, 2017	Additions during the year	Deductions/ Adjustments during the year	As at March 31, 2018	As at April 1, 2017	For the year	On Deductions during the year	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
(i) Tangible Assets										
Land	770	-	-	770	-	-	-	-	770	770
Computers Hardware	993	697	-	1,690	580	287	-	867	823	413
Vehicles	2,728	4,421	2,728	4,421	2,099	637	2,728	8	4,413	629
Office Equipments	-	27	-	27	-	5	-	5	22	-
Total (i)	4,491	5,145	2,728	6,908	2,679	929	2,728	880	6,028	1,812
(ii) Intangible Assets										
Computers - Software	263	20	-	283	82	58	-	140	143	181
Total (ii)	263	20	-	283	82	58	-	140	143	181
Total (i+ii)	4,754	5,165	2,728	7,191	2,761	987	2,728	1,020	6,171	1,993
Previous year	4,212	542	-	4,754	1,917	844	-	2,761	1,993	-

2H. Investments

(₹ in '000)

Particulars	Non-current		Current	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
Non-trade investments (valued at cost unless stated otherwise)				
Investment in quoted debentures/bonds				
800 (March 31, 2017 : 800) Secured redeemable non-convertible debentures of ₹ 9,27,138.10 each fully paid-up in Renew Wind Energy (Jath) Limited (RWEJL) due on October 31, 2026	7,01,790	7,41,710	39,920	29,320

NOTES TO FINANCIAL STATEMENTS (CONTD...)

Particulars	(₹ in '000)			
	Non-current		Current	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
155 (March 31, 2017 : 155) Secured redeemable non-convertible debentures of ₹ 9,12,379.60 each fully paid- up in Renew Wind Energy (Jath) Limited (RWEJL) due on October 31, 2026	1,34,052	1,41,419	7,367	5,295
15,300 (March 31, 2017 : 15,300) Secured redeemable non-convertible debentures of ₹ 87,908.50 each fully paid- up in Hazaribagh Ranchi Expressway Ltd.(HREL) due on October 14, 2025	11,95,000	13,45,000	1,50,000	1,85,000
20,000 (March 31, 2017 : Nil) Secured redeemable non-convertible debentures of ₹ 91,705.00 each fully paid- up in Jharkhand Road Projects Implementation Company Ltd. (JRPICL) due on July 20, 2027	16,25,400	-	2,08,700	-
1,800 (March 31, 2017 : Nil) Secured redeemable non-convertible debentures of ₹ 9,73,333.33 each fully paid- up in GP Wind (Jangi) Pvt. Ltd. (GPWJPL) due on August 08, 2032	16,92,000	-	60,000	-
	53,48,242	22,28,129	4,65,987	2,19,615
Investment in unquoted debentures/bonds				
4,578 (March 31, 2017 : 4,780) Secured redeemable non-convertible debentures of ₹ 1,00,000.00 each fully paid- up in Himalyan Expressway Limited (HEL) due on February 21, 2026 (#)	4,21,400	4,57,800	36,400	20,200
5,000 (March 31, 2017 : 5,000) Secured redeemable non-convertible debentures of ₹ 97,540.00 each fully paid- up in Guruvayoor Infrastructure Private Limited (GIPL)-Tranche-1 due on March 31, 2025 (##)	4,47,300	4,87,700	40,400	5,200
50,000 (March 31, 2017 : 50,000) Secured redeemable non-convertible debentures of ₹ 9,772.60 each fully paid- up in Guruvayoor Infrastructure Private Limited (GIPL)-Tranche-2 due on March 31, 2025 (##)	4,48,010	4,88,630	40,620	4,930
Nil (March 31, 2017 : 1,20,000) Secured redeemable non-convertible debentures in Swarna Tollway Pvt. Ltd.(STPL) due on March 31, 2020 (account closed on January 31, 2018)	-	4,21,260	-	2,25,820

NOTES TO FINANCIAL STATEMENTS (CONTD...)

Particulars	Non-current		Current	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
1,70,000 (March 31, 2017 : 1,70,000) Secured redeemable non-convertible debentures of ₹ 9,350.00 each fully paid- up in Ashoka Highway Bhandara Ltd.(AHBL) due on March 15, 2026	14,96,000	15,89,500	93,500	59,500
1,42,000 (March 31, 2017 : 1,42,000) Secured redeemable non-convertible debentures of ₹ 9,598.03 each fully paid- up in Second Vivekananda Bridge Tollway Company Pvt Ltd. (SVBT) due on December 15, 2028	13,05,840	13,62,920	57,080	28,540
1,70,000 (March 31, 2017 : 1,70,000) Secured redeemable non-convertible debentures of ₹ 9,376.47 each fully paid- up in Jaipur Mahua Tollway Private Ltd.(JMTPL) due on March 31, 2028 (##)	15,48,400	15,94,000	45,600	45,600
87,740 (March 31, 2017 : 87,740) Secured redeemable non-convertible debentures of ₹ 8,050.03 each fully paid- up in Rohan Rajdeep Toll Roads Ltd.(RRTRL) due on June 30, 2026 (##)	6,09,790	7,06,310	96,520	87,740
Nil (March 31, 2017 : 60,000) Secured redeemable non-convertible debentures in MVR Infrastructure and Tollways Private Ltd. (MITPL) due on March 31, 2023 (account closed on May 18, 2017)	-	5,73,330	-	-
1,00,000 (March 31, 2017 :1,00,000) Secured redeemable non-convertible debentures of ₹ 9,970.00 each fully paid- up in Krishnagiri Thopur Toll Road Limited (KTTRL) due on June 30, 2024 (##)	9,96,000	9,97,000	1,000	1,000
1,00,000 (March 31, 2017 : 1,00,000) Secured redeemable non-convertible debentures of ₹ 9,500.00 each fully paid- up in Western Andhra Tollways Limited (WATL) due on June 30, 2024 (##)	9,30,000	9,50,000	20,000	20,000
2,88,000 (March 31, 2017 : 2,88,000) Secured redeemable non-convertible debentures of ₹ 10,000.00 each fully paid- up in Vadodara Bharuch Tollway Limited (VBTL) due on December 31, 2019	14,40,000	28,80,000	14,40,000	-

NOTES TO FINANCIAL STATEMENTS (CONTD...)

Particulars	(₹ in '000)			
	Non-current		Current	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
1,60,000 (March 31, 2017 : 1,60,000) Secured redeemable non-convertible debentures of ₹ 9,980.00 each fully paid- up in Devihalli Hassan Tollway Ltd (DHTL) due on 31st March 2035 (##)	15,95,200	15,96,800	1,600	1,600
1,15,000 (March 31, 2017 : 1,15,000) Secured redeemable non-convertible debentures of ₹ 9,600.00 each fully paid- up in Jadcherala Express Private Ltd (JEPL) due on 30th June, 2023 (##)	9,89,000	11,04,000	1,15,000	23,000
3,00,000 (March 31, 2017 : 3,00,000) Secured redeemable non-convertible debentures of ₹ 9,550.00 each fully paid- up in Dhule Palesnar Tollway Private Limited (DPTPL) due on 5th December 2025 (##)	28,05,000	28,65,000	60,000	60,000
1,50,000 (March 31, 2017 : 1,50,000) Secured redeemable non-convertible debentures of ₹ 9915.00 each fully paid- up in Navayuga Devanahalli Tollway Private Limited (NDTPL) due on 31st March 2029	14,79,750	14,87,250	7,500	7,500
2,00,000 (March 31, 2017 : 2,00,000) Secured redeemable non-convertible debentures of ₹ 9,255.00 each fully paid- up in Oriental Pathways (Indore) Private Limited (OPIPL) due on 31st August 2024	18,46,000	18,51,000	5,000	20,000
9,993 (March 31, 2017 : 9,993) Secured redeemable non-convertible debentures of ₹97,708.00 each fully paid- up in Bijapur Hungund Tollway Private Limited due on 31st August 2028(##)	9,61,167	9,76,396	15,229	15,229
1,75,000 (March 31, 2017 : 1,75,000) Secured redeemable non-convertible debentures of ₹8,800.00 each fully paid- up in Trichy Tollway Private Limited due on 15th December 2024(##)	14,35,000	15,40,000	1,05,000	1,05,000
20,000 (March 31, 2017 : 20,000) Secured redeemable non-convertible debentures of ₹97,180.00 each fully paid- up in North Bihar Highway Limited due on 18th June 2029	18,99,600	19,43,600	44,000	39,800

NOTES TO FINANCIAL STATEMENTS (CONTD...)

Particulars	Non-current		Current	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
1,65,000 (March 31, 2017 : 1,65,000) Secured redeemable non-convertible debentures of ₹8,132.00 each fully paid- up in Mokama Munger Highway Limited due on 29th Feb 2024(##)	11,24,310	13,41,780	2,17,470	2,17,470
10,500 (March 31, 2017 : 10,500) Secured redeemable non-convertible debentures of ₹ 99,980.00 each fully paid- up in Moradabad Bareilly Expressway Ltd.(MBEL) due on September 30, 2033 (##)	10,49,685	10,49,769	105	126
7,966 (March 31, 2017 : Nil) Secured redeemable non-convertible debentures of ₹95,003.77 each fully paid- up in Bangalore Elevated Tollway Pvt. Ltd.(BETPL) due on June 30, 2024 (##)	6,77,600	-	79,200	-
15,000 (March 31, 2017 : Nil) Secured redeemable non-convertible debentures of ₹ 99,750.00 each fully paid- up in Shreenathji Udaipur Tollway Pvt. Ltd. (SUTPL) due on March 31, 2037 (##)	14,94,750	-	1,500	-
45,000 (March 31, 2017 : Nil) Secured redeemable non-convertible debentures of ₹ 99,958.26 each fully paid- up in IRB Ahmedabad Vadodara Super Express Tollway Pvt. Ltd. (AVPL) due on December 31, 2030 (##)	44,67,127	-	30,994	-
	3,14,66,929	2,82,64,045	25,53,718	9,88,255
Total	3,68,15,171	3,04,92,174	30,19,705	12,07,870

Note:- Interest rate on above investments are in the range of 8.50% p.a. to 11.10%p.a.

#The Interest rate on the NCDs is linked to the base rate. It may change in the future depending on the change in base rate.

##The Interest rate is fixed between two reset dates.

Particulars	At March 31, 2018	
	At March 31, 2018	At March 31, 2017
Aggregate amount of quoted investments (Market value as on March 31, 2018 ₹ 6,477,754 thousands, March 31, 2017: ₹ 2,571,025 thousands)	58,14,229	24,47,744
Aggregate amount of unquoted investments	3,40,20,647	2,92,52,300
Total	3,98,34,876	3,17,00,044

NOTES TO FINANCIAL STATEMENTS (CONTD...)

2I. Loan and advances

(₹ in '000)

Particulars	Long-Term		Short-Term	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
Term loan				
Secured, considered good	3,37,46,241	1,31,32,716	36,05,319	7,53,765
Unsecured, considered good	-	-	-	-
Total	3,37,46,241	1,31,32,716	36,05,319	7,53,765

The classification of loan & advances under RBI guidelines are as under :-

(₹ in '000)

Particulars	At March 31, 2018	At March 31, 2017
(i) Standard assets	3,73,51,560	1,38,86,482
(ii) Sub-standard assets	-	-
(iii) Doubtful assets	-	-
(iv) Loss assets	-	-
Total	3,73,51,560	1,38,86,482

2J. Other assets

(₹ in '000)

Particulars	Non-Current		Current	
	At March 31, 2018	At March 31, 2017	At March 31, 2018	At March 31, 2017
Interest accrued and not due on fixed deposits	-	-	2,555	187
Interest accrued on Investments/loan assets	-	-	1,83,098	67,777
TDS receivable/advance tax	8,73,344	3,48,237	-	-
Goods & service tax input credit	-	-	302	90
Prepaid expenses	-	-	18,994	15,457
Staff advances	-	-	1,637	1,094
Security deposits-rent	1,749	-	1,500	810
Unamortized borrowings cost	64,307	59,512	18,249	13,624
Other assets	-	-	375	105
Total	9,39,400	4,07,749	2,26,710	99,144

2K. Cash and bank balances

(₹ in '000)

Particulars	At March 31, 2018	At March 31, 2017
Cash and cash equivalents		
Bank deposits with original maturity of less than 3 months	41,00,000	13,00,000
Balance with Banks	7,08,199	19,98,799
Total	48,08,199	32,98,799

NOTES TO FINANCIAL STATEMENTS (CONTD...)

2L. Revenue from operations

(₹ in '000)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest income on investment	33,64,049	28,67,669
Interest income on term loan	27,99,077	2,22,690
Fees income	1,08,615	53,614
Total	62,71,741	31,43,973

2M. Other income

(₹ in '000)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest on deposits with banks	4,324	12,692
Income on redemption of liquid mutual funds	3,46,913	1,90,688
Total	3,51,237	2,03,380

2N. Employee benefits expenses

(₹ in '000)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries and wages	1,34,650	1,15,695
Contribution to provident fund and other funds	3,848	3,322
Gratuity	2,827	4,165
Leave encashment	1,863	2,321
Staff welfare	2,783	2,104
Total	1,45,971	1,27,607

2O. Finance costs

(₹ in '000)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest expenses on borrowings	49,31,616	25,69,089
Other borrowing costs	18,163	13,204
Total	49,49,779	25,82,293

NOTES TO FINANCIAL STATEMENTS (CONTD...)

2P. Other expenses

(₹ in '000)		
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Rent, rates & taxes	10,842	8,558
Travelling expenses	474	956
Printing and stationery	581	222
Director sitting fees & commission	3,930	4,080
Communication	478	548
Legal & professional fees	21,658	9,966
Auditors fees & expenses (refer details below)	2,337	2,097
Stamp duty expenses	8,504	1,002
Guarantee fee	16,954	14,364
Corporate social responsibility expenses	6,610	4,800
Others	2,674	1,891
Total	75,042	48,484

(₹ in '000)		
Payment to auditor	Year ended March 31, 2018	Year ended March 31, 2017
As auditor		
Audit fees	1,012	1,030
Tax audit fees	75	75
Limited review fees	225	225
Out of pocket expense	34	30
In other capacity		
Certification and other fees	991	737
Total	2,337	2,097

2Q. Contingent provision against standard assets

(₹ in '000)		
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Contingent provision against standard assets/ Investments	1,26,400	1,07,125
Total	1,26,400	1,07,125

2R. Earnings per share

In accordance with the Accounting Standard 20 on 'Earnings Per Share' issued by the Institute of Chartered Accountants of India, basic earnings per share and diluted earnings per share is computed using the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are not adjusted since there are no dilutive potential equity shares.

NOTES TO FINANCIAL STATEMENTS (CONTD...)

The following table sets forth, for the periods indicated, the computation of earnings per share.

Particulars	(₹ in '000)	
	Year ended March 31, 2018	Year ended March 31, 2017
Net profit after tax (₹ in '000)	1,324,799	481,000
Weighted average number of Equity Shares (No.)	55,93,60,730	30,00,00,000
Earnings per share	2.37	1.60
(Basic and diluted earnings per share of ₹ 10/-face value)		

25. Gratuity

The following tables set forth, for the periods indicated, movement of the present value of the defined benefit obligation, fair value of plan assets and other details for gratuity benefits.

Amount to be recognized in Balance Sheet

Particulars	(₹ in '000)	
	Year ended March 31, 2018	Year ended March 31, 2017
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Present value of unfunded obligations	7,694	8,150
Unrecognized past service cost	-	-
Net liability	7,694	8,150
Amounts in the balance sheet		
Liabilities	7,694	8,150
Assets	-	-
Net liability	7,694	8,150

Expense to be recognized in Statement of Profit & Loss Account

Particulars	(₹ in '000)	
	Year ended March 31, 2018	Year ended March 31, 2017
Current service cost	2,330	1,462
Interest on defined benefit obligation	772	441
Expected return on plan assets	-	-
Net actuarial losses / (gains) recognized in year	(274)	2,263
Past service cost	-	-
Losses / (gains) on "curtailments & settlements"	-	-

NOTES TO FINANCIAL STATEMENTS (CONTD...)

(₹ in '000)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Losses / (gains) on "acquisition / divestiture"	-	-
Effect of the limit in para 59(b)	-	-
Total, included in "Employee benefit expense"	2,828	4,165
Actual return on plan assets	-	-

Reconciliation of Benefit Obligations & Plan Assets for the Period

(₹ in '000)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Change in defined benefit obligation		
Opening defined benefit obligation	8,150	3,985
Current service cost	2,330	1,461
Interest cost	772	441
Actuarial losses / (gain)	(274)	2,263
Past service cost	-	-
Actuarial losses/ (gain) due to curtailment	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed on acquisition	-	-
Exchange difference on foreign plans	-	-
Benefits paid	(3,284)	-
Closing defined benefit obligation	7,694	8,150
Change in the fair value of assets		
Opening fair value of plan assets	-	-
Expected return on plan assets	-	-
Actuarial gains / (losses)	-	-
Assets distributed on settlements	-	-
Contributions by employer	3,284	-
Assets acquired due to acquisition	-	-
Exchange difference on foreign plans	-	-
Benefits paid	(3,284)	-
Closing fair value of plan assets	-	-
Expected employer's contribution next year	260	109

NOTES TO FINANCIAL STATEMENTS (CONTD...)

Asset Information

Category of Assets (% Allocation)	Year ended March 31, 2018	Year ended March 31, 2017
	%	%
Government of India securities	0%	0%
Corporate bonds	0%	0%
Special deposit scheme	0%	0%
Equity shares of listed companies	0%	0%
Property	0%	0%
Insurer managed funds	0%	0%
Others	0%	0%
Total	0%	0%

Experience Adjustments

Particulars	(₹ in '000)			
	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015
Defined benefit obligation	7,694	8,150	3,986	2,391
Plan assets	-	-	-	-
Surplus / (deficit)	(7,694)	(8,150)	(3,986)	(2,391)
Exp. adj. on plan liabilities	81	711	162	163
Exp. adj. on plan assets	-	-	-	-

Summary of Principal Actuarial Assumptions

Financial Assumptions at the Valuation Date:

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Discount rate (p.a.)	7.70%	7.40%
Expected rate of return on assets (p.a.)	0.00%	0.00%
Salary escalation rate (p.a.)	10.00% for first 4 years & 7% thereafter	10.00% for first 5 years & 7% thereafter
Employee turnover [Age (years)]		
21-30	5.00%	5.00%
31-40	3.00%	3.00%
41-57	2.00%	2.00%

NOTES TO FINANCIAL STATEMENTS (CONTD...)

2T. 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.	Investing Party	Bank of Baroda
3.	Investing Party	Citicorp Finance (India) Limited (till April 03, 2017)
4.	Key Management Personnel	Mr. Suvek Nambiar, Managing Director & CEO

ii) The following are the details of transactions with related parties:

(₹ in '000)			
Particulars	Investing Party	Key Management Personnel	Total
Assets			
Bank balance & fixed deposits	7,08,072	-	7,08,072
	(32,98,761)	(-)	(32,98,761)
Interest accrued on fixed deposits	-	-	-
	(187)	(-)	(187)
Income			
Interest on fixed deposits	1,673	-	1,673
	(11,128)	(-)	(11,128)
Fees income	3,000	(-)	3,000
	(-)	(-)	(-)
Expenditure			
Towards rent & shared services	5,409	-	5,409
	(6,053)	(-)	(6,053)
Towards arrangers fees payment	6,054	-	6,054
	(3,064)	(-)	(3,064)
Gratuity paid to deputed employee	3,284	-	3,284
	(-)	(-)	(-)
Bank charges	5	-	5
	-	-	-
DMAT charges	1	-	1
	(1)	(-)	(1)
Staff cost	-	44,187*	44,187
	(-)	(38,890)*	(38,890)

Figures in bracket pertains to March 31, 2017

* 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.

NOTES TO FINANCIAL STATEMENTS (CONTD...)

2U. Segment information

The Company has a single reportable segment i.e. financing which has similar risk & return for the purpose of AS-17 on 'Segment Reporting' notified under the Companies (Accounting Standard) Rules, 2006 (as amended). The Company operates in a single geographical segment i.e. domestic.

2V. 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.

2W. The Company has accounted for provision on standard assets/ investments as per Reserve Bank of India ('RBI') Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016 which requires increased provision on standard assets/ investments in a phased manner over a period of three years commencing from March 31, 2016.

2X. 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').

2Y. 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.

2Z. 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.

2AA. 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.

2AB. 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.

NOTES TO FINANCIAL STATEMENTS (CONTD...)

2AC. Details of expenditure in foreign currency

(₹ in '000)		
Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Processing fees expenses	1,603	-
Total	1,603	-

2AD. Previous year figures

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

2AE. 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 '000)			
S. No	Particulars	As at March 31, 2018	As at March 31, 2017
i)	CRAR (%)	22.79	19.76
ii)	CRAR - Tier I Capital (%)	15.83	13.87
iii)	CRAR - Tier II Capital (%)	6.96	5.89
iv)	Amount of subordinated debt raised as Tier-II capital during the year	25,00,000	-
v)	Amount raised by issue of Perpetual Debt Instruments during the year	-	-

(ii) Investment

(₹ in '000)			
S. No	Particulars	As at March 31, 2018	As at March 31, 2017
(1)	Value of Investments		
	(i) Gross Value of Investments	3,98,34,876	3,17,00,044
	(a) In India	3,98,34,876	3,17,00,044
	(b) Outside India,	-	-
	(ii) Provisions for Depreciation	-	-
	(a) In India	-	-
	(b) Outside India,	-	-

NOTES TO FINANCIAL STATEMENTS (CONTD...)

(₹ in '000)			
S. No	Particulars	As at March 31, 2018	As at March 31, 2017
	(iii) Net Value of Investments	3,98,34,876	3,17,00,044
	(a) In India	3,98,34,876	3,17,00,044
	(b) Outside India,	-	-
(2)	Movement of provisions held towards depreciation on investments.		
	(i) Opening balance	-	-
	(ii) Add : Provisions made during the year	-	-
	(iii) Less : Write-off / write-back of excess provisions during the year	-	-
	(iv) Closing balance	-	-

(iii) Derivatives

(iii)(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 '000)			
S. No	Particulars	As at March 31, 2018	As at March 31, 2017
(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	-	-

(iii)(b) Exchange traded interest rate (IR) derivatives

(₹ in '000)			
S. No	Particulars	As at March 31, 2018	As at March 31, 2017
(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 2018 (instrument-wise)	-	-
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-	-

NOTES TO FINANCIAL STATEMENTS (CONTD...)

(₹ in '000)

S. No	Particulars	As at March 31, 2018	As at March 31, 2017
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-	-

(iii)(c) Quantitative disclosures

(₹ in '000)

S. No	Particulars	Currency Derivatives/ Interest Rate Derivatives	
		As at March 31, 2018	As at March 31, 2017
(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 '000)

S. No	Particulars	No./ Amount	
		As at March 31, 2018	As at March 31, 2017
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	-	-

NOTES TO FINANCIAL STATEMENTS (CONTD...)

(₹ in '000)

S. No	Particulars	No./ Amount	
		As at March 31, 2018	As at March 31, 2017
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	-	-

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

(₹ in '000)

S. No	Particulars	As at March 31, 2018	As at March 31, 2017
(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	-	-

(iv)(c) Details of assignment transactions undertaken by NBFCs

(₹ in '000)

S. No	Particulars	As at March 31, 2018	As at March 31, 2017
(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	-	-

NOTES TO FINANCIAL STATEMENTS (CONTD...)

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

A. Details of non-performing financial assets purchased:

(₹ in '000)

S. No	Particulars	As at March 31, 2018	As at March 31, 2017
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 '000)

S. No	Particulars	As at March 31, 2018	As at March 31, 2017
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, 2018

(₹ in '000)

[illegible]

NOTES TO FINANCIAL STATEMENTS (CONTD...)

Asset Liability Management Maturity pattern of certain items of Assets and Liabilities as at March 31, 2017

(₹ in '000)

	Up to 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	25,410	9,152	1,38,278	2,11,394	3,69,532	17,13,058	19,58,872	94,60,787	1,38,86,482
Investments	45,570	30,582	83,602	3,49,171	6,98,946	62,99,291	59,08,846	1,82,84,036	3,17,00,044
Borrowings	-	-	-	-	-	33,50,000	2,37,40,000	1,49,60,000	4,20,50,000
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

vi Exposure

(vi)(a) Exposure to real estate sector

(₹ in '000)

Category		As at March 31, 2018	As at March 31, 2017
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		-	-

NOTES TO FINANCIAL STATEMENTS (CONTD...)

(vi)(b) Exposure to capital market

(₹ in '000)

S. No	Particulars	As at March 31, 2018	As at March 31, 2017
(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 real estate sector		-	-

(vi)(c) Details of financing of parent company products

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

(vi)(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, 2018, (March 31, 2017: Nil)

(vi)(e) Unsecured advances

There are no unsecured advances as at March 31, 2018, (March 31, 2017: 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.

NOTES TO FINANCIAL STATEMENTS (CONTD...)

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

No penalties were imposed by the regulator during the year during the financial year ended March 31, 2018, (March 31, 2017: Nil)

(vii)(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>

(vii)(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, 2018:-

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

(vii)(e) Remuneration of directors

(₹ in '000)			
S. No	Particulars	As at March 31, 2018	As at March 31, 2017
1	Mr. Suvek Nambiar (MD & CEO)#	44,187	38,890
2	Mr. M D Mallya*	1,330	1,380
3	Mrs Lalita Gupte*	1,270	1,320
4	Mr. Uday Chitale*	1,330	1,380
	Total	48,117	42,970

#As the liabilities for gratuity and leave encashment are provided on an actuarial basis 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.

NOTES TO FINANCIAL STATEMENTS (CONTD...)

(viii) Additional disclosures

(viii)(a) Provisions and Contingencies

(₹ in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account		
Provisions for depreciation on Investment	-	-
Provision towards NPA	-	-
Provision made towards Income tax	-	-
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets/ Investments	1,26,400	1,07,125

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

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

(₹ in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Total Deposits of twenty largest depositors	-	-
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	-	-

(ix)(b) Concentration of advances

(₹ in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Total Advances to twenty largest borrowers	2,73,81,123	1,38,86,482
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	73%	100%

(ix)(c) Concentration of exposures

(₹ in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Total Exposure to twenty largest borrowers / customers (Investment & advances)	39,323,647	30,107,585
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	51%	66%

NOTES TO FINANCIAL STATEMENTS (CONTD...)

(ix)(d) Concentration of NPAs

(₹ in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Total Exposure to top four NPA accounts	-	-

(ix)(e) Sector-wise NPAs

(₹ in '000)

S. No	Particulars	Percentage of NPAs to Total Advances in that sector	
		As at March 31, 2018	As at March 31, 2017
1	Agriculture & allied activities	-	-
2	MSME	-	-
3	Corporate borrowers	-	-
4	Services	-	-
5	Unsecured personal loans	-	-
6	Auto loans	-	-
7	Other personal loans	-	-

(x) Movement of NPAs

(₹ in '000)

S. No	Particulars	As at March 31, 2018	As at March 31, 2017
(i)	Net NPAs to Net Advances (%)	-	-
(ii)	Movement of NPAs (Gross)	-	-
	(a) Opening balance	-	-
	(b) Additions during the year	-	-
	(c) Reductions during the year	-	-
	(d) Closing balance	-	-
(iii)	Movement of Net NPAs	-	-
	(a) Opening balance	-	-
	(b) Additions during the year	-	-
	(c) Reductions during the year	-	-
	(d) Closing balance	-	-
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)	-	-
	(a) Opening balance	-	-
	(b) Provisions made during the year	-	-

NOTES TO FINANCIAL STATEMENTS (CONTD...)

(₹ in '000)

S. No	Particulars	As at March 31, 2018	As at March 31, 2017
(c)	Write-off / write-back of excess provisions	-	-
(d)	Closing balance	-	-

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

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 '000)

Particulars	Domestic	Overseas
	As at March 31, 2018	As at March 31, 2017
	-	-

(xiii) Disclosure of complaints

(xiii)(a) Customer complaints

(₹ in '000)

S. No	Particulars	As at March 31, 2018	As at March 31, 2017
(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 Jitendra H. Ranawat
Partner
Membership No. 103380

Place : Mumbai
Date: April 16, 2018

For and on behalf of the Board of Directors

Lalita D. Gupte
Chairperson
DIN: 00043559

Surendra Maheshwari
Chief Financial Officer

Suvek Nambiar
Managing Director & CEO
DIN: 06384380

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 '000)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Amount out-standing	Amount overdue	Amount out-standing	Amount overdue
Liabilities side :				
(1) Loans and advances availed by the non-banking finance company inclusive of interest accrued thereon but not paid:				
(a) Debentures : Secured	6,91,05,648	-	4,13,57,935	-
: Unsecured	41,47,037	-	16,04,787	-
(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 out-standing	Amount overdue	Amount out-standing	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				
Assets side :	Amount outstanding		Amount outstanding	
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :				
(a) Secured	3,73,51,560		1,38,86,482	

ANNEXURE I (CONTD...)

(₹ in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
(b) Unsecured	-	-
(4) Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities	Amount outstanding	Amount outstanding
(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	4,65,987	2,19,615
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	25,53,718	9,88,255
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
Long Term investments :		
1. Quoted :		
(i) Share : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	53,48,242	2,2,28,129
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
2. Unquoted :		
(i) Shares : (a) Equity	-	-

ANNEXURE I (CONTD...)

(₹ in '000)

Particulars	As at March 31, 2018	As at March 31, 2017
(b) Preference	-	-
(ii) Debentures and Bonds	3,14,66,929	2,82,64,045
(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

Category	As at March 31, 2018			As at March 31, 2017		
	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

Category	As at March 31, 2018		As at March 31, 2017	
	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	4,04,98,401	3,98,34,876	3,18,23,325	3,17,00,044
Total	4,04,98,401	3,98,34,876	3,18,23,325	3,17,00,044

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

ANNEXURE I (CONTD...)

(8) Other information

Particulars	As at March 31, 2018	As at March 31, 2017
	Amount	Amount
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	-
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	-
(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.

INDIA INFRADEBT LIMITED

REGISTERED OFFICE:

ICICI BANK TOWERS,
BANDRA-KURLA COMPLEX,
MUMBAI – 400 051

TEL: +91 22 26536963

FAX: +91 22 26531259

INFO@INFRADEBT.IN

WWW.INFRADEBT.IN