



LIMITED

आई एफ सी आई लिमिटेड

(A Government of India Undertaking)

(भारत सरकार का उपक्रम)

**ANNUAL REPORT 2023-24**

**THIRTY-FIRST ANNUAL GENERAL MEETING**

DATE : September 26, 2024

DAY : Thursday

TIME : 11:30 A.M.

Through  
Video Conferencing (VC)/  
Other Audio Visual Means (OAVM)

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(As on 08.08.2024)

**BOARD OF DIRECTORS**

**Shri Rahul Bhave**  
**Shri Jitendra Asati**  
**Shri Surjith Karthikeyan**  
**Prof. Narayanaswamy Balakrishnan**  
**Prof. Arvind Sahay**  
**Shri Surendra Behera**  
**Shri Arvind Kumar Jain**  
**Shri Umesh Kumar Garg**

Deputy Managing Director  
Government Director  
Government Director  
Non-Executive Director  
Non-Executive Director  
Non-Executive Director  
Non-Executive Director  
Independent Director

(As on 08.08.2024)

**CHIEF VIGILANCE OFFICER**

**Shri B V S Atchuta Rao**

**PRINCIPAL OFFICERS**

**EXECUTIVE DIRECTORS**

**Shri Prasoon**

**Shri Sachikanta Mishra**

**CHIEF GENERAL MANAGERS**

**Shri Suneet Shukla**  
(Chief Financial Officer)

**Ms. Pooja Mahajan**  
(Secretary to the Board)

**Shri Atul Saxena**  
(On deputation to SHCIL as MD & CEO)

**GENERAL MANAGERS**

**Shri V Anish Babu**  
(On deputation to IVCF as MD)

**Shri Bikash Kanti Roy**

**Ms. Rita Jan**

**Shri Rajesh Kumar Gupta**

**Shri Deepak Mishra**

**Shri Samik Dasgupta**  
(On deputation to ILD  
as Executive Director)

**Shri Alok Sabharwal**

**Ms. C Santhi**

**Shri Shakti Kumar**

**Shri Manoj Kumar Parida**  
(On deputation to SHCIL as  
Chief Operating Officer (COO))

**Shri Debashish Gupta**  
Chief Technical Officer(CTO)  
& Chief Information Officer(CIO)

**Shri B B Sahu**

**Shri P G Jayashanker**  
(Chief Information Security Officer(CISO))

**Shri Himanshu Sharma**

**Shri Harsh Gupta**

**Shri Alan Savio Pacheco**  
(Additional charge as MD, IFL)

**Ms. Chhavi Singhal**

**Shri Jagdish Garwal**  
Chief Risk Officer (CRO)

**COMPANY SECRETARY**

**Priyanka Sharma**

**STATUTORY AUDITORS**

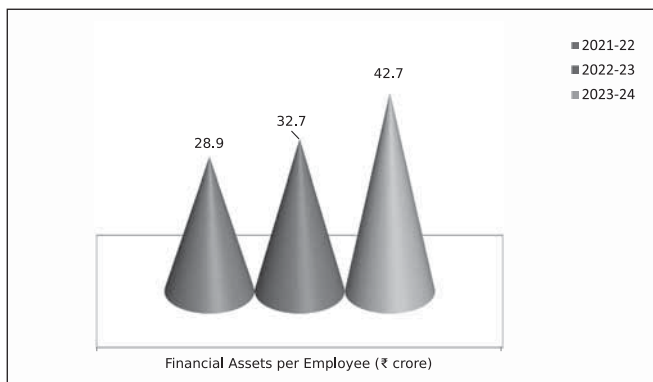
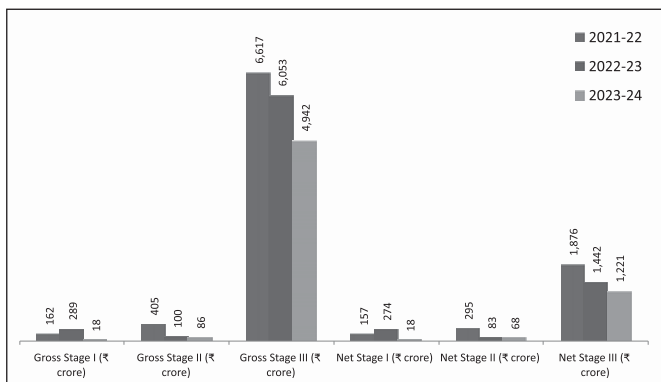
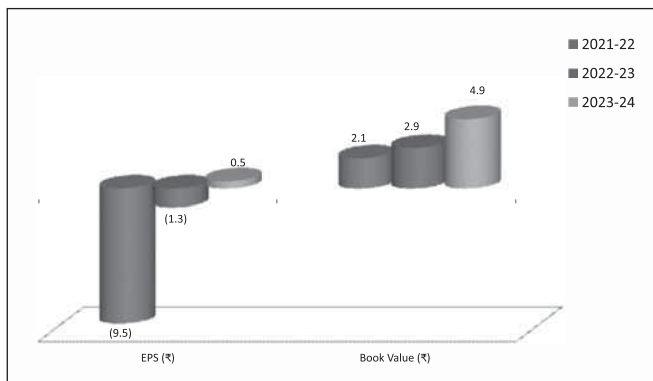
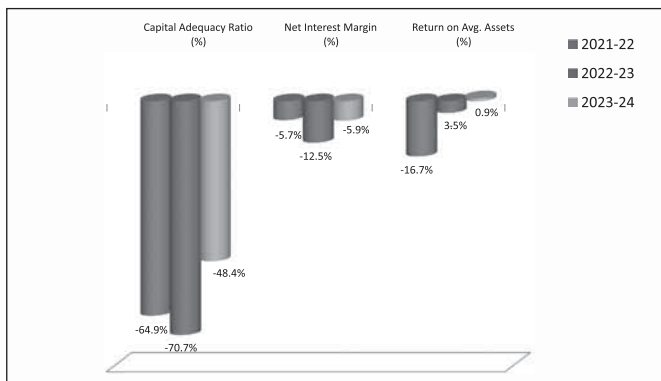
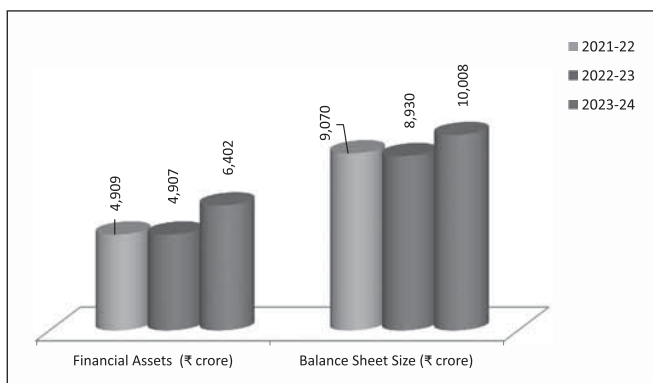
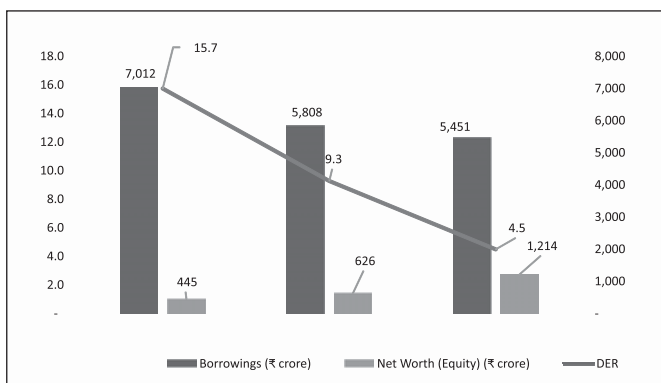
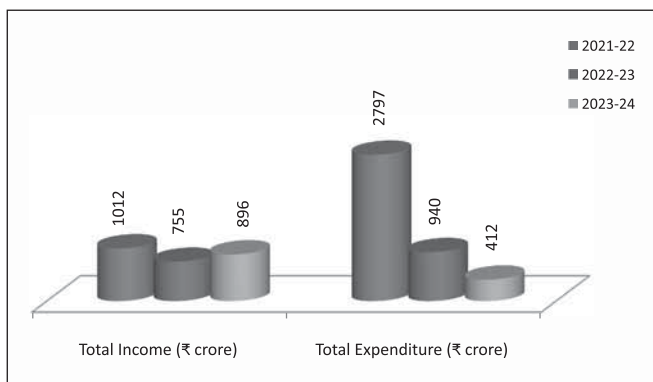
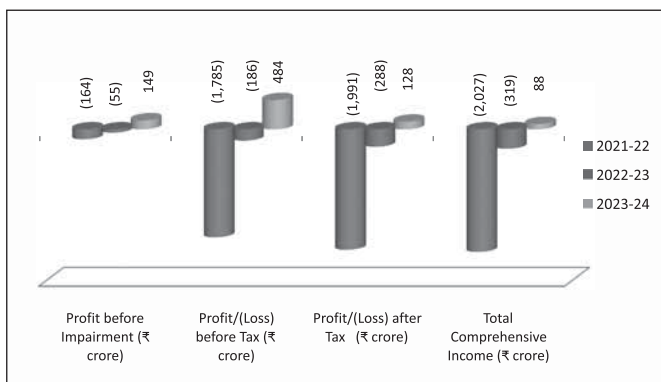
**S MANN AND COMPANY**  
Chartered Accountants



## FINANCIAL HIGHLIGHTS

	(₹ crore)		
	As at March 31, 2024	As at March 31, 2023 (Restated)	As at March 31, 2022 (Restated)
<b>LIABILITIES AND EQUITY</b>			
Financial Liabilities	8,707.01	8,220.32	8,545.44
Non-financial liabilities	86.48	83.68	79.31
Share Capital	2,489.61	2,195.93	2,102.99
Other equity	(1,275.41)	(1,569.83)	(1,657.54)
	<b>10,007.69</b>	<b>8,930.10</b>	<b>9,070.20</b>
<b>ASSETS</b>			
Non-financial Assets	3,555.91	4,022.61	4,160.70
Financial assets	6,402.37	4,907.45	4,909.46
Assets classified as held for sale	49.41	0.04	0.04
	<b>10,007.69</b>	<b>8,930.10</b>	<b>9,070.20</b>
	<b>2023-2024</b>	2022-2023 (Restated)	2021-2022 (Restated)
<b>EARNINGS</b>			
Total Income (₹ crore)	895.94	754.76	1,011.64
Profit before Impairment	148.63	(55.36)	(163.75)
Profit/(Loss) before Tax (₹ crore)	483.80	(185.57)	(1,785.10)
Profit/(Loss) after tax (₹ crore)	128.25	(287.58)	(1,991.33)
Total comprehensive income	88.10	(319.35)	(2,026.66)
<b>RATIOS</b>			
Capital to Risk Assets Ratio	-48.35%	-70.66%	-64.85%
Debt-Equity Ratio	4.49	9.28	15.74

## ANNUAL PERFORMANCE TRENDS



## NOTICE

NOTICE is hereby given that the Thirty-First (31<sup>st</sup>) Annual General Meeting (AGM) of the Members of IFCI Limited will be held on Thursday, September 26, 2024 at 11:30 A.M. (IST), through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following business:

### Ordinary Business

1. To consider and adopt-
  - a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, together with the report of the Board of Directors and Auditors' thereon and comments of the Comptroller and Auditor General of India; and
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, together with the reports of the Auditors' thereon and comments of the Comptroller and Auditor General of India.
2. To appoint a Director in place of Prof. Arvind Sahay (DIN: 03218334), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To fix remuneration of the Statutory Auditor(s) of the Company in terms of the provisions of Section 139(5) and 142 of the Companies Act, 2013 and to pass the following resolution, with or without modification(s), as an **Ordinary Resolution**:-  
 "RESOLVED that pursuant to the provisions of Section(s) 139(5) and 142 and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Board of Directors of the Company, be and is hereby authorized to decide and fix the remuneration of the Statutory Auditor(s) of the Company for the Financial Year 2024-25, as may be deemed fit."

### Special Business

4. To consider and, if thought fit, to pass, the following resolution(s) as **Special Resolution(s)** w.r.t. authorise the Board of Directors including any Committee thereof, for making offer(s) or invitation(s) to subscribe to securities/raise funds, including but not limited to Bonds and Non Convertible Debentures, through private placement in one or more tranches, upto an amount of ₹ 1000 crore, during the period of one year from the date of passing of this resolution:-  
 "RESOLVED that in accordance with the provisions of Section(s) 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws including the SEBI (Issue & Listing of Non-Convertible Securities) Regulations 2021, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Securities Contract (Regulations) Act 1956 and other applicable SEBI regulations and guidelines, the circulars / directions / guidelines issued by Reserve Bank of India, and any other Rules / Regulations as amended from time to time, the provisions of the Memorandum and Articles of Association of the Company and subject to the receipt of requisite approvals as may be applicable / required, including the approval of any existing lender(s) / trustees of Debenture Holders, if so required under the terms of agreement / deed and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority as may be approved by the Board, consent of the Members be and is hereby accorded to raise funds through private placement of unsecured/secured,

listed/ unlisted, perpetual/redeemable, non- convertible, cumulative /non-cumulative, taxable/ Tax Free, Senior/ Subordinate Bonds/ Infrastructure Bonds/ Zero Coupon / Bonds / Inflation Indexed Bonds/ Debentures/Notes/ Debt Securities in India and / or outside India (through External Commercial Borrowing, Foreign Portfolio Investment, other debt securities etc.) upto an amount of ₹ 1,000 crore during a period of one year from the date of passing of this resolution in one or more tranches /series/combinations (including the exercise of Green Shoe Option) under one or more letter(s) of offer/disclosure documents as may be issued by the Company in one or more series/ to such persons as identified by the Board of Directors of the Company (or any duly constituted Committee of the Board or such other authority or such person as may be approved by the Board) who may or may not be the existing bond/debenture holder(s) of the Company, as the Board (or any duly constituted Committee of the Board or such other authority or person as may be approved by the Board) may at its sole discretion decide, including eligible investors (whether residents and/or non-residents and/or institutions/incorporated bodies and/or individuals and/or trustees and/or banks or otherwise, in domestic and/or one or more international markets) including Non-Resident Indians, Foreign Institutional Investors (FIIs), Venture Capital Funds, Foreign Venture Capital Investors, State Industrial Development Corporations, Insurance Companies, Provident Funds, Superannuation & Pension Funds, Scheduled Commercial Banks, Financial Institutions, Primary/State/ District/Central Co-operative Banks, Regional Rural Banks, Mutual Funds, Bodies Corporate, Companies, private or public, trust or any other entities, authorities, and to such other persons or investors category eligible to invest subject to current applicable rules, act, laws etc. in one or more combinations thereof through Private Placement in one or more tranches and including the exercise of a green-shoe option (within the overall limit of ₹ 1,000 crore, as stated above), if any, at such terms as may be determined under the guidelines as may be applicable and on such terms and conditions as may be finalized by the Board or any duly constituted Committee of the Board or such other authority as may be approved by the Board.

RESOLVED FURTHER that for the purpose of giving effect to any Private Placement of unsecured/secured non-convertible bonds/ debentures in India or outside India the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority or such person as may be approved by the Board, be and is hereby authorized to determine/ approve/ vary or modify the terms of the Issue, including the class of investors to whom the bonds/debentures are to be allotted, the number of bonds/debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/discount to the then prevailing market price, amount of issue, discount to issue price to a class of bond/ debenture holders, listing, issuing any declaration / undertaking etc. required to be included in the Private Placement Offer Letter and to do and execute all such acts, deeds and things as they may, in their absolute discretion deem necessary, desirable or expedient for any offer, issue, allotment of the aforesaid unsecured/secured non-convertible bonds/ debentures, including but not limited to listing with the Stock Exchanges and to resolve and to settle all questions and difficulties that may arise in the proposed offer, issue and allotment of the aforesaid non-convertible Debentures/ Bonds and to do all such deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit without being required to seek any further consent or approval of the Members of the company or otherwise to the

end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER that the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to a Committee of the Board or any such persons as it may deem fit in its absolute discretion, with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purpose of the Issue, allotment and settle any questions or difficulties that may arise in regard to the Issue."

5. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution** w.r.t. Appointment of Shri Rahul Bhawe (DIN: 09077979) as Deputy Managing Director:-

"RESOLVED that pursuant to the applicable provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 ("Act"), if any, and Rules made thereunder, Regulation 17 (1C) and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or any other applicable laws (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force), Article 162 of the Articles of Association of the Company, Shri Rahul Bhawe (DIN: 09077979), who was appointed as Deputy Managing Director of IFCI Limited, by the Ministry of Finance vide order dated November 28, 2023 on immediate absorption basis for a period of three (3) years, from the date of his taking over charge of the post or until further orders, whichever is earlier and subsequently appointed as Director and Deputy Managing Director by the Board on November 28, 2023, and in respect of whom, the Company has received a notice in writing proposing his candidature for Directorship, be and is hereby appointed as Deputy Managing Director of the Company, whose term shall not be subject to retirement by rotation and to hold office for a period of three years from the date of order of his appointment (i.e. November 28, 2023) or until further orders, whichever is earlier."

6. To consider and, if thought fit, to pass the following resolutions as **Special Resolutions** w.r.t. Continuation of Directorship of Prof. Narayanaswamy Balakrishnan (DIN: 00181842) as a Non-Executive, Non-Independent Director of the Company on completion of 75 years of age:-

"RESOLVED that as per the requirement of Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and applicable provisions of the Companies Act, 2013 ("Act"), if any, and Rules made thereunder, and/or any other applicable laws (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Members be and is hereby accorded for continuation of directorship of Prof. Narayanaswamy Balakrishnan (DIN: 00181842), as Non-Executive Director upon attaining the age of 75 years on June 01, 2025.

RESOLVED FURTHER that the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

**Registered Office:**

IFCI Tower  
61 Nehru Place  
New Delhi-110019  
CIN: L74899DL1993GOI053677  
Tel: 011-41732000  
Website: [www.ifcilttd.com](http://www.ifcilttd.com)  
Email: [complianceofficer@ifcilttd.com](mailto:complianceofficer@ifcilttd.com)

**By order of the Board of Directors**

(Priyanka Sharma)  
Company Secretary

**Date: August 08, 2024**

**NOTES:**

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, setting out material facts in respect of Item No(s). 4, 5 and 6 are annexed hereto.
2. Pursuant to the Circular No. 09/2023 dated September 25, 2023, read with Circular No(s). 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, and other relevant Circulars, issued by the Ministry of Corporate Affairs (MCA) from time to time and other applicable circulars issued by the Securities and Exchange Board of India (SEBI), the 31<sup>st</sup> AGM of the Company shall be conducted through VC/OAVM.
3. In terms of the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') (as amended) and MCA Circular dated September 25, 2023 read with other applicable Circulars issued by MCA in this regard, the Company is providing facility of e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has engaged Central Depository Services (India) Limited (CDSL) as the authorized e-voting service provider, for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM ('Venue Voting') will be provided by CDSL.
4. Since this AGM is being held pursuant to the above said Circulars issued by MCA and SEBI, through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form is not annexed to this Notice. Attendance Slip and Route Map are also not annexed to this Notice for the same reason. However, pursuant to the Section(s) 112 and 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
5. In compliance with the MCA and SEBI Circulars, the Notice calling the AGM has been uploaded on the website of the Company at [www.ifcilttd.com](http://www.ifcilttd.com) and the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice has also been disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
6. The 'Deemed Venue' for 31<sup>st</sup> AGM shall be 'Auditorium, First Floor, IFCI Tower, 61 Nehru Place, New Delhi – 110019'.
7. As per applicable MCA and SEBI Circulars, no physical copy of the Notice calling AGM or the Annual Report for the FY 2023-24 will be sent. The Annual Reports of the Company inter-alia including the Notice calling 31<sup>st</sup> AGM will be sent in electronic mode to those Members who have registered their e-mail ID either with the Company or the R&STA or their respective Depository Participants.
8. Those Shareholders whose email IDs are not registered, are requested to register their email ID with Registrar & Share Transfer Agent (R&STA) at [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com); [helpdeskdelhi@mcsregistrars.com](mailto:helpdeskdelhi@mcsregistrars.com), by providing details viz. Name as registered with the R&STA, address, email ID, PAN, DP ID/Client ID or Folio Number and Number of shares held by them.
9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM

through VC/OAVM will be made available for 1000 members on first come first served basis.

This will however not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholder's Relationship Committee, Auditors, who are allowed to attend the AGM without restriction on account of first come first served basis.

10. The Institutional shareholders are requested and encouraged to attend and vote at the 31<sup>st</sup> AGM of the Company.
11. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
12. The Members will be allowed to pose questions during the course of the Meeting. The queries can also be given 7 days in advance at [complianceofficer@ifcilt.com](mailto:complianceofficer@ifcilt.com).
13. All documents referred to in the accompanying Notice and the explanatory statement as well as other documents as required under the provisions of the Companies Act, 2013 are open for inspection through electronic mode on all working days except Saturdays, Sundays and holidays between 11:00 am to 01:00 pm upto the date of this AGM. The register required to be maintained under section 170 of the Companies Act, 2013 will be available for inspection at the AGM through electronic mode.
14. Register of Members and Share Transfer Books for equity shares will remain closed from Friday, September 20, 2024 to Thursday, September 26, 2024 (both days inclusive).
15. Brief details of the Directors, who are being appointed and re-appointed, is annexed hereto as per requirements of Regulation 36(3) of SEBI Listing Regulations, provisions of the Act and Secretarial Standards on General Meetings (SS-2) and forms part of the Notice.
16. As per the SEBI requirements, Members holding shares in demat form are requested to submit their KYC details / updation thereof to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their KYC details / updation thereof to the Company or to R&STA. Shareholders are requested to visit IFCI website at [www.ifcilt.com](http://www.ifcilt.com) for details.
17. In case of joint holders attending the Meeting, only such joint holder whose name is registered as first holder will be entitled to vote through e-voting or e-voting at AGM.
18. In accordance with the proviso to Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, w.e.f. April 01, 2019, transfer of Securities of the company shall not be processed unless the securities are held in the dematerialised form with a depository. Accordingly, Shareholders holding equity shares in physical form are requested to have their shares dematerialised.

#### THE INTRUCTIONS TO SHAREHOLDERS FOR E-VOTING AND JOINING THROUGH ELECTRONIC MEANS ARE AS UNDER:

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- The voting period begins on Monday, September 23, 2024 at 09:00 A.M (IST) and ends on Wednesday, September 25, 2024 at 05:00 P.M. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e. Thursday, September 19, 2024, may cast their vote electronically. The e-voting module shall be

disabled by CDSL for voting thereafter.

- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple E-voting Service Providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (i) In terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12. 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- (ii) Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> </ol>



Type of shareholders	Login Method
	<p>3) If the user is not registered for Easi/ Easiest, option to register is available at cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code</p>

Type of shareholders	Login Method
	<p>as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use **Forget User ID and Forget Password option** available at [above mentioned website](http://www.evotingindia.com).

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000

**Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

- (i) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - Click on “Shareholders” module.
  - Now enter your User ID
    - For CDSL: 16 digits beneficiary ID,
    - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - Next enter the Image Verification as displayed and Click on Login.
  - If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting

of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/R&amp;STA or contact Company/R&amp;STA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member Id / folio number in the Dividend Bank details field.</li> </ul>

- (ii) After entering these details appropriately, click on “SUBMIT” tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for IFCI.
- (vi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (viii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xiii) **Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatorily to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer / the Company at the email address viz: [complianceofficer@ifcilt.com](mailto:complianceofficer@ifcilt.com) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/ EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [complianceofficer@ifcilt.com](mailto:complianceofficer@ifcilt.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [complianceofficer@ifcilt.com](mailto:complianceofficer@ifcilt.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing

so, shall be eligible to vote through e-Voting system available during the AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company at [complianceofficer@ifcilttd.com](mailto:complianceofficer@ifcilttd.com)**  
**R&STA at [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com);**  
**[helpdeskdelhi@mcsregistrars.com](mailto:helpdeskdelhi@mcsregistrars.com).**
2. For Demat shareholders - Please update your email id & mobile no. with your respective **Depository Participant (DP)**.
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911

**Mr. Rakesh Dalvi**  
Senior Manager  
Central Depository Services (India) Limited  
A Wing, 25<sup>th</sup> Floor  
Marathon Futurex, Mafatlal Mill Compounds  
N M Joshi Marg, Lower Parel (East)  
Mumbai - 400013  
E-mail - [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)  
Toll Free No. – 1800 21 09911

**OTHER INFORMATION:**

- 1) Only those shareholders of the Company who are holding shares either in physical form or in dematerialized form, as on the cut-off date (i.e. Thursday, September 19, 2024), shall be entitled to cast their vote either through remote e-voting or through venue voting through VC/OAVM at the AGM, as the case may be. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- 2) The remote e-voting period begins on Monday, September 23, 2024 at 09:00 A.M. (IST) and ends on Wednesday, September 25, 2024 at 05:00 P.M. (IST). The remote e-voting module shall be disabled by CDSL for voting thereafter.
- 3) The Members who have cast their vote by remote e-voting prior to the AGM may also attend and participate in the proceedings of the AGM through VC/OAVM but shall not be entitled to cast their votes again.
- 4) The shareholders can opt for only one mode of voting i.e. remote e-voting or venue voting through VC/OAVM at the AGM. In case of voting by both the modes, vote cast through remote e-voting will be considered final and e-voting through VC/OAVM at AGM will not be considered.
- 5) The Board of Directors has appointed Shri Devesh Kumar Vasisht (FCS F8488; COP 13700) failing him Shri Parveen Kumar (FCS F10315; COP 13411), from DPV & Associates, LLP, Practicing Company Secretaries, New Delhi, as Scrutinizer to scrutinize the remote e-voting and Venue Voting in a fair and transparent manner and to submit report thereon.

- 6) The results declared along with the Scrutinizer's Report shall be placed on the Company's website at [www.ifcilttd.com](http://www.ifcilttd.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) immediately and on the Notice Board of the Company at its registered office after the result is declared. The Voting Results along with Scrutinizer's Report will also be submitted with the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited.
- 7) IFCI is not including the financial statements of its subsidiaries on standalone basis in its Annual Report. However, in terms of Section 136 of the Companies Act, 2013, the Annual Audited Accounts of these companies for the FY 2023-24 will be available at the website of the Company at [www.ifcilttd.com](http://www.ifcilttd.com).
- 8) Members holding shares in more than one folio in identical order of names are requested to write to R&STA enclosing their share certificates to enable them to consolidate the holdings in one folio to facilitate better service.
- 9) As per the MCA Circular 17/2020 dated April 13, 2020 read with MCA Circular 20/2020 dated May 05, 2020, the Notice of the AGM has been sent through electronic mode to only those Members whose email IDs are registered with the Company/ Depository Participant. Further, updation if any, will be provided on the website of the Company at [www.ifcilttd.com](http://www.ifcilttd.com).
- 10) Pursuant to Section 205A of the Companies Act 1956, the Company has already transferred all unclaimed dividend declared upto the financial year ended March 31, 1994 to the General Revenue Account of the Central Government as required by the Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. Consequent upon amendment to Section 205A and introduction of Section 205-C of the Companies Act, 1956, the unclaimed dividend for the financial years 1994-95 to 1998-99 has been transferred to the Investor Education & Protection Fund (IEPF). The Company had not declared any dividend for the financial years 1999-2000 to 2007-08. The unclaimed dividend for the financial years 2008-09 to 2015-16 has also been transferred to IEPF, pursuant to the provisions of Section 124 of the Companies Act, 2013 read with other applicable Law / Rules / Regulations in this regard. The shares in respect of which dividend has not been claimed for seven consecutive years have also been transferred to IEPF in terms of the provisions of the Act read with The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended). The unclaimed dividend and shares transferred to IEPF may be claimed from IEPF by following the procedure prescribed on [www.iepf.gov.in](http://www.iepf.gov.in)
- 11) Shareholders are requested to register their nomination in respect of shares held by them by submitting Form No. SH-13 to their respective Depository Participants, in case of shares held in demat mode and to R&STA of the Company, in case the shares are held in physical mode. If a shareholder holding share in physical form, desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in ISR-3 or SH-14 as the case may be. The said forms can be downloaded from our website at <https://www.ifcilttd.com/?q=en/content/mandatory-kyc-details-etc>.
- 12) Securities and Exchange Board of India (SEBI) has introduced an Online Dispute Resolution Portal (ODR Portal) Circular No. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/145, dated July 31, 2023 for resolving disputes in the Indian Securities Market. This circular streamlines the existing dispute resolution mechanism, offering online conciliation and arbitration to promote the interest of investors. The ODR Portal resolve disputes between investors/ clients and listed companies (including their R&STA) or specified intermediaries entities in the securities market. Additionally, it covers disputes between institutional or corporate clients and specified intermediaries/regulated entities.



- 13) The Company's Equity Shares are listed at BSE Limited and National Stock Exchange of India Limited. Besides, the Bonds / Debentures of the Company are also listed at BSE Limited. Further the Public Issue of Secured Non-Convertible Debentures is listed both on BSE Limited and National Stock Exchange of India Limited. The Company has paid the annual listing fees to the Stock Exchanges for the financial year 2024-25.

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

##### **Item No. 4**

As per Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014 and the other applicable rules made thereunder, a company offering or making an invitation to subscribe to Non-Convertible Debentures ("NCDs") on a private placement basis, is required to obtain the prior approval of the Shareholders by way of a Special Resolution. The relevant provisions of the Companies Act, 2013, also provides that such an approval by way of special resolution can be obtained once a year for all the issues, offers and invitations made for such NCDs during the year. Members of the Company at the 30<sup>th</sup> Annual General Meeting held on December 20, 2023, approved by way of Special Resolution issuance of securities by private placement for an amount not exceeding ₹ 1,000 crore in the year commencing from December 20, 2023 i.e. the date of approval by shareholders. However, the above approval of the shareholders is valid only upto a period of 1 year, thereby completing on December 19, 2024.

In order to augment long term resources for onward lending, repayment / prepayment of principal of existing borrowings and/ or for general corporate purposes, consent of the Members is required for the raising of funds by way of Private Placement of unsecured/ secured non-convertible bonds/ debentures in India or Outside India to the extent of ₹ 1000 crore, in one or more tranches, thereafter and in line with the aforesaid statutory provisions, it is necessary to pass a Special Resolution at the ensuing AGM for raising of funds through private placement of secured/ unsecured non-convertible bonds/ debentures during a period of one year from the date of passing of this resolution.

Therefore, the approval of the Members is being sought by way of a Special Resolution under Sections 42 and 71 of the Act read with the applicable Rules made thereunder, to enable the Company to offer or invite subscriptions for securities, including but not limited to bonds and NCDs upto ₹ 1,000 crore on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the Resolution at Item No. 4, within the overall borrowing limits of the Company, as approved by the Members from time to time.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution.

Your Board recommend the Special Resolution as set out in Item No. 4 of the Notice for approval of the Members.

##### **Item No. 5**

The Government of India, Ministry of Finance, Department of Financial Services, vide its Letter No. F.No.2/4/2022-IF-1 dated November 28, 2023, had appointed Shri Rahul Bhawe (DIN: 09077979), as Deputy Managing Director of Your Company, on immediate absorption basis for a period of three (3) years, from the date of his taking over charge of the post or until further orders, whichever is earlier. Shri Rahul Bhawe has assumed the charge of Deputy Managing Director w.e.f. November 28, 2023.

Further, on recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company has approved the appointment of Shri Rahul Bhawe as Deputy Managing Director of the Company. In accordance with proviso to Regulation 17(1C) of SEBI LODR, shareholders approval is being sought for appointment of Shri Rahul Bhawe as Deputy Managing Director of IFCI Limited, for a period as stated above.

Brief Profile of Shri Rahul Bhawe is set out in the information about Directors seeking Appointment/Re-appointment as mandated under Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, provisions of the Act and Secretarial Standards on General Meetings (SS-2), is annexed with the Notice.

Shri Rahul Bhawe is interested in the resolution to the extent of his appointment as Deputy Managing Director of the Company. None of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise, in the resolution.

Accordingly, Your Board recommends the Ordinary Resolution as set out in Item No. 5 of the Notice for approval of the Members.

##### **Item No. 6**

As per requirement of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") no listed company shall appoint or continue the directorship of any person as Non-Executive Director who has attained the age of 75 (Seventy Five) years, unless a Special Resolution is passed to that effect and justification thereof is disclosed in the explanatory statement annexed to the Notice for such appointment.

Prof. Narayanaswamy Balakrishnan will attain the age of 75 years on June 01, 2025. Accordingly, to comply with the provisions of Regulations 17(1A) of the SEBI Listing Regulations, Company is seeking approval of the Members through Special Resolution.

Brief Profile of Prof. Narayanaswamy Balakrishnan is set out in the information about Directors seeking Appointment/Re-appointment as mandated under Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, provisions of the Act and Secretarial Standards on General Meetings (SS-2), is annexed with the Notice.

Prof. Balakrishnan is interested in the resolution to the extent of continuation of his directorship as Non-Executive Director upon attaining the age of 75 years on June 01, 2025. None of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise, in the resolution.

In view of his vast experience and expertise as detailed in the information about Directors seeking Appointment/Re-appointment, Your Board recommends the Special Resolution as set out in Item No. 6 of the Notice for approval of the Members.

##### **Registered Office:**

IFCI Tower  
61 Nehru Place  
New Delhi-110019  
CIN: L74899DL1993GOI053677  
Tel: 011-41732000  
Website: [www.ifciltld.com](http://www.ifciltld.com)  
Email: [complianceofficer@ifciltld.com](mailto:complianceofficer@ifciltld.com)

##### **By order of the Board of Directors**

**(Priyanka Sharma)**  
Company Secretary

**Date: August 08, 2024**

**INFORMATION ABOUT DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AS MANDATED UNDER REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS 2015, PROVISIONS OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARDS ON GENERAL MEETINGS (SS-2) IS AS UNDER:**

Particulars	Prof. Arvind Sahay	Shri Rahul Bhawe	Prof. Narayanaswamy Balakrishnan
<b>Date of Birth &amp; Age:</b>	February 21, 1965 (59 years)	June 11, 1973 (51 years)	June 01, 1950 (74 years)
<b>Qualification &amp; Expertise in Functional Areas</b>	<p>Prof. Sahay is Ph.D. from University of Texas Austin and B.Tech. from IIT Kanpur. He did Post Graduation Diploma in Business from IIM Ahmedabad.</p> <p>Prof. Sahay joined Management Development Institute (MDI), Gurgaon as Director and Professor of Marketing and International Business in October 2023. Prior to MDI he has served as Professor of Marketing and International Business and ex-Dean (Alumni &amp; External Relations) at IIM Ahmedabad.</p> <p>He has authored more than 50 cases and published in leading international journals. He has been a regular columnist for Outlook Business magazine and has also written for the leading Indian business newspaper.</p> <p>His primary areas of interest include marketing strategy, pricing, neuroscience and consumer behavior, brand management, high tech marketing, and international trade and investment. Sectorally, he has consulted and done work in pharmaceuticals, cement, building materials, telecom, broadcast, automotive, IT, FMCG, education and financial services sectors among others.</p> <p>His cumulative boardroom experience is more than 35 years.</p>	<p>Shri Bhawe is an MBA in Public Management &amp; Policy from IIM Ahmedabad and a Postgraduate in Statistics. He is also a qualified CAIIB professional.</p> <p>Shri Bhawe is a senior banker with over 24 years of commercial banking experience in various capacities and has served across the country. He has served in National Housing Bank as Executive Director since 2020. He has worked to encourage a sound housing and housing finance system in the country, through effective supervision of HFCs and refinance to strengthen the grassroot credit delivery network.</p> <p>Has experience of heading zone in commercial Bank. Apart from his expertise in retail operations, he also carries experience in the areas of Refinance, Supervision, Recovery, Risk Management, and IT.</p> <p>He has also served in committees established by RBI and IBA on emerging technologies in banking and Risk Management.</p>	<p>Prof. Balakrishnan is B.E. (Hons.) in Electronics and Communication from the University of Madras in 1972 and Ph.D. from the Indian Institute of Science in 1979.</p> <p>Prof. Balakrishnan joined the Department of Aerospace Engineering as an Assistant Professor. He was a Professor at the Department of Aerospace Engineering and at the Supercomputer Education and Research Centre, till July 2015. Thereafter, he was Honorary Professor at the Supercomputer Education and Research Centre, Indian Institute of Science till July 2020 and is currently an INSA Senior Scientist at the Indian Institute of Science.</p> <p>His areas of research where he has several publications in the international journals and international conferences include Numerical Electromagnetics, High Performance Computing and Networks, Polarimetric Radars, Aerospace Electronic Systems, Information Security Complex Social Networks and Digital Library.</p> <p>He is currently a Member of the Joint Advisory Board of Carnegie Mellon University at Qatar and Member of the Board of Governors of IIT Kharagpur and IIITMK, Kerala and a Member of the Advisory Committee of the International Knowledge Centre for Engineering Sciences and Technology, Beijing, China.</p>
<b>Key Terms and Conditions of Appointment/Re-appointment including Remuneration</b>	He is not paid any remuneration (including fee & commission) except sitting fee, if any as applicable.	As decided by the appointing authority, i.e. President of India through Ministry administratively in-charge.	He is not paid any remuneration (including fee & commission) except sitting fee, if any as applicable.
<b>Committee Memberships / Chairmanship in IFCI Ltd. (as on date of Notice)</b>	<ol style="list-style-type: none"> <li>1) Audit Committee - Member</li> <li>2) Nomination and Remuneration Committee - Member</li> <li>3) Business Responsibility Reporting Committee - Member</li> <li>4) Risk and Asset Liability Management Committee - Member</li> <li>5) Stakeholders' Relationship Committee- Member</li> <li>6) Review Committee on Non-Cooperative Borrowers and Recovery &amp; NPA Management Committee - Member</li> <li>7) Management Committee of Directors - Member</li> </ol>	<ol style="list-style-type: none"> <li>1) Audit Committee - Member</li> <li>2) Stakeholders' Relationship Committee - Member</li> <li>3) Risk and Asset Liability Management Committee - Member</li> <li>4) Review Committee on Non-Cooperative Borrowers and Recovery &amp; NPA Management Committee - Chairman</li> <li>5) Executive Committee - Chairman</li> <li>6) IT Strategy Committee - Member</li> <li>7) Management Committee of Directors - Member</li> <li>8) Business Responsibility Reporting Committee - Chairman</li> </ol>	<ol style="list-style-type: none"> <li>1) Audit Committee - Member</li> <li>2) Nomination and Remuneration Committee - Member</li> <li>3) Risk and Asset Liability Management Committee - Member</li> <li>4) Executive Committee - Member</li> <li>5) IT Strategy Committee - Member</li> <li>6) Management Committee of Directors - Member</li> </ol>

<b>Directorships in Other Companies / Entities Board</b>	<ol style="list-style-type: none"> <li>1. Brandscapes Consultancy Pvt. Ltd.</li> <li>2. Matter Motor Works Private Limited</li> <li>3. India International Bullion Exchange IFSC Ltd.</li> <li>4. VDNA India Private Limited</li> <li>5. HIL Limited</li> <li>6. Tata AIA Life Insurance Company Limited</li> <li>7. Management Development Institute</li> </ol>	<ol style="list-style-type: none"> <li>1. Stock Holding Corporation of India Ltd.</li> <li>2. IFCI Venture Capital Funds Ltd.</li> <li>3. IFCI Infrastructure Development Ltd.</li> <li>4. Institute of Leadership Development (Member of Board of Governors).</li> <li>5. IFCI Factors Ltd. (IFL) (ceased to be on the Board of IFL w.e.f. 14.08.2024)</li> </ol>	<ol style="list-style-type: none"> <li>1. Equitas Small Finance Bank Limited</li> <li>2. Indian Institute of Information Technology and Management Kerala</li> <li>3. Data Security Council of India</li> </ol>
<b>Membership/ Chairmanship in Committees of other Companies (including listed entity)</b>	<ol style="list-style-type: none"> <li>1. HIL Limited (listed company) - <ol style="list-style-type: none"> <li>i) Audit Committee - Member</li> <li>ii) Stakeholders' Relationship Committee - Member</li> <li>iii) Nomination Remuneration Committee - Chairman</li> <li>iv) Risk Management Committee - Member</li> </ol> </li> <li>2. India International Bullion Exchange IFSC Limited- <ol style="list-style-type: none"> <li>i) Standing Committee on Technology - Chairman</li> <li>ii) Audit Committee - Member</li> </ol> </li> <li>3. Tata AIA Life Insurance Company Limited - <ol style="list-style-type: none"> <li>i. Audit Committee - Member</li> <li>ii. CSR Committee - Member</li> </ol> </li> </ol>	<ol style="list-style-type: none"> <li>1. Stock Holding Corporation of India Ltd. - <ol style="list-style-type: none"> <li>i) Audit Committee - Member</li> <li>ii) Nomination Remuneration Committee - Member</li> <li>iii) ESG Committee - Chairman</li> </ol> </li> <li>2. IFCI Infrastructure Development Ltd. - <ol style="list-style-type: none"> <li>i) Audit Committee - Member</li> <li>ii) Asset Sale Committee - Chairman</li> </ol> </li> </ol>	<ol style="list-style-type: none"> <li>1. Equitas Small Finance Bank Limited (listed company) - <ol style="list-style-type: none"> <li>i. Nomination and Remuneration Committee - Member</li> <li>ii. Risk Management Committee - Member</li> </ol> </li> </ol>
<b>Listed entities from which the person has resigned in the past three years</b>	Nil	Nil	Nil
<b>Date of First Appointment and Number of Meetings of the Board held during the tenure and number of Board Meetings attended</b>	Prof. Arvind Sahay is on the Board of the Company since October 30, 2017. He has attended all six Board Meetings held during the FY 2023-24.	He was appointed as Deputy Managing Director on November 28, 2023. He has attended two Board Meetings held during his tenure in FY 2023-24.	Prof. Balakrishnan is on the Board of the Company since October 30, 2017. He has attended all six Board Meetings held during the FY 2023-24.
<b>Shareholding of in the Company including shareholding as a beneficial owner</b>	He does not hold any shares in IFCI Ltd, neither in his name nor as beneficial owner.	He does not hold any shares in IFCI Ltd, neither in his name nor as a beneficial owner.	He does not hold any shares in IFCI Ltd, neither in his name nor as a beneficial owner.
<b>Relationship with any other Director, Manager and other KMP of the Company</b>	He is not related to other Directors or Key Managerial Personnel of the Company.	He is not related to other Directors or Key Managerial Personnel of the Company.	He is not related to other Directors or Key Managerial Personnel of the Company.
<b>Disqualification / Debarment</b>	Further, he is not disqualified or debarred from holding the office of Director by virtue of any SEBI order or any other authority.	Further, he is not disqualified or debarred from holding the office of Director by virtue of any SEBI order or any other authority.	Further, he is not disqualified or debarred from holding the office of Director by virtue of any SEBI order or any other authority.

Detailed profile of the Directors is available on the website of the Company.

## BOARD'S REPORT

### To The Members

The Board of Directors of Your Company ("Your Company" or "IFCI") are pleased to present before you the 31<sup>st</sup> (Thirty First) Annual Report of IFCI Ltd., together with the audited financial statements for the year ended March 31, 2024, Auditors' Report thereon, Secretarial Auditors' Report and review of financial statements by the Comptroller and Auditor General of India (C&AG).

### Financial Summary and State of Company's Affairs

The summarized financial performance of Your Company during the year and the previous year are as under:

Particulars	(₹ in crore)			
	Standalone		Consolidated	
	2023-24	2022-23 (Restated)	2023-24	2022-23 (Restated)
<b>Total Income</b>	896	755	2,115	1,728
Less:				
Total Expenses before Impairment Allowance, Depreciation & Amortisation	723	786	1,580	1,504
Impairment on financial instruments	(335)	130	(294)	123
Depreciation and amortisation	24	24	81	74
<b>Total Expenses</b>	412	940	1,367	1,701
Exceptional Items	0	0	(3)	1
<b>Profit/(Loss) before tax</b>	484	(185)	751	26
Tax expense	356	102	510	146
Profit/(Loss) before share in profit of associates	128	(287)	241	(120)
Total Expenditure Share in profit of associates	0	0	0	0
<b>Profit/(Loss) for the year</b>	128	(287)	241	(120)
Other comprehensive income (net of tax)	(40)	(32)	334	1,269
<b>Total Comprehensive Income</b>	88	(319)	575	1,149
<b>Net Profit/(Loss) attributable to -</b>				
Owners of the Company	NA	NA	104	(207)
Non-controlling interest	NA	NA	137	88
<b>Total Comprehensive Income attributable to -</b>				
Owners of the Company	NA	NA	261	448
Non-controlling interest	NA	NA	314	701
<b>Earnings per share</b>				
Basic Earnings per share of ₹10 each	0.52	(1.31)	0.42	(0.95)
Diluted Earnings per share of ₹ 10 each	0.52	(1.31)	0.42	(0.95)

The above numbers are extracted from the financial statements prepared in accordance with the Indian Accounting Standards (Ind AS), in compliance with the Companies (Accounts) Rules, 2014 and Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

Any regulation/ guidance/ clarifications/ directions issued by the Government of India, Reserve Bank of India or by any other Regulators of Your Company will be implemented by Your Company as and when they are issued/ applicable.

### Financial Performance

Your Company booked PAT of ₹ 128 crore and total comprehensive profit of ₹ 88.10 crore during the year. Your Company turned a corner during the financial year, reporting profit after a period of seven years. The standalone profit of Your Company rose to ₹ 128 crore during FY 2023-24 from loss of ₹ 287 crore during the previous year. Your Company achieved the same through aggressive NPA recovery and expansion of advisory services. Various strategic initiatives taken during the year in order to maximize recovery and strengthen the advisory business which has improved the cashflow of Your Company and made the Balance sheet of Your Company healthier. The substantial amount of provisions enhanced the provision coverage

ratio to over 90.62%, however, the capital adequacy ratio in current FY is -48.35% with Tier-I capital at -48.36%.

### Sanctions, Disbursements and Recovery

During the FY 2023-24, Your Company did not sanction any new loans. There were also no disbursements towards loans/advances during FY 2023-24 except a Bridge Loan of ₹ 19 crore to a subsidiary, which was fully repaid during the financial year.

Your Company actively pursued recovery from Non-Performing Assets (NPAs), thereby recovering ₹ 940 crore out of NPAs & Security Receipts (SRs) during FY 2023-24.

Your Company remains committed to continue its aggressive approach towards recovery from NPAs and stressed assets through multi-pronged resolution modes and strategies.

### Treasury, Investment and Forex Operations

Your Company has been cautious in investing the surplus fund across diversified instruments with the focus on safety while making every effort towards maximizing yield with liquidity management.

In Rupee operations, the objective has been to manage the surplus funds effectively with minimum risk and deployment of surplus fund in lower duration instruments, to get optimum return. It was done because of the volatility in the interest rate scenario. The underlying

investment principle was safety, liquidity and risk containment. Accordingly, Your Company invested in Treasury Bills, Government Securities, Fixed Deposits and Mutual Funds Schemes. Average deployment during the year was ₹ 887.91 crore against ₹ 411.19 crore in FY 2022-23 and the annualized return was 7.08%. During the year, Your Company registered an Interest Income of ₹ 45.44 crore from investment against ₹ 26.51 crore during the previous year. The interest income was higher due to higher interest rate and higher liquidity.

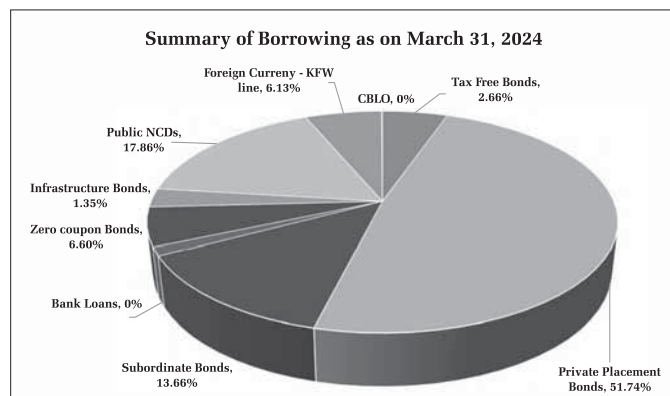
In view of the volatility prevailing in the market, Your Company continued with the prudent strategy of selective disinvestment of slow/illiquid stocks. Net investment portfolio of Your Company as on March 31, 2024 stood at ₹ 2,959 crore as against ₹ 2,277 crore at the end of previous financial year.

The Foreign Currency (FC) operations were confined to servicing FC liability and containing the exchange risk arising due to a mismatch in the outstanding amount of FC assets and liabilities. The mismatches were covered through forward contract. The net mismatch position was maintained well below the limits approved by the Board and RBI by maintaining almost square position.

#### Resource Mobilization and Borrowing Profile

During the year, Your Company was not able to mobilize fresh resources due to rating constraints and weak financial parameters. However, through effective liquidity management, Your Company has serviced its liabilities on and before due dates. During FY 2023-24 Your Company serviced debt of ₹ 935 crore (₹ 355 crore principal and ₹ 580 crore interest) which included prepayments and payments due on March 31, 2024.

The Principal liability outstanding of Your Company as on March 31, 2024 was ₹ 5,450.66 crore comprising of Rupee Borrowing of ₹ 5,116.41 crore & Foreign Currency Loan of ₹ 334.25 crore. Interest liability outstanding (i.e. interest accrued but not due on borrowings as on March 31, 2024 was ₹ 648.66 crore). The broad instrument wise breakup of outstanding borrowings as on March 31, 2024 is indicated below:



Your Company is committed to maintaining a high standard of Investor services and devotes considerable effort to identify and follow best practices for timely resolution of investor complaints. Your Company has taken various investor friendly initiatives such as encouraging updation of KYC details with R&TA, dematerialization of securities, electronic payment of interest & redemption proceeds and implementation of an online service request portal for registering investor requests etc.

#### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

**Conservation of Energy** - The Company's operations do not involve any manufacturing or processing activities. It provides financial assistance to the industries and thereby requires normal consumption of electricity.

Accordingly, the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of Companies (Accounts) Rules, 2014 are not applicable on the Company. Nevertheless, Your Company has prioritized energy efficiency. IFCI Tower has been awarded Gold Certification from the Indian Green Building Council.

#### Technology Absorption -

Information Technology (IT) has transformed business operations across all sectors of the economy. At Your Company, our in-house team of IT professionals developed a system known as Centralised Integrated Information System (CIIS) which primarily supports major business functions as well as non-core functions. The system has been successfully operational for over 20 years and has been consistently upgraded to meet evolving requirements. During FY 2023-24, our in-house applications and database were migrated to Oracle Cloud Infrastructure (OCI) and the existing software applications were upgraded with enhanced and additional features in compliance with regulatory guidelines. New modules were also developed in-house for various functions. Your Company ensures proper data backup and has established a Disaster Recovery (DR) Site to safeguard data and business information systems. During the year, Your Company implemented the e-Office solution across IFCI and its subsidiaries on Oracle Cloud Infrastructure (OCI) for document management and the internal movement of electronic files. Furthermore, Your Company implemented a geofencing biometric attendance system for the employees working with Ministries. Additionally, more meetings were convened using Webex Meetings and Teams Meeting to facilitate streamlined video communication and live content sharing during the year. This enhancement also enables shareholders to attend AGM/EGM through Webex.

#### Foreign Exchange Earnings

During the FY 2023-24, Foreign Exchange outflows were ₹ 2.87 crore (being interest on borrowings) and there were no foreign exchange earnings.

#### Internal Financial Controls

Your Company has sound Internal Financial Controls over financial reporting through policies and procedural manuals, designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The entity level control framework, designed and implemented in earlier years, was subjected to sample tests, for various processes, during the year by a well experienced Internal Audit Team of Your Company. Based on the satisfaction over the operating effectiveness of the Internal Financial Controls, the Board of Directors believes that adequate Internal Financial Controls exist and are operating effectively.



## Vigilance

Your Company has a dedicated Vigilance Department at the Head Office headed by the Chief Vigilance Officer, to take care of vigilance matters of IFCI, its Regional Offices & Subsidiaries.

The comprehensive functioning of the Department is divided into Preventive Vigilance, Detective Vigilance and Punitive Vigilance.

With amplified prominence given to Preventive Vigilance, the department conducts inspection of various offices from time to time. The findings observed are shared with Regional in-charge, Subsidiaries and the concerned departments for taking various steps, to initiate corrective measures or systemic improvements. It also advises the Management for systemic improvement, from time to time.

It ensures disposal of complaints and other referred cases as per extant guidelines. The suggestions provided by Vigilance Department have been implemented by the Management from time to time.

The Vigilance Awareness week is celebrated every year, to promote ethical practices. During the year, Vigilance Awareness week was celebrated from 30th October to 5th November 2023 with the theme “**भ्रष्टाचार का विरोध करें; राष्ट्र के प्रति समर्पित रहें।**” “Say no to corruption; commit to the Nation”.

## Whistle Blower Policy

The Company has put in place a Vigil Mechanism in terms of the provisions of Section 177 (9) and (10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). Under Whistle Blower Policy, Director(s) and employee(s) of IFCI, can report to the Management their concerns about unethical behavior, actual or suspected fraud or violation of the IFCI's code of conduct or ethics policy with adequate safeguards to them against any sort of victimization on raising an alarm. The Policy also provides for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases. The Whistle Blower Policy is available on the link <https://www.ifciltld.com/2022/Whistle%20Blower%20Policy.pdf>.

## Disclosure as per the Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

An Internal Complaint Committee has been formed and the Members of the said Committee, as on 31/03/2024, are as under:

1. Ms. Lata Lochav – External Member
2. Chief General Manager (HR) - Presiding Officer
3. General Manager (HR)
4. Ms. Shikha Gupta, DGM
5. Ms. Trina Tejaswini, DGM (Law)

In the absence of any of the aforesaid internal members, Ms. Priyanka Sharma, DGM is the alternate member.

The quorum of the Committee shall comprise of all members. A brief of the complaints received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as under:-

No. of complaints pending at the start of the Financial Year 2023-24	Nil
No. of complaints received during the Financial Year 2023-24	Nil
No. of complaints resolved during the Financial Year 2023-24	Nil
No. of Complaints pending at the end of the Financial Year 2023-24	Nil
Number of workshops or awareness programs against sexual harassment carried out during the Financial Year 2023-24	1
Nature of action taken by the employer	Nil

## Management Discussion and Analysis \*

### 1. Industry Structure and Developments

**Industry Outlook** – As per the Economic Survey tabled in the Parliament on July 22, 2024, India's economy carried forward the momentum it built in FY23 into FY24 despite a gamut of global and external challenges. As a result, India's real GDP grew by 8.2% in FY24, posting growth of over 7% for a third consecutive year, driven by stable consumption demand and steadily improving investment demand. On the supply side, Gross Value Added (GVA) at 2011-12 prices grew by 7.2% in FY24, with growth remaining broad-based. Net taxes at constant (2011-12) prices grew by 19.1% in FY24, aided by reasonably strong tax growth, both at the centre and state levels and rationalization of subsidy expenditure. The shares of the agriculture, industry and services sector in overall GVA at current prices were 17.7%, 27.6% and 54.7% respectively in FY24. Within the industrial sector, manufacturing GVA grew by 9.9% in FY24. Construction activities registered a growth of 9.9% in FY24 due to the infrastructure build out and buoyant commercial and residential real estate demand.

Various high-frequency indicators reflect the growth in the services sector. Both Goods and Services Tax collections and the issuance of e-way bills, reflecting wholesale and retail trade, demonstrated double-digit growth in FY24. Financial and professional services have been a major driver of growth post the pandemic. Contact-intensive services—prominently trade, transport, real estate and their ancillary services that were impacted the most during the pandemic have emerged much stronger in the post-pandemic period.

As per the 2023-24 Annual Report of the Reserve Bank of India, Investment was the major driver of domestic demand, buoyed by Government spending on infrastructure. The domestic financial markets remained stable during 2023-24, with orderly movements in the bond and foreign exchange markets and exuberant equity markets. G-sec yields softened on favourable inflation prints, reports of inclusion of Indian bonds in major global bond indices and lower than expected market borrowings by the Union Government in the interim Union Budget 2024-25. Corporate bond yields moderated tracking the G-sec yields, and corporate bond issuances increased. The Indian Rupee displayed stability on the back of improving external sector and macroeconomic fundamentals, including a significant moderation in the Current Account Deficit and resurgent capital inflows that offset persistent headwinds from volatile global financial markets, the strong US dollar and persisting geopolitical tensions.

As per the June 2024 Financial Stability Report (FSR) of the Reserve Bank of India, Domestic Macro Financial Risks strong macroeconomic fundamentals and a sound and stable financial system have supported the sustained expansion of the Indian economy. Domestic financial conditions are buttressed by healthy balance sheets across financial institutions, marked by strong capital buffers, improving asset quality, adequate provisioning and robust earnings. Return on Assets (RoA) and Return on Equity (RoE) are close to decadal highs at 1.3% and 13.8%, respectively, while gross non-performing assets ratio and net non-performing assets ratios fell to multi-year lows of 2.8% and 0.6%, respectively. This has helped Schedule Commercial Banks (SCBs) to maintain strong capital buffers: their capital to risk-weighted assets ratio and the common equity tier 1 ratio at 16.8% and 13.9%, respectively, stood well above the regulatory minimum in March 2024.

\*Source: Excerpts from the Economic Survey 2023-24 dated July 22, 2024, RBI Annual Report 2023-24 and RBI Financial Stability Report June 2024.

### Non-Banking Financial Companies (NBFCs)

In terms of the Financial Stability Report brought out by the Reserve Bank of India in June 2024, NBFCs maintained robust credit growth in 2023-24 despite some moderation in the second half of the year. Personal loan growth decelerated whereas growth in loans to industry and services accelerated. Growth in industrial advances was largely contributed by the Government NBFCs. The GNPA ratio of NBFCs (including those under resolution) continued its downward trajectory in the post-pandemic period to reach 4.0% in March 2024. Asset quality improved for both Government and private NBFCs. The capital position of NBFCs remains healthy, their CRAR stood at 26.6% in March 2024, well above the regulatory minimum requirement. The RoA ratio has been rising, the cost-to-income ratio has maintained a declining trend in the post-pandemic period and the NIM stood strong during 2023-24. Liquidity stock measures for NBFCs have remained stable – the ratio of short-term liability to total assets remained below 25%; long term assets constitute about two-thirds of assets; and CPs had less than 2% asset share in total assets. Share capital, reserves and surplus of NBFCs declined during 2023-24 and constituted 28.3% of their total liabilities in March 2024. NBFCs were the largest net borrowers of funds from the financial system, with gross payables of ₹ 16.58 lakh crore and gross receivables of ₹ 1.61 lakh crore as at end-March 2024.

### 2. Opportunities & Threats

To make India self-sufficient, minimize import dependence, create global industrial champions within India and to 'Make in India for the world', the Government of India has launched several Production Linked Incentive (PLI) schemes. There has also been focus on self-sufficiency in healthcare for which the Government of India launched Bulk Drugs and Medical Device Parks. At present, IFCI is the Project Management Advisor (PMA) for 10 out of the 14 PLI schemes.

Your Company's endeavor to become a preferred partner (in the capacity of Project Monitoring / Nodal Agency) for the PLI Schemes and other schemes of the Government of India has provided not only an additional revenue stream but also lot of visibility.

PLI Schemes are the cornerstone of the Government of India's push for achieving an AatmaNirbhar Bharat. The objective is to make domestic manufacturing globally competitive and to create global champions in manufacturing. The strategy behind the PLI schemes is to offer companies incentives on incremental sales from products manufactured in India, over the base year. They have been specifically designed to boost domestic manufacturing in sunrise and strategic sectors, curb cheaper imports and reduce import bills, improve cost competitiveness of domestically manufactured goods, enhance domestic capacity and exports.

Following are the PLI and other Schemes of Government of India, where IFCI has been appointed as the Nodal Agency/ Project Management Agency (PMA):

Sl. No.	Particulars of the PLI & Other Schemes	Details of the Schemes available on the below Portals / Websites
1	Scheme for Promotion of manufacturing of Electronics Components and Semiconductors (SPECs)	<a href="https://specs.ifcilttd.com">https://specs.ifcilttd.com</a>
2	Production Linked Incentive (PLI) Scheme for Large Scale Electronics Manufacturing (PLI-LSEM)	<a href="https://pli.ifcilttd.com">https://pli.ifcilttd.com</a>
3	PLI Scheme for critical Key Starting Materials (KSMs)/Drug Intermediates (DIs)/ Active Pharmaceutical Ingredients (API) (PLI-Bulk Drugs)	<a href="https://plibulkdrugs.ifcilttd.com">https://plibulkdrugs.ifcilttd.com</a>
4	PLI for Medical Devices (PLI-MD)	<a href="https://plimedicaldevices.ifcilttd.com">https://plimedicaldevices.ifcilttd.com</a>
5	Scheme for Promotion of Bulk Drugs Parks	<a href="https://pharmaceuticals.gov.in/schemes/guidelines-scheme-promotion-bulk-drug-parks">https://pharmaceuticals.gov.in/schemes/guidelines-scheme-promotion-bulk-drug-parks</a>
6	Scheme for Promotion of Medical Devices Parks	<a href="https://pharmaceuticals.gov.in/schemes/guidelines-scheme-promotion-medical-devices-parks">https://pharmaceuticals.gov.in/schemes/guidelines-scheme-promotion-medical-devices-parks</a>
7	PLI for Food Processing Industry (PLISFPI)	<a href="https://plimofpi.ifcilttd.com">https://plimofpi.ifcilttd.com</a>
8	PLI for IT Hardware (PLI-ITHW)	<a href="https://pliithw.com">https://pliithw.com</a>
9	PLI for White Goods (PLI-WG)	<a href="https://pliwitegoods.ifcilttd.com">https://pliwitegoods.ifcilttd.com</a>
10	PLI Scheme for Automobile & Auto Component Industry (PLI-Auto)	<a href="https://pliauto.in">https://pliauto.in</a>
11	PLI Textile Products: MMF segment & Technical Textiles	<a href="https://pli.texmin.gov.in">https://pli.texmin.gov.in</a>
12	PLI Scheme for Drone and Drone Components	<a href="https://plidrone.ifcilttd.com">https://plidrone.ifcilttd.com</a>
13	PLI Scheme 'National Programme for Advanced Chemistry Cell Battery Storage' (PLI-ACC)	<a href="https://pliaacc.in/">https://pliaacc.in/</a>
14	Scheme for Faster Adoption and Manufacturing of Electric Vehicles in India Phase II (FAME-II)	<a href="https://fame2.heavyindustries.gov.in/">https://fame2.heavyindustries.gov.in/</a>

Sl. No.	Particulars of the PLI & Other Schemes	Details of the Schemes available on the below Portals / Websites
15	Nodal Agency for Sugar Development Fund	<a href="https://www.ifcilttd.com/?q=en/content/nodal-agency-sugar-development-fund">https://www.ifcilttd.com/?q=en/content/nodal-agency-sugar-development-fund</a>
16	Modified Special Incentive Package Scheme (M-SIPS)	<a href="https://www.ifcilttd.com/?q=en/content/msips">https://www.ifcilttd.com/?q=en/content/msips</a>
17	Electric Mobility Promotion Scheme 2024 (EMPS)	<a href="https://emps.heavyindustries.gov.in/">https://emps.heavyindustries.gov.in/</a>

Note:

1. IFCI is also associated with India Semiconductor Mission as Agency for Techno Financial Appraisal, Due Diligence and Verification for (i) Scheme for setting up of Semiconductor Fabs, (ii) Scheme for setting up of Display Fabs and (iii) Scheme for setting up of Compound Semiconductors / Silicon Photonics / Sensors Fab/ Discrete Semiconductors Fab and Semiconductor Assembly, Testing, Marking and Packaging (ATMP)/ Outsourced Semiconductor Assembly and Test (OSAT) facilities in India (Portal: <https://ism.gov.in/>).
2. IFCI is also appointed as Verification Agency for Special Incentives Scheme for ESDM sector 2020-2025 of Govt. of Karnataka (Portal: <https://k-tech.karnataka.gov.in/>).

During the PLI Auto Conclave held on January 16, 2024, the Ministry of Heavy Industries, Government of India presented a 'Certificate of Appreciation' to MD&CEO, of Your Company for outstanding contribution in implementing PLI for 'Automobile and Auto Components'.

During the period, Your Company has forayed into the realm of ESG (Environment, Social & Governance) and Sustainability. The internal capabilities have been developed and a new advisory vertical has been set up to support corporates by providing a gamut of ESG & Sustainability services such as ESG Vision, Policy, Strategy, Reporting (BRSR, Sustainability Reports), ESG Sensitization, ESG Risk Assessment, Net-Zero Roadmap, etc. Besides the advisory services, impact areas are being identified within the ambit of ESG as Your Company endeavours to contribute significantly towards the net-zero goals of the economy.

Your Company has also collaborated with Federation of Indian Micro and Small & Medium Enterprises (FISME) for creation of Centre of Excellence for Aspiring SMEs (CoE) for providing handholding support to help SMEs grow. CoE's Handbook - 'Making Aspiring SMEs ready for External Equity' was released by the Secretary, Department of Financial Services, Ministry of Finance, Government of India. CoE also published the handbook in 6 other languages i.e. Hindi, Gujarati, Marathi, Tamil, Telugu and Kannada.

Your Company focuses on group synergies and value maximization at the Group level. IFCI through its subsidiary StockHolding Corporation of India Limited (SHCIL), is making contribution in promotion of digital economy in the country.

SHCIL is one of the largest Depository Participants in the Country besides being the Country's largest premier custodian in terms of assets under custody and provides trading and custodial services to institutional investors, mutual funds, banks, insurance companies, etc. It also serves as a Central Record Keeping Agency (CRA) for collection of stamp duty, e-court fee and e-registration in various States and Union Territories (UTs). There has been massive penetration of e-stamping across the country, which has not only contributed to financial gains by virtue of cost savings but has also helped in curbing revenue leakage.

It has also reduced paper consumption contributing to broader ecological sustainability. SHCIL has had a transformative impact on e-Stamping in India. At present, the e-Stamping services of StockHolding is spread across 24 states. Since FY 2014-15, StockHolding has mobilized ₹ 2.78 lakh crore through e-stamping. It is estimated that across the country about ₹ 1500 crore is saved

annually for the State Governments by virtue of switching away from physical stamp to StockHolding's e-Stamping System.

During the last year, a Coffee Table book titled "Impact Assessment of e-Stamping in India" was released by the Secretary, Department of Financial Services, Ministry of Finance, Government of India. Further, SHCIL was a key participant in National Round Table Discussion on Draft Indian Stamp Bill, 2023 on February 15, 2024 in New Delhi and provided inputs on key points.

StockHolding Document Management Services (SDMS) a step down subsidiary of IFCI Limited bagged a prestigious project of National importance and has developed the CRCS Sahara Refund Portal for processing claims of genuine investors of Sahara Cooperative Societies. The Portal was inaugurated by the Hon'ble Home Minister.

IFCI Venture Capital Funds Limited (IVCF), another subsidiary of IFCI, is promoting social sector initiatives of the Government of India. Government of India has launched several 'First of their kind schemes' to support entrepreneurship among marginalized sections of the society. The schemes managed by the IVCF are Venture Capital Fund for Scheduled Castes (VCF-SC) including Ambedkar Social Innovation Incubation Mission (ASIIM), Venture Capital Fund for Backward Classes (VCF-BC), Venture Capital Fund for Scheduled Tribes (VCF-ST) and SAGE Venture Fund (SAGE).

The details of all the subsidiaries are available on the website of IFCI at [www.ifcilttd.com](http://www.ifcilttd.com).

As regards threats, Your Company is facing liquidity risk, negative CRAR, high NPA level and credit rating constraints. Your Company is taking steps to reduce the level of NPAs through aggressive recovery efforts to augment its liquidity. Your Company has also enlarged its footprint in Advisory Services so as to diversify its revenue streams. Your Company has also adopted cost optimization measures including energy efficiency measures. Government of India (GoI) is the Promoter and the largest equity shareholder of Your Company. Government of India has consistently infused funds in Your Company through equity participation. The GoI has infused equity of ₹ 1,600 crore between FY 2017 to FY 2024. Of the said infusion, ₹ 1,000 crore has been infused in the last two financial years (i.e. ₹ 500 crore each in FY 2022-23 and FY 2023-24). Equity support has improved the liquidity position and facilitated repayment of debt in the last two financial years.

### 3. Segment-Wise or Product-Wise Performance

Your Company's main business is to provide financial assistance and it operates under single segment reporting framework.



#### 4. Outlook\*

As per the Economic Survey 2023-24 dated July 22, 2024, IMF projects the global economy to grow at 3.2% in 2024, with risks being broadly balanced. The average annual global growth was 3.7% during the decade ending FY20. Inflationary pressures have moderated in most economies with declining global commodity prices and easing of supply chain pressures. However, core inflation remains sticky and driven by high service inflation. Many central banks have hinted at the peaking of the interest rate hike cycle. The ECB has already cut the policy rate, while the Fed has hinted at reducing the rate in 2024.

If the services inflation across economies moderates faster, that may allow central banks to bring forward the monetary policy easing cycle earlier than currently anticipated. A likely reduction in policy rates by central banks of AEs, especially the Fed, will open the space for central banks of Emerging Market Economies to follow the lead, bringing down the cost of capital. On the downside, any escalation of geopolitical conflicts in 2024 may lead to supply dislocations, higher commodity prices, reviving inflationary pressures and stalling monetary policy easing with potential repercussions for capital flows. The global trade outlook for 2024 remains positive, with merchandise trade expected to pick up after registering a contraction in volumes in 2023. Conversely, increased fragmentation along geopolitical lines and renewed thrust on protectionism may distort merchandise trade growth, impacting India's external sector. Global financial markets have scaled new heights, with investors betting on global economic expansion. However, any corrections in the elevated financial market valuations may have ramifications for household finances and corporate valuation, negatively impacting growth prospects. Improved balance sheets will help the private sector cater to strong investment demand. While merchandise exports are likely to increase with improving growth prospects in Advanced Economies, services exports are also likely to witness a further uptick. A normal rainfall forecast by the India Meteorological Department and the satisfactory spread of the southwest monsoon thus far are likely to improve agriculture sector performance and support the revival of rural demand. However, the monsoon season still has some ways to go. Structural reforms such as the GST and the IBC have also matured and are delivering envisaged results. Considering these factors, the Survey conservatively projects a real GDP growth of 6.5-7%, with risks evenly balanced, cognizant of the fact that the market expectations are on the higher side.

#### 5. Risks and Concerns

In order to address risks, Your Company has put in place an Integrated Risk Management Policy (IRMP) which addresses Credit Risk, Market Risk, Operational Risk and Asset-Liability Management, as a part of Comprehensive Risk Management Framework which is integrated with its business model.

The General Lending Policy, IRMP, Liquidity Risk Management and other business policies of Your Company are reviewed periodically, keeping in view the changing economic and business environment. The Risk Management Vision Statement and Qualitative Risk Appetite Statements of IFCI have also been put in place. Parameters included in the Qualitative Risk Appetite statement are tested periodically.

Your Company assesses the Portfolio Level Risks by way of monitoring of actual exposures against prudential limits, stress testing under various scenarios, annual rating migration exercise, rating distribution, mapping of internal and external ratings.

\*Source: Excerpts from the Economic Survey 2023-24 dated July 22, 2024, RBI Annual Report 2023-24 and RBI Financial Stability Report June 2024.

As part of Ind AS implementation, Your Company estimates rating grade-wise Probability of Default (PD) numbers of its credit portfolio, based on past data while Loss Given Default (LGD) numbers are worked out based on past history of cashflows from NPAs. The risk components are utilized for calculation of Expected Credit Loss (ECL), as part of Ind AS implementation.

The Risk and Asset Liability Management Committee of Executives (RALMCE), analyses the Dynamic Liquidity Position, Structural Liquidity Gaps and Interest Rate Sensitivity positions, on a periodic basis, based on extant regulatory prescriptions. The mid-office function of Integrated Treasury reports to the Risk Management function and acts as an independent risk monitoring functionary. To manage the Operational Risks, there are adequate internal controls and systems in place, aided and assisted by Internal Audit, Internal Financial Controls, remote back-up of data, Disaster Management Policy, IT security, physical security and suitable insurance of insurable assets of Your Company, as well as of the assets mortgaged to Your Company. Besides, mechanism for stress testing of loan portfolio and measurement of liquidity position is also in place, to assess likely impact on CRAR, profitability and liquidity.

Your Company would continue to work on various initiatives aimed at strengthening credit risk standards, post sanction monitoring of the portfolio to mitigate any adverse impact on the loan portfolio of Your Company. Your Company would also strive to develop a strong culture for risk management and awareness within the organization.

#### 6. Internal Control Systems, their adequacy and Internal Audit

Your Company has adequate Internal Control System commensurate with size, scale and complexity of its business and allied operations. The efficacy of these internal controls is being verified by the Internal Audit Department on a regular basis. From Financial Year 2018-19, the internal audits are being carried in-house by a team of experienced personnel. The periodicity of such audits varied from quarterly to yearly depending upon the criticality and materiality of transaction risks based on the scope approved by the Audit Committee of Directors. Besides this, exercise to ensure adequacy of Internal Financial Controls (IFCs) is also done by the Internal Audit Department. Based on the observations of Internal Audit Department, corrective actions are undertaken by the process owners in their respective areas thereby strengthening the control systems.

Your Company carries out audit, based on the guidelines of Risk Based Internal Audit (RBIA) in terms of RBI guidelines issued vide Circular dated February 03, 2021 for All non-deposit taking NBFCs.

#### 7. Material Development in Human Resources, Industrial Relations Front, Including Number of People Employed

Your company is currently striving to become a prominent player in the Advisory Services sector. In recognition of this goal, IFCI has taken steps to reorient and develop its workforce to align with the shift in its business operations.

Effective Human Resources (HR) Management is a crucial element in advancing the Company's mission to create a positive and productive work environment. Our HR initiatives emphasize enhancing employee engagement, promoting professional growth and fostering a diverse and inclusive workplace. During the Financial Year 2023-24, Your Company has implemented various measures to boost employee productivity and equip them with the necessary skills, knowledge and abilities to fulfill the Company's vision.

In FY 2023-24, employee training was a key focus, with approximately 85% of employees receiving 2,917 man-hours of training in areas such as Financial Analysis of Business, Data

Analytics with Power BI, e-office, Cyber Security, ESG, POSH, communication skills, leadership and other behavioral skills.

Your Company has been successful in deployment of required manpower resources in critical roles to support IFCI's strategic objectives.

Your Company has implemented different retention strategies by offering value proposition to deployed resources and continuous skilling and reskilling efforts.

Well-being programs were prioritized, including professional counseling for the emotional and mental well-being of employees.

Delegation of Powers have been regularly reviewed and fine tuned to create platforms for consultative decision making and improve speed & quality in delivery of assignments. The value system of the organization is being clearly communicated to define expected behaviors and in this direction Staff Accountability related Policies have also been strengthened.

Your Company has also prioritized employee cohesiveness and the welfare of its employees through the arrangement of a diverse range of events and celebrations. These include activities such as observing International Day of Yoga, commemorating the 75<sup>th</sup> IFCI Foundation Day, marking Independence Day, engaging in Swachhta Campaigns, celebrating Diwali, hosting a New Year Event, recognizing International Women's Day among others.

Sessions have also been organized for increasing financial awareness amongst female employees.

Your Company has successfully developed a new Human Resource Information System (HRIS) pertaining to Advisory Services, in its effort to continuously streamline HR operations and better information management.

#### Welfare of SCs/STs/OBCs/EWSs/PWDs

Your Company adheres to the guidelines of the Government of India w.r.t welfare of Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs), Persons with Disabilities (PwDs) and Economically Weaker Sections (EWSs), both in letter & spirit. Your Company also works to actively promote the welfare of SCs, STs, OBCs, PwDs and EWSs. Your Company strictly follows to the guidelines set forth by the Government of India regarding reservations and relaxations for particular categories. Additionally, Your Company provides due representation for employees in reserved categories in its training programmes.

The total number of regular employees in your Company during the financial year was 139 (excluding MD & CEO, DMD & CVO), of whom 20 (14%) were from Other Backward Classes, 12 (9%) were from Scheduled Castes and 01 (1%) was from Scheduled Tribes as on January 01, 2024.

#### ANNUAL STATEMENT SHOWING THE REPRESENTATION OF SCs, STs, OBCs & EWSs AS ON FIRST JANUARY OF THE YEAR 2024 AND NUMBER OF APPOINTMENTS MADE DURING THE PRECEDING CALENDAR YEAR

Sl. No.	Class	Number of Employees (as on 01.01.2024)					Number of appointments made during the preceding year										
							By Direct Recruitment					By Promotion			By Deputation/ Absorption		
		Total number of employees	SCs	STs	OBCs	EWSs	Total	SCs	STs	OBCs	EWSs	Total	SCs	STs	Total	SCs	STs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1	Class I	138	12	1	20	-	-	-	-	-	-	30	2	-	-	-	-
2	Class III	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Class IV	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Contractual	8	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-
	Total	147	12	1	20	0	1	0	0	0	0	30	2	0	0	0	0

#### ANNUAL STATEMENT SHOWING THE REPRESENTATION OF SCs, STs, OBCs & EWSs IN VARIOUS GRADES AS ON FIRST JANUARY OF THE YEAR 2024

Sl. No.	Grades	Number of Employees (as on 01.01.2024)					Number of appointments made during the preceding year										
							By Direct Recruitment					By Promotion			By Deputation/ Absorption		
		Total number of employees	SCs	STs	OBCs	EWSs	Total	SCs	STs	OBCs	EWSs	Total	SCs	STs	Total	SCs	STs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1	ED	2	-	-	-	-	-	-	-	-	-	2	-	-	-	-	-
2	F	3	-	-	-	-	-	-	-	-	-	3	-	-	-	-	-
3	E	22	2	-	3	-	-	-	-	-	-	6	1	-	-	-	-
4	D	29	-	-	3	-	-	-	-	-	-	6	-	-	-	-	-
5	C (including PS Gr C)	45	5	1	5	-	-	-	-	-	-	7	-	-	-	-	-
6	B (including PS Gr B)	34	5	-	8	-	-	-	-	-	-	6	1	-	-	-	-
7	A	3	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-
8	Class III	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Class IV	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Contractual	8	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-
	Total	147	12	1	20	0	1	0	0	0	0	30	2	0	0	0	0

**Group-wise Representation of Persons with Disabilities (PwD) up to 31.12.2023**

Sl. No.	Group	Nature of Employees (as on 31.12.2023)					Number of appointments/promotions made during the calender year 2023 (i.e. 01.01.2023 to 31.12.2023)																			
							Appointment by Direct Recruitment										Promotion									
							No. of vacancies reserved					No. of Appointments made					No. of vacancies reserved					No. of Appointments made				
		Total	VH	HH	OH	ID	VH	HH	OH	ID	Total	VH	HH	OH	ID	Total	VH	HH	OH	ID	Total	VH	HH	OH	ID	Total
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
1	Class I	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Class-III	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Class-IV	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**NOTE:**

- (i) VH stands for Visually Handicapped (persons suffering from blindness or low vision)  
 (ii) HH stands for Hearing Handicapped (persons suffering from hearing impairment)  
 (iii) OH stands for Orthopedically Handicapped (persons suffering from locomotor disability or cerebral palsy)  
 (iv) ID stands for Intellectual Disability

**8. Details of Significant Changes in Key Financial Ratios**

The details of significant changes in Key Financial Ratios are as under:

Particulars	FY 2024	FY 2023	Remarks	Significant Changes*
Interest Coverage Ratio	1.84	0.71	Earnings before interest and taxes / Total Interest expense (Profit before Tax + finance cost)/finance cost	Yes (>25%)
Current Ratio	1.12	1.53	Current asset / current liability	Yes (>25%)
Debt Equity Ratio	4.49	9.28	Total borrowings / net worth	Yes (>25%)
Operating Profit Margin (%)	16.59	-7.33	Operating profit / total revenue(Profit before tax + impairment)/total revenue	Yes (>25%)
Net Profit Margin (%)	9.83	-42.31	Total comprehensive income / total revenue	Yes (>25%)
Return on Net Worth	9.58	-59.61	Total comprehensive income / average net worth	Yes (>25%)

\* **Explanation:-** The change in the ratios were due to increase in operational income which was impacted due to increase in interest income on account of recognition of Stage 3 income & memo recovery. Further, as Debtor Turnover Ratio or Inventory Turnover Ratios are not applicable to the company (NBFC), the same has not been incorporated in the Table above.

**9. Corporate Social Responsibility**
**IFCI Social Foundation (ISF)**

IFCI has always strived to conduct its business holistically and responsibly. At IFCI, along with economic performance, community and social stewardship have been key factors for its holistic business growth. IFCI has been an early adopter of Corporate Social Responsibility (CSR) initiatives and has been involved in socially relevant activities ever since its inception in 1948. Today, it continues to work towards social and community development and areas needing focus and attention, through the IFCI Social

Foundation (ISF), a registered Trust, established in 2014 (MCA Registration No. CSR00005110 ). ISF is functioning as an arm for CSR activities of IFCI and IFCI Group. ISF is guided by its values viz. Inclusiveness, Integrity, Commitment and Passion with the overall vision “To be one of India’s premier CSR Institutions and strive to make sustainable social impact with inclusiveness”. Its major focus has been in areas of Education, Skill Development, Healthcare and Sanitation, Poverty Alleviation, Women Empowerment and Social Welfare of Women and Girl Child.

IFCI and ISF through its CSR projects have covered almost 23 states and Union Territories in India. The trust is registered for exemptions u/s 12A & 80G of the Income Tax Act. The trust is also registered with Ministry of Corporate Affairs in line with CSR Amendment Rules, 2021. ISF carries out CSR activities on behalf of IFCI and IFCI Group Companies.

**CORPORATE SOCIAL RESPONSIBILITY**

The investment in CSR activities is project based and for every project, time frame and periodic milestones are set at the outset.

As the Average Net Profit of IFCI Ltd for the last preceding three years was negative, IFCI was not required to allocate any amount for CSR activities for FY 2023-24.

Pursuant to the amendment in the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Annual Report on CSR activities forms part of Board’s Report at **Annexure - I**.

**Cautionary Statement**

Certain Statements in Management Discussion and Analysis describing the Company’s objectives, estimates and expectations may be ‘forward looking’ within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied.

**Details of Directors and Key Managerial Personnel (KMP) appointed or resigned during the year**

Following were the changes in Directors and Key Managerial Personnel during the FY 2023-24 and till the date of signing of this Board’s Report:

- Shri Umesh Kumar Garg (DIN: 00599426) was appointed as Independent Director on the Board of Your Company w.e.f. May 10, 2023.
- The Board at its Meeting held on August 11, 2023 appointed Shri Suneet Shukla, Chief General Manager as Chief Financial Officer (CFO) of the Company vice Shri Prasoon w.e.f. August 11, 2023.

- c) Shri Mukesh Kumar Bansal (DIN: 03359724), Government Director, ceased to be on the Board of the Company w.e.f. March 27, 2024, upon withdrawal of nomination by the Government of India.
- d) Shri Kartikeya Misra (DIN: 06440653), Government Director, ceased to be on the Board of the Company w.e.f. March 27, 2024, upon withdrawal of nomination by the Government of India
- e) The Government vide its Order dated March 27, 2024 had nominated Shri Jitendra Asati, Director, DFS, (DIN: 10042542) on the Board of the Company as Government Director. Accordingly, Shri Jitendra Asati, Director, DFS was appointed as Director on the Board of Your Company w.e.f. April 04, 2024.
- f) The Government vide its Order dated March 27, 2024 had nominated Shri Surjith Karthikeyan, Director, DFS, (DIN: 09634785) on the Board of the Company as Government Director. Accordingly, Shri Surjith Karthikeyan, Director, DFS was appointed as Director on the Board of Your Company w.e.f. April 04, 2024.
- g) The Government vide its Order dated April 03, 2024 had extended the tenure of Shri Manoj Mittal, MD & CEO (DIN: 01400076) of the Company for further period of 2 years beyond his tenure ended on June 11, 2024, i.e. from 12.06.2024 till 11.06.2026, or until further orders, whichever is earlier. However, the Government vide its Order dated July 26, 2024, had appointed Shri Manoj Mittal as Chairman & Managing Director (CMD), Small Industries Development Bank of India (SIDBI) for a period of 3 years from the date of assumption of charge of the post or until further orders, whichever is earlier. In view of the assumption of his charge as CMD of SIDBI w.e.f. July 27, 2024, Shri Manoj Mittal ceased to be the MD & CEO of IFCI Ltd., w.e.f. July 27, 2024.
- h) Shri Rahul Bhawe (DIN: 09077979) was appointed as Whole Time Director designated as Deputy Managing Director w.e.f. November 28, 2023.
- i) Prof. Arvind Sahay (DIN: 03218334) will retire by rotation at the conclusion of the forthcoming Annual General Meeting and being eligible has offered himself for re-appointment.

#### Corporate Governance & Compliances

A detailed report on Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to the Annual Report.

- a) The credit ratings assigned to the various financial facilities / instruments of the Company during the Financial Year 2023-24 is provided in the Corporate Governance Report forming part of this Annual Report.
- b) The details of the Meetings of the Board of Directors and the Audit Committee forms part of the Corporate Governance Report appearing separately in the Annual Report. Further, there has been no instance during the FY under report where the Board has not accepted the recommendations of the Audit Committee.
- c) The details of composition of Board & Committees and number of Meetings of the Board and its Committees held during the year, forms part of the Corporate Governance Report appearing separately in the Annual Report.
- d) Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to place various Policies / Documents / Details on the Website of the Company. The Company has a functional website [www.ifciltld.com](http://www.ifciltld.com) and all the requisite information are being uploaded thereat and

available at <https://www.ifciltld.com/?q=en/content/disclosure-under-regulation-46-and-62-sebi-%E2%80%9393-lodr>.

- e) During the Financial Year 2023-24, the Company did not have requisite number of Independent Directors on the Board, as per the requirement of the Companies Act 2013 & SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, IFCI being a Government Company, the power to appoint Independent Directors vests with the Department of Financial Services (DFS), Ministry of Finance (MoF), being the Ministry administratively in-charge of the Company.
- f) As stipulated under the Listing Regulations, the Business Responsibility and Sustainability Report ('BRSR') forms part of the Annual Report for the FY 2023-24.
- g) During the Financial Year 2023-24, neither the Statutory Auditors nor the Secretarial Auditors have reported any fraud in their respective Audit Reports.
- h) The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118 (10) of the Companies Act, 2013. Further, during the Financial Year 2023-24, all returns / data / statements submitted by concerned departments as advised by RBI, SEBI and other Regulatory Authorities have been submitted.
- i) Key Initiatives taken for Investor services continued to be of utmost importance for your Company. Investors' grievances received in physical or electronic form or through web-based query submission system, were taken up promptly and redressed.
- j) The Independent Director of the Company as on March 31, 2024 has declared that he meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 (the Act) and Regulation 16(1)(b) of SEBI LODR and has provided declaration under Section 149(7) of the Act and Regulation 25 of SEBI LODR.

#### Other Disclosures:

- a) In view of the insufficient profits incurred during the Financial Year 2023-24, no dividend has been recommended on equity shares. No amount has been transferred to the General Reserve of the Company during the FY 2023-24. Also, as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Dividend Distribution Policy which is available on the website of Your Company at [www.ifciltld.com](http://www.ifciltld.com).
- b) During the FY 2023-24, there was no Company which have become or ceased to be Subsidiaries, Joint Venture or Associate Company of IFCI Ltd. As on March 31, 2024, the Company has 3 'Material Subsidiaries' viz. Stock Holding Corporation of India Ltd., IFCI Infrastructure Development Ltd. and MPCON Ltd. Policy on Determining Material Subsidiary is available on the website of the Company at <https://www.ifciltld.com/2022/Policy%20for%20determination%20of%20Material%20Subsidiary.pdf>. Details on performance and financial position of subsidiaries, associates and joint venture during the FY 2023-24 can be referred from **Form AOC-1** forming part of this Annual Report.
- c) During the Financial Year 2023-24, 29,36,85,756 number of Equity Shares were allotted to the Promoters of the Company i.e. Government of India (GoI) at a price of ₹ 13.62 (Rupees Thirteen and Sixty Two Paise only) [including a premium of ₹ 3.62 (Rupees Three and Sixty Two Paise only)] per Equity Share aggregating upto ₹ 400,00,00,000 (Rupees Four Hundred Crore). Consequent to the allotment of equity shares, the shareholding of GoI increased from extant 66.35% to 70.32% in FY 2023-24.



Further, 12,39,77,188 number of Equity Shares were allotted to the Promoters of the Company i.e. Government of India (GoI) at a price of ₹ 40.33 (Rupees Forty and Thirty Three Paise only) [including a premium of ₹ 30.33 (Rupees Thirty and Thirty Three Paise only)] per Equity Share aggregating upto ₹ 500,00,00,000 (Rupees Five Hundred Crore) in Financial Year 2024-25. Consequent to the allotment of equity shares in FY 2024-25, the shareholding of GoI increased from 70.32% to 71.72% of the Total Paid-Up Share Capital of the Company (as on April 18, 2024).

Change in the debt structure of the Company during the FY 2023-24 is as under:

Total Number of Securities at the beginning of the year	Issued during the year	Redemption made during the year	Total number of securities at the end of the year
113,27,554	-	1,75,880	111,51,674

- d) During the Financial Year 2023-24, 24,87,267 number of equity shares were transferred to IEPF in respect of which dividend has remained unclaimed for 7 consecutive years. Shareholders whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5, available on [www.iepf.gov.in](http://www.iepf.gov.in).
- e) As the Company is primarily engaged in the business of financing Companies in the capacity of being a Non-Banking Financial Company, therefore the provisions of Section 186 [except for subsection (1)] of the Companies Act, 2013 are not applicable to the Company.
- f) Your Company did not raise any public deposit during the year.
- g) During the FY 2023-24, there were no significant or material orders passed by Regulators or Court impacting the going concern status of the Company. Further, there has been no change in the business of the Company during the reporting period. Further, there have been no material changes and commitments which affect the financial position between the end of financial year and date of Board's Report.
- h) Pursuant to Notification dated June 5, 2015 issued by the Ministry of Corporate Affairs, Government Companies are exempted from the disclosure requirements of Section 197 of the Companies Act, 2013. Therefore, such particulars have not been included in Board's Report. Further, no Director of the Company, including MD&CEO, was paid any commission during the FY 2023-24 by any of the Subsidiaries of Your Company, on whose Boards they were Directors as nominees of Your Company. Further, the company has not issued any stock options to the Directors or any employee of the company during the FY 2023-24.
- i) Pursuant to the provisions of the Companies Act, 2013 (to the extent applicable) and Listing Regulations, the Company has framed Nomination and Remuneration Policy. However, pursuant to the exemption granted to Government Companies vide Notification No. F.No. 1/2/2014-CL.V dated June 5, 2015, issued by the Ministry of Corporate Affairs, the Policy has not been made part of Board's Report.
- j) Pursuant to the provisions of the Companies Act, 2013, the Annual Return of the Company is available on the website of the Company at [www.ifcilttd.com](http://www.ifcilttd.com)
- k) All Related Party Transactions entered during the year under report were in Ordinary Course of the Business and at Arm's Length basis. No Material Related Party Transactions were entered during the year by Your Company. Accordingly, the disclosure of Related Party Transactions as required under

Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 is not applicable and hence do not form part of the Board's Report.

- l) The performance evaluation of the Board, its Committees and individual Directors was conducted by the Nomination and Remuneration Committee and the Board. The focus area of improvement mentioned by the Directors included Structure of the Board / Composition of the Committees which are non-compliant as per the statutory requirements. Since there was absence of requisite number of Independent Directors on the Board of the Company during the Financial Year 2023-24, no Meeting of the Independent Directors could be held. Communications requesting appointment of requisite number of Independent Directors have been sent to the Ministry Administratively in-charge.
- m) No application was made or any proceedings were pending against Your Company under the Insolvency and Bankruptcy Code, 2016, during the year under report.
- n) Details of the Debenture Trustee(s) for the debt securities issued by Your Company are as under:

Name of Debenture Trustee	Contact Details
Axis Trustee Services Limited	The Ruby, 2nd Floor, SW 29 Senapati Bapat Marg, Dadar West Mumbai - 400028 Phone no : +91 022 6230 0451 E-mail: <a href="mailto:debenturetrustee@axistrustee.in">debenturetrustee@axistrustee.in</a> Website: <a href="http://www.axistrustee.in">www.axistrustee.in</a>
IDBI Trusteeship Services Limited	Universal Insurance Building, Ground Floor, Sir P M Road, Fort, Mumbai - 400 001 Phone nos: 022 66311776 E-mail: <a href="mailto:itsl@idbitrustee.com">itsl@idbitrustee.com</a> Website: <a href="http://www.idbitrustee.com">www.idbitrustee.com</a>
Centbank Financial Services Limited	3 <sup>rd</sup> Floor (East Wing) Central Bank of India, MMO Building 55 M G Road, Mumbai - 400 001 Phone no: (022) 2261 6217 E-mail: <a href="mailto:info@cfsl.in">info@cfsl.in</a> ; <a href="mailto:complaints@cfsl.in">complaints@cfsl.in</a> ; Website: <a href="http://www.cfsl.in">www.cfsl.in</a>

#### Auditors

S Mann and Company (DE1161) (Firm Reg. No. 000075N) was appointed by the Comptroller & Auditor General of India (C&AG) as Statutory Auditors of Your Company for Financial Year 2023-24. As per the requirement of Section 148 of the Companies Act, 2013, the requirement of Cost Audit is not applicable to the Company.

#### Qualifications, Reservation or Adverse Remark or Disclaimer Made By the Statutory Auditors

The Standalone and Consolidated Financial Results of the Company for the Financial Year 2023-24 were unqualified by the Statutory Auditors of the Company. However, the Statutory Auditors provided for certain 'Emphasis of Matter'. The complete Auditors' Report on the Standalone and Consolidated Financial Statements forms part of the Annual Report.

M/s Agarwal S. & Associates, Company Secretaries was appointed as Secretarial Auditor of the Company for the Financial Year 2023-24. The observations of the Secretarial Auditor along with Management Reply is as under:

S. No.	Observations of Secretarial Auditor	Management Reply
a.	In pursuance to the proviso to the Regulation 17(1)(a) and 17(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and second proviso to Section 149(1) and section 149(4) of the Companies Act, 2013; the Company did not have requisite number of Independent Directors including one Independent Woman Director on the Board during the period from April 01, 2023 to March 31, 2024.	As per the applicable provision of Regulation 17(1)(a) and 17(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and second proviso to Section 149(1) and Section 149(4) of Companies Act, 2013, the Board of Directors shall have at-least 1 Woman Independent Director. In this regard, this is to submit that as per the provisions of Regulation 149(6)(a) of the Companies Act, 2013, the power to appoint Independent Directors including Woman Independent Director vests with the Ministry administratively in-charge of the Company and is seized of the matter. Considering our requests Shri Umesh Kumar Garg was nominated as Independent Director on the Board of the Company and was appointed w.e.f. May 10, 2023. Once the appointment of requisite number of Independent Directors including Woman Independent Director is made by the Ministry Administratively Incharge, the abovementioned provisions will be complied with.
b.	In pursuance to the Regulation 17(2A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the quorum for every meeting of the Board of Directors of the top 2000 listed entities shall be one-third of its total strength or three Directors, whichever is higher, including at least one Independent Director. Accordingly, the Company was in non-compliance of the same for the first meeting of Board held on 03.05.2023 as there was no Independent Director appointed on the Board.	In the absence of Independent Director on the Board of the Company, the Company was not in compliance of the provisions of Regulation 17(2A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the first meeting of Board held on 03.05.2023. As mentioned in point (a) above, in terms of Section 149(6)(a) of the Companies Act, 2013, IFCI being a Government Company, the power to appoint the Independent Directors vest with the Ministry Administratively In-charge. Considering our request, Shri Umesh Kumar Garg was nominated as Independent Director on the Board of the Company and was appointed w.e.f. May 10, 2023. Thereafter, the abovementioned provision w.r.t. requirement of quorum for every meeting of the Board of Directors of the top 2000 listed entities had been complied with.

c.	In pursuance to the Section 177(2) and 178(1) of Companies Act, 2013 read with Regulation 18(1)(b) & (d), 18(2)(b) and Regulation 19(1)(c), (2) and (2A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; the composition of the Audit committee and Nomination Remuneration Committee were not met during the whole financial year due to non-appointment of requisite number of Independent Directors.	Due to the absence of requisite number of Independent Directors on the Board of the Company, the composition of the Audit Committee and Nomination and Remuneration Committee was not in compliance of Section 177(2) & 178(1) of the Companies Act, 2013 and Regulation 18(1)(b) & (d), 18(2)(b) and Regulation 19(1)(c), (2) and (2A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. As mentioned in point (b) above, Shri Umesh Kumar Garg was appointed as Independent Director on the Board of the Company w.e.f. May 10, 2023. Subsequently, Shri Garg was inducted in the Committees of Directors w.e.f. August 08, 2023. However, the appointment of requisite number of Independent Directors is still awaited. Once the requisite number of Independent Directors are appointment by the Ministry Administratively Incharge, the Committees will be accordingly constituted.
d.	In pursuance to the Regulation 20(2A) and 21(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the composition of the Stakeholder Relationship Committee and Risk management committee were not met during the period from 01.04.2023 to 07.08.2023 due to non-appointment of requisite number of Independent Directors.	In absence of Independent Directors on the Board of the Company, the Company was not in compliance of the provisions of Regulation 20(2A) and 21(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the period from 01.04.2023 to 07.08.2023. As mentioned in point (c) above, consequent to induction of Shri Garg in the Committees of Directors, composition of the Stakeholder's Relationship Committee and Risk Management Committee has become compliant of the provisions of Regulation 20(2A) and 21(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, w.e.f. August 08, 2023.
e.	In pursuance to the Regulation 24(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, at least one Independent Director on the Board of Directors of the listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary.	Due to the absence of requisite number of Independent Directors on the Board of the Company, the company was not in compliance with the Regulation 24(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, w.r.t. appointment of Independent Directors on the Board of Directors of an unlisted material subsidiary.

S. No.	Observations of Secretarial Auditor	Management Reply
f.	In pursuance to the Regulation 25(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the listed entity did not hold at least one meeting during the financial year.	In the absence of requisite number of Independent Directors on the Board of the Company, the meeting of Independent Directors of the entity could not be held as envisaged under Regulation 25(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as only one Independent Director was on the Board of the Company.

The Secretarial Audit Report of the Company along with the Secretarial Audit Reports of the 'Material Subsidiaries' i.e. IFCI Infrastructure Development Limited, Stock Holding Corporation of India Limited and MPCON Limited for the Financial Year ended March 31, 2024, are enclosed at **Annexure – II**.

#### Comments of Comptroller & Auditor General of India

The comments of Comptroller & Auditor General of India (C&AG) along with Consolidated IFCI's Comments on C&AG Supplementary Audit observations are at **Addendum**.

#### Director's Responsibility Statement

Pursuant to the requirement under Section 134 of the Companies Act 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The Directors had 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 the Company at the end of the financial year and of the profit and loss of the Company for that period;

- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors had prepared the annual accounts on a going concern basis;
- The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### Appreciation

Your Directors wish to express gratitude for the cooperation, guidance and support from the Ministry of Finance, various other Ministries and Departments of the Government of India, The Reserve Bank of India, The Securities and Exchange Board of India, the Stock Exchanges and other regulatory bodies, the Comptroller & Auditor General of India and the State Governments. Your Directors also acknowledge the valuable assistance and continued cooperation received from all banks, financial institutions, overseas correspondent banks, other members of the banking fraternity and investors. Your Directors would also like to express their appreciation for the efforts and dedicated service put in by the employees at all levels of Your Company.

**Arvind Kumar Jain**  
Director  
DIN: 07911109  
**Address:** IFCI Tower  
61, Nehru Place  
New Delhi - 110019

**Rahul Bhawe**  
Deputy Managing Director  
DIN: 09077979  
**Address:** IFCI Tower  
61, Nehru Place  
New Delhi - 110019

**Dated:** August 08, 2024

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

1. Brief outline on CSR Policy of the Company

- (i) IFCI Ltd. (IFCI) since its inception in 1948 had a vision to empower the community through socio-economic development of the country as a whole. The objective of IFCI CSR Policy is mainly as under:
- Support activities which aim at creating physical infrastructure/assets (comprising at least upto 70% of its total funds entrusted to ISF), so as to ensure better monitoring and sustainability.
  - Support activities to drive measurable change in the communities, we work with and strive to create a positive impact through our initiatives on hunger & malnutrition, poverty, health & sanitation, education & skill development, employment & technology incubation, rural development, women empowerment and elderly care.
- (ii) During FY 2023-24, as the Average Net Profit of IFCI for immediate three preceding years was negative, IFCI was not required (under Companies Act, 2013) to allocate any amount for CSR activities. The CSR Policy for FY 2018-19 was continued to be followed in FY 2023-24 as was done in the previous FY 2022-23. No separate Policy was drafted in FY 2023-24.

2. Composition of CSR Committee (as on March 31, 2024):- In view of the insertion of the Section 135(9) of the Companies Act, 2013 and in light of the negligible CSR Spending of IFCI due to losses in the last 3 FY's, the extant CSR Committee had been discontinued with and the functions of the CSR Committee are being discharged by the Board. The decision has been made effective w.e.f. June 23, 2021.

3. Provide the Web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company.

S. No.	Particulars	Web-Link
1	CSR Committee	As per Section 135(5) and 135(9) of Companies Act, 2013 and in view of the losses in previous Financial Years and negligible CSR Spending of the Company, the CSR Committee of Directors had been discontinued w.e.f. June 23, 2021.
2	CSR Policies	<a href="https://www.ifcilttd.com/?q=en/content/our-csr-policy">https://www.ifcilttd.com/?q=en/content/our-csr-policy</a>
3	CSR Projects	<a href="https://www.ifcilttd.com/?q=en/content/our-csr-policy">https://www.ifcilttd.com/?q=en/content/our-csr-policy</a>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. **Not Applicable**

5. (a) Average net profit of the company as per sub-section (5) of Section 135 – **(₹ -68,19,91,56,679.96)**  
 (b) Two percent of average net profit of the company as per sub-section (5) of Section 135 - **NIL**  
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – **NIL**  
 (d) Amount required to be set off for the financial year, if any – **NIL**  
 (e) Total CSR obligation for the financial year [(b)+(c)+(d)] - **NIL**
6. (a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects) – **NIL**  
 (b) Amount spent in Administrative Overheads- **NIL**  
 (c) Amount spent on Impact Assessment, if applicable – **NIL**  
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)] – **NIL**  
 (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub section (5) of Section 135		
	Amount (in ₹)	Date of Transfer	Name of the Fund	Amount (In ₹)	Date of Transfer
NIL	NIL	-	NIL	NIL	-

f) Excess amount for set off, if any – **NIL**

Sl. No.	Particulars	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per Section 135(5)	<b>NIL</b>
(ii)	Total amount spent for the Financial Year	<b>NIL</b>
(iii)	Excess amount spent for the Financial Year [(ii-i)]	<b>NIL</b>
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	<b>NIL</b>
(v)	Amount available for set off in succeeding financial years [(iii-iv)]	<b>NIL</b>



7. (a) Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Sl. No.	Preceding Financial Year (s) **	Amount transferred to Unspent CSR Account under sub section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Amount spent in the F.Y. (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	2020-21	5,50,000/-	0	0	-	-	Nil	-
2	2021-22	0	0	0	-	-	Nil	-
3	2022-23	0	0	0	-	-	Nil	-

\*\* Pursuant to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, unspent CSR fund accounts were opened for ongoing CSR projects and unspent funds were transferred to the said accounts on 28/04/2021. There was no unspent amount for the FY 2021-22 and 2022-23 and consequently no unspent amount in FY 2023-24.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

If yes, enter the number of Capital assets created/acquired - **Not Applicable.**

Furnish the details relating to such assets(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Not Applicable.**

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per sub section (5) of section 135 – As the average net profit of the Company for last three preceding years was negative, the Company was not required to allocate any CSR Budget, hence **Not Applicable.**

**(Rahul Bhawe)**  
Deputy Managing Director  
DIN: 09077979

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2024**

Pursuant to Section 204(1) of the Companies Act, 2013 read with  
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**To  
The Members**

**IFCI LIMITED**

**Regd. Office:** IFCI Tower

61, Nehru Place, New Delhi – 110019

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **IFCI LIMITED** (hereinafter called 'the Company' or 'IFCI'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as applicable:-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - (i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (vi) Compliances/ processes/ systems under other specific applicable Laws (as applicable to the industry) to the Company are being verified on the basis of periodic certificates under internal Compliance system submitted to the Board of Directors of the Company.
  - a) Prevention of Money Laundering Act, 2022 (PMLA).
  - b) RBI Guidelines and Master Directions for the Systematically Important Non- Deposit Taking Non- Banking Finance Company (NBFC-ND-SI).
  - c) Laws relating to Commercial Establishments, Industrial Disputes Act, and other Labour Laws.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards, as amended from time to time, issued by the Institute of Company Secretaries of India. - *Generally complied with.*
- (ii) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 with National Stock Exchange of India Limited & BSE Limited.

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

- I. In pursuance to the proviso to the Regulation 17(1)(a) and 17(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and second proviso to Section 149(1) and section 149(4) of the Companies Act, 2013; the Company did not have requisite number of Independent Directors including one Independent Woman Director on the Board during the period from April 01, 2023 to March 31, 2024.
- II. In pursuance to the Regulation 17(2A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the quorum for every meeting of the Board of Directors of the top 2000 listed entities shall be one-third of its total strength or three Directors, whichever is higher, including at least one Independent Director. Accordingly, the Company was in non-compliance of the same for the first meeting of Board held on 03.05.2023 as there was no Independent Director appointed on the Board.

- III. In pursuance to the Section 177(2) and 178(1) of Companies Act, 2013 read with Regulation 18(1)(b) & (d), 18(2)(b) and Regulation 19(1)(c), (2) and (2A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; the composition of the Audit committee and Nomination Remuneration Committee were not met during the whole financial year due to non-appointment of requisite number of Independent Directors.
- IV. In pursuance to the Regulation 20(2A) and 21(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the composition of the Stakeholder Relationship Committee and Risk management committee were not met during the period from 01.04.2023 to 07.08.2023 due to non-appointment of requisite number of Independent Directors.
- V. In pursuance to the Regulation 24(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, at least one Independent Director on the Board of Directors of the listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary.
- VI. In pursuance to the Regulation 25(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the listed entity did not hold at least one meeting during the financial year.

**We further report that** the Board of the Company is required to be constituted as per provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the period under review, there was only one Independent Director on the Board of the Company. 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.

As per the representation received, DPE guidelines are not applicable on the Company as IFCI's name is not appearing in the list of CPSE available at dipam.gov.in.

Generally, adequate notices were given to all Directors to schedule the Board Meetings. Agenda and detailed notes on Agenda were also adequately sent, 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 from Directors.

All the decisions made in the Board/Committee meeting(s) were carried out with the consent of requisite Directors/ Members present during the meeting and dissent / abstinence, if any, have been duly recorded/ incorporated in the respective Minutes.

**We further report that** 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.

**We further report that** the National Stock Exchange of India Limited and BSE Limited have levied monetary fines for non-compliance under Regulations 17(1), 17(2A), 18 (1), 19(1)/19(2), 20(2)/20(2A), 21(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 for the quarter ended March 31, 2023, June 30, 2023, September 30, 2023 and December 31, 2023 against which the Company has submitted replies along with the request to waive fines imposed on the Company and not to take any other action on the Company.

**We further report that** during the audit period, following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

- i. During the period under review, the Company has issued Equity Shares to raise funds by way of preferential allotment amounting to INR 400 crore to the Government of India at duly convened Extra- Ordinary General Meeting (EGM) held on 27<sup>th</sup> April, 2023.

**For Agarwal S. & Associates,**  
Company Secretaries,  
ICSI Unique Code: P2003DE049100  
Peer Review Cert. No.: 2725/2022

**CS Garima Grover**  
Partner  
ACS No.: 27100  
CP No.: 23626

Place : New Delhi  
Date :10.07.2024  
UDIN: A027100F000705547

This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

To,  
The Members,  
**IFCI LIMITED**  
**Regd. Office:** IFCI Tower, 61, Nehru Place, New Delhi – 110019

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.
2. We 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 secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and our report is not covering observations/comments/ weaknesses already pointed out by the other Auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Agarwal S. & Associates,**  
*Company Secretaries,*  
ICSI Unique Code: P2003DE049100  
Peer Review Cert. No.: 2725/2022

Place : New Delhi  
Date : 10.07.2024

**CS Garima Grover**  
Partner  
ACS No.: 27100  
CP No.: 23626

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2024

[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**  
**IFCI Infrastructure Development Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **IFCI Infrastructure Development Limited** (hereinafter called “the Company”), incorporated on 10<sup>th</sup> October, 2007 having CIN: **U45400DL2007GOI169232** and Registered office at IFCI Tower, 61 Nehru Place, New Delhi -110019. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024 (“The period under review”) 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company and have relied on the records, documents and information shared to us by the Company, for the Financial Year ended on 31st March, 2024, according to the following provisions of (including any statutory modifications, amendments, or re-enactment thereof for the time being in force):

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and the Bye-Laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **[Not Applicable to the Company during the Audit Period under review]**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011/**[Not Applicable to the Company during the Audit Period under review];**
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015/**[Not Applicable to the Company during the Audit Period under review];**
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **[Not Applicable to the Company during the Audit Period under review];**
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021/**[Not Applicable to the Company during the Audit Period under review];**
  - e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **[Not Applicable to the Company during the Audit Period under review];**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **[Not Applicable to the Company during the Audit Period under review];**
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- **[Not Applicable to the Company during the Audit Period under review];**
  - h) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021/**[Not Applicable to the Company during the Audit Period under review];**

We further report that, we have also examined, on test-check basis, the relevant documents and records maintained by the Company according to the following laws applicable specifically to the Company:

- (i) Real Estate (Regulation and Development) Act, 2016;
- (ii) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- (iii) The Employer's Provident fund & Miscellaneous Provisions Act, 1952;
- (iv) The Maternity Benefit Act, 1961.

We have relied on the representation made by the Company and its officers for the systems and the mechanism formed by the company for the Compliances under the applicable Acts and the regulations to the Company.

We have also examined compliance with the applicable clauses of the following:



- (i) Secretarial Standards issued by The Institute of Company Secretaries of India:- **Complied with.**
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **[Not Applicable to the Company during the Audit Period under review].**

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

We further report that-

The Board of the Company is duly constituted. The changes in the composition of the Board of Directors and Key Managerial Personnel 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 as per the provisions of the Companies Act, 2013 and the rules made thereunder, 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 the unanimous consent of all the Board of Directors and recorded as part of the minutes.

We further report that 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.

We further report that 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.

**For Surya Gupta & Associates**  
Company Secretaries

**Suryakant Gupta**

Prop.

M. No.: F9250

COP No.: 10828

UDIN: F009250F000721236

Peer Review: 907/2020

**Date : 11.07.2024**

**Place : Delhi**

## ANNEXURE TO SECRETARIAL AUDIT REPORT

To,  
The Members  
IFCI Infrastructure Development Limited

**Our report of even date is to be read along with this letter.**

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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 secretarial records. We believe that the processes and practices, followed by us, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have duly verified the data/ information 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 management. Our 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.

**For Surya Gupta & Associates**  
Company Secretaries

**Suryakant Gupta**  
Prop.

M. No.: F9250

COP No.: 10828

UDIN: F009250F000721236

Peer Review: 907/2020

**Date :** 11.07.2024

**Place :** Delhi

To,  
The Members,  
**Stock Holding Corporation of India Limited,**  
Centre Point, Unit No. 301, 3<sup>rd</sup> Floor  
Dr. B. Ambedkar Road,  
Parel – 400012

**Subject : Secretarial Audit Report of the Company for the Financial Year 2023-24**

We present herewith the Secretarial Audit Report for Stock Holding Corporation of India Limited, for the Financial Year 2023-24 in terms of Section 204 of the Companies Act, 2013. Our report of even date is to be read along with the following:

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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 secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we 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 management. Our 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.
7. We have relied on data provided by the Company (physical and electronic) for the purpose of Audit and where suitable data was not available, reliance on the management representation was undertaken.

**For D A Kamat & Co**

**Place: Mumbai**  
**Date: 16.07.2024**

**D A Kamat**  
**Partner**  
**FCS No. 3843**  
**CP No. 4965**  
**UDIN: F003843F000750292**  
**P. R. No: 1714/2022**

**FORM NO MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR 1<sup>ST</sup> APRIL 2023 to 31<sup>ST</sup> MARCH, 2024**  
*[Pursuant to Section 204(1) of the Companies Act 2013 and rule No.9 of Companies*  
*(Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
**Stock Holding Corporation of India Limited,**  
Centre Point, Unit No. 301, 3<sup>rd</sup> Floor  
Dr. B. Ambedkar Road, Parel – 400012

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Stock Holding Corporation of India Limited (CIN: U67190MH1986GOI040506)** (hereinafter called the “Company”). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s 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 the Secretarial Audit, We hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 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.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

I. We have examined the books, papers, minute books, forms and returns filed, reports issued by various fellow professionals and other applicable records and registers maintained by the Company for the Financial Year from 1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024 according to the provisions of:

1. The Companies Act, 2013 (“the Act”) and the rules made there under;
2. SEBI Custodian of Securities Regulations, 1996;
3. The Securities Contract Regulation Act, 1956 (“SCRA”) and the rules made thereunder;
4. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
5. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
6. The Securities and Exchange Board of India (Depositories and Depositories Participants) Regulations, 2021;
7. The Securities and Exchange Board of India (Research Analysts) Regulation, 2014;
8. Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015;
9. The Securities and Exchange Board of India (Intermediaries) Regulation, 2008;
10. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015;
11. Code of Conduct for Mutual Fund Distributor as per the requirement of AMFI;
12. Guidelines for Operational Activities to be followed by Point of Presence (POP) issued by Pension Fund Regulatory and Development Authority
13. Rules, regulations, Guidelines, Notifications and circulars issued by the Stock Exchange thereon from time to time (to the extent applicable)
14. Rules, regulations, guidelines, notifications and circulars issued by the Depositories thereon from time to time (to the extent applicable)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent stated in this Report.

II. Provisions of the following Regulations and Guidelines prescribed are not applicable to the Company, for the financial year ended March 31, 2024 under report:

- (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (b) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (d) The Securities and Exchange Board (Buyback of Securities) Regulations, 1998;
- (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (f) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; and
- (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- III. We have reviewed the information, documents, records, filings and other certificates or confirmations received from fellow professionals for the period under review and the representations made by the company and its officers on the systems, records and compliances under other laws applicable to the Company. The list of major laws applicable to the Company are stated in **Annexure I** to this Report.
- IV. We have examined the compliances of the applicable provisions of Secretarial Standards, I and II as issued by the Institute of Company Secretaries, India and notified by the MCA u/s 118(10) as issued under the Companies Act, 2013.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year 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 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 decisions were carried through with unanimous consent of all the Board of Directors and recorded as part of the minutes.

We further report that during the year under report, the Company had undertaken the following events / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:

1. The shareholders at its 36<sup>th</sup> Annual General Meeting held on December 04, 2023 had approved the payment of final dividend of 188% on paid up capital i.e. ₹ 18.80 per equity share at a total financial outgo ₹ 39,58,22,720/- towards final dividend out of the profits of the Company for the financial year ended 31st March, 2023 i.e. total dividend of 423% for FY 2022-23 (which included an Interim Dividend of 235% paid up capital) in FY 2022-23.
2. The Board of Directors at its meeting held on 12<sup>th</sup> May 2023 approved the extension in tenure of Fully Convertible Debentures (FCDs) of INR 25 Crores for 3 years from July, 16, 2023 issued by StockHolding Document Management Services Limited (SDMS). The transaction was in normal course of business and at arm's length basis and in compliance with provisions of the Companies Act, 2013.
3. The Board of Directors had appointed Mr. Manoj Kumar Parida as Officer on Special Duty (OSD) w.e.f. April 24, 2023 for a period of six months or till such time a new incumbent is appointed for the position of MD & CEO, whichever is earlier as the term of the then MD & CEO came to an end on April 13, 2023. Further, the Board of Directors at its meeting held on September 26, 2023 appointed Mr. Parida as a Chief Operating Officer (COO) and authorized to exercise the powers of MD & CEO of StockHolding w.e.f. September 26, 2023 for a period of three years or till the appointment of MD & CEO, whichever is earlier.

**For D A Kamat & Co**

**Place: Mumbai**  
**Date: 16.07.2024**

**D A Kamat**  
**Partner**  
**FCS No. 3843**  
**CP No. 4965**  
**UDIN: F003843F000750292**  
**P. R. No: 1714/2022**



#### ANNEXURE – I: LIST OF OTHER ACTS SPECIFICALLY APPLICABLE TO THE COMPANY

Based on the list of other statutes provided by the Company, taking into consideration the nature of business, the following list of major Acts are applicable to the Company.

1. The Companies Act, 2013 and the applicable rules made thereunder
2. The Securities and Exchange Board of India (Custodian of Securities) Regulation, 1996
3. The Securities and Exchange Board of India (Depositories and Depositories Participants) Regulation, 2021
4. The Securities and Exchange Board of India (Research Analysts) Regulation, 2014
5. Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015
6. The Securities and Exchange Board of India (Intermediaries) Regulation, 2008
7. Prevention of Money Laundering Act, 2002
8. The Maternity Benefit Act, 1961
9. The Payment of Bonus Act, 1965
10. Maharashtra Labour Welfare Fund Act, 1953
11. Payment of Gratuity Act, 1972
12. Employee's Provident Fund & Miscellaneous Provisions Act, 1952
13. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
14. Employees' State Insurance Act, 1948
15. Shops and Establishments Act
16. Rules, Regulations, Guidelines, Notifications and Circulars issued by Stock Exchange
17. Rules, Regulations, Guidelines, Notifications and Circulars issued by Depositories
18. SEBI Prohibition of Insider Trading (Regulations), 2015
19. Foreign Exchange Management Act, 1999
20. IFSCA (Capital Market Intermediaries) Regulations, 2021
21. IFSCA (Market Infrastructure Institutions) Regulations, 2021
22. SEBI (Foreign Portfolio Investors) Regulations, 2020
23. SEBI (Stock Brokers) Regulations, 1992

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2024**  
**[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,  
MPCON LIMITED  
CIN: U74140MP1979GOI001502  
Ground Floor, 35, Rajeev Gandhi, Bhawan Parisar-2,  
Shyamla Hills, Bhopal, MP 462002

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MPCON LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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, we hereby report that in our opinion, the Company has, during the Financial Year from April 01, 2023 to March 31, 2024. ('the year'/ 'audit period'/ 'period under review') 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the Financial Year ended on 31<sup>st</sup> March 2024 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during the Audit Period)**
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations, 2015; **(Not Applicable to the Company during the Audit Period)**
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company during the Audit Period)**
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable to the Company during the Audit Period)**
  - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable to the Company during the Audit Period)**
  - e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period)**
  - g) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**
  - h) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**
  - i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**
  - j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period);**
  - k) The Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**
- vi) Compliances / processes / systems under other specific applicable Laws (as applicable to the Industry) to the Company are being verified on the basis of periodic Certificates under internal Compliance system submitted to the Board of Directors of the Company.

**We have also examined compliance with the applicable clauses of the following:**

- i. Secretarial Standards issued by The Institute of Company Secretaries of India; **(Complied with)**
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. **(Not Applicable to the Company during the Audit Period under review).**

**We further report that** during the year under review the Company has generally complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards mentioned above.

**We further report that during the Audit period under review:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors including Nominee Directors as per the composition of Directors specified under the Articles of Association of the Company. The processes relating to changes in the composition of the Board of Directors that took place during the year were carried out in compliance with the provisions of the Act. The requirement to appoint the Independent Directors on the Board of the Company has become applicable to the Company as at the end of the Financial Year 2022-23 as per the provisions of the Companies Act, 2013 but the Company due to pending finalization of the suitable candidates has not appointed the Independent Directors on the Board as per the applicable provisions of the Companies Act, 2013 till the end of the Financial Year.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally seven days in advance other than those held at shorter notice, 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.
- As per the minutes of the Meetings duly recorded and signed by the chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

**We further report that**, based on the information provided and the representation made by the Company there seems to be 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.

**We further report that** during the period there were no other specific events/actions in pursuance of the above-referred laws, rules, regulations, guidelines etc. having a major bearing on the Company affairs.

**For Piyush Bindal & Associates  
Company Secretaries**

**Piyush Bindal  
(Proprietor)  
FCS – 6749  
CP. No. 7442**

**Place: Bhopal  
Date: 22.07.2024**

**Peer Review Cert. No.: 922/2020  
Firm's Registration No. S2012MP186400  
UDIN: F006749F000800291**

This report is to be read with our letter of even date which is annexed as Annexure B and forms integral part of this Report.

To,  
The Members,  
MPCON LIMITED  
CIN: U74140MP1979GOI001502  
Ground Floor, 35, Rajeev Gandhi, Bhawan Parisar-2,  
Shyamla Hills, Bhopal, MP 462002

Our Secretarial Audit Report for the Financial Year ended March 31, 2024 of even date is to be read along with this letter.

**Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

5. 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.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
7. We 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 secretarial records. We believe that the processes and practices followed provided a reasonable basis for our opinion.

For Piyush Bindal & Associates  
Company Secretaries

Piyush Bindal  
(Proprietor)  
FCS – 6749  
CP. No. 7442

Place: Bhopal  
Date: 22.07.2024

Peer Review Cert. No.: 922/2020  
Firm's Registration No. S2012MP186400  
UDIN: F006749F000800291

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL  
STATEMENTS OF IFCI LIMITED FOR THE YEAR ENDED 31B MARCH 2024**

The preparation of financial statements of IFCI Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Auditor Report dated 30 April 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the Financial Statements of IFCI Limited for the year ended 31 March 2024 under Section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditor and is limited primarily to inquiries of the Statutory Auditor and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight following significant matters under Section 143(6) (b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of financial statements and the related audit report:

**A Comments on Profitability**

**Statement of Profit & Loss**

**A.1 Profit After Tax : ₹ 128.25 crore**

**A.1.1 Impairment Loss Allowance : ₹ 3,739.65 crore**

**Assets: Financial Assets**

**Loans (Note 7) : ₹ 1,306.39 crore**

Impairment Loss Allowance for the year has been understated and profit for the year has been overstated by ₹ 249.97 crore each, as detailed below:

- (i) IFCI approached National Company Law Tribunal (NCLT) for recovery of outstanding principal dues of ₹ 135.81 crore towards loan given to Gran Electronics Private Limited (GEPL), after which NCLT ordered (February 2021) liquidation process. Liquidation value was assessed at ₹ 10.37 crore and IFCI received ₹ 14.79 crore after liquidation of assets and adjusted it towards interest. As no further recovery is expected, IFCI was required to create impairment loss allowance for outstanding principal of ₹ 135.81 crore in books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 97.24 crore (71.60 percent) against said loan account.

Non creation of additional impairment loss allowance of ₹ 38.57 crore (i.e., ₹ 135.81 crore *minus* ₹ 97.24 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 38.57 crore each.

**Despite being pointed out during FY 2020-21, 2021-22 and 2022-23 vide comment No. A.1 (ii), no corrective action was taken by the Company.**

- (ii) As per the NCLT decision and approved (June 2021) resolution plan, IFCI's claim (1.03 percent) from Videocon Industries Limited (VIL) was restricted to the maximum of ₹ 70.31 crore against the outstanding dues of ₹ 381.73 crore. Further, as per IFCI, an amount of ₹ 125 crore in the form of fixed deposits was not considered for distribution among the creditors and an amount of ₹ 302 crore was misclassified under 'unsecured claims instead of secured claims'. Considering the same in favour of the Company, the maximum additional recovery worked out to ₹ 4.40 crore (1.03 percent of ₹ 427 crore). Thus, the maximum recoverable from VIL worked out to ₹ 74.71 crore only (₹ 70.31 crore *plus* ₹ 4.40 crore) against the total outstanding amount of ₹ 381.73 crore. Therefore, the company was required to create impairment loss allowance for the balance amount of ₹ 307.02 crore (i.e., ₹ 381.73 crore *minus* ₹ 74.71 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 219.83 crore (71.60 percent) against the said loan account.

Non creation of additional impairment loss allowance of ₹ 87.19 crore (i.e., ₹ 307.02 crore *minus* ₹ 219.83 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 87.19 crore each.

**Despite being pointed out during FY 2020-21, 2021-22 and 2022-23 vide comment No. A.1 (iii), A.1 (i) & A.1 (iv) respectively, no corrective action was taken by the Company.**

- (iii) Above includes principal outstanding of ₹ 434.72 crore against M/s Pioneer Gas Power Limited (PGPL) which turned into Non-Performing Asset on 31 March 2018. IFCI has security in the form of first pari-passu charge on the assets of PGPL along with other lenders. As per the latest valuation reports (June 2023) of two valuers, the fair value of the project worked out to ₹ 846.24 crore (in-situ valuation<sup>1</sup>) and ₹ 367.82 crore (ex-situ valuation<sup>2</sup>). Further, it may not be out of context here to mention that the Company approved the reserve price of ₹ 375 crore in line with State Bank of India for sale of the entire assets in June 2022. However, the same could not proceed further and fresh valuation was called for (May 2023).

As the maximum fair value of the security is ₹ 846.24 crore, considering IFCI's share of 28.02 percent, maximum possible recovery is ₹ 237.12 crore (28.02 percent of ₹ 846.24 crore). Therefore, the company was required to create impairment loss allowance for the balance amount of ₹ 197.60 crore (i.e., ₹ 434.72 crore *minus* ₹ 237.12 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 141.48 crore (71.60 percent) against the said loan account.

<sup>1</sup> As per the valuation report, 'in-situ valuation' means the valuation assuming the assets at the site where they are now.

<sup>2</sup> As per the valuation report, 'ex-situ valuation' means the valuation assuming the assets dismantled from the existing site and redeployed at another site (which involves additional costs).



Non creation of additional impairment loss allowance of ₹ 56.12 crore (i.e., ₹ 197.60 crore *minus* ₹ 141.48 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 56.12 crore each.

**Despite being pointed out during FY 2022-23 vide comment No. A.1 (i) no corrective action was taken by the Company.**

- (iv) Above includes outstanding principal of ₹ 90.94 crore against Liz Traders and Agents Private Limited (LTAPL). Due to LTAPL's default, a case was filed before Resolution Professional (RP). RP informed that there are no assets other than security and financial assets in the corporate debtor and no business has been conducted for the last 3-4 years. It was observed that IFCI has exclusive charge of a property at Kollum, Kerala only, which is having a fair value (March 2024) of ₹ 13.47 crore only. As no other security is available with IFCI, the company was required to create impairment loss allowance for the balance amount of ₹ 77.47 crore (i.e., ₹ 90.94 crore *minus* ₹ 13.47 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 55.47 crore (71 .60 percent) against the said loan account.

Non creation of additional impairment loss allowance of ₹ 22 crore (i.e., ₹ 77.47 crore *minus* ₹ 55.47 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 22 crore each.

**Despite being pointed out during FY 2021-22 and 2022-23 vide comment No. A.1 (vii) & A.1 (v) respectively, no corrective action was taken by the Company.**

- (v) Above includes principal outstanding of ₹ 59.21 crore against Arcotech Limited. Due to default by Company, IFCI filed (April 2019) insolvency petition for recovery of outstanding dues. However, due to dilution of priority charge in Corporate Insolvency Resolution Process (CIRP), IFCI withdrew (August 2022) the same from NCLT.

IFCI has exclusive first charge on property at Bawal (Haryana) with distress sale value of ₹ 99.24 crore (February 2024) and the Company took its possession on 15 March 2022. However, IFCI's efforts for sale of property has not progressed further as the working capital lenders led by Punjab National Bank (PNB) advised that they do not support auction under SARFAESI Act. Therefore, this cannot be pursued further unless minimum 60 per cent lenders agree as per requirement of section 139(9) of the SARFAESI Act. whereas IFCI only has 14.33 percent voting rights. IFCI has received (16 December 2022) fresh proposal from the company through GLIX Securities Pvt. Ltd. wherein IFCI's share is ₹ 41.64 crore which was approved in September 2023 by PNB (the lead Bank). IFCI has received ₹ 2.08 crore (being 5 percent of ₹ 41.64 crore) during December 2022 (₹ 1.58 crore) and December 2023 (₹ 0.50 crore).

As the maximum possibility to recover is only ₹ 41.64 crore against total outstanding of ₹ 59.21 crore, the company was required to create impairment loss allowance for the balance amount of ₹ 17.57 crore (₹ 59.21 crore *minus* ₹ 41.64 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 12.58 crore (71 .60 percent) against the said loan account.

Non creation of additional impairment loss allowance of ₹ 4.99 crore (i.e., ₹ 17.57 crore *minus* ₹ 12.58 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 4.99 crore each.

**Despite being pointed out during FY 2022-23 vide comment No. A. 1 (vi) no corrective action was taken by the Company.**

- (vi) Above includes outstanding principal of ₹ 63.43 crore against C & C Projects Limited. As per the records, resolution plan relating to C & C Projects Limited had elapsed and matter went into liquidation. The liquidation value worked out to ₹ 234 crore and IFCI's share in case of liquidation is only ₹ 0.17 crore. Further, IFCI has charge on the securities<sup>3</sup> valuing ₹ 33.05 crore. As the maximum possible recovery is ₹ 33.22 crore (i.e., ₹ 0.17 crore *plus* ₹ 33.05 crore) against the total outstanding of ₹ 63.43 crore, the company was required to create impairment loss allowance for the balance amount of ₹ 30.21 crore (i.e., ₹ 63.43 crore *minus* ₹ 33.22 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 21.63 crore (71.60 percent) against the said loan account.

Non creation of additional impairment loss allowance of ₹ 8.58 crore (i.e., ₹ 30.21 crore *minus* ₹ 21.63 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 8.58 crore each.

**Despite being pointed out during FY 2020-21, 2021-22 and 2022-23 vide comment No. A.1 (iv), A.1 (vi) & A.1 (ix) respectively, no corrective action was taken by the Company.**

- (vii) The outstanding principal against Madhucon Infrastructure Limited (MIL) was ₹ 120 crore as on 31 March 2024.

The Company worked out the maximum recoverable amount as ₹ 31.43 crore only based on securities available with it and accordingly agreed (January 2020) for One Time Settlement (OTS) of ₹ 70 crore which was not honoured by MIL. Therefore, the Company revoked (December 2020) the OTS. A fresh OTS proposal of ₹ 51 crore (including ₹ 3 crore towards interest) was offered (26 August 2022) by MIL and IFCI received ₹ 31.50 crore during FY 2023-24 against the said offer which has been adjusted against the outstanding principal during 2023-24. Accordingly, maximum possible recovery is only ₹ 19.50<sup>4</sup> crore (i.e., ₹ 51 crore *minus* ₹ 31.50 crore) against the total outstanding of ₹ 120 crore. Therefore, the company was required to create impairment loss allowance for the balance amount of ₹ 100.50 crore (i.e., ₹ 120 crore *minus* ₹ 19.50 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 71.96 crore (71 .60 percent) against the said loan account.

Non creation of additional impairment loss allowance of ₹ 28.54 crore (i.e., ₹ 100.50 crore *minus* ₹ 71.96 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 28.54 crore each.

**Despite being pointed out during FY 2020-21, 2021-22 and 2022-23 vide comment No. A.1 (i), A.1 (v) & A.1 (iii) respectively, no corrective action was taken by the Company.**

<sup>3</sup> Land parcel of 12.7 acre at Patna ₹ 22.10 crore (March 2024) and unlisted equity shares of M/s North Bihar Highway Ltd ₹ 10.95 crore.

<sup>4</sup> IFCI also received ₹ 9.50 crore during April 2024.

- (viii) Above includes outstanding principal of ₹ 72.02 crore against M/s Asian Colour Coated Ispat Limited (ACCIL) which turned into Non-Performing Assets in September 2016.

ACCIL was admitted (20 August 2018) to National Company Law Tribunal (NCLT) and was resolved vide order dated 19<sup>th</sup> October 2020. IFCI received its share of ₹ 5.02 crore as per the Resolution Plan (RP). Though IFCI had dissented to RP, the plan was binding on all the creditors in view of the approval by NCLT. Further, IFCI have security in the form of an exclusive mortgage of Hotel Park Plaza situated at Faridabad (Haryana) having a fair market value of ₹ 58.04 crore (February 2022) and as per the provisions of the approved RP, IFCI's right against the hotel property is protected. IFCI had attempted sale of mortgage property on several occasions, however, no bid was received. Further, Hon'ble High Court of Punjab & Haryana has stayed (December 2021) the sale of property. IFCI also attempted assignment of receivables with last assignment attempted at ₹ 43 crore, however the same was not successful.

Accordingly, the maximum amount recoverable from ACCIL is ₹ 58.04 crore. Therefore, the company was required to create impairment loss allowance for the balance amount of ₹ 13.98 crore (₹ 72.02 crore minus ₹ 58.04 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 10 crore (71.60 percent) against the said loan account.

Non creation of additional impairment loss allowance of ₹ 3.98 crore ( i.e., ₹ 13.98 crore minus ₹ 10 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 3.98 crore each.

#### A.1.2 Investments (Note 8) — ₹ 1,658.81 crore

- (a) Above includes investment amounting to ₹ 2.80 crore in equity shares (i.e., 14,00,000 number of shares @ ₹ 20 per share) of Echon Industries Limited (EIL). However, as per latest valuation report on the basis of financial statements of EIL for the year ended March 2023, the fair value per share is ₹ 0.20 per share. Accordingly, the value of investment in equity shares of EIL should have been ₹ 0.03 crore (i.e., 14,00,000 number of shares \* ₹ 0.20 per share).

Non-consideration of latest value per share resulted in overstatement of investment and profit for the year by ₹ 2.77 crore (i.e., ₹ 2.80 crore minus ₹ 0.03 crore).

- (b) IFCI has shown Nil investment in 10 lakh equity shares of Jam Khandi Sugars Limited (JKSL). However, as per latest valuation report on the basis of financial statements of JKSL for the year ended March 2023, the fair value per share is ₹ 13.17 per share. Accordingly, the value of investment in equity shares of JKSL should have been ₹ 1.32 crore (i.e., 10,00,000 number of shares\* ₹ 13.17 per share).

Non-consideration of latest available valuation per share has resulted in understatement of investment and profit for the year by ₹ 1.32 crore.

- (c) IFCI got the valuation of its 7,18,75,000 number of equity shares in Metropolitan Stock Exchange of India Limited (MSEIL) from two valuers viz Fidem Corporate Advisors LLP and Omnifin Valuation Services P Ltd. at ₹ 0.37 per share and ₹ 0.42 per share with total investment of ₹ 2.66 crore<sup>5</sup> and ₹ 3.02 crore<sup>6</sup> respectively. The value per share was arrived on the basis of financials of MSEIL as on 31 March 2023 in both the valuation. However, IFCI considered the value of ₹ 0.42 per share and valued its investment at ₹ 3.02 crore in MSEIL which is not in line with the principle of conservatism.

Thus, the company has overstated its investment and profit for the year by ₹ 0.36 crore (i.e., ₹ 3.02 crore minus ₹ 2.66 crore).

- (d) A reference is invited to the Note No. 52 (B) of Notes to Accounts which stipulates that, "The respective operational departments perform the valuation of financial assets and liabilities required for financial reporting purposes, either externally or internally for every quarterly reporting period". However, in 36 cases<sup>7</sup>, investment value was based on Fair Valuation on previous dates and not as on reporting date viz. 31 March 2024. Moreover, no disclosure to this effect was given in the Notes to Accounts.

Impact of the same on the financials of the company cannot be quantified in the absence of fair value as on 31 March 2024.

Despite being pointed out during FY 2020-21, 2021-22 and 2022-23 vide comment No. A.2, A.1.2 (ii) and A.1.2 (b) respectively, no corrective action was taken by the Company.

<sup>5</sup> 7,18,75,000 number of shares \* ₹ 0.37 per share

<sup>6</sup> 7,18,75,000 number of shares \* ₹ 0.42 per share

<sup>7</sup> Adhunik Power & Natural Resources Limited (March 2023), Athena Infraprojects Pvt Ltd (March 2023), Ashok Paper Mills Limited (March 2023), Chemco Steel Limited (March 2023), Forward Televisions Limited (March 2023), Gas & Power Investment Company Limited (March 2023), Girnar Fibres Limited (March 2017), GR Solvents & Allied Industries Limited (March 2023), Graham Firth Steel Products Limited (March 2023), Gujarat Composite Limited (March 2023), HPCL Mittal Energy Limited (December 2022), IPI Steels Limited (March 2023), KPR Teleproducts Limited (March 2023), Keltron Component Complex Limited (March 2022), Madhya Bharat Papers Limited (March 2023), Nagaland Roller Flour Mills Limited (March 2023), Nimar Textiles Limited (March 2023), Nutech Packaging Limited (March 2022), OCM Private Limited (March 2023), Patil Atlantic Force Sunum Limited (March 2023), Rajputana Fertilizers Limited (March 2023), Sai Rayalseema Paper Mills Limited (March 2022), Sathyakamal Agros Limited (March 2023), Shree Satpuda Tapi Parisar SSK Limited (not disclosed), Shri Bhagwati Bright Bars Limited (March 2023), Southern Wind Farms Pvt Limited (March 2023), Super Syncotex India Limited (March 2023), Tamil Nadu Industrial Explosives Limited (March 2023), Unilakem Fertilizers Limited (March 2020), Uttam Galva Mettallics Limited (March 2023), Venus Sugar Limited (March 2023), Williard India Limited (March 2023) and Metropolitan Stock Exchange of India Limited (MSEIL)

**A.1.3 Trade Receivables (Note No. 6): ₹ 103.64 crore**

Above includes an amount of ₹ 0.78 crore shown as receivables against various parties on account of refund made by IFCI in the loan accounts. subsequent to the Hon'ble Supreme Court directions to return the interest on interest portion during the COVID period. Thus, the above amount is not receivable as it has been refunded to the concerned parties and the loan accounts are also closed.

This has resulted in overstatement of trade receivables and the profit for the year by ₹ 0.74 crore (after adjustment of ₹ 0.04 crore towards Expected Credit Loss).

**B Comments on Independent Auditors Report dated 30 April 2024**

Clause 3 (vii) (b) of Companies (Auditor's Report) Order, (CARO 2020 requires an Auditor to report, where Statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income -tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have not been deposited on account of any dispute, then the amount involved and the forum where dispute is pending shall be mentioned.

The Company has 11 income tax appeals pending before various forums viz. Commissioner of Income Tax (Appeals), Income Tax Appellate Tribunal and High Court. Independent Auditor in his Report has included only three cases, two pending before Commissioner of Income Tax (Appeals) and one pending demand as per traces portal. However, he did not include the remaining eight cases pending before Commissioner of Income Tax (Appeals), Income Tax Appellate Tribunal and High Court. Further, the Company has outstanding income tax demands of ₹ 8.15 crore relating to Assessment Years 2009-10 and 2013-14 to 2016-17 under Vivad se Vishwas Scheme which have also not been included by the Auditor in his Report. Thus, the Independent Auditor's Report is deficient to that extent besides non-compliance with the above-mentioned clause of CARO 2020.

**Despite being pointed out during FY 2022-23 vide comment No. B, no corrective action was taken by the Statutory Auditor.**

**For and on behalf of the  
Comptroller & Auditor General of India**

**(S. Ahladi Panda)  
Director General of Audit  
(Industry & Corporate Affairs)  
New Delhi**

**Place: New Delhi  
Date: 07 AUG 2024**

## COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF IFCI LIMITED FOR THE YEAR ENDED 31 MARCH 2024

The preparation of Consolidated Financial Statements of IFCI Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) read with section 129 (4) of the Act is responsible for expressing opinion on the financial statements under Section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 30 April 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of IFCI Limited for the year ended 31 March 2024 under Section 143(6)(a) read with section 129(4) of the Act. We conducted the supplementary audit of the financial statement of IFCI Limited (the Company) and subsidiaries as mentioned in Annexure-A, but did not conduct supplementary audit of Stock Holding Corporation of India Limited & IFCI Financial Services Limited (the subsidiaries) for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) read with section 129(4) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report.

### A Comments on Consolidated Profitability

#### Statement of Profit & Loss

#### A.1 Profit After Tax : ₹ 241.05 crore

##### A.1.1 Impairment Loss Allowance : ₹ (3,811.24) crore

#### Financial Assets Loans (Note 7) : ₹ 1,363.15 crore

Impairment Loss Allowance for the year has been understated and profit for the year has been overstated by ₹ 249.97 crore as detailed below:

- (i) IFCI approached National Company Law Tribunal (NCLT) for recovery of outstanding principal dues of ₹ 135.81 crore towards loan given to Gran Electronics Private Limited (GEPL), after which NCLT ordered (February 2021) liquidation process. Liquidation value was assessed at ₹ 10.37 crore and IFCI received ₹ 14.79 crore after liquidation of assets and adjusted it towards interest. As no further recovery is expected, IFCI was required to create impairment loss allowance for outstanding principal of ₹ 135.81 crore. As on 31 March 2024, company has impairment loss allowance of ₹ 97.24 crore (71.60 percent) against said loan account. Non creation of additional impairment loss allowance of ₹ 38.57 crore (i.e., ₹ 135.81 crore minus ₹ 97.24 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 38.57 crore each.

**Despite being pointed out during FY 2020-21, 2021-22 and 2022-23 vide comment No. A.1 (ii), no corrective action was taken by the Company.**

- (ii) As per NCLT decision and approved (June 2021) resolution plan, IFCI's claim (1.03 percent) from Videocon Industries Limited (VIL) was restricted to the maximum of ₹ 70.31 crore against outstanding dues of ₹ 381.73 crore. Further, as per IFCI, an amount of ₹ 125 crore in the form of fixed deposits was not considered for distribution among creditors and an amount of ₹ 302 crore was misclassified under 'unsecured claims instead of secured claims'. Considering the same in favour of the Company, the maximum additional recovery worked out to ₹ 4.40 crore (1.03 percent of ₹ 427 crore). Thus, the maximum recoverable from VIL worked out to ₹ 74.71 crore only (₹ 70.31 crore plus ₹ 4.40 crore) against the total outstanding amount of ₹ 381.73 crore. Therefore, the company was required to create impairment loss allowance for the balance amount of ₹ 307.02 crore (i.e., ₹ 381.73 crore minus ₹ 74.71 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 219.83 crore (71.60 percent) against the said loan account.

Non creation of additional impairment loss allowance of ₹ 87.19 crore (i.e., ₹ 307.02 crore minus ₹ 219.83 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 87.19 crore each.

**Despite being pointed out during FY 2020-21, 2021-22 and 2022-23 vide comment No. A.1 (iii), A.1 (i) & A.1 (iv) respectively, no corrective action was taken by the Company.**

- (iii) Above includes principal outstanding of ₹ 434.72 crore against M/s Pioneer Gas Power Limited (PGPL) which turned into Non-Performing Asset on 31 March 2018. IFCI has security in the form of first pari-passu charge on the assets of PGPL along with other lenders. As per the latest valuation reports (June 2023) of two valuers, the fair value of the project worked out to ₹ 846.24 crore (in-situ valuation<sup>1</sup>) and ₹ 367.82 crore (ex-situ valuation<sup>2</sup>). Further, it may not be out of context here to mention that the Company approved the reserve price of ₹ 375 crore in line with State Bank of India for sale of the entire assets in June 2022. However, the same could not proceed further and fresh valuation was called for (May 2023).

As maximum fair value of the security is ₹ 846.24 crore, considering IFCI's share of 28.02 percent, maximum possible recovery is ₹ 237.12 crore (28.02 percent of ₹ 846.24 crore). Therefore, the company was required to create impairment loss allowance for

<sup>1</sup> As per valuation report, 'in-situ valuation' means valuation assuming the assets at the site where they are now.

<sup>2</sup> As per the valuation report, 'ex-situ valuation' means the valuation assuming the assets dismantled from the existing site and redeployed at another site (which involves additional costs).

balance amount of ₹ 197.60 crore (i.e., ₹ 434.72 crore *minus* ₹ 237.12 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 141.48 crore (71.60 *percent*) against the said loan account.

Non creation of additional impairment loss allowance of ₹ 56.12 crore (i.e., ₹ 197.60 crore *minus* ₹ 141.48 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 56.12 crore each.

**Despite being pointed out during FY 2022-23 vide comment No. A. I (i), no corrective action was taken by the Company.**

- (iv) Above includes outstanding principal of ₹ 90.94 crore against Liz Traders and Agents Private Limited (LTAPL). Due to LTAPL's default, a case was filed before Resolution Professional (RP). RP informed that there are no assets other than security and financial assets in the corporate debtor and no business has been conducted for the last 3-4 years. It was observed that IFCI has exclusive charge of a property at Kollum, Kerala only, which is having a fair value (March 2024) of ₹ 13.47 crore only. As no other security is available with IFCI, the company was required to create impairment loss allowance for the balance amount of ₹ 77.47 crore (i.e., ₹ 90.94 crore *minus* ₹ 13.47 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 55.47 crore (71.60 *percent*) against the said loan account.

Non creation of additional impairment loss allowance of ₹ 22 crore (i.e., ₹ 77.47 crore *minus* ₹ 55.47 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 22 crore each.

**Despite being pointed out during FY 2021-22 and 2022-23 vide comment No. A.I (vii) & A.I (v) respectively, no corrective action was taken by the Company.**

- (v) Above includes principal outstanding of ₹ 59.21 crore against Arcotech Limited. Due to default by Company. IFCI filed (April 2019) insolvency petition for recovery of outstanding dues. However, due to dilution of priority charge in Corporate Insolvency Resolution Process (CIRP), IFCI withdrew (August 2022) the same from NCLT.

IFCI has exclusive first charge on property at Bawal (Haryana) with distress sale value of ₹ 99.24 crore (February 2024) and the Company took its possession on 15 March 2022. However, IFCI's efforts for sale of property has not progressed further as the working capital lenders led by Punjab National Bank (PNB) advised that they do not support auction under SARFAESI Act. Therefore, this cannot be pursued further unless minimum 60 *percent* lenders agree as per requirement of section 139(9) of the SARFAESI Act. whereas IFCI only has 14.33 *percent* voting rights. IFCI has received (16 December 2022) fresh proposal from the company through GLIX Securities Pvt. Ltd. wherein IFCI's share is ₹ 41.64 crore which was approved in September 2023 by PNB. IFCI has received ₹ 2.08 crore (being 5 *percent* of ₹ 41.64 crore) during December 2022 (₹ 1.58 crore) and December 2023 (₹ 0.50 crore).

As the maximum possibility to recover is only ₹ 41.64 crore against total outstanding of ₹ 59.21 crore, the company was required to create impairment loss allowance for the balance amount of ₹ 17.57 crore (₹ 59.21 crore *minus* ₹ 41.64 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 12.58 crore (71.60 *percent*) against the said loan account.

Non creation of additional impairment loss allowance of ₹ 4.99 crore (i.e., ₹ 17.57 crore *minus* ₹ 12.58 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 4.99 crore each.

**Despite being pointed out during FY 2022-23 vide comment No. A.1 (vi) no corrective action was taken by the Company.**

- (vi) Above includes outstanding principal of ₹ 63.43 crore against C & C Projects Limited. As per the records, resolution plan relating to C & C Projects Limited had elapsed and matter went into liquidation. The liquidation value worked out to ₹ 234 crore and IFCI's share in case of liquidation is only ₹ 0.17 crore. Further, IFCI has charge on the securities<sup>3</sup> valuing ₹ 33.05 crore. As the maximum possible recovery is ₹ 33.22 crore (i.e., ₹ 0.17 crore *plus* ₹ 33.05 crore) against the total outstanding of ₹ 63.43 crore, the company was required to create impairment loss allowance for the balance amount of ₹ 30.21 crore (i.e., ₹ 63.43 crore *minus* ₹ 33.22 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 21.63 crore (71.60 *percent*) against the said loan account.

Non creation of additional impairment loss allowance of ₹ 8.58 crore (i.e., ₹ 30.21 crore *minus* ₹ 21.63 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 8.58 crore each.

**Despite being pointed out during FY 2020-21, 2021-22 and 2022-23 vide comment No. A.1 (iv), A.1(vi) & A.1 (ix) respectively, no corrective action was taken by the Company.**

- (vii) The outstanding principal against Madhucon Infrastructure Limited (MIL) was ₹ 120 crore as on 31 March 2024. The Company worked out the maximum recoverable amount as ₹ 31.43 crore only based on securities available with it and accordingly agreed (January 2020) for One Time Settlement (OTS) of ₹ 70 crore which was not honoured by MIL. Therefore, the Company revoked (December 2020) the OTS. A fresh OTS proposal of ₹ 51 crore (including ₹ 3 crore towards interest) was offered (26 August 2022) by MIL and IFCI received ₹ 31.50 crore during FY 2023-24 against the said offer which has been adjusted against the outstanding principal during 2023-24. Accordingly, maximum possible recovery is only ₹ 19.50 crore<sup>4</sup> (i.e., ₹ 51 crore *minus* ₹ 31.50 crore) against the total outstanding of ₹ 120 crore. Therefore, the company was required to create impairment loss allowance for the balance amount of ₹ 100.50 crore (i.e., ₹ 120 crore *minus* ₹ 19.50 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 71.96 crore (71.60 *percent*) against the said loan account.

Non creation of additional impairment loss allowance of ₹ 28.54 crore (i.e., ₹ 100.50 crore *minus* ₹ 71.96 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 28.54 crore each.

**Despite being pointed out during FY 2020-21, 2021-22 and 2022-23 vide comment No. A.1 (i), A.1 (v) & A.1 (iii) respectively, no corrective action was taken by the Company.**

<sup>3</sup> Land parcel of 12.7 acre at Patna: ₹ 22.10 crore (March 2024) and unlisted equity shares of M/s North Bihar Highway Ltd: ₹ 10.95 crore.

<sup>4</sup> IFCI also received ₹ 9.50 crore during April 2024.



- (viii) Above includes outstanding principal of ₹ 72.02 crore against M/s Asian Colour Coated Ispat Limited (ACCIL) which turned into NPA in September 2016. ACCIL was admitted (20 August 2018) to National Company Law Tribunal (NCLT) and was resolved vide order dated 19th October 2020. IFCI received its share of ₹ 5.02 crore as per the Resolution Plan (RP). Though IFCI had dissented to RP, the plan was binding on all the creditors in view of the approval by NCLT. Further, IFCI have security in the form of an exclusive mortgage of Hotel Park Plaza situated at Faridabad (Haryana) having a fair market value of ₹ 58.04 crore (February 2022) and as per provisions of approved RP. IFCI's right against the hotel property is protected. IFCI had attempted sale of mortgage property on several occasions, however, no bid was received. Further, Hon'ble High Court of Punjab & Haryana has stayed (December 2021) the sale of property. IFCI also attempted assignment of receivables with last assignment attempted at ₹ 43 crore, however the same was not successful.

Accordingly, maximum amount recoverable from ACCIL is ₹ 58.04 crore and hence, IFCI was required to create impairment loss allowance for balance amount of ₹ 13.98 crore (₹ 72.02 crore *minus* ₹ 58.04 crore). As on 31 March 2024, company has impairment loss allowance of ₹ 10 crore (71.60 percent) against said loan account.

Non creation of additional impairment loss allowance of ₹ 3.98 crore (i.e., ₹ 13.98 crore *minus* ₹ 10 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 3.98 crore each.

- (xi) As per RBI Master Directions of September 2016, company is required to create 100 percent provision to the extent to which the advance is not covered by the realisable value of security and 50 percent provision for the secured part of the doubtful loan lying for more than three years.

**IFCI Factors Limited (IFL, a subsidiary of IFCI Limited)** sanctioned (October 2015) a short-term loan of ₹ 14.50 crore to Pan India Infra Projects Private Limited (PIIPPL) secured by way of pari passu first charge on Non-Agriculture - Land admeasuring 195.93 acres at Uttan-Village. Bhayader (West), Taluka & District Thane, Maharashtra, owned by Essel Indra Projects Limited (EIPL - 3<sup>rd</sup> party security) along with other lenders. Loan account was declared NPA in June 2019 and outstanding amount as on 31 March 2024 was ₹ 6.58 crore. Company has made provision of ₹ 3.30 crore (i.e., ₹ 6.6 crore\*50%) against the loan in books of accounts.

PIIPPL was admitted to NCLT (July 2020) and was ordered to be liquidated (October 2023). As per IFL Board Agenda (February 2024), likelihood of receiving any proceeds from liquidation process is remote, as IFL is an unsecured creditor of PIIPPL. It was further mentioned that realizable value of the mortgaged property is ₹ 363.68 crore, of which pro rata share of IFL was ₹ 7.06 crore (1.94%). With further discount of 40%, realisable value was estimated at ₹ 4.23 crore, which was also considered as reserve price in the event IFL decides to proceed with sale/ assignment of said account. Accordingly, company was required to make provision of ₹ 4.45 crore<sup>5</sup> (i.e., ₹ 2.35 crore *plus* ₹ 2.1 crore), as per RBI Directions.

This resulted in understatement of impairment loss allowance and understatement of loss for the year by ₹ 1.15 crore (i.e., ₹ 4.45 crore *minus* ₹ 3.30 crore) each.

#### A.1.2 Investments (Note 8): ₹ 8,677.93 crore

- (i) Above includes investment of ₹ 2.80 crore in 14,00,000 number of shares@ ₹ 20 per share of Echon Industries Limited (EIL). However, as per latest valuation report on the basis of financial statements of EIL for the year ended March 2023, the fair value per share is ₹ 0.20 per share. Accordingly, investment value in equity shares of EIL should have been ₹ 0.03 crore (i.e., 14,00,000 number of shares\* ₹ 0.20 per share).

Non-consideration of latest value per share resulted in overstatement of investment and profit for the year by ₹ 2.77 crore (i.e., ₹ 2.80 crore *minus* ₹ 0.03 crore).

- (ii) IFCI has shown 'Nil' investment in 10 lakh equity shares of Jam Khandi Sugars Limited (JKSL). However, as per latest valuation report on the basis of financial statements of JKSL for the year ended March 2023, the fair value per share is ₹ 13.17 per share. Accordingly, the value of investment in equity shares of JKSL should have been ₹ 1.32 crore (i.e., 10,00,000 number of shares\* ₹ 13.17 per share).

Non-consideration of latest available valuation per share has resulted in understatement of investment and profit for the year by ₹ 1.32 crore.

- (iii) IFCI got valuation of its 7,18,75,000 number of equity shares in Metropolitan Stock Exchange of India Limited (MSEIL) from two valuers viz Fidem Corporate Advisors LLP and Omnifin Valuation Services P Ltd. at ₹ 0.37 per share and ₹ 0.42 per share with total investment of ₹ 2.66 crore<sup>6</sup> and ₹ 3.02 crore<sup>7</sup> respectively. The value per share was arrived on the basis of financials of MSEIL as on 31 March 2023 in both the valuation. However, IFCI considered the value of ₹ 0.42 per share and valued its investment at ₹ 3.02 crore which is not in line with conservatism principle.

Thus, the company has overstated its investment and profit for the year by ₹ 0.36 crore (i.e., ₹ 3.02 crore *minus* ₹ 2.66 crore).

<sup>5</sup> Unsecured Loan ₹ 2.35 crore (₹ 6 58 crore - ₹ 4.23 crore being realisable value) & 50% of ₹ 4.23 crore = ₹ 2.1 crore

<sup>6</sup> 7, 18,75,000 number of shares\* ₹ 0.37 per share

<sup>7</sup> 7,18,75,000 number of shares\* ₹ 0.42 per share

- (iv) A reference is invited to Note. 52 (B) of Notes to Accounts which stipulates that, “respective operational departments perform the valuation of financial assets and liabilities required for financial reporting purposes, either externally or internally for every quarterly reporting period”. However, in 36 cases<sup>8</sup>, investment value was based on Fair Valuation on previous dates and not as on reporting date viz. 31 March 2024. Moreover, no disclosure to this effect was given in the Notes to Accounts.

Impact of the same on the financials of the company cannot be quantified in the absence of fair value as on 31 March 2024.

**Despite being pointed out during FY 2020-21, 2021-22 and 2022-23 vide comment No. A.2, A.1.2(ii) and A.1.2 (ii) respectively, no corrective action was taken by the Company.**

- (v) The above does not include ₹ 1.10 crore (i.e., 2,00,000 shares \* ₹ 55.20 per share) being the value of investment made by **IFCI Venture Capital Funds Limited (IVCFL, a subsidiary of IFCI Limited)** in two lakh shares in Biotech Consortium India Limited (BCIL). The value of investment in BCIL has been shown as ‘Nil’ since FY 2016-17. IFCI Limited (Parent company of IVCFL) valued (February 2024) the shares of BCIL at ₹ 55.20 per share. Therefore, the value of Investment in the books of the IVCFL as on 31 March 2024 works out to ₹ 1.10 crore.

This resulted in understatement of Investment by ₹ 1.10 crore and understatement of Profit for the year by the same amount.

#### **A.1.3 Trade Receivable (Note No. 6): ₹ 306.33 crore**

- (i) Above includes an amount of ₹ 0.78 crore shown as receivables against various parties on account of refund made by IFCI in the loan accounts, subsequent to the Hon'ble Supreme Court directions to return the interest on interest portion during the COVID period. Thus, the above amount is not receivable as it has been refunded to the concerned parties and the loan accounts are also closed.

This has resulted in overstatement of trade receivables and the profit for the year by ₹ 0.74 crore (after adjustment of ₹ 0.04 crore towards Expected Credit Loss).

- (ii) Above includes ₹ 0.11 crore pertaining to corporate sundry debtors<sup>9</sup> of **IFCI Infrastructure Development Limited (IIDL, a subsidiary of IFCI Limited)** suites which are pending recovery for more than seven years. The Board of Directors of IIDL while considering the proposal of its write off, inter-alia, directed (February 2023) that above stated receivables should not be written off and proper follow up should be done for recovery of the outstanding amount. However, the Company has not been able to recover anything against the above receivables. Therefore, the Company should have created necessary provision towards the same considering the conservative principle of accounting and the time elapsed.

Non creation of provision towards doubtful debts has resulted in understatement of Provision for doubtful debt and overstatement of trade receivables by ₹ 0.11 crore. Consequently, the profits for the year are also overstated by ₹ 0.11 crore.

#### **A.2 Assets: Non-Financial Assets**

##### **A.2.1 Inventories: ₹ 69.66 crore**

- (i) **IFCI Infrastructure Development Limited (IIDL, a subsidiary of IFCI Limited)** overvalued the inventories at Bengaluru (Financial City Bengaluru Land) and Uttar Pradesh (Ramprastha Housing Complex) at ₹ 11.77 crore and ₹ 12.11 crore instead of ₹ 11.01 crore and ₹ 11.80 crore respectively which resulted in overstatement of inventories and profit for the year by ₹ 1.08 crore besides non-compliance with the significant accounting policy no.p(a) (Stock in trade) of the Consolidated Financial Statements, which stipulates that “inventory comprises of lands and are valued at lower of cost or net realizable value”.
- (ii) **IFCI Infrastructure Development Limited (IIDL, a subsidiary of IFCI Limited)** valued one of its properties at ₹ 0.51 crore. However, the said property was not a sanctioned property, valuer in his Report (27 March 2024) had considered its fair value as zero. Therefore, the value of the aforesaid property should have been taken as zero. This has resulted in overstatement of inventory and profit by ₹ 0.51 crore.

<sup>8</sup> Adhunik Power & Natural Resources Ltd (March 2023), Athena Infraprojects Pvt Ltd (March 2023), Ashok Paper Mills Ltd (March 2023), Chemco Steel Ltd (March 2023), Forward Televisions Ltd (March 2023), Gas & Power Investment Company Ltd (March 2023), Girnar Fibres Ltd (March 2017), GR Solvents & Allied Industries Ltd (March 2023), Graham Firth Steel Products Ltd (March 2023), Gujarat Composite Ltd (March 2023), HPCL Mittal Energy Ltd (December 2022), IPI Steels Ltd (March 2023), KPR Teleproducts Ltd (March 2023), Keltron Component Complex Ltd (March 2022), Madhya Bharat Papers Ltd (March 2023), Nagaland Roller Flour Mills Ltd (March 2023), Nimar Textiles Ltd (March 2023), Nutech Packaging Ltd (March 2022), OCM Private Ltd (March 2023), Patil Atlantic Force Sunum Ltd (March 2023), Rajputana Fertilizers Ltd (March 2023), Sai Rayalseema Paper Mills Ltd (March 2022), Sathyakamal Agros Ltd (March 2023), Shree Satpuda Tapi Parisar SSK Ltd (not disclosed), Shri Bhagwati Bright Bars Ltd (March 2023), Southern Wind Farms Pvt Ltd (March 2023), Super Syncotex India Ltd (March 2023), Tamil Nadu Industrial Explosives Ltd (March 2023), Unialkem Fertilizers Ltd (March 2020), Uttam Galva Mettals Ltd (March 2023), Venus Sugar Ltd (March 2023) and Williard India Ltd (March 2023), Metropolitan Stock Exchange of India Ltd (MSEIL)

<sup>9</sup> Bharat Petroleum Corporation Limited, HCL Technologies Limited, Samsung Heavy Industries India Pvt. Ltd., NIIT Technologies and ONGC Limited

### A.3 Liabilities and Equity: Non-financial Liabilities

#### A.3.1 Deferred tax liabilities (Net) - ₹ 208.47 crore

(i) **IFCI Infrastructure Development Limited (IIDL, a subsidiary of IFCI Limited)**

created Deferred Tax Liability on interest of ₹ 1.06 crore receivable on Preference shares applying Income tax rate of 34.608 percent<sup>10</sup> instead of applicable tax rate of 27.82 per cent<sup>11</sup>. This led to the creation of deferred tax liability of ₹ 0.37 crore instead of ₹ 0.30 crore.

(ii) **IFCI Infrastructure Development Limited (IIDL, a subsidiary of IFCI Limited)**

Provided ₹ 0.55 crore towards bad and doubtful debts during FY 2023-24. As per section 43 (B) of the Income Tax Act 1961, provision for bad and doubtful debt is a disallowed expense for computation of Income tax. Therefore, Deferred Tax Asset of ₹ 0.15 crore (₹ 0.55 crore @ 27.82 percent) should have been created on provision for bad and doubtful debts. Non creation of Deferred Tax Asset has resulted in overstatement of Deferred Tax Liability (Net) by ₹ 0.15 crore.

The above has resulted in overstatement of deferred Tax expense and understatement of Profits by ₹ 0.22 crore (₹ 0.07 crore plus ₹ 0.15 crore). Consequently, deferred tax liability are also overstated by ₹ 0.22 crore.

### A.4 Consolidated Statement of Profit and Loss for the period ended March 31, 2024

#### A.4.1 Total Comprehensive Income – ₹ 575.38 crore

**Other Comprehensive Income - ₹ 334.33 crore**

**Items that will not be reclassified to Profit or loss**

**Fair Value changes on FVTOCI - Equity Securities - ₹ 693.39 crore**

As per Significant Accounting Policies No.6(b)(I) of **IFCI Factors Limited (IFL, a subsidiary of IFCI Limited)**, a financial asset measured at Fair Value Through Other Comprehensive Income (FVTOCI) are subsequently measured at fair value and changes therein are recognised in Other Comprehensive Income (OCI).

Above Investment includes ₹ 6.71 crore being value of 67150 Security Receipts (SRs) of ₹ 1,000 each fully paid up issued by Asset Reconstruction Company (ARC) namely Raytheon Assets Reconstruction Pvt. Ltd. (RARE). The above SRs were issued by RARE in lieu of stressed loan of Core Education & Technologies Limited (CETL) assigned to it by IFL on 30<sup>th</sup> March 2017. As intimated by RARE (January 2024), Net Asset Value (NAV) of the above SRs as on 31<sup>st</sup> December 2023 was ₹ 6.71 crore.

As per IFL Board Agenda (November 2023), RARE ARC has submitted that, post 5/8 years, it may have to make provision against outstanding SRs as per RBI guidelines and therefore, in the interest of majority SR holders, it is exploring acquisition/ purchase of SRs at a mutually agreeable price. Accordingly, RARE ARC proposed to buy outstanding SRs of IFL for a consideration of ₹ 4.43 crore (i.e., ~66% of the face value of the SRs ₹ 6.71 crore).

Therefore, considering ₹ 6.71 crore as fair value of SRs instead of ₹ 4.43 crore resulted in overstatement of Investment and understatement of Other Comprehensive Income (negative balance) by ₹ 2.28 crore (i.e., ₹ 6.71 crore - ₹ 4.43 crore) each.

### B. Comments on Consolidated Financial Position

#### B.1. Assets - Financial Assets

**Cash and Cash equivalents (Note No. 3) - ₹ 1298.10 crore**

**Bank balance other than above (Note No. 4) - ₹ 3748.28 crore**

**Other Financial Assets (Note No. 9) - ₹ 1410.28 crore**

**IFCI Infrastructure Development Limited (IIDL, a subsidiary of IFCI Limited)** operates in two reportable segments viz. Real Estate segment dealt at IIDL HO and Hospitality segment dealt at IIDL Suites. As on 31 March 2024, IIDL suites has 17 Fixed Deposits (FDs) with IDBI Bank totalling ₹ 9.63 crore. However, the classifications of these FDs have not been made as per clauses 8.1.11 and 8.1.16 of the Guidance Note on Division II - Ind. AS Schedule III to the Companies Act 2013, as detailed below:

Classification of FDs	Amount classified in the Balance Sheet (₹ in crore)	Amount should have been classified (₹ in crore)
FDs with maturity less than 3 months	NIL	0.70
FDs with maturity in between 3 and 12 months	3.56	5.76
FDs with maturity more than 12 months	6.07	3.17
<b>TOTAL</b>	<b>9.63</b>	<b>9.63</b>

Due to above misclassification, Cash & Cash equivalents and Bank Balances other than Cash and Cash equivalents forming part of Current Assets are understated by ₹ 0.70 crore and ₹ 2.20 crore respectively and Other Financial Assets (Non-Current) are overstated by ₹ 2.90 crore.

<sup>10</sup> Tax rate 32%. surcharge 12% and cess 3% applicable till FY 2017-18.

<sup>11</sup> Tax rate 25%. surcharge 7% and cess 4% applicable from FY 2018-19.

## **C Comment on Consolidated Cash Flow Statement**

### **C.1 Net Cash inflow from Operating Activities (A) - ₹ 11.87 crore**

#### **Net Cash inflow from Investing Activities (B) - ₹ (154.93) crore**

Para 20 (c) of Ind. AS -7 (Statement of Cash Flows) stipulates that, "Under the indirect method, the net cash flow from operating activities is determined by adjusting profit or loss for the effects of items for which the cash effects are investing or financing cash flows".

Further, Para 31 stipulates that "Cash flows from interest and dividends received and paid shall each be disclosed separately. Cash flows arising from interest paid and interest and dividends received in the case of a financial institution should be classified as cash flows arising from operating activities. In the case of other entities, cash flows arising from interest paid should be classified as cash flows from financing activities while interest and dividends received should be classified as cash flows from investing activities."

Following discrepancies in the Cash Flow Statement of **IFCI Infrastructure Development Limited (IIDL, a subsidiary of IFCI Limited)** have been observed:

- (i) Profit of ₹ 1.23 crore from sale or fixed assets was not adjusted while arriving at cash flow from operating activities.
- (ii) IIDL received interest of ₹ 10.25 crore on Deposit and Bonds during the year 2023-24. However, classified as investing activities for ₹ 1.73 crore only in Cash Flow Statement.

This has resulted in overstatement of Cash Flow from Operating Activities and understatement of Cash Flow from Investing Activities by ₹ 9.75 crore (₹ 1.23 crore *plus* ₹ 8.52 crore) besides non-compliance to the aforesaid Provisions of Ind. AS- 7.

## **D Comment on Disclosure and Notes to Accounts**

### **D.1 Notes to Financial Statement for the year ended 31 March 2024**

#### **Note 47 (A)(b&c) on IFCI Factors Limited**

As per Para 25 of Ind. AS 1. "When preparing financial statements, management shall make an assessment of an entity's ability to continue as a going concern. An entity shall prepare financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. When management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon entity's ability to continue as a going concern, entity shall disclose those uncertainties. When an entity does not prepare financial statements on a going concern basis, it shall disclose that fact, together with the basis on which it prepared financial statements and reason why entity is not regarded as a going concern."

Audit observed that during the year 2023-24, **IFCI Factors Limited (IFL, a subsidiary of IFCI Limited)**, out of its total 62 Loan/ Factoring/ Investments Accounts, has assigned its 57 (NPA) accounts to Securitisation Company/ Reconstruction Company for a total consideration of ₹ 13.21 crore which has resulted in substantial reduction in the operations of IFL. Further, it was also observed that IFL Board of Directors, in its 4<sup>th</sup> meeting held on 7<sup>th</sup> November 2023, accorded its in- principle approval for surrender of NBFC License of IFL after monetizing its remaining financial assets / security receipts OR selling/ assigning/ transferring the said financial assets to the Holding Company, as applicable, subject to approval of the Holding Company, IFCI Limited. Accordingly, IFL requested (March 2024) IFCI Limited to assess the remaining 5 financial assets and make an offer to IFL to purchase them. Moreover, no fresh lending is being done and the company has not sanctioned/dispensed any fresh loan during current financial year. The above events or conditions has created a significant doubt upon the ability of IFL to continue as a going concern.

It was, however, observed that though management was aware of above developments/ events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, during the year 2023-24 itself, yet the company has not adequately disclosed these material uncertainties (i.e., surrender of NBFC license, discontinuation of operations, sale of remaining assets, etc.) in its Financial Statements for 2023-24.

This has resulted in non-compliance to Clause 25 of Ind. AS 1 (Presentation of Financial Statements) and the Financial Statement along with Notes to Financial Statement for the financial year 2023-24 is deficient to that extent.

### **D.2 Notes to Accounts No.7&27: Change in accounting policy related to interest income on stage 3 assets with effect from 1<sup>st</sup> April 2021.**

As per Para 5.4.1 and 5.4.2 of Ind. AS 109, the Company shall recognize income on credit impaired financial assets. Further, clarification in this regard was also obtained by IFCI Ventures Capital Funds Limited (Group Company) from the Institute of Chartered Accountants of India (ICAI) and it was opined that the interest should be accrued in respect of credit- impaired assets in line with the principles of Ind. AS 109 and no departures from the principles of Ind. AS 109 should be made in this regard.

Material Accounting Policy no. 6 (a)(i) of **IFCI Factors Limited (IFL, a subsidiary of IFCI Limited)** also states that for financial assets that have become credit impaired subsequent to initial recognition, interest income is calculated by applying effective interest rate to the amortized cost of the financial asset.

Audit observed that the IFL, vide its Notes to Accounts no. 51, has disclosed that Stage 3 income has not been recognized in the books of Accounts.

Thus, Notes to Accounts no.51 of IFL is in contravention with the Material Accounting Policy of the company, provisions of Ind. AS 109 and opinion of ICAI. Further, in absence of the information/ calculation regarding Stage 3 income, audit is unable to quantify the impact of the same on financial statements of IFL for the year 2023-24.

## **E. Other Comments**

### **E.1 During FY 2023-24, IFCI Infrastructure Development Limited (IIDL, a subsidiary of IFCI Limited) valued the investment in Jangipur Bengal Mega Food Park Limited (Associate) at ₹ 5.30 per share and has shown investment of ₹ 4.51 crore (85,04,288 \* ₹ 5.30 per share) and booked impairment loss of ₹ 2.04 crore based on the valuation of appointed valuer. However, IFCI Venture Capital Funds Limited (another subsidiary of IFCI Limited) has valued its investments in the Associate at ₹ 1.14 per share during FY 2023-24.**

The issue is considered material in audit as there is substantial difference in the valuation of Investment in the same Associate by two group companies of IFCI Limited which carries an impact of ₹ 3.54 crore {(₹ 5.30 per share minus ₹ 1.14 per share) \* 85,04,288} on the consolidated Investments of IFCI Limited.

- E.2** A reference is invited to the Significant Accounting Policy No. 1.17 (Trade Receivable) of **IFCI Infrastructure Development Limited (IIDL, a subsidiary of IFCI Limited)** which stipulates that *“The Company has adopted simplified approach using the provision matrix method for recognition of expected loss on trade receivables. The Provision Matrix is based on three years rolling average default rates observed over the expected life of the trade receivables and is adjusted for forward looking estimates. These average default rates are applied on total credit risk exposure on trade receivables and outstanding for more than one year at the reporting date to determine lifetime Expected Credit Losses”*. Further, the Material Accounting Policy No. F (b) (vii) of IFCI Limited, *inter-alia*, states that, *with respect to trade receivables and other financial assets, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.* Though an amount of Rs. 0.55 crore was provided towards provision for bad/doubtful debts during FY 2023-24, IIDL did not follow the aforesaid policy as no average default rates were applied to arrive at expected credit losses.

Hence, the amount of provision for bad/doubtful debts was not arrived at following the above- mentioned Accounting Policy.

- E.3** It was noticed that CBI filed (29 November 2018) an FIR against Shri Shivendra Tomar, Ex. MD (**IIDL**). Shri P. Srinivas, Ex. MD (**IIDL**), M/s Holistic Urban Innovation Pvt. Ltd. (**HUIPL**) and Other unknown persons for suspected offence of Criminal conspiracy, Cheating and abuse of official position by public servant involving huge excess payments to HUIPL. Further, in reference to CBI letter dated 02 February 2022, IFCI has conveyed (29 April 2022) the approval of competent authority for conducting investigation against Sh. Shivendra Tomar, General Manager, IFCI Ltd. (Ex-COD/CEO/MD, IIDL) under various provisions of Prevention of Corruption Act, 1988 (as amended in 2018) and Indian Penal Code.

However, the above fraud case and IFCI's approval to CBI for conducting investigation against Sh. Shivendra Tomar, Ex. MD (IIDL) which is a material fact, was not disclosed in the financial statements. Thus, financial statements are deficient to that extent.

**Despite being pointed out during FY 2022-23 vide comment No. D.1, no corrective action was taken by the Company.**

- E.4 Contingent Liabilities and Commitments (Note 37)**

Para 86 of Ind. AS 37 (Provisions, Contingent Liabilities and Contingent Assets), stipulates that, “unless possibility of any outflow in settlement is remote an entity shall disclose a brief description of the nature of the contingent liability and an estimation of its financial effect, where practicable, for each class of contingent liability at the end of the reporting period”.

Audit observed that **IFCI Factors Limited (a subsidiary of IFCI Limited)** received a demand of ₹ 99.62 lakh from the Department of Trade & Taxes due to not declaring correct tax liability while filing annual returns for the Financial Year 2018-19. IFCI Factors Limited has filed an appeal before the Additional Commissioner, Appeals -1, Delhi -North in this regard and the matter was sub-judice as on 31 March 2024.

Hence, ₹ 99.62 lakh should have been shown as Contingent liability in the books of accounts.

Non-disclosing the above under Contingent liability has resulted in understatement of contingent liability by ₹ 99.62 lakh.

**For and on behalf of the  
Comptroller & Auditor General of India**

**(S. Ahladini Panda)  
Director General of Audit  
(Industry & Corporate Affairs)  
New Delhi**

Place: New Delhi  
Date : 23 AUG 2024

**ANNEXURE A**

Name of the Subsidiary companies of IFCI Limited of which supplementary audit conducted.

Sl. No.	Name of the Joint Venture/Subsidiary	Type of the Company
1.	IFCI Venture Capital Funds Limited	Subsidiary
2.	IFCI Factors Limited	Subsidiary
3.	IFCI Infrastructure Development Limited	Subsidiary
4.	MPCON Limited*	subsidiary

\*Certification in process



## IFCI LIMITED

### CONSOLIDATED IFCI's COMMENTS ON CAG SUPPLEMENTARY AUDIT OBSERVATION ON STANDALONE AND CONSOLIDATED FINANCIALS STATEMENTS CONDUCTED FOR FINANCIAL YEAR 2023-24

AO No.	CAG Observations	IFCI Management Comments
<b>A</b>	<b>Comments on Consolidated Profitability</b>	
<b>A.1</b>	<b>Profit after Tax : ₹ 241.05 crore</b>	
<b>A.1.1</b>	<b>Impairment Loss Allowance : ₹ (3,811.24) crore</b>	
	<b>Assets: Financial Assets</b>	
	<b>Loans (Note 7) : ₹ 1,363.15 crore</b>	
	<b>Impairment Loss Allowance for the year has been understated and profit for the year has been overstated by ₹ 249.97 crore each, as detailed below:</b>	
i.	<p>IFCI approached National Company Law Tribunal (NCLT) for recovery of outstanding principal dues of ₹ 135.81 crore towards loan given to Gran Electronics Private Limited (GEPL). after which NCLT ordered (February 2021) liquidation process. Liquidation value was assessed at ₹ 10.37 crore and IFCI received ₹ 14.79 crore after liquidation of assets and adjusted it towards interest. As no further recovery is expected, IFCI was required to create impairment loss allowance for outstanding principal of ₹ 135.81 crore in books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 97.24 crore (71.60 percent) against said loan account.</p> <p>Non creation of additional impairment loss allowance of ₹ 38.57 crore (i.e. ₹ 135.81 crore minus ₹ 97.24 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 38.57 crore each.</p> <p>Despite being pointed out during FY 2020-21, 2021-22 and 2022-23 vide comment No. A.1 (ii), no corrective action was taken by the Company.</p>	<p>Under Ind AS 109, ECL provision has been provided by the company, based on portfolio basis i.e. averaging provision across the portfolio without considering each loan individually. As a result, loans with higher provision requirement and loans with lower provision requirement are subjected to average Loss Given Default (LGD) rate under a portfolio approach, which is 71.60% as on 31.03.2024. The corresponding observation is assessing an individual loan on standalone basis which shall be in variance with the portfolio approach. Hence, any additional impairment allowance in addition to the overall loss allowance already created on portfolio basis shall not be in compliance with the Ind AS principles and would lead to overstatement of losses.</p>
ii.	<p>As per the NCLT decision and approved (June 2021) resolution plan. IFCI's claim (1.03 percent) from Videocon Industries Limited (VIL) was restricted to the maximum of ₹ 70.31 crore against the outstanding dues of ₹ 381.73 crore. Further, as per IFCI, an amount of ₹ 125 crore in the form of fixed deposits was not considered for distribution among the creditors and an amount of ₹ 302 crore was misclassified under 'unsecured claims instead of secured claims'. Considering the same in favour of the Company, the maximum additional recovery worked out to ₹ 4.40 crore (1.03 percent of ₹ 427 crore). Thus, the maximum recoverable from VIL worked out to ₹ 74.71 crore only (₹ 70.31 crore plus ₹ 4.40 crore) against the total outstanding amount of ₹ 381.73 crore. Therefore, the company was required to create impairment loss allowance for the balance amount of ₹ 307.02 crore (i.e. ₹ 381.73 crore minus – ₹ 74.71 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 219.83 crore (71.60 percent) against the said loan account.</p> <p>Non creation of additional impairment loss allowance of ₹ 87.19 crore (i.e., ₹ 307.02 crore minus ₹ 219.83 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 87.19 crore each.</p> <p>Despite being pointed out during FY 2020-21, 2021-22 and 2022-23 vide comment No. A.1 (iii), A.1 (D &amp; A.1 (iv) respectively, no corrective action was taken by the Company</p>	<p>Under Ind AS 109, ECL provision has been provided by the company, based on portfolio basis i.e. averaging provision across the portfolio without considering each loan individually. As a result, loans with higher provision requirement and loans with lower provision requirement are subjected to average Loss Given Default (LGD) rate under a portfolio approach, which is 71.60% as on 31.03.2024. The corresponding observation is assessing an individual loan on standalone basis which shall be in variance with the portfolio approach. Hence, any additional impairment allowance in addition to the overall loss allowance already created on portfolio basis shall not be in compliance with the Ind AS principles and would lead to overstatement of losses.</p>

AO No.	CAG Observations	IFCI Management Comments
iii.	<p>Above includes principal outstanding of ₹ 434.72 crore against M/s Pioneer Gas Power Limited (PGPL) which turned into Non-Performing Asset on 31 March 2018. IFCI has security in the form of first pari-passu charge on the assets of PGPL along with other lender. As per the latest valuation reports (June 2023) of two value The fair value of the project worked out to ₹ 846.24 crore (in-situ valuation<sup>1</sup>) and ₹ 367.82 crore (ex-situ valuation<sup>2</sup>). Further, it may not be out of context here to mention that the Company approved the reserve price of ₹ 375 crore in line with State Bank of India for sale of the entire assets in June 2022. However, the same could not proceed further and fresh valuation was called for (May 2023).</p> <p>As the maximum fair value of the security is ₹ 846.24 crore, considering IFCI's share of 28.02 percent maximum possible recovery is ₹ 237.12 crore (28.02 percent of ₹ 846.24 crore). Therefore, the company was required to create impairment loss allowance for the balance amount of ₹ 197.60 crore (i.e., ₹ 434.72 crore minus ₹ 237.12 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 141.48 crore (71.60 percent) against the said loan account.</p> <p>Non creation of additional impairment loss allowance of ₹ 56.12 crore (i.e., ₹ 197.60 crore minus ₹ 141.48 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 56.12 crore each.</p> <p>Despite being pointed out during FY 2022-23 vide comment No. A.1 (i) no corrective action was taken by the Company.</p> <p><sup>1</sup> As per the valuation report, 'in-situ valuation' means the valuation assuming the assets at the site where they are now.</p> <p><sup>2</sup> As per the valuation report, 'ex-situ valuation' means the valuation assuming the assets dismantled from the existing site and redeployed at another site (which involves additional costs).</p>	<p>Under Ind AS 109, ECL provision has been provided by the company, based on portfolio basis i.e. averaging provision across the portfolio without considering each loan individually. As a result, loans with higher provision requirement and loans with lower provision requirement are subjected to average Loss Given Default (LGD) rate under a portfolio approach, which is 71.60% as on 31.03.2024. The corresponding observation is assessing an individual loan on standalone basis which shall be in variance with the portfolio approach. Hence, any additional impairment allowance in addition to the overall loss allowance already created on portfolio basis shall not be in compliance with the Ind AS principles and would lead to overstatement of losses.</p>
iv.	<p>Above includes outstanding principal of 90.94 crore against Liz Traders and Agents Private Limited (LIAPL). Due to LTAPL's default, a case was filed before Resolution Professional (RP). RP informed that there are no assets other than security and financial assets in the corporate debtor and no business has been conducted for the last 3-4 years. It was observed that IFCI has exclusive charge of a property at Kollum, Kerala only, which is having a fair value (March 2024) of ₹ 13.47 crore only. As no other security is available with IFCI, the company was required to create impairment loss allowance for the balance amount of ₹ 77.47 crore (i.e., ₹ 90.94 crore minus ₹ 13.47 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 55.47 crore (71.60 percent) against the said loan account.</p> <p>Non creation of additional impairment loss allowance of ₹ 22 crore (i.e. ₹ 77.47 crore minus ₹ 55.47 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 22 crore each.</p> <p>Despite being pointed out during FY 2021-22 and 2022-23 vide comment No. A.1 (vii) &amp; A.1 (v) respectively, no corrective action was taken by the Company.</p>	<p>Under Ind AS 109, ECL provision has been provided by the company, based on portfolio basis i.e. averaging provision across the portfolio without considering each loan individually. As a result, loans with higher provision requirement and loans with lower provision requirement are subjected to average Loss Given Default (LGD) rate under a portfolio approach, which is 71.60% as on 31.03.2024. The corresponding observation is assessing an individual loan on standalone basis which shall be in variance with the portfolio approach. Hence, any additional impairment allowance in addition to the overall loss allowance already created on portfolio basis shall not be in compliance with the Ind AS principles and would lead to overstatement of losses.</p>

AO No.	CAG Observations	IFCI Management Comments
v.	<p>Above includes principal outstanding of ₹ 59.21 crore against Arcotech Limited. Due to default by Company, IFCI filed (April 2019) insolvency petition for recovery of outstanding dues. However, due to dilution of priority charge in Corporate Insolvency Resolution Process (CIRP). IFCI withdrew (August 2022) the same from NCLT.</p> <p>IFCI has exclusive first charge on property at Bawal (Haryana) with distress sale value of ₹ 99.24 crore (February 2024) and the Company took its possession on 15 March 2022. However, IFCI's efforts for sale of property has not progressed further as the working capital lenders led by Punjab National Bank (PNB) advised that they do not support auction under SARFAESI Act. Therefore, this cannot be pursued further unless minimum 60 per cent lenders agree as per requirement of section 139(9) of the SARFAESI Act. whereas IFCI only has 14.33 percent voting rights. IFCI has received (16 December 2022) fresh proposal from the company through GLIX Securities Pvt. Ltd. wherein IFCI's share is 41.64 crore which was approved in September 2023 by PNB (the lead Bank). IFCI has received 2.08 crore (being 5 percent of ₹ 41.64 crore) during December 2022 (₹ 1.58 crore) and December 2023 (0.50 crore).</p> <p>As the maximum possibility to recover is only ₹ 41.64 crore against total outstanding of ₹ 59.21 crore, the company was required to create impairment loss allowance for the balance amount of ₹ 17.57 crore (₹ 59.21 crore minus ₹ 41.64 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 12.58 crore (71.60 percent) against the said loan account.</p> <p>Non creation of additional impairment loss allowance of ₹ 4.99 crore (i.e. ₹ 17.57 crore minus ₹ 12.58 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 4.99 crore each.</p> <p>Despite being pointed out during FY 2022-23 vide comment No. A.1 (vi) no corrective action was taken by the Company.</p>	<p>Under Ind AS 109, ECL provision has been provided by the company, based on portfolio basis i.e. averaging provision across the portfolio without considering each loan individually. As a result, loans with higher provision requirement and loans with lower provision requirement are subjected to average Loss Given Default (LGD) rate under a portfolio approach, which is 71.60% as on 31.03.2024. The corresponding observation is assessing an individual loan on standalone basis which shall be in variance with the portfolio approach. Hence, any additional impairment allowance in addition to the overall loss allowance already created on portfolio basis shall not be in compliance with the Ind AS principles and would lead to overstatement of losses.</p>
vi.	<p>Above includes outstanding principal of ₹ 63.43 crore against C &amp; C Projects Limited. As per the records, resolution plan relating to C &amp; C Projects Limited had elapsed and matter went into liquidation. The liquidation value worked out to ₹ 234 crore and IFCI's share in case of liquidation is only ₹ 0.17 crore. Further, IFCI has charge on the securities<sup>3</sup> valuing ₹ 33.05 crore. As the maximum possible recovery is ₹ 33.22 crore (i.e. ₹ 0.17 crore plus ₹ 33.05 crore) against the total outstanding of ₹ 63.43 crore, the company was required to create impairment loss allowance for the balance amount of ₹ 30.21 crore (i.e., ₹ 63.43 crore minus ₹ 33.22 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 21.63 crore (71.60 percent) against the said loan account.</p> <p>Non creation of additional impairment loss allowance of ₹ 8.58 crore (i.e. ₹ 30.21 crore minus ₹ 21.63 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 8.58 crore each.</p> <p>Despite being pointed out during FY 2020-21, 2021-22 and 2022-23 vide comment No. A.1 (iv), A.1 (vi) &amp; A.1 (ix) respectively no corrective action was taken by the Company.</p> <p><sup>3</sup>Land parcel of 12.7 acre at Patna: ₹ 122.10 crore (March 2024) and unlisted equity shares of M/s North Bihar Highway Ltd. ₹ 10.95 crore</p>	<p>Under Ind AS 109, ECL provision has been provided by the company, based on portfolio basis i.e. averaging provision across the portfolio without considering each loan individually. As a result, loans with higher provision requirement and loans with lower provision requirement are subjected to average Loss Given Default (LGD) rate under a portfolio approach, which is 71.60% as on 31.03.2024. The corresponding observation is assessing an individual loan on standalone basis which shall be in variance with the portfolio approach. Hence, any additional impairment allowance in addition to the overall loss allowance already created on portfolio basis shall not be in compliance with the Ind AS principles and would lead to overstatement of losses.</p>

AO No.	CAG Observations	IFCI Management Comments
vii.	<p>The outstanding principal against Madhucon Infrastructure Limited (MIL) was 120 crore as on 31 March 2024.</p> <p>The Company worked out the maximum recoverable amount as ₹ 31.43 crore only based on securities available with it and accordingly agreed (January 2020) for One Time Settlement (OTS) of ₹ 70 crore which was not honoured by MIL. Therefore, the Company revoked (December 2020) the OTS. A fresh OTS proposal of ₹ 51 crore (including ₹ 3 crore towards interest) was offered (26 August 2022) by MIL and IFCI received ₹ 31.50 crore during FY 2023-24 against the said offer which has been adjusted against the outstanding principal during 2023-24. Accordingly, maximum possible recovery is only a ₹ 19.50 crore<sup>4</sup> (i.e. 51 crore minus ₹ 31.50 crore) against the total outstanding of ₹ 120 crore. Therefore, the company was required to create impairment loss allowance for the balance amount of ₹ 100.50 crore (i.e. ₹ 120 crore minus ₹ 19.50 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 71.96 crore (71.60 percent) against the said loan account. Non creation of additional impairment loss allowance of ₹ 28.54 crore (i.e. ₹ 100.50 crore minus ₹ 71.96 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 28.54 crore each.</p> <p>Despite being pointed out during FY 2020 -21, 2021-22 and 2022-23 vide comment No. A.1 (i), A.1 (v) &amp; A.1 (iii) respectively, no corrective action was taken by the Company.</p> <p>Despite being pointed out during FY 2020-21, 2021-22 and 2022-23 vide comment No. A.1 (i), A.1 (v) &amp; A.1 (iii) respectively no corrective action was taken by the Company.</p> <p><sup>4</sup>IFCI also received ₹ 9.50 crore during April 2024</p>	<p>Under Ind AS 109, ECL provision has been provided by the company, based on portfolio basis i.e. averaging provision across the portfolio without considering each loan individually. As a result, loans with higher provision requirement and loans with lower provision requirement are subjected to average Loss Given Default (LGD) rate under a portfolio approach, which is 71.60% as on 31.03.2024. The corresponding observation is assessing an individual loan on standalone basis which shall be in variance with the portfolio approach. Hence, any additional impairment allowance in addition to the overall loss allowance already created on portfolio basis shall not be in compliance with the Ind AS principles and would lead to overstatement of losses.</p>
viii.	<p>Above includes outstanding principal of ₹ 72.02 crore against M/s Asian Colour Coated Ispat Limited (ACCIL) which turned into Non-Performing Assets in September 2016.</p> <p>ACCIL was admitted (20 August 2018) to National Company Law Tribunal (NCLT) and was resolved vide order dated 19th October 2020. IFCI received its share of ₹ 5.02 crore as per the Resolution Plan (RP). Though IFCI had dissented to RP, the plan was binding on all the creditors in view of the approval by NCLT. Further IFCI have security in the form of an exclusive mortgage of Hotel Park Plaza situated at Faridabad (Haryana) having a fair market value of ₹ 58.04 crore (February 2022) and as per the provisions of the approved RP, IFCI's right against the hotel property is protected.</p> <p>IFCI had attempted sale of mortgage property on several occasions, however, no bid was received. Further, Hon'ble High Court of Punjab &amp; Haryana has stayed (December 2021) the sale of property. IFCI also attempted assignment of receivables with last assignment attempted at ₹ 43 crore, however the same was not successful.</p> <p>Accordingly, the maximum amount recoverable from ACCIL is ₹ 58.04 crore.</p> <p>Therefore, the company was required to create impairment loss allowance for the balance amount of ₹ 13.98 crore (₹ 72.02 crore minus ₹ 58.04 crore) in its books of accounts. As on 31 March 2024, company has impairment loss allowance of ₹ 10 crore (71 .60 percent) against the said loan account.</p>	<p>Under Ind AS 109, ECL provision has been provided by the company, based on portfolio basis i.e. averaging provision across the portfolio without considering each loan individually. As a result, loans with higher provision requirement and loans with lower provision requirement are subjected to average Loss Given Default (LGD) rate under a portfolio approach, which is 71.60% as on 31.03.2024. The corresponding observation is assessing an individual loan on standalone basis which shall be in variance with the portfolio approach. Hence, any additional impairment allowance in addition to the overall loss allowance already created on portfolio basis shall not be in compliance with the Ind AS principles and would lead to overstatement of losses.</p>

AO No.	CAG Observations	IFCI Management Comments
	Non creation of additional impairment loss allowance of ₹ 3.98 crore (i.e. ₹ 13.98 crore minus 10 crore) has resulted in overstatement of profit and understatement of impairment loss allowance by ₹ 3.98 crore each.	
ix.	<p>As per RBI Master Directions of September 2016, company is required to create 100 percent provision to the extent to which the advance is not covered by the realisable value of security and 50 percent provision for the secured part of the doubtful loan lying for more than three years.</p> <p><b>IFCI Factors Limited (IFL, a subsidiary of IFCI Limited)</b> sanctioned (October 2015) a short-term loan of ₹ 14.50 crore to Pan India Infra Projects Private Limited (PIIPPL) secured by way of pari passu first charge on Non-Agriculture – Land admeasuring 195.93 acres at Uttan-Village. Bhayader (West). Tatuka &amp; District Thane, Maharashtra. owned by Essel Indra Projects Limited (EIPL – 3rd party security) along with other lendes Loan account was declared NPA in June 2019 and outstanding amount as on 31 March 2024 was ₹ 6.58 crore. Company has made provision of ₹ 3.30 crore (i.e., 6.6 crore*50%) against the loan in books of accounts.</p> <p>PIIPL was admitted to NCLT (July 2020) and was ordered to be liquidated (October 2023). As per IFL Board Agenda (February 2024). likelihood of receiving any proceeds from liquidation process is remote. as IFL is an unsecured creditor of PIIPPL. It was further mentioned that realizable value of the mortgaged property is ₹ 363.68 crore. of which pro rata share of IFL was ₹ 7.06 crore (1.94%). With further discount of 40%, realisable value was estimated at ₹ 4.23 crore, which was also considered as reserve price in the event IFL decides to proceed with sale/ assignment of said account. Accordingly, company was required to make provision of ₹ 4.45 crores<sup>5</sup> (i.e., ₹ 2.35 crore plus ₹ 2.1 crore). as per RBI Directions.</p> <p>This resulted in understatement of impairment loss allowance and understatement of loss for the year by ₹ 1.15 crore (i.e., ₹ 4.45 crore minus ₹ 3.30 crore) each.</p> <p><sup>5</sup>Unsecured loan of ₹ 2.35 crore (₹ 6.58 crore- ₹ 4.23 crore being realisable value) &amp; 50% of ₹ 4.23 crore = ₹ 2.21 crore.</p>	<p><b>Pertains to IFCI Factors Ltd. (IFL). Response submitted by the Management of IFL is as under :</b></p> <p>In the instant case, as on 31/03/2024, the realizable value of the mortgaged property is ₹ 363.68 crore of which the pro-rata share of IFL was ₹ 7.06 crore as against the outstanding of ₹ 6.6 crore. Accordingly, as on 31/03/2024, the entire outstanding facility was secured. Since more than 3 years has elapsed since the account was classified as doubtful, IFL was required to make a provision to the extent of 50% of the secured portion. Therefore, IFL made a provision of 50% of the outstanding – i.e. ₹ 3.3 crore</p> <p>It appears from the observation alongside that security value has been mentioned as ₹ 4.23 crore. It is clarified that the figure of ₹ 4.23 crore referred to in the observation is not the Realizable Value of the mortgaged property but the reserve price.</p> <p>For working out the provision, IFL considered the Realizable Value of the security as prescribed by the RBI Master Directions.</p>
<b>A.1.2 Investments (Note No.8) - ₹ 8,677.93 crore</b>		
i.	<p>Above includes investment amounting to ₹ 2.80 crore in equity shares (i.e., 14,00,000 number of shares @ 20 per share) of Echon Industries Limited (EIL). However as per latest valuation report on the basis of financial statements of EIL for the year ended March 2023, the fair value per share is 0.20 per share. Accordingly. the value of investment in equity shares of EIL should have been ₹ 0.03 crore (i.e., 14,00,000 number of shares * 0.20 per share).</p> <p>Non-consideration of latest value per share resulted in overstatement of investment and profit for the year by ₹ 2.77 crore (i.e., ₹ 2.80 crore minus ₹ 0.03 crore).</p>	The fair value has since been updated in Holding Statement of June-2024.
ii.	<p>IFCI has shown Nil investment in 10 lakh equity shares of Jam Khandi Sugars Limited (JKSL). However. as per latest valuation report on the basis of financial statements of JKSL for the year ended March 2023, the fair value per share is 13.17 per share.</p> <p>Accordingly, the value of investment in equity shares of JKSL should have been ₹ 1.32 crore (i.e., 10,00,000 number of shares * 13.17 per share). Non-consideration of latest available valuation per share has resulted in understatement of investment and profit for the year by ₹ 1.32 crore.</p>	The fair value has since been updated in Holding Statement of June-2024.



AO No.	CAG Observations	IFCI Management Comments
iii.	<p>IFCI got the valuation of its 7,18,75,000 number of equity shares in Metropolitan Stock Exchange of India Limited (MSEIL) from two valuers viz Fidem Corporate Advisors LLP and Omnifin Valuation Services P Ltd. at 0.37 per share and 0.42 per share with total investment of ₹ 2.66<sup>6</sup> crores and ₹ 3.02 crore<sup>7</sup> respectively. The value per share was arrived on the basis of financials of MSEIL as on 31 March 2023 in both the valuation. However, IFCI considered the value of 0.42 per share and valued its investment at ₹ 3.02 crore in MSEIL which is not in line with the principle of conservatism.</p> <p>Thus, the company has overstated its investment and profit for the year by ₹ 0.36 crore (i.e. ₹ 3.02 crore minus ₹ 2.66 crore).</p> <p><sup>6</sup> 7,18,75,000 number of shares * 0.37 per share  <sup>7</sup> 7,18,75,000 number of shares * 0.42 per share</p>	The fair shall be revised to 0.37 per share during FY 2025.
iv.	<p>A reference is invited to the Note No. 52 (B) of Notes to Accounts which stipulates that, "The respective operational departments perform the valuation of financial assets and liabilities required for financial reporting purposes, either externally or internally for every quarterly reporting period". However, in 36 cases <sup>8</sup>, investment value was based on Fair Valuation on previous dates and not as on reporting date viz. 31 March 2024. Moreover, no disclosure to this effect was given in the Notes to Accounts.</p> <p>Impact of the same on the financials of the company cannot be quantified in the absence of fair value as on 31 March 2024.</p> <p>Despite being pointed out during FY 2020-21, 2021-22 and 2022-23 vide comment No.A.2, A.1.2(ii) and A.1.2 (b) respectively, no corrective action was taken by the Company.</p> <p><sup>8</sup>Adhunik Power &amp; Natural Resources Limited (march 2023), Athena Infraprojects Pvt. Ltd. (march 2023), Ashok Paper Mills Ltd. (march 2023), Chemico Steel Limited (march 2023), forward Televisions Limited (march 2023), Gas &amp; Power Investment Limited (march 2023), Girnar Fibers Limited (march 2023), GR Solvents &amp; Allied Industries Limited (march 2023),Graham Firth steel Products Limited ( march 2023). Gujarat Composite Limited (Match 2023). HPCL Mittal Energy Limited (December 2022). IPI Seels Limited (March 2023). KPR Tele products Limited (march 2023). Kelton Component Complex Limited (March 2022). Madhya Bharat Paper Limited (march 2023). Nagaland Roller Flour Mills Limited (march 2023). Nimar Textiles Limited (March 2023  Nutech Packaging Limited (March 2022). OCM Private Limited (march 2023). Patil Atlantic Force Sunum Limited (March 2023), Rajputana Fertilizers Limited (Match 2023). Sai Rayalaseema Paper Mills Limited (march 2022). Sathyakamal Agros Limited (march 2023). Shree Satpuda Tapi Parisar SSK Limited (not disclosed). Shri Bhagwati Bright Bars Limited (march 2013). Southern Wind Farms Pvt. Limited (march 2023). Super Syncotex India Limited (Morch 2023). Tamil Nadu Industrial Explosives Limited (March 2023). Unialken Fertilizers Limited (March 2020). Uttam Golva Metallics Limited (March 2023) Venus Sugar Limited (March 2023). Willard India Limited (march 2023)and Metropolitan Stock Exchange of India Limited (MSEIL)</p>	In compliance to the previous years' observations, valuation exercise for 36 cases was conducted in March 2024 based on last available financial statements. This is a normal practice as financials of the investee companies for the financial year ending on 31 <sup>st</sup> March 2024 are not available on the reporting date. In few investee companies, financial statements of previous financial year are also not available. In the absence of reporting date financials of investee entities, last available financial statements are adopted for valuation purposes.



AO No.	CAG Observations	IFCI Management Comments
v.	The above does not include ₹ 1.10 crore (i.e..2.00.000 shares * 55.20 per share) being the value of investment made by <b>IFCI Venture Capital Funds Limited (IVCF, a subsidiary of IFCI Limited)</b> in two lakh shares in Biotech Consortium India Limited (BCIL). The value of investment in BCIL has been shown as 'Nil' since FY 2016-17. IFCI Limited (Parent company of IVCFL) valued (February 2024) the shares of BCIL at 55.20 per share. Therefore, the value of investment in the books of the IVCFL as on 31 March 2024 works out to ₹ 1.10 crore. This resulted in understatement of Investment by ₹ 1.10 crore and understatement of Profit for the year by the same amount.	<b>Pertains to IVCF. The Response submitted by the Management of IVCF is as under :</b>  The Value of IFCI Venture's shareholding in Biotech Consortium India Ltd (BCIL) has been updated in the books for the quarter ended June 2024 in line with the valuation carried out by IFCI Ltd.
<b>A.1.3 Trade Receivables (Note No.6) : 306.33 crore</b>		
i.	Above includes an amount of ₹ 0.78 crore shown as receivables against various parties on account of refund made by IFCI in the loan accounts, subsequent to the Hon'ble Supreme Court directions to return the interest on interest portion during the COVID period. Thus, the above amount is not receivable as it has been refunded to the concerned parties and the loan accounts are also closed.  This has resulted in overstatement of trade receivables and the profit for the year by ₹ 0.74 crore (after adjustment of 0.04 crore towards Expected Credit Loss).	Suitable treatment would be done during FY 2024-25.
ii.	Above includes ₹ 0.11 crore pertaining to corporate sundry debtors <sup>9</sup> of <b>IFCI Infrastructure Development Limited (IIDL, a subsidiary of IFCI Limited)</b> suites which are pending recovery for more than seven year The Board of Directors of IIDL while considering the proposal of its write off, inter-alia, directed (February 2023) that above stated receivables should not be written off and proper follow up should be done for recovery of the outstanding amount. However, the Company has not been able to recover anything against the above receivables. Therefore, the Company should have created necessary provision towards the same considering the conservative principle of accounting and the time elapsed.  Non creation of provision towards doubtful debts has resulted in understatement of provision for doubtful debt and overstatement of trade receivables by ₹ 0.11 crore. Consequently, the profits for the year are also overstated by ₹ 0.11 crore.  <sup>9</sup> Bharat petroleum Corporation Limited, HCL Technologies Limited, Samsung Heavy Industries India Pr4. Ltd. NILT Technologies and ONGC Limited.	<b>Pertains to IFCI Infrastructure Development Limited (IIDL). Response submitted by the Management of IIDL is as under :</b>  Provision for doubtful debts of ₹ 0.11 crore has been made in financials of Q-1 FY 2024-25.
<b>A.2 Assets : Non-Financial Assets</b>		
<b>A.2.1 Inventories: 69.66 crore</b>		
i.	<b>IFCI Infrastructure Development Limited (IIDL, a 100% subsidiary of IFCI Ltd.)</b> overvalued the inventories a. at Bengaluru (Financial City Bengaluru Land) and Uttar Pradesh (Ramprastha Housing Complex) at ₹ 11.77 crore and ₹ 12.11 crore instead of ₹ 11.01 crore and ₹ 11.80 crore respectively which resulted in overstatement of inventories and profit for the year by ₹ 1.08 crore besides non-compliance with the significant accounting policy to para (p) (a) (Stock in trade) of the Consolidated Financial Statements, which stipulates that "inventory comprises of lands are valued at lower of cost or net realizable value".	<b>Pertains to IFCI Infrastructure Development Limited (IIDL). Response submitted by the Management of IIDL is as under :</b>  The same has been rectified and updated in financials of Quarter 1 of FY 2024-25.

AO No.	CAG Observations	IFCI Management Comments
	<p>ii. <b>IFCI Infrastructure Development Limited (IIDL, a 100% subsidiary of IFCI Ltd.)</b> valued one of its properties at ₹ 0.51 crore. However, the said property was not a sanctioned property, valuer in his Report (27 March 2024) had considered its fair value as zero.</p> <p>Therefore, the value of the aforesaid property should have been taken as zero. This has resulted in overstatement of inventory and profit by ₹ 0.51 crore.</p>	<p><b>Pertains to IFCI Infrastructure Development Limited (IIDL). Response submitted by the Management of IIDL is as under :</b></p> <p>The same has been rectified and updated in financials of Quarter 1 of FY 2024-25.</p>
<b>A.3</b>	<b>Liabilities and Equity: Non-financial Liabilities</b>	
<b>A.3.1</b>	<b>Deferred tax liabilities (Net) – 208.47 crore</b>	
	<p>i. <b>IIDL (a 100% subsidiary of IFCI Ltd.)</b> created Deferred Tax Liability on interest of ₹ 1.06 crore receivable on Preference shares applying Income tax rate of 34.608 per cent<sup>10</sup> instead of applicable tax rate of 27.82 per cent<sup>11</sup>. This led to the creation of deferred tax liability of ₹ 0.37 crore instead of ₹ 0.30 crore.</p> <p><sup>10</sup> Tax rate 32%, surcharge 12% and cess 3% applicable till FY 2017-18.</p> <p><sup>11</sup> Tax rate 25%, surcharge 7% and cess 4% applicable from FY 2018-19.</p>	<p><b>Pertains to IFCI Infrastructure Development Limited (IIDL). Response submitted by the Management of IIDL is as under :</b></p> <p>The same shall be rectified and updated in the financials of FY 2024-25.</p>
	<p>ii. <b>IIDL</b> provided 0.55 crore towards bad and doubtful debts during FY 2023-24. As per section 43 (B) of the Income Tax Act 1961, provision for bad and doubtful debt is a disallowed expense for computation of Income tax. Therefore, deferred Tax asset of ₹ 0.15 crore (₹ 0.55 crore @ 27.82 per cent) should have been created on provision for bad and doubtful debts. Non creation of deferred tax asset has resulted in overstatement of Deferred Tax liability (Net) by ₹ 0.15 crore. The above has resulted in overstatement of deferred Tax expense and understatement of Profits by ₹ 0.22 crore (₹ 0.07 crore plus ₹ 0.15 crore). Consequently, deferred tax liability are also overstated by ₹ 0.22 crore.</p>	<p><b>Pertains to IFCI Infrastructure Development Limited (IIDL). Response submitted by the Management of IIDL is as under :</b></p> <p>The same has been rectified and updated in financials of Quarter 1 of FY 2024-25.</p>
<b>A.4</b>	<b>Consolidated Statement of Profit and Loss for the period ended March 31,2024</b>	
<b>A.4.1</b>	<b>Total Comprehensive Income – ₹ 575.38 crore</b>	
	<b>Other Comprehensive Income – ₹ 334.33 crore</b>	
	<b>Items that will not be reclassified to Profit or loss Fair Value changes on FVTOCI - Equity Securities – ₹ 693.39 crore</b>	
	<p>i. As per Significant Accounting Policies No.6(b)(l) of <b>IFCI Factors Limited (IFL) a subsidiary of IFCI Limited</b>, a financial asset measured at Fair Value Through Other Comprehensive Income (FVTOCI) are subsequently measured at fair value and changes therein are recognised in Other Comprehensive Income (OCI).</p> <p>Above Investment includes {₹ 6.71 crore being value of 67150 Security Receipts (SRs) of 1,000 each fully paid up issued by Asset Reconstruction Company (ARC) namely Raytheon Assets Reconstruction Pvt. Ltd. (RARE). The above SRs were issued by RARE in lieu of stressed loan of Core Education &amp; Technologies Limited (CETL) assigned to it by IFL on 30<sup>th</sup> March 2017. As intimated by RARE (January 2024), Net Asset Value (NAV) of the above SRs as on 31<sup>st</sup> December 2023 was ₹ 6.71 crore.</p> <p>As per IFL Board Agenda (November 2023), RARE ARC has submitted that, post 5/8 years, it may have to make provision against outstanding SRs as per RBI guidelines and therefore, in the interest of majority SR holders, it is exploring acquisition/ purchase of SRs at a mutually agreeable price. Accordingly, RARE ARC proposed to buy outstanding SRs of IFL for a consideration of ₹ 4.43 crore (i.e., ~66% of the face value of the SRs ₹ 6.71 crore).</p>	<p><b>Pertains to IFCI Factors Ltd. (IFL). Response submitted by the Management of IFL is as under :</b></p> <p>As per para 7 of Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021, NBFCs which are required to comply with Indian Accounting Standards (Ind AS) shall continue to be guided by the Standards and the advisories issued by the Institute of Chartered Accountants of India (ICAI Advisories) in case of any inconsistencies between these directions and the Standards.</p> <p>Since, IFL has undertaken fair valuation as per Ind AS – 109, any additional provisioning as per RBI directions shall not be in compliance with Ind AS – 109.</p>

AO No.	CAG Observations	IFCI Management Comments															
	<p>Therefore, considering ₹ 6.71 crore as fair value of SRs instead of ₹ 4.43 crore resulted in overstatement of Investment and understatement of Other Comprehensive Income (negative balance) by ₹ 2.28 crore (i.e., ₹ 6.71 crore – ₹ 4.43 crore) each.</p>																
<b>B</b>	<b>Comments on Consolidated Financial Position</b>																
<b>B.1</b>	<p><b>Assets - Financial Assets</b></p> <p><b>Cash and Cash equivalents (Note No. 3) - ₹ 1298.10 crore</b></p> <p><b>Bank balance other than above (Note No.4) ₹ -37.18.28 crore</b></p> <p><b>Other Financial Assets (Note No. 9) ₹ -1410.28 crore</b></p> <p>ii. <b>IFCI Infrastructure Development Limited (IIDL, a subsidiary of IFCI Limited)</b> operates in two reportable segments viz. Real Estate segment dealt at IIDL HO and Hospitality segment dealt at IIDL Suites. As on 31 March 2024, IIDL suites has 17 Fixed Deposits (FDs) with IDBI Bank totalling ₹ 9.63 crore. However, the classifications of these FDs have not been made as per clauses 8.1.11 and 8.1.16 of the Guidance Note on Division II Ind. AS Schedule III to the Companies Act 2013, as detailed below:</p> <table border="1"> <thead> <tr> <th>Classification of FDs</th><th>Amount classified in the Balance Sheet (₹ in crore)</th><th>Amount should have been classified (₹ in crore)</th></tr> </thead> <tbody> <tr> <td>FDs with maturity less than 3 Months</td><td>NIL</td><td>0.70</td></tr> <tr> <td>FDs with maturity in between 3 and 12 months</td><td>3.56</td><td>5.76</td></tr> <tr> <td>FDs with maturity more than 12 Months</td><td>6.07</td><td>3.17</td></tr> <tr> <td><b>TOTAL</b></td><td><b>9.63</b></td><td><b>9.63</b></td></tr> </tbody> </table> <p>Due to above misclassification, cash &amp; cash equivalents and Bank Balances other than cash and cash equivalents forming part of current Assets are understated by ₹ 0.70 crore and ₹ 2.20 crore respectively and other Financial Assets (Non-current) are overstated by ₹ 2.90 crore.</p>	Classification of FDs	Amount classified in the Balance Sheet (₹ in crore)	Amount should have been classified (₹ in crore)	FDs with maturity less than 3 Months	NIL	0.70	FDs with maturity in between 3 and 12 months	3.56	5.76	FDs with maturity more than 12 Months	6.07	3.17	<b>TOTAL</b>	<b>9.63</b>	<b>9.63</b>	<p><b>Pertains to IFCI Infrastructure Development Limited (IIDL). Response submitted by the Management of IIDL is as under</b></p> <p>The same has been reclassified and updated in financials of IIDL Suites as well as Standalone/Consolidated IIDL financials of Quarter 1 of FY 2024-25.</p>
Classification of FDs	Amount classified in the Balance Sheet (₹ in crore)	Amount should have been classified (₹ in crore)															
FDs with maturity less than 3 Months	NIL	0.70															
FDs with maturity in between 3 and 12 months	3.56	5.76															
FDs with maturity more than 12 Months	6.07	3.17															
<b>TOTAL</b>	<b>9.63</b>	<b>9.63</b>															
<b>C</b>	<b>Comment on Consolidated Cash Flow Statement</b>																
<b>C.1</b>	<p><b>Net Cash inflow from Operating Activities (A) – ₹ 11.87 crore</b></p> <p><b>Net Cash inflow from Investing Activities (B) – (₹ 154.93) crore</b></p> <p>iii. Para 20 (c) of Ind AS – 7 (Statement of Cash Flows) stipulates that, “Under the indirect method, the net cash flow from operating activities is determined by adjusting profit or loss for the effects of items for which the cash effects are investing or financing cash flows”.</p> <p>Further, Para 31 stipulates that “Cash flows from interest and dividends received and paid shall each be disclosed separately. Cash flows arising from interest paid and interest and dividends received in the case of a financial institution should be classified as cash flows arising from operating activities. In the case of other entities, cash flows arising from interest paid should be classified as cash flows from financing activities while interest and dividends received should be classified as cash flows from investing activities”</p> <p>Following discrepancies pertaining to the Cash Flow of <b>IFCI Infrastructure Development Limited (IIDL, a subsidiary of IFCI Limited)</b> have been observed:</p> <p>i. Profit of ₹ 1.23 crore from sale of fixed assets was not adjusted while arriving at cash flow from operating activities.</p>	<p><b>Pertains to IFCI Infrastructure Development Limited (IIDL). Response submitted by the Management of IIDL is as under :</b></p> <p>The same will be updated and rectified in Half yearly Cash flow statement i.e. Sept’2024.</p>															

AO No.	CAG Observations	IFCI Management Comments
	<p>ii. IIDL received interest of ₹ 10.25 crore on Deposit and Bonds during the year 2023-24. However, Interest income classified as Investing activities was only ₹ 1.73 crore in the Cash Flow Statement.</p> <p>This has resulted in overstatement of Cash Flow from Operating Activities and understatement of Cash Flow from Investing Activities by ₹ 9.75 crore (₹ 1.23 crore plus ₹ 8.52 crore) besides non-compliance to the aforesaid Provisions of Ind AS –7.</p>	
<b>D</b>	<b>Comment on Disclosure and Notes to Accounts</b>	
<b>D.1</b>	<p><b>Notes to Financial Statement for the year ended 31 March 2024</b></p> <p><b>Note 47 (A) (b&amp;c) on IFCI Factors Limited</b></p> <p>As per Para 25 of Ind. AS 1 “when preparing financial statements, management shall make an assessment of an entity’s ability to continue as a going concern. An entity shall prepare financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. when management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon entity’s ability to continue as a going concern, entity shall disclose those uncertainties. When an entity does not prepare financial statements on a going concern basis, it shall disclose that fact, together with the basis on which it prepared financial statements and reason why entity is not regarded as a going concern.”</p> <p>Audit observed that during the year 2023-24, IFCI Factors Limited (<b>IFL, a subsidiary of IFCI Limited</b>), out of its total 62 Loan/ Factoring/ Investments Accounts, has assigned its 57 (NPA) accounts to Securitisation Company/ Reconstruction Company for a total consideration of ₹ 13.21 crore which has resulted in substantial reduction in the operations of IFL. Further, it was also observed that IFL Board of Directors in its 4th meeting held on 7<sup>th</sup> November 2023, accorded its in-principle approval for surrender of NBFC License of IFL after monetizing its remaining financial assets / security receipts or selling/ assigning/ transferring the said financial assets to the Holding Company, as applicable” subject to approval of the Holding Company, IFCI Limited. Accordingly, IFL requested (March 2024) IFCI Limited to assess the remaining 5 financial assets and make an offer to IFL to purchase them. Moreover, no fresh lending is being done and the company has not sanctioned/ disbursed any fresh loan during current financial year. The above events or conditions has created a significant doubt upon the ability of IFL to continue as a going concern.</p> <p>It was, however, observed that though management was aware of above developments/ events or conditions that may cast significant doubt upon the entity’s ability to continue as a going concern, during the year 2023-24 itself, yet the company has not adequately disclosed these material uncertainties (i.e., surrender of NBFC license. Discontinuation of operations, sale of remaining assets. etc.) in its Financial statements for 2023-24.</p> <p>This has resulted in non-compliance to clause 25 of Ind. AS 1 (presentation of Financial statements) and the Financial Statement along with Notes to Financial Statement for the financial year 2023-24 is deficient to that extent.</p>	<p><b>Pertains to IFCI Factors Ltd. (IFL). Response submitted by the Management of IFL is as under :</b></p> <p>As per Ind-AS 1, an entity should prepare financial statements on a going concern basis unless the management intends to liquidate the entity or to cease trading or has no realistic alternative but to do so. In this regard, it is submitted that IFCI Factors Limited is a Government of India company. There are specific guidelines for closure of government companies, which have not been invoked for IFCI Factors Limited. As regards the in-principle approval of the Board for surrender of NBFC License, further action will be taken in consultation with the promoters.</p> <p>As regards the assignment of 57 NPAs to an Asset Reconstruction Company during FY 2023-24, the same has been disclosed in Note No.53 of the Notes to Accounts. As regards the sale of the remaining 5 financial assets, the same has been crystallised only during FY 2024-25.</p> <p>Details of aforementioned shall be incorporated in the Annual Report for FY 2023-24.</p>

AO No.	CAG Observations	IFCI Management Comments
<b>D.2</b>	<p><b>Notes to Accounts No. 7 &amp; 27 : Change in Accounting policy related to interest income on Stage 3 assets with effect from 01<sup>st</sup> April 2021</b></p> <p>As per Para 5.4.1 and 5.4.2 of Ind. AS 109, the company shall recognize income on credit impaired financial assets. Further, clarification in this regard was also obtained by IFCI ventures capital Funds Limited (Group Company) from the Institute of chartered Accountants of India (ICAI) and it was opined that the interest should be accrued in respect of credit-impaired assets in line with the principles of Ind. AS 109 and no departures from the principles of Ind. AS 109 should be made in this regard.</p> <p>Material Accounting Policy no. 6 (a)(i) of <b>IFCI Factors Limited (IFL, a subsidiary of IFCI Limited)</b> also states that for financial assets that have become credit impaired subsequent to initial recognition, interest income is calculated by applying effective interest rate to the amortized cost of the financial asset.</p> <p>Audit observed that the IFL vide its Notes to Accounts no. 51, has disclosed that Stage 3 income has not been recognized in the books of Accounts. Thus, Notes to Accounts no.51 of IFL is in contravention with the Material Accounting Policy of the company, provisions of Ind. AS 109 and opinion of ICAI. Further in absence of the information/ calculation regarding Stage 3 income, audit is unable to quantify the impact of the same on financial statements of IFL for the year 2023-24.</p>	<p><b>Pertains to IFCI Factors Ltd. (IFL). Response submitted by the Management of IFL is as under :</b></p> <p>As on 31/03/2024, IFL had only 2 non-performing loan accounts in its books. IFL is at an advanced stage of sale / assignment of the said loans, where the likelihood of recovery of interest is uncertain. Therefore, had IFL recognized Stage 3 income in the said 2 NPA accounts, the same would have to be written off. The net impact would be the same as non-recognition of stage-3 income.</p> <p>Further, as on date there are no loan assets / NPA in the books of IFL.</p>
<b>E</b>	<b>Other Comments</b>	
<b>E.1</b>	<p>During FY 2023-24, <b>IFCI Infrastructure Development Limited (IIDL, a subsidiary of IFCI Limited)</b> valued the investment in Jangipur Bengal Mega Food Park Limited (Associate) at ₹ 5.30 per share and has shown investment of ₹ 4.51 crore (85,04,288 * ₹ 5.30 per share) and booked impairment loss of ₹ 2.04 crore based on the valuation of appointed valuer. However, IFCI Venture Capital Funds Limited (another subsidiary of IFCI Limited) has valued its investment in the Associate at ₹ 1.14 per share during FY 2023-24.</p> <p>The issue is considered material in audit as there is substantial difference in the valuation of Investment in the same Associate by two group companies of IFCI Limited which carries an impact of ₹ 3.54 crore {(5.30 per share minus ₹ 1.14 per share) * 85,04,288} on the consolidated Investments of IFCI Limited.</p>	<p><b>Pertains to IFCI Infrastructure Development Limited (IIDL). Response submitted by the Management of IIDL is as under :</b></p> <p>Independent valuation from IBBI empanelled valuer was obtained by IIDL, based on the valuation report value of 5.30 per share was considered.</p> <p>A fresh valuation shall be undertaken during the FY 2025 for resolving the difference.</p>
<b>E.2</b>	<p>A reference is invited to the Significant Accounting Policy No.1.17 (Trade Receivable) of <b>IFCI Infrastructure Development Limited (IIDL, a subsidiary of IFCI Limited)</b> which stipulates that “The Company has adopted simplified approach using the provision matrix method for recognition of expected loss on trade receivables. The Provision Matrix is based on three years rolling average default rates observed over the expected life of the trade receivables and is adjusted for forward looking estimates. These average default rates are applied on total credit risk exposure on trade receivables and outstanding for more than one year at the reporting date to determine lifetime Expected Credit Losses”. Further, the Material Accounting Policy No. F (b) (vii) of IFCI Limited, inter-alia, states that, with respect to trade receivables and other financial assets, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.” Though an amount of ₹ 0.55 crore was provided towards provision for bad/doubtful debts during FY 2023-24, IIDL did not follow the aforesaid policy as no average default rates were applied to arrive at expected credit losses.</p> <p>Hence, the amount of provision for bad/doubtful debts was not arrived at following the abovementioned Accounting Policy.</p>	<p><b>Pertains to IFCI Infrastructure Development Limited (IIDL). Response submitted by the Management of IIDL is as under :</b></p> <p>Suitable action will be taken in financial year 2024-25.</p>

AO No.	CAG Observations	IFCI Management Comments
E.3	<p>It was noticed that CBI filed (29 November 2018) an FIR against Shri Shivendra Tomar, Ex. MD (IIDL), Shri P. Srinivas, Ex. MD(IIDL), M/s Holistic Urban Innovation Pvt. Ltd. (HUIPL) and Other unknown persons for suspected offence of Criminal conspiracy, Cheating and abuse of official position by public servant involving huge excess payments to HUIPL. Further, in reference to CBI letter dated 02 February 2022, IFCI has conveyed (29 April 2022) the approval of competent authority for conducting investigation against Sh. Shivendra Tomar, General Manager, IFCI Ltd. (Ex-COD/CEO/MD. IIDL) under various provisions of Prevention of corruption Act. 1988 (as amended in 2018) and Indian Penal Code.</p> <p>However, the above fraud case and IFCI's approval to CBI for conducting investigation against Sh. Shivendra Tomar, Ex. MD (IIDL) which is a material fact, was not disclosed in the financial statements. Thus, financial statements are deficient to that extent.</p> <p><b>Despite being pointed out during FY 2022-23 vide comment No. D.1, no corrective action was taken by the Company.</b></p>	The matter is under investigation with investigative agency.
E.4	<p><b>Contingent Liabilities and Commitments (Note 37)</b></p> <p>Para 86 of Ind. AS 37 (Provisions, Contingent Liabilities and Contingent Assets), stipulates that, "unless possibility of any outflow in settlement is remote an entity shall disclose a brief description of the nature of the contingent liability and an estimation of its financial effect, where practicable, for each class of contingent liability at the end of the reporting period".</p> <p>Audit observed that IFCI Factors Limited (a subsidiary of IFCI Limited) received a demand of ₹ 99.62 lakh from the Department of Trade &amp; Taxes due to not declaring correct tax liability while filing annual returns for the Financial Year 2018-19. IFCI Factors Limited has filed an appeal before the Additional Commissioner, Appeals -1. Delhi - North in this regard and the matter was sub-judice as on 31 March 2024.</p> <p>Hence, ₹ 99.62 lakh should have been shown as Contingent liability in the books of accounts.</p> <p>Non-disclosing the above under Contingent liability has resulted in understatement of contingent liability by ₹ 99.62 lakh.</p>	<p><b>Pertains to IFCI Factors Ltd. (IFL). Response submitted by the Management of IFL is as under:</b></p> <ol style="list-style-type: none"> <li>Regarding the proceedings for FY 2018-19, IFL did not receive any message or email on the registered communication address regarding the show cause notice dated 05/12/2023 and therefore IFL was not in a position to file a reply to the show cause notice. As regards the order dated 22/03/2024 directing IFL to pay an amount of ₹ 99.62 lakh, IFL has filed an appeal before the Ld. Additional Commissioner Appeals - 1. Delhi – North, against the order dated 22/03/2024. IFL had prayed to quash the order dated 22/03/2024 on below grounds:</li> <li>Non-communication of the SCN through a valid medium does not tantamount to service of notice, hence order invalid.</li> <li>Tax liability disbursed in succeeding financial year, only interest liability would arise which has been paid via DRC-03.</li> <li>Provision for reversal of ITC on account of exempt supply is different for NBFC from other regular taxpayers, which was duly complied by the company</li> <li>Input tax credit cannot be denied due to mere procedural lapse where the beneficiary has satisfied the sine qua non for the benefit</li> <li>Tax should not be demanded from the notice as the procedural lapse in filing of return does not amount to loss to revenue</li> <li>Declaration of ineligible ITC in GSTR-2a or otherwise does not amount to ITC availment.</li> </ol> <p>In view of the above there is no variance with the applicable laws and all liabilities as per GST returns stands discharged. Therefore, the demand has not been considered as contingent liability.</p>



AO No.	CAG Observations	IFCI Management Comments
<b>B</b>	<p><b>Comments on Independent Auditors Report dated 30 April 2024</b></p> <p>Clause 3 (vii) (b) of Companies (Auditor's Report) Order. (CARO 2020 requires an Auditor to report, where Statutory dues including Goods and Servicer' Tax, provident fund, employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess any other statutory dues have not been deposited on account of any dispute, then the amount involved and the forum where dispute is pending shall be mentioned.</p> <p>The Company has 11 income tax appeals pending before various forums viz. Commissioner of Income Tax (Appeals), Income Tax Appellate Tribunal and High Court. Independent Auditor in his Report has included only three cases, two pending before Commissioner of Income Tax (Appeals) and one pending demand as per traces portal. However he did not include the remaining eight cases pending before Commissioner of Income Tax (Appeals), Income Tax Appellate Tribunal and High Court. Further. the Company has outstanding income tax demands of ₹ 8.15 crore relating to Assessment Years 2009- 10 and 2013-14 to 2016-17 under Vivad se Vishwas Scheme which have also not been included by the Auditor in his Report. Thus, the Independent Auditor's Report is deficient to that extent besides non-compliance with the above-mentioned clause of CARO 2020.</p> <p><u>Despite being pointed out during FY 2022-23 vide comment No. B, no corrective action was taken by the Statutory Auditor.</u></p>	<p><b>Observations pertains to Statutory Auditors. The response of statutory is as under :</b></p> <p>The matter shall be further analysed with a tax expert and disclosure, if any shall be made during FY 2025.</p>

Dated: August 29, 2024

**(Rahul Bhave)**  
Deputy Managing Director  
DIN: 09077979

**(Suneet Shukla)**  
Chief General Manager &  
Chief Financial Officer

**(Priyanka Sharma)**  
Company Secretary

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance is based on the principle of fairness, equity, transparency, accountability and dissemination of information. IFCI believes in maintaining the highest standards of Corporate Governance as essential to its existence. IFCI is fully committed to practicing the best Corporate Governance and upholding the highest ethical standards in conducting business.

Our Corporate Governance is reinforced through the Company's Code of Conduct and Ethics, Corporate Governance Guidelines and Committee charters. Our Board and Management processes, audits and internal control systems reflect the principles of our Corporate Governance framework.

### 2. BOARD OF DIRECTORS:

#### (A) Composition, Category and Attendance of the Board of Directors:

As on March 31, 2024, the Board of the Company consisted of 7 (Seven) Directors, out of whom 5 (Five) Directors were Non-Executive Directors including 1 (one) Independent Director while 2 (two) were Executive Directors designated as Managing Director & Chief Executive Officer (MD & CEO) and Deputy Managing Director (DMD).

The composition of the Board was not in conformity with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), in the absence of requisite number of Independent Directors on the Board. The composition of the Board, Number of Board Meetings held, Attendance of the Directors at the Board Meetings and last Annual General Meeting and the number of Directorship and Chairmanship/ Membership of Committees across all Companies in which he/she was a Director as on March 31, 2024, is given here-in below:

Sl. No.	Name of Director	Category	Attendance Category			No. of Directorships/ Committee Memberships/ Chairmanships across all Companies		
			No. of Board Meetings during the year FY 2023-24		At AGM held on December 20, 2023	Directorships (including IFCI)	Committee Memberships (including IFCI)	Committee Chairmanships (including IFCI)
			Held	Attended				
1	Shri Manoj Mittal	Executive Director - Managing Director Chief Executive Officer (MD & CEO)	6	6	Yes	4	-	-
2	Shri Rahul Bhawe (*)	Executive Director – Deputy Managing Director	2	2	Yes	5	4	-
3	Prof Narayanaswamy Balakrishnan	Non-Executive Director	6	6	Yes	2	1	-
4	Prof Arvind Sahay	Non-Executive Director	6	6	No	4	6	-
5	Shri Surendra Behera	Non-Executive Director	6	6	Yes	1	1	-
6	Shri Arvind Kumar Jain	Non-Executive Director	6	6	Yes	7	6	2
7	Shri Umesh Kumar Garg(\$)	Non- Executive Independent Director	5	5	Yes	1	2	1
DIRECTORS RETIRED/RESIGNED DURING THE FY 2023-24								
1	Shri Mukesh Kumar Bansal (#)	Non-Executive– Government Director	6	5	No	3	-	-
2	Shri Kartikeya Misra (#)	Non-Executive– Government Director	6	5	No	-	-	-

(\*) Shri Rahul Bhawe was appointed as Deputy Managing Director (Executive Director) with effect from 28-11-2023.

(\$)

(#) Shri Mukesh Kumar Bansal and Shri Kartikeya Misra, ceased to be on Board with effect from 27-03-2024.

#### NOTES:

- Number of Meetings represents the Meetings held during the period in which the Directors were on the Board.
- Directorships (including IFCI Ltd.) indicated above include all public companies whether listed or not. Directorships held in other Body Corporates, Private Companies, Foreign Companies and Non-Profit Organizations have not been included in the above table.
- Committee Memberships / Chairmanships indicated above, include Memberships only in Audit Committee and Stakeholders' Relationship Committee in all Public Limited Companies, (whether Listed or not), including IFCI Ltd., Committee Memberships / Chairmanships held in other body corporates have not been included in the above table.
- Number of Membership includes Chairmanships held in Committees.
- In the case of Directors Retired /Resigned, the status of other Directorship and Committee Membership is on the basis of the last disclosure made by the Director.
- None of the Directors are related to each other or to any Key Managerial Personnel of the Company.
- None of the Directors on the Board are Members of more than 10 (ten) Committees or Chairman of more than 5 (five) Committees across all the companies in which they are Directors. Necessary disclosures regarding the positions in other public companies as on March 31, 2024 have been made by the Directors.

8. The independence of a Director is determined by the criteria stipulated under the Listing Regulations, wherever applicable. As on March 31, 2024, there was 1 (one) Independent Director on the Board of the Company - Shri Umesh Kumar Garg, who met the criteria of Independence.
9. Other Directorships in Listed entities (only whose equity is listed), where a Board Member, IFCI, is a Director and the category of Directorship:- As on March 31, 2024, no other Board Member holds directorship in other listed entities, except the following:-

Sl. No.	Name of Director	Name of other Listed Entities and Category of Directorship
1.	Prof. N Balakrishnan	Equitas Small Finance Bank Limited (Non-Executive - Independent Director)
2.	Prof. Arvind Sahay	HIL Limited (Independent Director)

**(B) Number of Board Meetings held and dates:**

During the FY 2023-24, the Board of Directors met 6 (Six) times. The dates of the Meetings held in 2023 were May 03, May 25, August 11 and November 08 and February 09, March 19 in 2024.

**(C) Details of appointment/ re-appointment of a Director forms part of the Notice of Annual General Meeting.**

**(D) None of the Non-Executive Directors held shares and convertible instruments of the Company as on March 31, 2024.**

**(E) Familiarization Programme for Independent Director**

Familiarization programme is an ongoing process. The Company endeavours to undertake familiarization programmes for the Directors of the Company, their roles, rights, responsibilities in the Company, nature of the Industry in which the Company operates, the Business model of the Company and so on. The detail of such familiarization programme held in past has been disclosed on the website of the Company, at [www.ifcilttd.com/2024/Familiarization-Programme.pdf](http://www.ifcilttd.com/2024/Familiarization-Programme.pdf).

**(F) Chart/ Matrix setting out the skills/expertise / competence of Board of Directors & name of Directors who have such skills/ expertise/ competence.**

1. Educational Qualification	(i)	Possess any Graduation/ Post Graduation/ M. Phil / Doctorate/such other qualification as may be deemed fit.
	(ii)	Possess any other Professional Qualification / Degree/ Diploma/such other qualification as may be deemed fit.
2. Experience / Expertise	(i)	Possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.
	(ii)	Preferably have undergone requisite training programme or mid-career Professional Development trainings which would have enabled him/her to adapt to changing dynamics of business environment.

**All the Directors on the Board as on March 31, 2024, met above-mentioned Educational Qualification and Experience / Expertise.**

**3. AUDIT COMMITTEE:**

**(A) Terms of Reference:**

The terms of reference of the Audit Committee is to see the effectiveness of operations of the audit function of the Company, review the systems and procedures of internal control, oversee the Company's financial reporting process, review with the management the periodical and annual financial statements before submission to the Board and ensure compliance with the regulatory guidelines. The Committee is also responsible for objectively reviewing the reports of the internal auditors and statutory auditors and ensuring adequate follow-up action by the management. The Committee also proposes/recommends the fixation of their fees.

The Committee further carries out the scrutiny of inter-corporate loans and investments, valuation of undertakings or assets of the Company, evaluation of internal financial control and risk management, monitoring the end use of funds raised through public offers, overseeing of the vigil mechanism and approval or any subsequent modification of transactions of the Company with related parties. The Committee also carries out the review and reporting of fraud cases.

**(B) Composition, Meetings and Attendance of the Committee:**

As on March 31, 2024, the Audit Committee of IFCI consisted of 5 (Five) Directors. The Chairman of the Committee was an Independent Director. During the FY 2023-24, the Audit Committee of Directors of IFCI met 6 (Six) times. In 2023, the Meetings were held on May 03, May 25, August 11, November 08 and in 2024, the Meetings were held on February 09 and March 19. The composition of the Audit Committee and attendance of Directors at the Meetings during the FY 2023-24 is shown below:

Sl. No.	Name of Director	Category	Date of Appointment / Cessation	No. of Meetings during the FY 2023-24	
				Held	Attended
<b>MEMBERS OF THE COMMITTEE</b>					
1.	Shri Umesh Kumar Garg (\$)	Chairman*	08.08.2023	4	4
2.	Shri Rahul Bhav(^)	Member	16.01.2024	2	2
3.	Prof. Narayanaswamy Balakrishnan	Member	30.01.2020	6	6
4.	Shri Arvind Kumar Jain	Member	09.11.2022	6	6
5.	Prof Arvind Sahay (@)	Member	30.10.2017	6	6
<b>DIRECTOR WHO CEASED TO BE MEMBER DURING F.Y. 2023-24</b>					
1.	Shri Mukesh Kumar Bansal (#)	Member	27.03.2024	6	4

(\$) Shri Umesh Kumar Garg was inducted and became Chairman of Audit Committee of Director w.e.f 08.08.2023.

(@) Prof. Arvind Sahay chaired the first two committee meetings held on 03.05.2023 and 25.05.2023.

(^) Shri Rahul Bhawe was inducted as a member of the Committee w.e.f. 16.01.2024.

(#) Shri Mukesh Kumar Bansal ceased to be on the Board of the Company w.e.f. 27.03.2024. Consequently, he ceased to be the member of the Audit Committee.

**Note:** \* In the absence of Independent Director, in the first two meetings, Prof Arvind Sahay was elected as the Chairman to chair the Meeting of the Committee, till the time Independent Director was appointed on the Board of the Company.

The Statutory Auditors and other senior executives were invited to participate in the Meetings of the Audit Committee wherever necessary, as decided by the Committee. The Company Secretary acts as the Secretary to the Audit Committee.

#### 4. NOMINATION AND REMUNERATION COMMITTEE:

##### (A) Terms of Reference:

The terms of reference of the Committee is to identify persons who are qualified to become Directors (excluding Independent Directors and Nominee Directors), recommendation of the appointment of Senior Management. The Committee recommend to the Board, all remuneration, in whatever form, payable to Senior Management, to formulate the criteria for evaluation of performance of Independent Directors and Board. The Committee also peruse the Policy on HR matters including career management and succession planning.

##### (B) Performance Evaluation:

The Nomination and Remuneration Policy of IFCI has laid down the criteria for conducting performance evaluation of Board of Directors including Independent Directors. The criteria for performance evaluation cover their role, functions and various other attributes. Some of the areas of improvements mentioned by the Directors included Structure of the Board / Composition of the Committees which are non-complaint as per the statutory requirements. Since, there was only 1 (One) Independent Director on the Board of the Company during the financial year 2023-24, hence the Meeting of the Independent Directors could not be held. Communications requesting appointment of requisite number of Independent Directors have been sent to the Ministry Administratively in-charge.

##### (C) Composition, Meetings and Attendance of the Committee:

As on March 31, 2024 the Committee consisted of 4 (Four) Directors All being Non-Executive Directors. The Chairman of the Committee was an Independent Director. During the FY 2023-24, the Committee met 4 (Four) times. In 2023, the Meetings were held on May 25, August 11, November 08 and in 2024, the Meeting was held on February 09. The composition of the Committee and attendance of Directors at the Meetings during FY 2023-24 is shown below:

Sl. No.	Name of Director	Category	Date of Appointment / Cessation	No. of Meetings during the FY 2023-24	
				Held	Attended
MEMBERS OF THE COMMITTEE					
1.	Shri Umesh Kumar Garg(@)	Chairman*	08.08.2023	3	3
2.	Prof. Narayanaswamy Balakrishnan	Member	04.06.2020	4	4
3.	Prof Arvind Sahay	Member	30.10.2017	4	4
4.	Shri Arvind Kumar Jain	Member	09.11.2022	4	4
DIRECTOR WHO CEASED TO BE MEMBER DURING F.Y. 2023-24					
1.	Shri Kartikeva Misra (#)	Member	27.03.2024	4	3

@ Shri Umesh Kumar Garg, Independent Director was inducted and became Chairman of Nomination and Remuneration Committee of Directors w.e.f 08.08.2023.

(#) Shri Kartikeya Misra ceased to be on the Board the Company w.e.f. 27.03.2024. Consequently, he ceased to be the member of the Committee.

**Note:** \*In the absence of Independent Director, in the first meeting, Shri Arvind Kumar Jain was elected as the Chairman to chair the Meeting of the Committee, till the time Independent Director was appointed on the Board of the Company.

##### (D) Following are the details of the remuneration paid to the managerial personnel during the FY 2023-24:

- (i) Shri Manoj Mittal, Managing Director and Chief Executive Officer, from 01.04.2023 to 31.03.2024.

Particulars	(₹ in lakhs)
Salary & Allowances (excluding Perquisites)	38.95
Perquisite Allowance (inclusive of Tax borne by IFCI on perquisites)	2.14
Contribution to PF & Other Funds	2.63
Perquisites as per IT Act Sec – 17(2)	6.03
Others-Medical Reimbursement	0.21
Others-Leave Fare Concession	0.00
<b>TOTAL</b>	<b>49.96</b>

- (ii) Shri Rahul Bhawe, Deputy Managing Director, from 28.11.2023 to 31.03.2024

Particulars	(₹ in lakhs)
Salary & Allowances (excluding Perquisites)	10.80
Perquisite Allowance (inclusive of Tax borne by IFCI on perquisites)	3.25
Contribution to PF & Other Funds	0.72
Perquisites as per IT Act Sec – 17(2)	10.53
Perquisites as per IT Act Sec – 17(3)	0.00
Others-Medical Reimbursement	0.03
<b>TOTAL</b>	<b>25.33</b>

- (E) During the FY 2023-24, the Company paid sitting fees to the Non-Executive Directors excluding Government Nominee Directors. The sitting fees of ₹ 40,000/- and ₹ 20,000/- per Meeting was paid for attending the Board and Committee of Directors Meeting, respectively. Further, additional sitting fees of ₹ 10,000/- and ₹ 5,000/- per Meeting was also paid for Chairing the Board and Committee of Directors Meeting respectively.

The Non-Executive and Independent Directors do not receive any remuneration (including commission) besides the sitting fees. During the FY 2023-24, there was 1 (One) Independent Director on the Board of the Company.

- (F) As per the disclosure made by the Directors of the Company, none of them hold any shares or any other convertible instruments of IFCI as on March 31, 2024.

- (G) There are no Stock options being held by the Directors of the Company.

## 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

- (A) Stakeholders' Relationship Committee of Directors of IFCI consisted of 5 (Five) Directors as on March 31, 2024. During the FY 2023-24, the Committee met 4 (Four) times on May 25, August 11, November 08 in 2023 and on February 09 in 2024. The composition of the Committee and attendance of Directors at the Meetings during the FY 2023-24 is shown below:

Sl. No.	Name of Director	Category	Date of Appointment / Cessation	No. of Meetings during the FY 2023-24	
				Held	Attended
MEMBERS OF THE COMMITTEE					
1.	Shri Arvind Kumar Jain*	Chairman*	09.11.2022	4	4
2.	Shri Rahul Bhave(\$)	Member	16.01.2024	1	1
3.	Prof Arvind Sahay	Member	30.10.2017	4	3
4.	Shri Surendra Behera	Member	09.11.2022	4	4
5.	Shri Umesh Kumar Garg (#)	Member	08.08.2023	3	3
DIRECTORS WHO CEASED TO BE MEMBER DURING F.Y. 2023-24					
1.	Shri Kartikeva Misra (@)	Member	27.03.2024	4	3

\* Shri Arvind Kumar Jain became chairperson of Stakeholders' Relationship Committee w.e.f 02.02.2023.

(\$) Shri Rahul Bhav was inducted as a member of the Committee w.e.f. 16.01.2024.

(@) Shri Kartikeya Misra ceased to be on the Board of the Company w.e.f. 27.03.2024. Consequently, he ceased to be the member of the Committee.

(#) Shri Umesh Kumar Garg became member of the Committee w.e.f. 08.08.2023.

## (B) Name & Designation of Compliance Officer

Smt. Priyanka Sharma, Company Secretary & Compliance Officer  
Email: [complianceofficer@ifcilt.com](mailto:complianceofficer@ifcilt.com)

- (C) The number of complaints received from the shareholders and bondholders of the listed securities, during FY 2023-24 and the number of pending complaints are shown below:

Equity Shares & Bonds	
No. of Complaints received during the FY 2023-24	3930
Pending as on March 31, 2024	0
No. of Complaints not solved to the satisfaction of the Shareholder	0

(\*) Excluding complaints/issues in respect of which cases are pending in courts / CDRF.

The company has redeemed IFCI Family Bonds, issued under Public Issue in 1996 on completion of the tenure/ exercise of call option. Payment of redemption amount has been made to the bondholders. Payment in respect of the redemption cheques lying under stale cheques, is being made on receipt of request from bondholders. Application being received from investors to get refund from IEPF is being processed from time-to-time.

- (D) The Company has constituted a Committee of its executives for approval of the share transfers, transmissions and transpositions, etc. As the transfer of shares in physical form has been prohibited after April 01, 2019, in terms of SEBI Gazette Notification dated June 08, 2018 read with SEBI Press Release dated December 03,

2018, the Share Transfer Committee of Executives, now meets as and when required, instead of four times a month. All the requests for share transfers etc. were processed and letter of confirmation were issued within stipulated time as per relevant SEBI Circular. Except for certain cases under litigation, there was no share transfer pending for more than 15 days.

- (E) In accordance with the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company has adopted Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct to Regulate, Monitor and Report Trading by Insiders. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, officers, employees and other connected persons from trading in the securities of IFCI at the time when there is unpublished price sensitive information. The Company has obtained the relevant disclosures as on March 31, 2024 under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

- (F) The Board of Directors has laid down a Code of Conduct for its Board Members and Employees and the same has been posted on the website of the Company at <https://www.ifcilt.com/?q=en/content/code-conduct>.

## 6. RISK AND ASSET LIABILITY MANAGEMENT COMMITTEE:

### (A) Terms of Reference:

The terms of reference of the Risk and Asset Liability Management Committee is to formulate a detailed risk management policy and satisfying itself that policies and procedures are in place to manage risks and critically assessing the institution's business strategies and plans from a risk perspective and advising the Board suitably. The Committee is also responsible for Review of major policies, cyber security and the Risk associated with it.

### (B) Composition, Meetings and Attendance of the Committee:

Risk and Asset Liability Management Committee of Directors of IFCI consisted of 5 (Five) Directors as on March 31, 2024. The Risk and Asset Liability Management Committee met 4 (four)

times during the FY 2023-24 on May 25, August 11, November 08 in 2023 and February 09 in 2024. The composition of the

Committee as on March 31, 2024 and attendance of the Directors at said Meetings were as under:

Sl. No.	Name of Director	Category	Date of Appointment / Cessation	No. of Meetings during the FY 2023-24	
				Held	Attended
MEMBERS OF THE COMMITTEE					
1.	Shri Surendra Behera	Chairman*	09.11.2022	4	4
2.	Shri Rahul Bhav(\$)	Member	16.01.2024	1	1
3.	Prof. Narayanaswamy Balakrishnan	Member	14.02.2019	4	4
4.	Prof Arvind Sahay	Member	30.10.2017	4	4
5.	Shri Umesh Kumar Garg (#)	Member	08.08.2023	2	2

**DIRECTOR WHO CEASED TO BE MEMBER DURING F.Y. 2023-24**

1.	Shri Kartikeya Misra (@)	Member	27.03.2024	4	3
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\*Shri Surendra Behera was appointed as the Chairman of the Committee w.e.f. 02.02.2023.

(\$) Shri Rahul Bhav was inducted as a member of the Committee w.e.f. 16.01.2024.

(#) Shri Umesh Kumar Garg was inducted as a member of the Committee w.e.f. 08.08.2023.

(@) Shri Kartikeya Misra ceased to be on the Board of the Company w.e.f. 27.03.24. Consequently, he ceased to be the member of the Committee.

**7. Details of Other Committees:**

The Company has in place other Board level Committees also. The number and dates of Meetings of such other Committees held during the FY 2023-24 and attended by the Members is as under:

- (A) **Executive Committee** – The Meetings of the Executive Committee during the FY 2023-24 were held on May 01, May 24, July 25, August 11 and November 08 in 2023. The composition of the Committee as on March 31, 2024 and attendance of the Directors at said Meetings were as under:

Sl. No.	Name of Director	Category	Date of Appointment / Cessation	No. of Meetings during the FY 2023-24	
				Held	Attended
MEMBERS OF THE COMMITTEE					
1.	Shri Manoj Mittal	Chairman	12.06.2021	5	5
2.	Shri Rahul Bhav (\$)	Member	16.01.2024	NA	NA
3.	Shri Surendra Behera	Member	09.11.2022	5	5
4.	Prof Narayanaswamy Balakrishnan	Member	30.10.2017	5	5
5.	Shri Arvind Kumar Jain	Member	09.11.2022	5	5

(\$) Shri Rahul Bhav was inducted as a member of the Executive Committee w.e.f. 16.01.2024.

- (B) **IT- Strategy Committee** – The IT Strategy Committee met 2 (two) times during the FY 2023-24 on July 19, 2023 and January 17, 2024. The composition of the Committee as on March 31, 2024 and attendance of the Directors at said Meetings were as under:

Sl. No.	Name of Director/Member	Category	Date of Appointment / Cessation	No. of Meetings during the FY 2023-24	
				Held	Attended
MEMBERS OF THE COMMITTEE					
1.	Shri Umesh Kumar Garg	Chairman@	19.03.2024	NA	NA
2.	Shri Rahul Bhav	Member	16.01.2024	1	1
3.	Prof. Narayanaswamy Balakrishnan	Member	30.10.2017	2	2
4.	Shri Surendra Behera	Member	09.11.2022	2	2
5.	Shri Pushpinder Singh	External Member	10.08.2021	2	2
6.	Shri Debashish Gupta(%)	Member	15.02.2024	1	1
DIRECTORS WHO CEASED TO BE MEMBER DURING F.Y. 2023-24					
1.	Shri Manoj Mittal(#)	Member	16.01.2024	1	1
2.	Shri Harjeet Singh(*)	Member	31.07.2023	1	1
3.	Shri Kartikeya Misra (\$)	Member	27.03.2024	2	0

@Shri Umesh Kumar Garg was inducted and became Chairman of the Committee w.e.f. 19.03.2024 and consequently Prof. Narayanaswamy Balakrishnan ceased to the Chairman.

(#) Shri Manoj Mittal ceased to Member of the Committee w.e.f. 16.01.2024

(\*) Shri Harjeet Singh ceased to be the Member of the Committee w.e.f. 31.07.2023

(\$) Shri Kartikeya Misra ceased to be Member of the Committee w.e.f. 27.03.2024.

(%) Shri B.B. Sahu, CTO & CIO was inducted as Member of the Committee on 01.08.2023 and ceased to Member of the Committee w.e.f. 15.02.2024. Consequently, Shri Debashish Gupta was inducted as a member w.e.f. 15.02.2024.



- (C) **Business Responsibility Reporting Committee** – The Committee met once on November 08, 2023 in the FY 2023-24. The composition of the Committee as on March 31, 2024, and attendance of the Directors at said Meeting was as under:

Sl. No.	Name of Director	Category	Date of Appointment / Cessation	No. of Meetings during the FY 2023-24	
				Held	Attended
MEMBERS OF THE COMMITTEE					
1.	Shri Manoj Mittal	Chairman	12.06.2021	1	1
2.	Shri Surendra Behera	Member	09.11.2022	1	1
3.	Prof Arvind Sahav	Member	30.10.2017	1	1

- (D) **Review Committee on Non-Cooperative Borrowers and Recovery & NPA Management Committee** - The Committee met 4 (four) times during the FY 2023-24 on May 25, 2023, August 11, 2023, November 08, 2023 and February 09, 2024. The composition of the Committee as on March 31, 2024 and attendance of the Directors at said Meetings were as under:

Sl. No.	Name of Director	Category	Date of Appointment / Cessation	No. of Meetings during the FY 2023-24	
				Held	Attended
MEMBERS OF THE COMMITTEE					
1.	Shri Manoj Mittal	Chairman	12.06.2021	4	4
2.	Shri Rahul Bhave(\$)	Member	16.01.2024	1	1
3.	Shri Arvind Kumar Jain	Member	09.11.2022	4	4
4.	Prof. Arvind Sahay	Member	30.10.2017	4	3
DIRECTORS WHO CEASED TO BE MEMBER DURING F.Y. 2023-24					
1.	Shri Kartikeva Misra(*)	Member	27.03.2024	4	3

(\$) Shri Rahul Bhav was inducted as member of the Committee w.e.f. 16.01.2024.

(\*) Shri Kartikeya Misra ceased to be on the Board of the Company w.e.f. 27.03.2024. Consequently, he ceased to be the member of the Committee.

- (E) **Management Committee of Directors** - As on 31.03.2024 the Committee consisted of 7 Directors viz. Shri Arvind Kumar Jain, Rahul Bhav, DMD, Prof. N. Balakrishnan, Prof. Arvind Sahay, Shri Surendra Behera and Shri Umesh Kumar Garg as Members. One meeting of the Committee was held on December 22, 2023, during the FY 2023-24.

## 8. GENERAL BODY MEETING:

- (A) **Location and time, where last three Annual General Meetings held:**

Sl. No.	AGM Date	Location	Time
1.	20.12.2023	Through Video Conferencing (VC)/Other Audio Visual Means (OAVM).	11:30 A.M.
2.	22.12.2022		
3.	17.12.2021		

- (B) **Postal Ballot:**

No Special resolution was passed through postal ballot in last year.

Further, no Special Resolution is foreseen to be conducted through Postal ballot up to the ensuing AGM.

- (C) **Details of special resolutions passed in the previous three Annual General Meetings:-**

AGM Date	As per Companies Act.	Particulars of special resolutions
20.12.2023	u/s Section 42 & 71 of Companies Act, 2013	Approve Private Placement of Securities
	u/s Section 149, 150, 152 read with Schedule IV of Companies Act, 2013	Approve the appointment of Shri Umesh Kumar Garg (DIN: 00599426) as Independent Director
22.12.2022	u/s Section 42 & 71 of Companies Act, 2013	Approve Private Placement of Securities
17.12.2021	u/s Section 42 & 71 of Companies Act, 2013	Approve Private Placement of Securities

- (D) **Location and time, where Extra Ordinary General Meetings held:**

EGM Date	Location	Time
27.04.2023	Through Electronic Mode	11:30 A.M.

- (E) **Details of special resolutions passed in the Extra Ordinary General Meeting:-**

EGM Date	As per Companies Act.	Particulars of special resolutions
27.04.2023	u/s Section 42, 62 of Companies Act, 2013	Preferential Allotment of Equity Shares to GoI

## 9. DISCLOSURES:

- (A) **Related Party Transactions**

Related Party Transactions [RPT(s)] during the year have been disclosed in the Notes to Accounts in the Annual Report as required under Ind AS 24 (erstwhile Accounting Standard 18) issued by the Institute of Chartered Accountants of India. The RPT(s) were in the normal course of business and were done at arm's length. There were no materially significant RPT(s) during the FY 2023-24. The Company also has in place a Policy on Materiality of Related Party Transactions [RPT(s)] and Dealing with RPT(s) and the same is placed on the website of the Company at [www.ifcilt.com/?q=en/content/policies](http://www.ifcilt.com/?q=en/content/policies).

- (B) **Disclosure of Accounting Treatment**

The financial statements for the year ended March 31, 2024 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Schedule III Division III of the Companies Act, 2013 which has been notified by the Ministry of Corporate Affairs and published in the official Gazette on 11<sup>th</sup> October 2018, as amended from time to time, in

this regard. Any application guidance/ clarifications/ directions issued by RBI or other regulators will be implemented as and when they are issued/ applicable.

**(C) Risk Management**

Business Risk evaluation and management is an ongoing process wherein risks are identified, assessed, managed and mitigated arising out of business, viz. Credit Risk, Market Risk and Operational Risk. The effectiveness of a Risk Management System depends on putting in place appropriate and effective Risk Management architecture. In pursuance of RBI Guidelines, Your Company has set up necessary role centers in the organizational structure to facilitate discharge of Risk Management functions.

The organizational structure for Risk Management in IFCI comprises of the Board of Directors, the Risk and Asset Liability Management Committee of Directors (RALMCD), the Risk and Asset Liability Management Committee of Executives (RALMCE) and the Integrated Risk Management Department (IRMD).

Your Company periodically reviews Lending Policy, Risk Management Policies, Treasury & Investment Policy, etc. in order to strengthen and align with industry best practices, learning curve gained from various financing/investment activities, regulations from the Reserve Bank of India and striving towards reduction in turnaround time. As per RBI Master direction on IT Governance, IFCI has formed a Board level IT Strategy Committee (ITSC). An Information Security Committee (ISC) under the oversight of ITSC has also been formed for managing Cyber/Information Security. ISC is headed by Chief Risk Officer (CRO) of IFCI.

**(D) Management Discussion and Analysis Report**

Management Discussion and Analysis forms part of the Board's Report and is given separately in the Annual Report.

**(E) Details of Non-compliance with regard to Capital Market**

There were no penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years except fines of ₹ 3,93,61,540/- (inclusive of applicable taxes), after factoring the fines waived by stock exchanges, till the quarter ended March 31, 2024, for non-compliance with the provisions of Regulation 17(1) & (2A), 18(1), 19(1) & (2), 20 and 21 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, relating to the composition of the Board and Committees namely Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Risk Management Committee. As the appointment of Independent Directors are absolutely outside the control of the Company and its Board of Directors, hence the Stock Exchanges were requested not to impose the fine and any subsequent actions on the Company. Consequent to induction of Shri Umesh Kumar Garg, Independent Director in the Committees of Directors, composition of the Stakeholders' Relationship Committee and Risk Management Committee has become compliant with the provisions of Listing Regulations. Accordingly, application for waiver of fines imposed by the Stock Exchanges (BSE & NSE) in respect of these Committees has been submitted to the Stock Exchanges. In view of our application, NSE has waived fines for the period June 2020 to September 2023, amounting to ₹ 44,01,400/-.

**(F) Details of Compliance with requirements**

1. The Company has duly complied with all the mandatory requirements of Corporate Governance stipulated in Listing Regulations, except w.r.t. the composition of the Board, Audit Committee and Nomination & Remuneration Committee in the absence of Independent Director on the Board of IFCI. Letters were sent to the Department of Financial Services (DFS), Ministry

of Finance (MOF), being the Ministry Administratively in-charge, requesting appointment/ nomination of Independent Directors.

2. Shri Suryakant Gupta, Practicing Company Secretary has certified the Corporate Governance Report for the Financial Year 2023-24 as stipulated in Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said certificate is appended to this report. Further, Shri Suryakant Gupta, Practicing Company Secretary has also certified that none of the Directors on the Board of the company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

**(G) Subsidiary Companies**

The Company as on March 31, 2024 had 6 (six) subsidiaries viz. IFCI Financial Services Ltd, IFCI Venture Capital Funds Ltd., IFCI Infrastructure Development Ltd., IFCI Factors Ltd., MPCON Ltd., Stock Holding Corporation of India Ltd. The Company also had 7 (seven) step-down subsidiaries viz. IIDL Realtors Pvt. Ltd., IFIN Commodities Ltd., IFIN Credit Limited., IFIN Security Finance Ltd., Stockholding Document Management Services Ltd., Stockholding Services Ltd. and Stockholding Securities IFSC Ltd. The requirement under the Listing Regulations, as applicable, in respect of the above Companies, as and when required, have been duly complied with. The Company has also formulated a policy for determining "material" subsidiary and the same has been placed on the website of the Company at [www.ifcilt.com/?q=en/content/policies](http://www.ifcilt.com/?q=en/content/policies).

**(H) CEO/CFO Certificate**

The certification under Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, by CEO and CFO to the Board forms part of this report.

**(I) Whistle Blower Policy**

The Company has put in place a Vigil Mechanism in terms of the provisions of Section 177 (9) and (10) of the Companies Act, 2013, Listing Regulations. The Company has a Board approved Whistle Blower Policy which was updated during the year. Under Whistle Blower Policy, Director(s) and employee(s) of IFCI, can report to the chairman of Audit Committee, their concerns about unethical behavior, actual or suspected fraud or violation of the IFCI's code of conduct or ethics policy and to provide adequate safeguards to them against any sort of victimization on raising an alarm. The Policy also provides for direct access to the Chairman of the Audit Committee in exceptional cases. No personnel has been denied access to the Audit Committee.

**(J) Training of Board Members**

The Board has formulated a Director's Training Policy for its Board Members for the business model of the Company as well as the risk profile of the business parameters of the Company and their responsibilities as Directors.

**(K) Details of Adoption of Discretionary Requirements**

The Company has complied with and adopted the following discretionary Requirements of Regulation 27(1) of Listing Regulations, 2015, w.r.t Shareholder Rights: The half-yearly declaration of financial performance is not sent individually to each household of shareholders but published in the newspapers and also disseminated to the Stock Exchanges where shares of the Company are listed.

- (L) There were no expenditure debited in the books of accounts, which are not for the purpose of the business. The administrative & office expenses and financial expenses constitutes 42.36% and 138.97% respectively of total expenses as against 24.47% and 86.38% in previous year i.e. FY 2022-23.

**(M) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations** – During the year, an amount of ₹ 400 crore was received from Government of India on March 07, 2023, towards subscription to the share capital of the Company for the FY 2023-24 as share application money. Subsequently, pursuant to fund infusion, 29,36,85,756 number of equity shares @ ₹13.62/- per equity share (including security premium of ₹ 3.62/- per equity share) were allotted to GoI. The funds have been used for the purpose for which the same has been raised.

Further, funds amounting to ₹ 500 crore have been received by the company on March 08, 2024 for the FY 2023-24. Allotment against the same has been made in next FY i.e. 2024-25.

**(N) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part** - Details of fee paid to statutory auditor for standalone and consolidated for the year end March 31, 2024 is mentioned below:

Sl. No.	Particulars of Payments to Auditors	Standalone Information (₹ in crores)	Consolidated Information (₹ in crores)
1.	Audit Fees	0.29	1.01
2.	Certification and other services	0.06	0.14
3.	Reimbursement of Expenses	0.02	0.05
<b>Total</b>		<b>0.37</b>	<b>1.20</b>

**(O) Credit Rating**

Ratings assigned by credit rating agencies and migration of ratings during the period ended 31-March, 2024:-

Rating by	31-Mar-2023	Migration during the FY 2023-24*	31-Mar-2024
<b>Long Term (Bonds/NCDs/Term Loans)</b>			
Brickwork	[BWR] B+	Rating [BWR] B+ reaffirmed w.e.f. 10/11/2023	[BWR] B+
ICRA	[ICRA] B+	Rating [ICRA] B+ reaffirmed on 29/05/2023	[ICRA] B+
CARE	[CARE] BB	Rating [CARE] BB reaffirmed on 05/07/2023	[CARE] BB
<b>Short Term (Commercial Paper/ Short term borrowings)</b>			
Brickwork	[BWR] A4	Rating [BWR] A4 reaffirmed w.e.f 10/11/2023	[BWR] A4
ICRA	[ICRA] A4	Rating [ICRA] A4 reaffirmed on 29/05/2023	[ICRA] A4
<b>Subordinate Bonds</b>			
CARE	[CARE] BB	Rating [CARE] BB reaffirmed on 05/07/2023	[CARE] BB
ICRA	[ICRA] B+	Rating [ICRA] B+ reaffirmed on 29/05/2023	[ICRA] B+

\*Please refer website of BSE and NSE w.r.t rationale of downgrade and other details.

**(P) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:-**

- number of complaints filed during the FY 2023-24 :- Nil
- number of complaints disposed of during the FY 2023-24 :- Nil

c. number of complaints pending as on end of the FY 2023-24 :- Nil

**(Q) Disclosure on loans or advances:** There have been no loans or advances extended by the Company or its subsidiaries, which bear resemblance to loans, to any firms or companies where the Directors of the Company hold an interest.

**(R) Disclosure on Material Subsidiaries:**

Name of the Material Subsidiaries	Date of Incorporation	Place of Incorporation	Name of the Statutory Auditor	Date of Appointment/ or Re-Appointment of Statutory Auditor
IFCI Infrastructure Development Limited	10/10/2007	Delhi	VPGS & Co.	20.09.2023
Stock Holding Corporation of India Limited	28/07/1986	Mumbai	RGN Price & Co.	12.09.2023
MPCON Limited	23/03/1979	Madhya Pradesh	Deepak Goyal & Associates	10/10/2023

**(S)** There was no commodity holding and /or trading during the year. Foreign Exchange Risk associated with outstanding ECBs have been mitigated by the way of hedging in form of currency swap/ future/forward contracts.

**(T)** Particulars of senior management including the changes therein since the close of the previous financial year

(i) The details of Senior Management Personnel of the Company as on March 31, 2024 is as under:

S. No.	Name
1	Shri Prasoon, ED
2	Shri Sachikanta Mishra, ED
3	Shri B. V. S. Atchuta Rao, CVO
4	Shri Suneet Shukla, CGM & CFO

5	Smt. Pooja Mahajan, CGM
6	Shri Atul Saxena, CGM
7	Shri Jagdish Garwal, GM & CRO
8	Smt. Priyanka Sharma, DGM & Company Secretary

(ii) During the financial year 2023-24, there were following changes in Senior Management Personnel:

S. No.	Name	Reason of Change
1	Shri Prasoon, CGM	Promoted as ED
2	Shri Sachikanta Mishra, CGM	Promoted as ED
3	Shri Suneet Shukla, GM	Promoted as CGM
4	Smt. Pooja Mahajan, GM	Promoted as CGM
5	Shri Atul Saxena, GM	Promoted as CGM

###### 10. MEANS OF COMMUNICATION:

IFCI's quarterly/half yearly/yearly financial results are published in the leading Hindi and English newspapers. The financial results for FY 2023-24 were published in Business Standard (English in all editions) and Business Standard (Hindi in Delhi NCR). Official press releases are also displayed on the Company's Website ([www.ifcilttd.com](http://www.ifcilttd.com) / <https://www.ifcilttd.com/?q=en/content/financial-reports-0>). All price-sensitive information is made public at the earliest through intimation to Stock Exchanges where the Equity Shares are listed viz. The National Stock Exchange of India Limited and BSE Limited. During the year, no presentation was made to the Institutional Investors or to the Analysts.

###### 11. GENERAL SHAREHOLDER INFORMATION

- (i) **Annual General Meeting:** **Date** : September 26, 2024  
**Day** : Thursday  
**Time** : 11:30 A.M.  
through Electronic means
- (ii) **Financial Calendar (Tentative): 2024-25**  
Results for quarter ending : August 08, 2024  
June 30, 2024  
Results for quarter ending : Second week of  
September 30, 2024 November, 2024  
Results for quarter ending : Second Week of  
December 31, 2024 February, 2025  
Results for quarter ending : Third week of May, 2025  
March 31, 2025
- (iii) **Dates of Book Closure** : September 20, 2024 to  
September 26, 2024
- (iv) **Dividend Payment Date** : No dividend had been  
declared on the Equity  
Shares of the Company for  
the F.Y. 2023-24
- (v) **Listing on Stock Exchange:**  
(a) Equity Shares are listed on both the exchanges:  
**-BSE Limited (BSE)**  
Department of Corporate Services  
25<sup>th</sup> Floor, Phiroze Jeejeebhoy Tower  
Dalal Street, Fort, Mumbai – 400 001  
**-The National Stock Exchange of India Limited (NSE)**  
Exchange Plaza  
Plot No. C1, Block G, Bandra Kurla Complex  
Bandra (East), Mumbai – 400 051
- Note:**  
(b) During the FY 2003-04, IFCI had redeemed all the Family bonds and advised the Stock Exchanges to discontinue the listing of the bonds. Bonds issued under Private Placement basis under Series 47 to Series 62, Infrastructure (3 Series), Subordinate Bonds (5 Series) and Tax-Free Bonds and erstwhile SLR Bonds are listed on BSE Ltd. Secured NCDs issued through Public Issue are listed both on BSE and NSE.
- (c) The Annual Listing Fee for the FY 2024-25 had been paid to the BSE and NSE.
- (vi) **Stock Code (Equity)** : 500106 (BSE)  
IFCI (NSE)
- ISIN number**  
Equity Shares : INE039A01010

###### (vii) Market Price data:

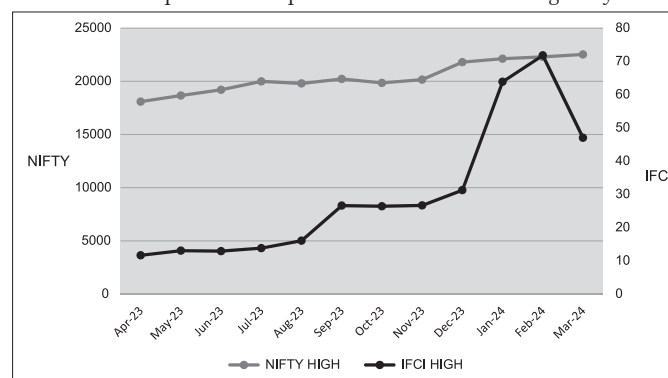
(Price in ₹)

Month & Year	National Stock Exchange		Bombay Stock Exchange	
	High	Low	High	Low
April, 2023	11.65	9.80	11.60	9.83
May, 2023	13.05	10.95	13.06	10.95
June, 2023	12.90	11.05	12.89	10.97
July, 2023	13.80	11.60	13.95	11.57
August, 2023	16.05	13.05	16.00	13.09
September, 2023	26.60	15.00	26.64	15.02
October, 2023	26.40	20.40	26.40	20.42
November, 2023	26.65	21.55	26.65	21.60
December, 2023	31.25	24.85	31.25	24.87
January, 2024	63.85	28.25	64.02	28.29
February, 2024	71.80	41.80	71.70	41.89
March, 2024	47.00	35.80	46.94	35.87

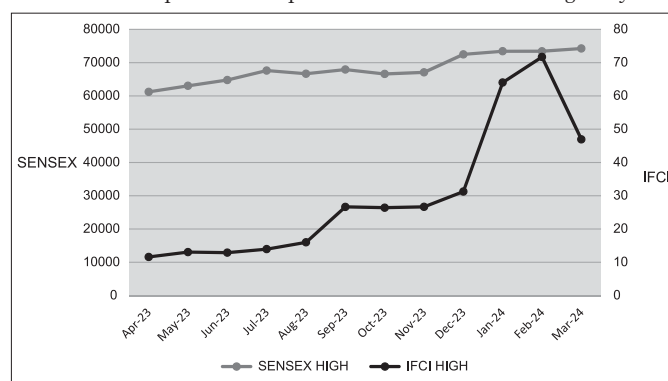
Source: NSE / BSE

###### (viii) Performance in comparison to broad based indices:

IFCI share price as compared to NSE NIFTY during the year:



IFCI share price as compared to BSE SENSEX during the year:



###### (ix) Details of Securities Suspended:

None of the Securities of the Company listed on the Recognized Stock Exchanges have been suspended from trading.

###### (x) Registrar and Transfer Agent (including their correspondence details):

**Both for Equity Shares and Family bonds** MCS Share Transfer Agent Limited  
F-65, 1<sup>st</sup> Floor, Okhla Industrial Area,  
Phase -I, New Delhi-110020  
Website: [www.mcsregistrars.com](http://www.mcsregistrars.com)  
Email: [helpdeskdelhi@mcsregistrars.com](mailto:helpdeskdelhi@mcsregistrars.com)  
[admin@mcsregistrars.com](mailto:admin@mcsregistrars.com)

**For Infrastructure Bonds (series I & II)**

[bonds@mcsregistrars.com](mailto:bonds@mcsregistrars.com)  
Contact Number: 011-41406149/50/51/52  
Beetal Financial & Computer Services (P) Ltd.  
Beetal House, 3<sup>rd</sup> Floor, 99 Madangir Behind Local Shopping Centre, Opposite Dada Harsukhdas Mandir New Delhi-110062  
Website: [www.beetalfinancial.com](http://www.beetalfinancial.com)  
Email: [ifci@beetalfinancial.com](mailto:ifci@beetalfinancial.com)  
[ifciinfrabonds@gmail.com](mailto:ifciinfrabonds@gmail.com)  
Contact Number: 011-29961281-83

**For Infrastructure Bonds (series III, IV & V) and Secured Non-Convertible Debentures Tranche I & II**

KFin Technologies Limited  
Selenium Tower B, Plot Number 31&32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032  
Website: [www.kfintech.com](http://www.kfintech.com)  
Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
Contact Number: 040-67162222  
Link Intime India Private Limited  
C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai-400083  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)  
Email: [bonds.helpdesk@linkintime.co.in](mailto:bonds.helpdesk@linkintime.co.in)  
[Team.bonds@linkintime.co.in](mailto:Team.bonds@linkintime.co.in)  
Contact Number: 022-49186000/8108116767

**For all other Private Placement, Tax Free Bonds And any other query**

IFCI Limited  
IFCI Tower, 61 Nehru Place New Delhi – 110 019  
CIN: L74899DL1993GOI053677  
Website: [www.ifcilttd.com](http://www.ifcilttd.com)  
Email: [ppbonds@ifcilttd.com](mailto:ppbonds@ifcilttd.com)  
[tier2bonds@ifcilttd.com](mailto:tier2bonds@ifcilttd.com)  
Contact Number: 011-41732000/41792800

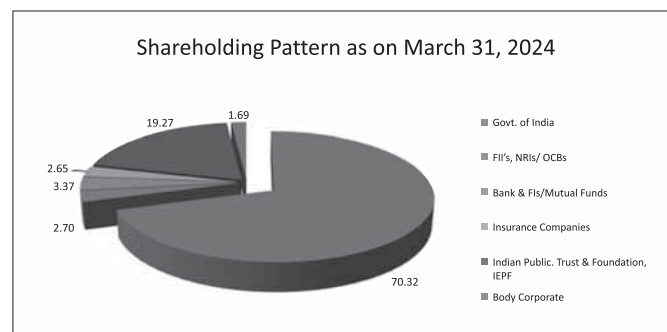
**(xi) Share Transfer System:**

As the transfer of shares in physical form has been prohibited after April 01, 2019, in terms of SEBI Gazette Notification dated

June 08, 2018 read with SEBI Press Release dated December 03, 2018, the old cases of transfer of shares received in physical form after correction of objections, etc., are duly transferred within a period of 15 days from the date of receipt, subject to documents being valid and complete in all respects.

**(xii) Distribution of Shareholding (as on March 31, 2024):**

The Equity Shareholding in IFCI by major categories of Shareholders as on March 31, 2024 is as under:



**(A) Shareholding Pattern:**

Shareholding Pattern of Equity Shares of IFCI as on March 31, 2024 and March 31, 2023 is given as under:

Category	As on 31.03.2024		As on 31.03.2023	
	No. of Equity Shares	%	No. of Equity Shares	%
Government of India	1,75,05,76,628	70.32	1,45,68,90,872	66.35
Banks, Financial Institutions & Mutual Funds	8,39,12,105	3.37	8,34,94,792	3.80
Insurance Companies	6,60,06,512	2.65	6,97,83,427	3.18
Bodies Corporate	4,21,29,514	1.69	2,10,24,397	0.95
FIIs, NRIs & OCBs	6,72,77,116	2.70	5,70,32,101	2.60
Public	47,97,11,988	19.27	50,77,02,518	23.12
<b>Total</b>	<b>2,48,96,13,863</b>	<b>100.00</b>	<b>2,19,59,28,107</b>	<b>100.00</b>

**(B) Distribution Schedule Range Analysis as on March 31, 2024:**

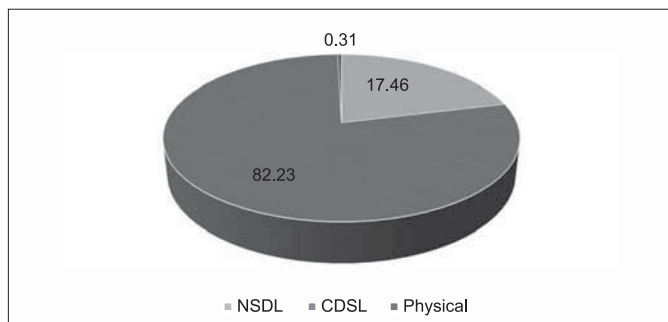
Sl. No.	Category		No. of Shareholders	% of total Shareholders	No. of Equity Shares	% Shares
	From	To				
1	1	500	690270	83.5595	89089007	3.5784
2	501	1000	66950	8.1045	54611737	2.1936
3	1001	2000	34766	4.2085	53143902	2.1346
4	2001	3000	11881	1.4382	30611160	1.2296
5	3001	4000	5324	0.6445	19233079	0.7725
6	4001	5000	4891	0.5921	23312470	0.9364
7	5001	10000	6922	0.8379	52075012	2.0917
8	10001 and above		5078	0.6147	21675374960	87.0632
<b>Total</b>			<b>8,26,082</b>	<b>100.0000</b>	<b>2,48,96,13,863</b>	<b>100.0000</b>



**(xiii) Dematerialization of Shares and liquidity:**

About 99.69 % of the Equity Shares of the Company have already been dematerialized up to March 31, 2024. IFCI's Shares are listed at major Stock Exchanges of the Country and being traded actively.

**DEMATERIALISATION OF SHARES**



**(xiv) Outstanding GDRs / ADRs/ Warrants or any Convertible Instruments:**

There is no GDR/ADR or Warrants or any other Convertible Instrument, which are pending for conversion into equity shares.

**(xv) Registered Office:** IFCI is a Public Financial Institution and a Government Company, having its Registered Office at IFCI Tower, 61 Nehru Place, New Delhi – 110 019.

**Regional Offices at:** Hyderabad, Kolkata and Mumbai

**Declaration of Compliance with the Code of Conduct as provided in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

This is to confirm that the Company has adopted a Code of Conduct for Board Members and its employees. The Code of Conduct as adopted is available on the Company's website. It is further confirmed that the Company has in respect of the Financial Year ended March 31, 2024, received from the employees of the Company and the Members of the Board, a declaration of Compliance with the Code of Conduct as applicable to them.

**(Manoj Mittal)**  
Managing Director & Chief Executive Officer  
DIN: 01400076



**CERTIFICATE IN TERMS OF REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

In terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, it is certified as under that:

- (a) The financial statements and the cash flow statement for the year have been reviewed and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee
- (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

The financial statements for the year ended 31st March 2024 have been drawn up on the basis of Ind AS that are applicable to the Company as at 01st April 2018 based on the Press Release issued by the Ministry of Corporate Affairs ("MCA") on 18 January 2016. Any application guidance/ clarifications/ directions issued by RBI or other regulators shall be implemented as and when they are issued/ made applicable.

Sd/-  
**(Suneet Shukla)**  
Chief General Manager & Chief Financial Officer

Sd/-  
**(Rahul Bhawe)**  
Deputy Managing Director  
(DIN: 09077979)

Sd/-  
**(Manoj Mittal)**  
Managing Director & Chief Executive Officer  
(DIN: 01400076)

**Date:** April 30, 2024  
**Place:** New Delhi

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF M/S IFCI LIMITED

We have examined the compliance of conditions of Corporate Governance by M/s IFCI Limited ("Company"), for the year ended on March 31, 2024, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliances of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that:-

1. The Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, except w.r.t. the composition of the Board, Audit Committee and Nomination & Remuneration Committee, in the absence of requisite number of Independent Directors on the Board of IFCI Limited.

*In the absence of Independent Directors on the Board, the Stakeholders' Relationship Committee and Risk Management Committee were also not constituted as per statutory requirements for the period 01-04-2023 to 07-08-2023, however, upon appointment of Shri Umesh Kumar Garg, Independent Director on May 10, 2023, and his subsequent induction in Committees, w.e.f. 08-08-2023, the Stakeholders' Relationship Committee and Risk Management Committee complied with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

2. None of the directors on the Board of IFCI Limited, have been debarred or disqualified from being appointed or continuing as directors of the companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Surya Gupta & Associates**  
Company Secretaries

**Suryakant Gupta**  
Practicing Company Secretary  
C.P. No.: 10828  
M. No.: F9250  
UDIN: F009250F000887589  
Peer Review No.: 907/2020

Date: 02.08.2024  
Place: Delhi

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the Listed Entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L74899DL1993GOI053677
2.	Name of the Listed Entity:	IFCI Limited
3.	Year of incorporation	1993
4.	Registered office address	IFCI Limited, IFCI Tower, 61 Nehru Place, New Delhi-110019
5.	Corporate address	IFCI Limited, IFCI Tower, 61 Nehru Place, New Delhi-110019
6.	E-mail:	<a href="mailto:complianceofficer@ifcilt.com">complianceofficer@ifcilt.com</a>
7.	Telephone	011-41732000
8.	Website	<a href="http://www.ifcilt.com">www.ifcilt.com</a>
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital	₹ 2489,61,38,630
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report :	Smt. Priyanka Sharma, Company Secretary & Compliance Officer Phone: 011-41732000 Email: <a href="mailto:complianceofficer@ifcilt.com">complianceofficer@ifcilt.com</a> ;
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone Basis
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

#### II. Products/services

##### 16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Financing Activity	Interest Income, Dividend Income & Net gain on fair value changes of investments	81.36%

##### 17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of Total Turnover contributed
1	Financing Activity	64920	81.36%

#### III. Operations

##### 18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	NIL	04 Nos.	04 Nos.
International	NIL	NIL	NIL

##### 19. Markets served by the entity

###### a. Number of locations

Locations	Number
National (No. of States)	04 (Mumbai, Delhi, Hyderabad and Kolkata)
International (No. of Countries)	NIL

###### b. What is the contribution of exports as a percentage of the total turnover of the entity? Not Applicable as IFCI is not involved in Exports.

###### c. A brief on types of customers: Customers encompasses Corporates across the industries /sectors, engaged in infrastructure, manufacturing, services, real estate, agro-based and other diversified sectors. As on 31st March, 2024, IFCI has 414 number of corporate borrowers.

#### IV. Employees

##### 20. Details as at the end of Financial Year:

###### a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	135	89	65.92	46	34.07
2.	Other than Permanent (E)	11	10	90.91	1	9.09
3.	Total employees (D + E)	146	99	67.80	47	32.19
	WORKERS					
4.	Permanent (F)	1	1	100.00	Nil	Nil
5.	Other than Permanent (G)	Nil	Nil	Nil	Nil	Nil
6.	Total workers (F + G)	1	1	100.00	Nil	Nil

###### b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	1	Nil	Nil	1	100.00
2.	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3.	<b>Total differently abled employees (D+E)</b>	1	Nil	Nil	1	100.00
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	Nil	Nil	Nil	Nil	Nil
5.	Other than permanent (G)	Nil	Nil	Nil	Nil	Nil
6.	<b>Total differently abled workers (F+G)</b>	Nil	Nil	Nil	Nil	Nil

##### 21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	0	00.00
Key Management Personnel	4	1	25.00

##### 22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2023 - 24 (Turnover rate in current FY)*			FY 2022 - 23 (Turnover rate in previous FY)*			FY 2021 - 22 (Turnover rate in the year prior to the previous FY)*		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Permanent Employees</b>	5.00	5.77	10.77	5.26	5.45	10.71	4.96	8.26	13.22
<b>Permanent Workers</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

\*Voluntary separations (i.e. Resignations, Voluntary retirements).

#### V. Holding, Subsidiary and Associate Companies (including joint ventures)

##### 23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/Subsidiary/ Associates Companies/Joint Ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of share held by listed entity	Does the entity indicated at column A, Participated in Business Responsibility Initiatives of listed entity in FY 2023-24 (Yes/No)
1	Stock Holding Corporation of India Limited (SHCIL)	Subsidiary	52.86%	No
2	Stockholding Document Management Services Ltd. (SDMSL)	Step Down Subsidiary	100% held by SHCIL	No
3	SHCIL Services Ltd. (SSL)	Step Down Subsidiary	100% held by SHCIL	No
4	Stockholding Securities IFSC Limited (SSIL)	Step Down Subsidiary	100% held by SHCIL	No
5	IFCI Financial Services Ltd. (IFIN)	Subsidiary	94.78%	No
6	IFIN Commodities Ltd. (ICOM)	Step Down Subsidiary	100% held by IFIN	No
7	IFIN Credit Limited (ICL)	Step Down Subsidiary	100 % held by IFIN	No
8	IFIN Security Finance Ltd. (ISFL)	Step Down Subsidiary	100 % held by IFIN	No

S. No.	Name of the holding/Subsidiary/ Associates Companies/Joint Ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of share held by listed entity	Does the entity indicated at column A, Participated in Business Responsibility Initiatives of listed entity in FY 2023-24 (Yes/No)
9	IFCI Infrastructure Development Ltd. (IIDL)	Subsidiary	100.00%	No
10	IIDL Realtors Pvt. Ltd. (IRPL)	Step Down Subsidiary	100 % held by IIDL	No
11	IFCI Venture Capital Funds Ltd. (IVCF)	Subsidiary	98.59%	No
12	IFCI Factors Ltd. (IFL)	Subsidiary	99.90%	No
13	MPCON Ltd.	Subsidiary	79.72%	No
14	KITCO	Associate	20.26%	No

#### VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹) ₹ 8,40,11,24,950.41

(iii) Net worth (in ₹) ₹ 12,14,20,12,145.94

#### VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes then provide web-link for grievance redressal policy)	FY 2023-24			FY 2022-23		
		Number of Complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of Complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Not Applicable	-	-	-	-	-	-
Investors (other than shareholders)	Yes (www.ifcilttd.com)	3,910	-	-	8,406	-	-
Shareholders		20	-	-	269	-	-
Employees and workers		05	02	Pending grievances are under active consideration	11	02	Pending grievances are under active consideration
Customers		-	-	-	-	-	-
Value Chain Partners	Not Applicable	-	-	-	-	-	-
Other (Please specify)	Not Applicable	-	-	-	-	-	-

#### 26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sl. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial Implication of the risk or opportunity (Indicate positive or negative implication)
1.	Business Ethics and Governance	Opportunity	Aligning the business practices to the highest standards of ethics and governance helps the company in maintaining transparency and accountability. It also assists the company in making decisions that are responsible and ethical, thereby preventing corporate scandals and fraud.	-	<b>Positive</b> Practicing ethical behaviour leads to improved customer loyalty, thereby resulting in increased stakeholder's confidence. It also leads to cost savings as the company will not be at risk of running into financial loss due to unethical or irresponsible behaviour.

Sl. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial Implication of the risk or opportunity (Indicate positive or negative implication)
2.	Compliance	Risk and Opportunity	<p><b>Risk</b> The risk of compliance failure could lead to imposition of legal penalties, monetary fees and fines and reputational loss.</p> <p><b>Opportunity</b> Complying with applicable rules and regulations maintains investor confidence and strengthen stakeholders trust, thereby helping in gaining reputational and financial benefits.</p>	The respective compliance officers regularly follow updates regarding the latest and updated legal rules and regulations and ensure compliance to these updates. A compliance certificate for the overall organization is placed to the Board on quarterly basis.	<p><b>Positive</b> It leads to cost savings that otherwise might be incurred due to non-compliance. These costs include fines, penalties and legal fees.</p> <p><b>Negative</b> Imposition of penalties/ fees/fines creates reputational risks.</p>
3.	Data Security	Risk and Opportunity	<p><b>Risk</b> The risk to data security could lead to cyber security attacks and further data breaches that could compromise with the safety of the company data.</p> <p><b>Opportunity</b> Due to increasing dependence on data, maintaining data security provides the company with a competitive advantage as well as an improved reputation. It may also result in saving of costs that could potentially be incurred due to issues linked to security breaches.</p>	Maintenance of a strong policy on data security helps in managing the risks associated with data security breaches	<p><b>Positive</b> It helps to minimize risks and save potential risks linked to non-compliance with data security rules and regulations. Securing data will retain the company's sensitive data safe.</p>
4.	Transparency & Disclosures	Opportunity	<p>Disclosing both financial and non-financial aspects of the company helps in building trust and credibility of the company amongst its stakeholders and shareholders.</p> <p>Maintaining transparency, especially on the non-financial details of the company, including details on environmental, social and governance aspects, additionally enhances the reputation of the company.</p>	-	<p><b>Positive</b> It helps in increasing investor confidence, thereby attracting higher investments from investors.</p>



Sl. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial Implication of the risk or opportunity (Indicate positive or negative implication)
5.	Employee Welfare	Opportunity	Providing benefits to employees such as adequate remuneration, leaves, holidays and opportunities for skill development improves employee satisfaction and loyalty as well as help in retaining existing and attracting new talent.	-	<b>Positive</b> Providing employee welfare will increase employee satisfaction, loyalty, productivity and retention, thereby helping companies to maintain the required work force and have a positive image. This reduces costs related to absenteeism and recruitment.
6.	Digitization	Opportunity	Rapid and ongoing digitalization of operational processes aids transition to a paper-less processing cycle in its operations.	-	<b>Positive</b> It ensures cost saving and contributes to the government's green initiatives.

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

**The National Guidelines on Responsible Business Conduct (NGRBC) were prescribed by the Ministry of Corporate Affairs (MCA), Government of India, in 2018. They are built over the National Voluntary Guidelines on the Social, Environmental and Economic Responsibilities of Business (NVGs) released by the MCA in 2011. The NGRBC have been designed to guide businesses to perform beyond the requirements of regulatory compliance and contribute towards wider developmental goals including environmental and social.**

**The NGRBC advocates for nine principles referred as P1-P9 as given below:**

**P1** Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

**P2** Businesses should provide goods and services in a manner that is sustainable and safe.

**P3** Businesses should respect and promote the well-being of all employees, including those in their value chains.

**P4** Businesses should respect the interests of and be responsive to all its stakeholders.

**P5** Businesses should respect and promote human rights.

**P6** Businesses should respect and make efforts to protect and restore the environment.

**P7** Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

**P8** Businesses should promote inclusive growth and equitable development.

**P9** Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	N	Y	N	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	-	Y	-	Y	Y
c. Web Link of the Policies, if available	#	\$	\$	#	-	\$	-	#	#
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	-	Y	-	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	-	Y	-	Y	Y
4. Name of the national and international codes/certifications/labels/ standards adopted by your entity and mapped to each principle.	-	-	-	-	-	-	-	-	-
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	-	-	-	-	-	@	-	-	-
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	NA	NA	NA	NA	NA	NA	NA	NA	NA

Governance, leadership and oversight																				
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements <i>(listed entity has flexibility regarding the placement of this disclosure)</i> IFCI being an NBFC has limited applicability of above principles. However, the company is conscious of the environment, social well-being of the community and best governance practices while conducting its business. The company strives to follow applicable directions/ guidelines provided by the Government of India. Further, efforts are being made on the ESG front to contribute to the community either through CSR activities or supporting the Govt. of India in the initiative made in this regard. It also provides employees and business associates with working conditions that are clean, safe, healthy and fair. To achieve these commitments, IFCI has a separate CSR Policy and Code of Conduct.																				
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).										Business Responsibility Reporting Committee of Directors.										
9. Does the entity have a specified Committee of the Board / Director Responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.										Yes, IFCI has a specified Committee of the Board for BRSR i.e. Business Responsibility Reporting Committee of Directors.										
10. Details of Review of NGRBCs by the Company:																				
Subject for Review			Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee								Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)									
			P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action			Review is being undertaken by a Committee of Directors								Annual Review									
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances																				
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.			P 1		P 2		P 3		P 4		P 5		P 6		P 7		P 8		P 9	
			No, however, the policies are reviewed and evaluated internally by the Board of IFCI on a regular basis.																	

# The links to the relevant Policies are mentioned at the end of this Report.

\$ Policy being an internal document is accessible to employees only.

#### @ Benefits of Green Existing Buildings:-

Green existing buildings can have tremendous benefits, both tangible and intangible. The most tangible benefits are the reduction in water & energy consumption. The operational savings through energy & water efficiency could range from 5 - 10 %. The consumer waste generated in the building can also be substantially reduced. Intangible benefits of green existing buildings include enhanced air quality, health & higher satisfaction levels of occupants. National Priorities Addressed in the Rating System:

- Water Conservation
- Handling of Consumer Waste
- Energy Efficiency
- Reduced Dependency on Virgin Materials
- Health and Well-being of Occupants.

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated: **Not Applicable**

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)					#		#		

(#) IFCI being an NBFC, this principle is not applicable or has limited applicability. However, the company strives to follow applicable directions/guidelines provided by Government of India.

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

### PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

#### ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	1	Regulatory Updates - Principle 1	100
Key Managerial Personnel	5	Posh-Employee Awareness Program, Conduct Rules and Disciplinary Proceedings, Cyber Security Awareness Program, Women Leadership Programme: Enhancing Empowerment and Effectiveness, Auditing-Strategic	50
Employees other than BoD & KMPs	34	Financial Analysis of Business, Data Analytics with power BI, e-office, Cyber Security and Hygiene, ESG, POSH, Communication skills, leadership and other behavioral skills etc.	85
Workers	Nil	Nil	Nil

Impact: The trainings conducted on the said topics / Principle helped in sensitizing the employees towards business sustainability and responsibility by being more vigilant, ethical and accountable in their duties and responsibilities.

2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

**Nil**

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

**Nil**

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the Policy.

**In this regard Company has a vigilance mechanism in place and following preventive measures have also been adopted by the Company:-**

- Fair Practice Code - The Guidelines for Fair Practices Code for IFCI is available on website of the company at the link <https://www.ifciltld.com/?q=en/content/fair-practices-code>
- The Company follows procedures and norms of CVC regarding anti-corruption and anti-bribery and also the PIDPI Resolution (GoI Resolution on Public Interest Disclosure and Protection of Informers) relating to complaints for disclosure on any allegation of corruption or misuse of office wherein CVC is Designated Agency.
- Apart from the above, IFCI has also adopted Whistle Blower Policy.
- With reference to award of contract, IFCI has Centralized Procurement Policy approved by Board of Directors of IFCI.

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption: **No charges of bribery/corruption have been levied on the company's Directors/KMPs/ employees/ workers.**

6. Details of complaints with regard to conflict of interest: **No complaints were received regarding conflict of interest in the reporting period.**

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

**Not Applicable, since no cases have been reported.**

8. Number of days of accounts payables ((Accounts payable \* 365) / Cost of goods/services procured) in the following format: **Considering the nature of the business of the entity, the above-mentioned point is Nil.**

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NIL	NIL
	b. Number of trading houses where purchases are made from	NIL	NIL
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NIL	NIL
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	NIL	NIL
	b. Number of dealers / distributors to whom sales are made	NIL	NIL
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	NIL	NIL
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	NIL	NIL
	b. Sales (Sales to related parties / Total Sales)	NIL	NIL
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	NIL	NIL
	d. Investments (Investments in related parties / Total Investments made)	The outstanding investment as on March 31, 2024, in subsidiaries is ₹ 1546.41 crore, i.e. 39.29% of the total investment	The outstanding investment as on March 31, 2023, in subsidiaries is ₹ 1546.41 crore, i.e. 42.33% of the total investment

**LEADERSHIP INDICATORS**

- Awareness programmes conducted for value chain partners on any of the Principles during the financial year: **Nil**
- Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

**Yes**, The Company has a Code of Conduct for Board members and senior management, which covers inter-alia the process of dealing with conflict of interests.

The Policy is available at <https://www.ifcilt.com/?q=en/content/code-conduct>

**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe**

**ESSENTIAL INDICATORS**

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

**Nil, as the company works in the financial services domain, the scope of Research & Development and Capital Expenditure for such technologies is limited.**

- a. Does the entity have procedures in place for sustainable sourcing?

**Yes**

- If yes, what percentage of inputs were sourced sustainably?

Centralised Procurement Policy of IFCI has been reviewed in May 2023, in line with latest policies and procedures with governing rules on the lines of (i) Manual on Procurement of Goods, (ii) Manual on Procurement of Works and (iii) Manual on Procurement of Consultancy & Other Services, wherein all the CVC Guidelines on public procurement have been merged. IFCI is availing services of Government E-Market Place (GeM) and CPP Portal (Central Public Procurement Portal) where vendors are registered. **The percentage of Procurements made through GeM Portal during FY 2023-24 is 95.11%.**

- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

**Not Applicable, however, single use plastic based stationery items and crockery items for day to day use has been discontinued.**

- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

**Not Applicable, as the company is not involved in the manufacture or selling of tangible products.**

#### LEADERSHIP INDICATORS

- Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?  
**IFCI being a NBFC, this principle is not applicable or has limited applicability. However, the company strives to follow applicable directions/guidelines provided by Government of India.**
- If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same. **Not Applicable**
- Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).  
**Considering the nature of business and operations, the percentage of recycled or reused input material used by the Company is negligible.**
- Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format: **Not Applicable**
- Reclaimed products and their packaging materials (as percentage of products sold) for each product category. **Not Applicable, as IFCI is not involved in the selling of products.**

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

#### Essential Indicators

- Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health* insurance		Accident insurance**		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
	Permanent employees (Officers)										
Male	89	89	100	89	100	Nil	Nil	89	100	89	100
Female	46	46	100	46	100	46	100	Nil	Nil	46	100
<b>Total</b>	135	135	100	135	100	46	100	89	100	135	100
*IFCI has its own Medical Scheme.											
**IFCI has GTLI Policy covering all permanent employees and two contractual employees.											
Other than Permanent employees											
Male	10	0	0	0	0	Nil	Nil	0	0	10	100
Female	1	0	0	0	0	1	100	Nil	Nil	1	100
<b>Total</b>	11	0	0	0	0	1	100	0	0	11	100

- Details of measures for the well-being of workers:

Category	% of workers covered by (Workmen)										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
	Permanent workers										
Male	1	1	100	1	100	Nil	Nil	1	100	1	100
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	1	1	100	1	100	Nil	Nil	1	100	1	100
	Other than Permanent workers										
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

- Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	<b>FY 2023-24 (Current Financial Year)</b>	<b>FY 2022-23 (Previous Financial Year)</b>
Cost incurred on wellbeing measures as a % of total revenue of the company	₹ 32.90 Lakhs (GTLI policy period from October 01, 2023 to September 30, 2024)	₹ 36.06 Lakhs (GTLI policy period from October 01, 2022 to September 30, 2023)

2. Details of retirement benefits, for Current FY and Previous Financial Year. -

Benefits	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	NA	NA	NA	NA	NA	NA
Others - please specify	-	-	-	-	-	-

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

**Yes, the premises / offices of IFCI Ltd. are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016.**

To suit the special needs of differently abled people, IFCI has created special facilities such as ramps, handrails, washroom and made other necessary changes as per requirements:-

- Ramp/Railing and Assembly Area:-** The IFCI has a special facility of ramps, assembly area and rails for the differently abled person. The dedicated entrance and exit are clearly and easily accessible as there are no steps. In the premises ramp and rails are arranged and it is beneficial to wheelchair users. Security people also help them.
- Washroom:-** Separate toilet is available in IFCI Tower for Divyangjan. They are clearly identifiable and accessible. There is enough space inside.
- Rest Room:-** The restroom is in the ground floor lobby for the differently abled people where they can rest when they need it or feel tired.
- Lifts:-** The handrails, braille buttons and voice recognition facilities etc. are available in lifts for differently abled people. Both service lifts lands in each floor.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

**Yes, IFCI has an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016. The web link is as under: <https://www.ifcilt.com/2019/Equal%20Opportunity%20Policy%201.pdf>**

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers*	
	Return to work rate	Retention rate (%)	Return to work rate	Retention rate
Male	7	100	NA	NA
Female	3	100	NA	NA
<b>Total</b>	<b>10</b>	<b>100</b>	<b>NA</b>	<b>NA</b>

\* No worker availed Parental Leave during the year

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief. **Yes**

	Yes/ No (If yes, the details of the mechanism in brief)
<b>Permanent Workers</b>	Yes, IFCI has a three stage Grievance Redressal Policy with a predefined scope with regard to employment conditions. Grievances are resolved as per the following structure: Stage I: Reporting Officer Stage II: Grievance Redressal Committee (HR Review Committee) Stage III: MD & CEO
<b>Other than Permanent Workers</b>	NA
<b>Permanent Employees</b>	Yes, IFCI has a three stage Grievance Redressal Policy with a predefined scope with regard to employment conditions. Grievances are resolved as per the following structure: Stage I: Reporting Officer Stage II: Grievance Redressal Committee Stage III: MD & CEO
<b>Other than Permanent Employees</b>	NA



7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	Financial Year (Current Financial Year 2023-24)			Financial Year (Previous Financial Year 2022-23)		
	Total Employees/ Workers in respective Category	No. of Employees/ Workers in respective Category, who are part of association or union	% (B/A)	Total Employees / Workers in respective Category	No. of Employees / Workers in respective Category, who are part of association or union	% (D/A)
	(A)	(B)		(C)	(D)	
Total Permanent Employees	135	124	91.85	149	137	91.95
- Male	89	78	87.64	99	89	89.90
- Female	46	46	100	50	48	96
Total Permanent Workers*						
- Male	1	0	0	1	0	0
- Female	-	-	-	-	-	-

\*The workman employees are part of total employees but not members of Officers Association.

8. Details of training given to employees and workers\*:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health & Safety Measures		On Skill upgradations		Total (D)	On Health & Safety Measures		On Skill upgradations	
		No. (B)	%(B/A)	No. C	% (C/A)			No. (D)	%(E/D)	No. F
Employees										
Male	89	Nil	Nil	60	67.41	95	Nil	Nil	91	98.94
Female	46	Nil	Nil	37	80.43	50	Nil	Nil	45	90.00
Total	135	Nil	Nil	97	71.35	145	Nil	Nil	136	93.79
Workers										
Male	1	Nil	Nil	Nil	Nil	1	Nil	Nil	Nil	Nil
Female	0	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	1	Nil	Nil	Nil	Nil	1	Nil	Nil	Nil	Nil

\*Training Details have been entered for all employees including contractual staff (does not include employees on deputation to outside organizations)

9. Details of performance and career development reviews of employees and worker:

Category	FY2023-24			FY2022-23		
	Total (A)	No. (B)	%(B/A)	Total (C)	No. (D)	%(D/C)
<b>Employees (Officers)</b>						
Male	84	29	35	98	72	74
Female	46	22	48	48	41	85.41
Total	130	51	39	147	114	78
<b>Workers (Workmen)</b>						
Male	1	-	0	1	1	100
Female	NIL	NIL	NIL	NIL	NIL	NIL
Total	1	-	0	1	1	100

Details of Performance and Career Development Reviews include all permanent employees which were under the purview of Annual Performance Appraisal Exercise at IFCI in the respective Financial Year. For FY 2023-24, review is being done for all the employees & workmen.

10. Health and safety management system:

- Whether an occupational health and safety management system has been implemented by the entity? **(Yes/ No)**. If yes, the coverage of such system? **Not Applicable, however, IFCI ensures safety and wellbeing of all its employees.**
- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity? **No Hazardous waste generated by the entity, however, daily routine garbage disposed of through AMC service provider.**
- Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N) **No Hazardous waste generated by the entity, however, daily routine garbage disposed of through AMC service provider.**
- Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? **(Yes/ No). Yes**

11. Details of safety related incidents:

**Nil**

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

**Necessary safety equipment's are in place. Necessary safety measures were taken / in place such as firefighting equipment, fire refuge, Maintenance of lifts, Emergency signages, Emergency exit doors and lobby area. Post covid, additional measures were followed such as sensor enabled taps in washroom, sanitizers, social distancing, Work from Home facility etc.**

13. Number of Complaints on the following made by employees and workers:

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	-	1	1	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100 (Head Office and 4 Regional Offices)
Working Conditions	-

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions. **Nil**

**LEADERSHIP INDICATORS**

- Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N). **Yes**
- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners. **Not Applicable**
- Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment: **Nil**
- Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No).  
**Yes, IFCI has "POLICY ON ENGAGEMENT OF RETIRED OFFICERS AS ADVISORS" which is to utilise the experience and expertise of retired official through engagement for fixed tenure.**
- Details on assessment of value chain partners: **Nil**
- Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners. **Nil**

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

- Describe the processes for identifying key stakeholder groups of the entity.  
**No such process has been defined, however in view of the business activity of the listed company and being a NBFC, the categories of stakeholders are mentioned in point no 2 below.**
- List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/Quarterly/Others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Security holders (Equity and Bondholders)	No	Emails, SMS, Newspaper, Notices, Website etc	Need based events and covers all half yearly, quarterly and Annually	Repayments, Meetings updates, KYC related, grievance related
Clients (advisory business)	No	Website, Emails, Personal visits, presentations	Event Based	Work order/ Project related
Employees (Including retired employees)	No	Emails, Website, Intranet, Internal Meetings	Event Based	Trainings, Work orders, Grievances etc
Regulatory Authorities	No	Emails, Telephonically, Website etc	Quarterly, Event Based	Compliance updates
Borrowers	No	Website, Emails, Personal visits	Monthly, Quarterly	Follow ups and Routine updates
Lenders	No	Website, Emails, Personal visits	Monthly, Quarterly & Event Based	Follow ups, Routine updates

**LEADERSHIP INDICATORS**

- Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board. **Not Applicable**  
**IFCI follows the Guidelines prescribed at regular intervals by the authorities, concerned Ministry w.r.t. Environmental and Social topics.**
- Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity. **Not Applicable**
- Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.  
**IFCI is registered on GeM and company promotes procurement from MSMEs.**

**PRINCIPLE 5: Business should respect and promote human rights.**

**ESSENTIAL INDICATORS**

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format: **Nil**
- Details of minimum wages paid to employees and workers, in the following format:

Category	FY2023-24 Current Financial Year					FY2022-23 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	%(B/A)	No. (C)	%(C/A)			No. (E)	%(E/D)	No. (F)
Employees										
Permanent										
Male	98	Nil	Nil	98	100	110	Nil	Nil	110	100
Female	50	Nil	Nil	50	100	57	Nil	Nil	57	100
Other than Permanent										
Male	11	Nil	Nil	11	100	11	Nil	Nil	11	100
Female	1	Nil	Nil	1	100	3	Nil	Nil	3	

Category	FY2023-24 Current Financial Year					FY2022-23 Previous Financial Year					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage		
		No. (B)	%(B/A)	No. (C)	%(C/A)			No. (E)	%(E/D)	No. (F)	%(F/D)
Workers											
Permanent											
Male	1	Nil	Nil	1	100	1	Nil	Nil	1	100	
Female	-	-	-	-	-	-	-	-	-	-	
Other than Permanent											
Male	Nil	-	-	-	-	-	-	-	-	-	
Female	Nil	-	-	-	-	-	-	-	-	-	

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors (BOD)	-	-	-	-
Key Managerial Personnel (includes MD and WTD)	3	₹ 49.97 Lakhs	1	₹ 42.47 Lakhs
Employees other than BOD and KMP	106	₹ 24.31 Lakhs (For Deputed, remuneration is paid by concerned organisation)	50	₹ 24.14 Lakhs
Workers	1	₹ 8.60 Lakhs	-	-

Note: Number of employees includes both permanent and contractual staff for calculation of Remuneration.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Gross wages paid to females as % of total wages	31.1%	32.9%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issue caused or contributed to by the business?

**No**

5. Describe the internal mechanism in place to redress grievances related to human rights issues.

**Employee Grievances are redressed through a Grievance Redressal System which has fairly wide scope to cover such issues pertaining to Human Rights.**

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format: **Nil**

8. Mechanism to prevent adverse consequences to the complainant in discrimination and harassment cases.

**The cases of complaints regarding Sexual Harassment are regulated by the provisions of The Sexual Harassment of Women at Workplace**

(Prevention, Prohibition and Redressal) Act 2013, which has built in safeguards against any adverse consequences to the complainant. Besides, IFCI also has Liaison Officers and Employee Association for SC/ST employees which cater to the issues raised by employees belonging to marginalised sections of society, including discrimination at workplace.

Pursuant to the Whistle Blower Policy of the Company, necessary mechanism has been put in place to provide protection to the complainant, wherever required. The Whistle Blower Policy is available at <https://www.ifcilt.com/2022/Whistle%20Blower%20Policy.pdf>.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No) No

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	NIL
Forced/Involuntary Labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 Above. Nil

#### LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

**Employee Grievances are redressed through a Grievance Redressal System which has fairly wide scope to cover such issues pertaining to Human Rights. Besides, IFCI has an Equal Opportunity Policy as per the Rights of Persons with Disabilities Act, 2016, for ensuring protection of Rights of Persons with Disabilities.**

2. Details of the scope and coverage of any Human rights due-diligence conducted. **Not Applicable**

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016? **Yes**

4. Details on assessment of value chain partners: **Not Applicable**

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above. **Not Applicable**

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.**

#### Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>From renewable sources</b>		
Total electricity consumption (A)	Approx. 2281320 kwh	Approx. 2359320 kwh
Total fuel consumption (B)	Approx. 818.62 kwh	Approx. 489.37 kwh
Energy consumption through other sources (C)	NIL	NIL
<b>Total energy consumed from renewable sources (A+B+C)</b>	Approx. 2282138.62 kwh	Approx. 2359809.37 kwh
<b>From non-renewable sources</b>		
Total electricity consumption (D)	Nil	Nil
Total fuel consumption (E)	Nil	Nil
Energy consumption through other sources (F)	Nil	Nil
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	Nil	Nil
<b>Total energy consumed (A+B+C+D+E+F)</b>	Nil	Nil
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations)	2282138.62 (Kwh) / 37951140 (Amount)=0.060	2359809.37 (Kwh) / 36387000 (Amount)=0.064
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)	-	-
<b>Energy intensity in terms of physical output</b>	-	-
Energy intensity (optional)–the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) if yes, name of the external agency. **No. However, IFCI aims to conduct a thorough assessment for disclosures related to electricity consumption from the next financial year onwards.**

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. **Nil**
3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	Approx.170 KL	Approx.373 KL
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
<b>Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)</b>	Approx. 170 KL	Approx.373 KL
<b>Total volume of water consumption (in kilolitres)</b>	Approx. 170 KL	Approx.373 KL
<b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations)	169 (unit) /34640 (Amount)=0.0048	373 (unit) /35920 (Amount)=0.010
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP)		
<b>Water intensity in terms of physical output</b>		
<b>Water intensity (optional)</b> - the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) if yes, name of the external agency. **No**

4. Provide the following details related to water discharged: **Nil**
5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. **Not Applicable**
6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format: **Not Applicable as IFCI is not a manufacturing company.**
7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format: **Not Applicable**
8. Does the entity have any project related to reducing Green House Gas emissions? If yes, then provide details. **Not Applicable**
9. Provide details related to waste management by the entity, in the following format: **No Hazardous waste generated by entity, however, daily routine garbage disposed of through AMC service provider.**
10. Briefly describe the waste management practices adopted in your establishment. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practice adopted to manage such waste. **No Hazardous waste generated by entity, however, daily routine garbage disposed of through AMC service provider.**
11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format: **Nil**
12. Details of environment impact assessment of projects undertaken by the entity based on applicable laws, in the current financial year: **Not Applicable**
13. Is the entity compliant with the applicable environment law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliance, in the following format: **Yes, entity is complying with all the applicable environmental laws/regulations/guidelines in India.**

#### LEADERSHIP INDICATORS

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): **Nil**  
For each facility/plant located in areas of water stress, provide the following information:  
(i) Name of the area  
(ii) Nature of operations  
(iii) Water withdrawal, consumption and discharge in the following format:  
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (N/Y) If yes, name of the external agency. **No**
2. Please provide details of total Scope 3 emissions & its intensity, in the following format: **Nil**  
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y2N) If yes, name of the external agency. **No**



3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities. **Not Applicable**
4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/ effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format: **Not Applicable**
5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

**Yes IFCI has Business Continuity Policy in place which covers proactive plan and strategy that ensures critical services or products delivered during disruption. Disaster recovery (DR) is an organization's ability to restore access and functionality to IT infrastructure after a disaster event, whether natural or caused by human action. DR is considered a subset of business continuity, explicitly focusing on ensuring that the IT systems that support critical business functions are operational as soon as possible after a disruptive event occurs. IFCI has its Data Centre located at the IFCI Tower, New Delhi and critical CIIS applications are running on Sun Sparc servers with Oracle databases 12c and application servers 11g. IFCI has setup DR Site at Mumbai at SIFY Data Centre, which replicates databases, applications, and virtual machines. To ensure the business continuity, IFCI conducts DR drills periodically.**

6. Disclose any significant adverse impact to the environment arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard. **Nil**
7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts. **Not Applicable**

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

#### Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.  
**The Company holds membership in two (2) trade and industry chambers/ associations.**
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Indian Banks Association	National
2.	Indian Institute of Banking and Finance	National

2. Provide details of corrective actions taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities. **Nil**

#### LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity: **Nil**

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.**

#### Essential Indicators

1. Details of Social Impact Assessment (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year. **Nil**
2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: **Not Applicable**
3. Describe the mechanisms to receive and redress grievances of the community.  
**Not Applicable**
4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directly sourced from MSMEs/small producers	0.96%	67.06%
Directly from within India	100	-

5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Rural	0	0
Semi-urban	0	0
Urban	0	0
Metropolitan	100%	100%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

#### LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above): **Not Applicable**
2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies: **Nil**
3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? (Yes/No): **Yes. IFCI has a Centralized Procurement Policy duly approved by Board of Directors.**  
 (b) From which marginalized /vulnerable groups do you procure?  
**IFCI procures from following marginalized/ vulnerable groups: MSME Enterprises**  
 (c) What percentage of total procurement (by value) does it constitute? **0.96%**
4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge: **Nil as IFCI is not involved in intellectual properties owned or acquired by the company based on traditional knowledge.**
5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved. **Nil**
6. Details of beneficiaries of CSR Projects: **Nil**

#### PRINCIPLE 9: Businesses should engage with and provide value to their consumer in a responsible manner.

##### ESSENTIAL INDICATORS

1. Describe the mechanism in place to receive and respond to consumer complaints and feedback.  
**Resolution of investors' queries/ complaints/ grievances in bond servicing is given top most priority & attention by IFCI.**  
 In respect of Equity Shareholders, the company has appointed a Registrar & Transfer Agent (R&TA), for efficient redressal of investor complaints/grievances. Also, certain queries are directly redressed by the concerned department of the company.  
 In respect of bonds which are being serviced in-house at IFCI, all the complaints/grievances are replied by IFCI directly to investors. Similarly, in respect of the bonds which are being serviced through R&TAs, the resolution of the complaints/grievances is taken care by R&TAs directly. However, if any support or help is required in resolving the queries, same is provided by IFCI.  
 To have better control on the resolution of investor complaints/grievances, reports in the prescribed formats indicating type of complaints, number of complaints received, resolved and pending resolution, if any, at the end of the period are obtained from the respective R&TAs and compiled in the Department on quarterly intervals. Based on such compiled data, a report is placed before the Stakeholders' Relationship Committee of the Board.  
**SCORES** - SEBI has an online portal for redressing of investors' grievances called SCORES. The complaints received on the portal are accessed by IFCI and Interim replies and/or Action taken reports are filed in co-ordination with the R&TA of respective issues. It is ensured that all grievances are addressed in a time bound manner.

##### Besides, investors' grievances and requests are also received on:

- IFCI website through *Bondholders section*
- Email ID [complianceofficer@ifcilttd.com](mailto:complianceofficer@ifcilttd.com)
- Email ID [bondscomplianceofficer@ifcilttd.com](mailto:bondscomplianceofficer@ifcilttd.com)
- Email ID [infrabonds@ifcilttd.com](mailto:infrabonds@ifcilttd.com) for Infra Bonds
- Email ID [tier2bonds@ifcilttd.com](mailto:tier2bonds@ifcilttd.com) for Subordinate Bonds
- Email ID [ifcipublicissue@ifcilttd.com](mailto:ifcipublicissue@ifcilttd.com) for Public issue of Bonds
- Email ID [ppbonds@ifcilttd.com](mailto:ppbonds@ifcilttd.com) for Private placement bonds

The queries or complaints received through email are replied through email itself. In case any complaint/grievance requires some time for resolution, an interim reply is also sent to the investor as an investor friendly gesture. Investors' grievances received through email/letter at IFCI, in case of bonds and equity handled by R&TA are forwarded to R&TAs. Thereafter the R&TA replies to the investor(s) through email/letter with a copy to IFCI.

##### Some of the common grievances received from Investors' are as below:

- a. Correction of mistakes in bond certificates
- b. Issue of duplicate bond certificate
- c. Rematerialization & Dematerialization of bonds
- d. Transmission of bonds
- e. Splitting of bonds
- f. Updation of bank A/c, address, email ids
- g. Corporate actions for bonds in lock-in period
- h. Revalidation of warrants/ payment of unpaid amount
- i. Status of Dividend/Shares/Amount transferred to IEPF.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about: **Not Applicable**
3. Number of consumer complaints in respect of the following: **Nil**
4. Details of instance of product recalls on account of safety issues: **Not Applicable**
5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? **(Yes/No)** If available, provide the web-link of the policy.  
**Yes, IFCI has a IS and Cyber Security policy in place, the policy is reviewed annually. The policy is an internal document.**
6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customer; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.  
**Not Applicable**
7. Provide the following information relating to data breaches: **Nil**
  - a. Number of instances of data breaches
  - b. Percentage of data breaches involving personally identifiable information of customers
  - c. Impact, if any, of the data breaches

#### LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).  
IFCI offers variety of financial products/services. The financial products offered by the IFCI are available at the website of the company and can be accessed at <https://www.ifcilttd.com/?q=en/content/financial-products>.
2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.  
**The Company's website containing relevant details is updated on real time basis.**
3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.  
**Any risk of disruption/discontinuation of essential services is communicated via IFCI's website.**
4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)  
If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)  
**Yes. The Company being a NBFC offers various financial products, therefore it is ensured that adequate disclosures of all its financial products offered are made to its borrowers and to its investors through the company's website at <https://www.ifcilttd.com/?q=en/content/financial-products>.**

#### Annexure -1 to Business Responsibility Report

The links of relevant policies approved by the Board of Directors of the Company are given below: -

Name of the Policy	Web-link
Fair Practice Code	<a href="https://www.ifcilttd.com/?q=en/content/fair-practices-code">https://www.ifcilttd.com/?q=en/content/fair-practices-code</a>
Code of Conduct	<a href="https://www.ifcilttd.com/?q=en/content/code-conduct">https://www.ifcilttd.com/?q=en/content/code-conduct</a>
Vigil Mechanism	<a href="https://www.ifcilttd.com/?q=en/content/whistle-blower-policy">https://www.ifcilttd.com/?q=en/content/whistle-blower-policy</a>
CSR Policy	<a href="https://www.ifcilttd.com/?q=en/content/our-csr-policy">https://www.ifcilttd.com/?q=en/content/our-csr-policy</a>

The other policies are internal documents and accessible only to employees of the organization.

## WELFARE OF SCs/STs/OBCs/EWSs/PWDs

Your Company adheres to the guidelines of the Government of India w.r.t welfare of Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs), Persons with Disabilities (PwDs) and Economically Weaker Sections (EWSs), both in letter & spirit. Your Company also works to actively promote the welfare of SCs, STs, OBCs, PwDs and EWSs. Your Company strictly follows to the guidelines set forth by the Government of India regarding reservations and relaxations for particular categories.

Additionally, Your Company provides due representation for employees in reserved categories in its training programmes.

The total number of regular employees in your Company during the financial year was 139 (excluding MD & CEO, DMD & CVO), of whom 20 (14%) were from Other Backward Classes, 12 (9%) were from Scheduled Castes and 01 (1%) was from Scheduled Tribes as on January 01, 2024.

### ANNUAL STATEMENT SHOWING THE REPRESENTATION OF SCs, STs, OBCs & EWSs AS ON FIRST JANUARY OF THE YEAR 2024 AND NUMBER OF APPOINTMENTS MADE DURING THE PRECEDING CALENDAR YEAR

Sl. No.	Class	Number of Employees (as on 01.01.2024)					Number of appointments made during the preceding year											
							By Direct Recruitment					By Promotion			By Deputation/ Absorption			
		Total number of employees	SCs	STs	OBCs	EWSs	Total	SCs	STs	OBCs	EWSs	Total	SCs	STs	Total	SCs	STs	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	
1	Class I	138	12	1	20	-	-	-	-	-	-	30	2	-	-	-	-	
2	Class III	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3	Class IV	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4	Contractual	8	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	
	Total	147	12	1	20	0	1	0	0	0	0	30	2	0	0	0	0	

### ANNUAL STATEMENT SHOWING THE REPRESENTATION OF SCs, STs, OBCs & EWSs IN VARIOUS GRADES AS ON FIRST JANUARY OF THE YEAR 2024

Sl. No.	Grades	Number of Employees (as on 01.01.2024)					Number of appointments made during the preceding year											
							By Direct Recruitment					By Promotion			By Deputation/ Absorption			
		Total number of employees	SCs	STs	OBCs	EWSs	Total	SCs	STs	OBCs	EWSs	Total	SCs	STs	Total	SCs	STs	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	
1	ED	2	-	-	-	-	-	-	-	-	-	2	-	-	-	-	-	
2	F	3	-	-	-	-	-	-	-	-	-	3	-	-	-	-	-	
3	E	22	2	-	3	-	-	-	-	-	-	6	1	-	-	-	-	
4	D	29	-	-	3	-	-	-	-	-	-	6	-	-	-	-	-	
5	C (including PS Gr C)	45	5	1	5	-	-	-	-	-	-	7	-	-	-	-	-	
6	B (including PS Gr B)	34	5	-	8	-	-	-	-	-	-	6	1	-	-	-	-	
7	A	3	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	
8	Class III	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
9	Class IV	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	Contractual	8	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	
	Total	147	12	1	20	0	1	0	0	0	0	30	2	0	0	0	0	

### Group-wise Representation of Persons with Disabilities (PwD) up to 31.12.2023

Sl. No.	Group	Nature of Employees (as on 31.12.2023)					Number of appointments/promotions made during the calender year 2023 (i.e. 01.01.2023 to 31.12.2023)																			
							Appointment by Direct Recruitment										Promotion									
							No. of vacancies reserved					No. of Appointments made					No. of vacancies reserved					No. of Appointments made				
		Total	VH	HH	OH	ID	VH	HH	OH	ID	Total	VH	HH	OH	ID	Total	VH	HH	OH	ID	Total	VH	HH	OH	ID	Total
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
1	Class I	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Class-III	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Class-IV	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

#### NOTE:

- VH stands for Visually Handicapped (persons suffering from blindness or low vision)
- HH stands for Hearing Handicapped (persons suffering from hearing impairment)
- OH stands for Orthopedically Handicapped (persons suffering from locomotor disability or cerebral palsy)
- ID stands for Intellectual Disability

## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

### PART "A": SUBSIDIARIES

As at March 31, 2024

(₹ in Crores)

Sr. No.	Name of the Subsidiary	Direct Subsidiaries						Step-down Subsidiaries						
		IFCI Venture Capital Funds Ltd.	IFCI Infrastructure Development Ltd.	IFCI Factors Ltd.	IFCI Financial Services Ltd.	Stock Holding Corporation of India Ltd.	MPCON Ltd.	IIDL Realtors Pvt. Ltd.	IFIN Commodities Ltd.	IFIN Credit Ltd.	IFIN Securities Finance Ltd.	Stockholding Document Management Services Ltd.	SHCIL Services Ltd.	Stockholding Securities IFSC Ltd.
1	Share capital	60.37	427.09	279.44	41.53	21.05	1.00	0.01	5.00	2.50	30.01	55.75	6.09	20.00
2	Reserves & surplus	113.08	80.83	-265.52	23.10	6,423.49	14.48	10.17	-1.87	0.49	0.49	-6.27	106.63	-6.83
3	Total assets	187.79	534.86	20.57	90.50	9,878.56	30.06	19.31	3.32	2.02	30.69	171.82	473.47	17.80
4	Total liabilities	14.35	26.94	6.65	25.87	3,434.02	14.58	9.13	0.19	-0.97	0.19	122.34	360.75	4.63
5	Investments	30.58	115.52	9.34	35.88	7,123.48	-	-	-	-	0.92	-	2.76	-
6	Turnover	51.30	38.97	21.88	15.46	788.22	237.07	3.72	0.39	0.12	2.76	100.64	119.66	0.74
7	Profit before taxation	13.81	13.53	-1.56	-1.91	301.22	8.46	2.38	-0.29	0.026	1.26	11.87	27.32	-1.26
8	Provision for taxation	12.78	3.53	86.38	-	36.95	2.56	1.02	-	-	-0.06	3.75	7.25	-
9	Profit after taxation	1.03	10.00	-87.94	-1.91	264.27	5.90	1.36	-0.29	0.026	1.15	8.12	20.07	-1.26
10	Proposed dividend	-	-	-	-	33.27	-	-	-	-	-	-	9.13	-
11	% of shareholding *	98.59%	100.00%	99.90%	94.78%	52.86%	79.72%	100.00%	100%	100%	100%	100%	100%	100%

\* % of shareholding indicated for step-down subsidiaries represents the shareholding of their respective immediate holding company

**Note:** All subsidiary companies have been incorporated in India and are following the same reporting period as of Holding co. i.e. 12 months ending on 31st March each year.

For and on behalf of the Board of Directors of **IFCI Limited**

**MANOJ MITTAL**  
Managing Director &  
Chief Executive Officer  
DIN 01400076

**RAHUL BHAVE**  
Deputy Managing  
Director  
DIN 09077979

**UMESH KUMAR GARG**  
Independent Director  
DIN 00599426

**SUNEET SHUKLA**  
Chief General Manager &  
Chief Financial Officer

**PRIYANKA SHARMA**  
Company Secretary

**Place:** New Delhi  
**Dated:** 30 April 2024

**PART "B": ASSOCIATES AND JOINT VENTURES**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ in Crores)

S. No.	Name of Associates/ Joint Ventures	Athena Chattisgarh Power Pvt. Ltd.	Gati Infrastructure Bhasmey Power Pvt. Ltd. \$	Kitco Ltd. ^	Nagai Power Pvt. Ltd.	Shiga Energy Private Ltd.	Vadraj Cements Ltd.	Vadraj Energy (Gujarat) Ltd.
1	<b>Latest audited Balance Sheet Date</b>	<b>31-Mar-20</b>	<b>31-Mar-22</b>	<b>31-Mar-23</b>	<b>31-Mar-21</b>	<b>31-Mar-23</b>	<b>31-Mar-18</b>	<b>31-Mar-18</b>
2	Shares of Associate/Joint Ventures held by the company on the year end							
	No. of Equity Shares	138,540,000	45,020,000	19,950	5,640,000	51,000,000	63,916,797	36,000,000
	Amount of Investment in Associates/Joint Venture - Equity Shares	137.29	45.02	0.04	5.17	51.00	63.92	35.44
	Extend of Holding	7.01%	38.73%	20.26%	26.46%	28.43%	3.20%	24.00%
3	Reason why the associate/joint venture is not consolidated	As per Ind AS 28, para 20, an entity shall apply Ind AS 105 to an investment, or a portion of an investment, in an associate or a joint venture that meets the criteria to be classified as held for sale. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale shall be accounted for using the equity method until disposal of the portion that is classified as held for sale takes place. After the disposal takes place, an entity shall account for any retained interest in the associate or joint venture in accordance with Ind AS 109 unless the retained interest continues to be an associate or a joint venture, in which case the entity uses the equity method. As the investment in these companies have been classified as held for sale, accordingly these companies has not been consolidated.						
4	Networth of the Company	1,954.75	116.44	38.86	-69.20	-326.98	-1,112.87	-137.35
	- Equity Share Capital	1,975.06	116.24	9.85	365.47	179.42	2,000.00	150.00
	- Preference Share Capital	-	-					
	- Convertible Pref Share Capital	-						
	- Reserves & Surplus	-20.01	0.20	29.01	-434.67	-506.40	-3,112.87	-287.35
5	Networth attributable to Shareholding as per latest audited Balance Sheet (Equity Only)	137.03	45.10	7.87	-18.31	-92.95	-35.57	-32.96
6	Profit / Loss for the year	-0.30	-	2.53	-235.31	-65.94	-1,595.29	-212.99
	i. Considered in Consolidation	-	-	-	-	-	-	-
	ii. Not Considered in Consolidation	-0.30	-	2.53	-235.31	-65.94	-1,595.29	-212.99

\$ I-GAAP financials have been considered. ^ Based on Audited Financials 2022-23

For and on behalf of the Board of Directors of **IFCI Limited**

**MANOJ MITTAL**  
Managing Director &  
Chief Executive Officer  
DIN 01400076

**RAHUL BHAVE**  
Deputy Managing  
Director  
DIN 09077979

**UMESH KUMAR GARG**  
Independent Director  
DIN 00599426

**SUNEET SHUKLA**  
Chief General Manager &  
Chief Financial Officer

**PRIYANKA SHARMA**  
Company Secretary

**Place:** New Delhi  
**Dated:** 30 April 2024



## INDEPENDENT AUDITOR'S REPORT

To the Members of IFCI Limited

### Report on the Audit of Standalone Financial Statements

#### Opinion

We have audited the accompanying Standalone Financial Statements of **IFCI Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date and Notes to the standalone Financial Statements, including a summary of material Accounting Policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in "Auditors Responsibilities for the Audit of Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidences obtained by us is sufficient and appropriate to provide a reasonable basis for our audit opinion on the Standalone Financial Statements.

#### Emphasis of Matter:

- We draw attention to **Note No. 39** of the financial statements regarding change in accounting policy towards recognition of interest income on Stage 3 assets w.e.f. 01.04.2021. Accordingly, the interest income for the FY 2021-2022 and FY 2022-2023 has increased by ₹ 248.03 Crores and ₹ 209.50 Crores respectively.
- We draw attention to **Note No. 40**, where the valuation of the investments in subsidiary companies has been considered on the basis of financial statements for the period ended 31st December 2023.
- We draw attention to **Note No. 54** where the Capital Risk Adequacy Ratio (CRAR) stands at (-)48.35 % as on 31.03.2024, below the RBI stipulated guideline vide circular dated 31st May, 2018 (RBI/2017-18/181 DNBR (PD) CC.No.092/03.10.001/2017-18).
- In a certain case, it was observed that one party has appointed the company as its advisor/consultant for assisting and preparation of their proposal under SDF (Sugar Development Fund) scheme of Government of India (GOI). However, company is also acting as nodal agency/agent of government for independently carrying out various due diligence procedures on application received by nodal ministry under SDF Scheme. Notwithstanding express approval from GOI, the action of assisting/coaching an applicant into preparation of documents/

project reports on commercial terms, and simultaneously conducting due diligence on behalf of GOI, severely undermines the creditability of the proposals appraised by the company, and comprises the independent position of the company.

- The company has informed us vide letter dt. 01.11.2022 received from nodal ministry that case specific data for SDF (Sugar Development Fund) Scheme may not be shared with auditors. Accordingly, same is not reviewed by us.
- The company has informed us that as per communication received from nodal ministry towards PLI (Production Linked Incentive) schemes, files and documents shall not be made available to the auditors, hence we have not reviewed the same.

Our Opinion is not modified in respect of these matters.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matters	How our matter was addressed in the audit
1.	<p><b>Impairment of Loan Assets – Expected Credit Loss (ECL)</b></p> <p>[Refer Note No. 53 to the Standalone Financial Statements read with accounting policy No. 6(b)]</p> <p>The most significant areas where we identified greater levels of management judgment are:</p> <ul style="list-style-type: none"> <li>ECL model-Impairment loss measurement requires use of statistical models to estimate the Probabilities of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). These models are key driver to measure ECL.</li> <li>Individually assessed classification of various Stages- the carrying value of loans and advances to borrowers may be materially misstated if individual impairments are not appropriately identified and estimated.</li> </ul> <p>The effect of these matters is that, as part of our risk assessment, we determined that the value of ECL has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole.</p>	<p><b>Our Audit Procedure includes:</b></p> <p>We have obtained an understanding of the guidelines as specified in Ind AS 109 "Financial Instruments", various regulatory updates and the Company's internal instructions and procedures in respect of the expected credit loss and adopted the following audit procedures:</p> <ol style="list-style-type: none"> <li>Evaluation and understanding of the key internal control mechanisms with respect to the loan assets, assessment of the loan impairment including assessment of relevant data quality, and review of the real data entered.</li> <li>Verification/review of documentations, operations/performance of Loan asset accounts, on test check basis of the large and stressed loan assets, to ascertain any overdue, unsatisfactory conduct or weakness in any loan asset account.</li> <li>Review of the reports of the internal audit and any other audit/inspection mechanisms to ascertain the loan assets having any adverse indication/comments, and review of</li> </ol>

S. No.	Key Audit Matters	How our matter was addressed in the audit
	In the event of any improper application of assumptions, the carrying value of loan assets could be materially misstated either individually or collectively. In view of the significance of the amount of loan assets in the standalone Financial Statements, the impairment of loan assets thereon has been considered as Key Audit Matter in our audit.	<p>the control mechanisms of the Company to ensure the proper classification of such loan assets and expected credit loss thereof.</p> <p>4. The accuracy of critical data elements input into the system used for computation of PD and LGD.</p> <p>5. The completeness and accuracy of data flows from source systems into the ECL calculation.</p> <p>6. Independent assessment of all Loan assets based on IRACP norms of RBI.</p> <p><b>Our results:</b> We considered the credit impairment charge and provision recognized and the related disclosures to be acceptable &amp; satisfactory.</p>
2.	<p><b><u>Valuation of financial instruments at Fair Value</u></b></p> <p>[Refer Note No. 52 to the Standalone Financial Statements read with accounting policy No. 6(b)]</p> <p>Company enters into derivative contracts in accordance with RBI guidelines to manage its currency and interest rate risk. These derivative contracts are categorized at FVTPL and certain derivative contracts are designated under cash flow hedge (Hedge Accounting).</p> <p>We consider the valuation of the derivative financial instruments and hedge accounting as a key audit matter due to its material exposure and the fact that the inappropriate application of these requirements could lead to a material effect on the income statement.</p>	<p><b><u>Our Audit Procedure includes:</u></b></p> <p>We involved our team to review the managements underlying assumptions in estimating the fair valuation arrived at for those financial derivative contracts and the possible outcome of the underlying contracts accruing any profit or loss to the company.</p> <p>Our team also considered general market practices and other underlying assumptions in arriving at such fair valuation of the financial derivative contracts as outstanding/pending for settlement as on March 31, 2024.</p> <p>Assessing whether the financial statement disclosures appropriately reflect the Company's exposure to derivatives valuation risks with reference to the requirements of the prevailing accounting standards and Reserve Bank of India Guidelines.</p> <p><b>Our results:</b> We did not find any material misstatement in measuring derivative contracts at fair value and the related disclosures to be acceptable &amp; satisfactory.</p>

S. No.	Key Audit Matters	How our matter was addressed in the audit
3.	<p><b><u>Valuation of investments in Subsidiaries and Associates</u></b></p> <p>Due to the materiality of the investment in the context of the parent Company's financial statements and the market risk related with recoverability of investments, this was considered to be the area of focus during the course of Company's audits. Hence, it was considered as a key Audit matter in our Report.</p>	<p><b><u>Our Audit Procedure includes:</u></b></p> <p>Review of financial statements of all subsidiaries and associates.</p> <p><b>Our results:</b> We did not find any material risk in recoverability of the investments and the valuation of the investments has been done on fair value.</p>
4.	<p><b><u>Assessment of Information Technology (IT)</u></b></p> <p>The key financial accounting and reporting processes are highly dependent on the automated controls over the Company's IT systems. There is a risk that improper segregation of duties or user access management controls (in relation to key financial accounting and reporting systems) may undermine our ability to place some reliance thereon in our audit.</p> <p>We have considered this as key audit matter as any control lapses, validation failures, incorrect input data and wrong extraction of data may result in wrong reporting of data to the management and regulators.</p>	<p><b><u>Our Audit Procedure includes:</u></b></p> <p>Evaluated sample of key controls operating over the information/input in relation to financial accounting and reporting systems.</p> <p><b>Our results:</b> We did not find any material deficiencies as per our analysis of reports emanating from IT systems on Financial Accounting and reporting.</p>

#### Information other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors and Management is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon.

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

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

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance including other comprehensive income, cash flow and changes in equity of the Company in accordance with the accounting principles generally

accepted in India, including Ind AS specified under section 133 of the Companies Act, 2013.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

#### **Auditor's Responsibilities for the Audit of Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based

on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ('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 "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required under section 143(5) of the Companies Act, 2013, we enclose herewith, as per **Annexure "B"**, our report for the Company on the directions and sub-directions (Part A and Part B, respectively) issued by the Comptroller & Auditor General of India.
3. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet and the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows and Statement of changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) As per notification number G.S.R. 463(E) dated June 5, 2015 issued by Ministry of Corporate Affairs, Section 164(2) of the Act regarding the disqualifications of Directors is not

- applicable to the Company, since it is a Government Company.
- 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 “C”**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Control over financial reporting.
  - g) With respect to other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, since it is a government company, the provision of section 197 of the Act is not applicable to the company as per GSR 463 (E) dated June 05, 2015, issued by the Ministry of Corporate Affairs.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations as at 31<sup>st</sup> March 2024 on its financial position in its standalone financial statements – Refer Note No. 35.2 to the financial statements;
    - ii. The Company has made appropriate adjustment in the Profit & Loss Account, as required under the applicable law and accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note No. 52 to the financial statements;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv. a) The Management has represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
    - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
    - v. There has been no dividend declared or paid by the company during the year under audit.
    - vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail being tampered with.
- As proviso to Rule 3(1) of the companies (Accounts) Rules, 2014 is applicable from April 1, 2023 reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **S MANN AND COMPANY**  
Chartered Accountants  
Firm Registration No: 000075N

**CA SUBHASH CHANDER MANN**  
Partner  
Membership No.: 080500  
UDIN: 24080500BKFBH6705

Place : New Delhi  
Date : April 30, 2024



## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of IFCI Limited of even date on standalone financial statements)

- |  |   |
|--|---|
| <p>(i) a) (A) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment other than certain assets having gross block of ₹ 197.92 crores which have been fully depreciated in the earlier years.</p> <p>(B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has maintained proper records showing full particulars of intangible assets.</p> <p>b) As explained to us, the management carries out the physical verification of property, plant and equipment and right-of-use assets once in a year which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. The management of the company has physically verified the assets during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.</p> <p>c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all immovable properties (other than properties where the company is the lessee and lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the company.</p> <p>d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) or Intangible assets or both during the year.</p> <p>e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.</p> <p>(ii) a) The Company is a Non-Banking Financial Company; accordingly, it does not hold any inventory. Thus, reporting under clause 3(ii) (a) of the Companies (Auditor’s Report) Order, 2020 is not applicable.</p> <p>b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence, reporting under clause 3(ii) (b) of the Companies (Auditor’s Report) Order, 2020 is not applicable.</p> <p>(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has made investments in, provided any guarantee or security or granted any loans and advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnership or any other parties during the year.</p> | <p>a) Since the Company’s principal business is to give loans. Accordingly, the provision of clause 3(iii)(a) of the Order is not applicable to it.</p> <p>b) The Company, being a Non-Banking Financial Company (‘NBFC’), registered under provisions of RBI Act, 1934. In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees, provided during the year are, prima facie, not prejudicial to the Company’s interest.</p> <p>c) In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting and dealt with as per the provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms.</p> <p>d) The total amount overdue for more than ninety days as at 31.03.2024 stands at ₹ 4615.56 Crores. The reasonable steps have been taken by the company for recovery of the same.</p> <p>e) Since the Company’s principal business is to give loans. Accordingly, the provision of clause 3(iii)(e) of the Order is not applicable to it.</p> <p>f) Based on our audit procedures &amp; according to the information and explanation made available to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.</p> <p>(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, investment, guarantees and securities which may be covered under section 185 and 186 of the Companies Act, 2013.</p> <p>(v) According to the information provided and explanations given to us and on the basis of our examination of the records of the Company, the Company has not accepted any deposits or amount which is deemed to be deposits from the public during the year within the meaning of Section 73 to 76 or any other relevant provision of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, directives issued by Reserve Bank of India is not applicable. Further, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal with respect to such deposits.</p> <p>(vi) The Central Government has not prescribed the maintenance of cost records under Sub-section 1 of Section 148 of the Act, for any of the services rendered by the Company. Accordingly, reporting under clause 3(vi) of the Companies (Auditor’s Report) Order, 2020 is not applicable to the Company.</p> <p>(vii) In respect of statutory dues, on the basis of information and explanations given to us and on the basis of our examination of</p> |
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the records of the company, we report that:

- a) The Company has generally been regular in depositing, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods & Service Tax and other material statutory dues as applicable to it with appropriate authorities and there were no undisputed amounts payable in respect of aforesaid dues

outstanding for a period of more than six months from the date, they become payable as at 31 March, 2024, as per the accounts of the Company.

- b) Wherever any dues/demand has been raised by any statutory authority and has been disputed by the Company, the same has been duly deposited under contest except in following cases:

Name of the Statute	Nature of disputed dues	Disputed Amount (amount in crore)	Pending amount not deposit/adjusted out of (A) (amount in crore)	Year to which demand relates	Forum, where dispute is pending
The Income- Tax Act, 1961*	Income Tax	43.40	2.61	A Y 2016-17	CIT(A), New Delhi
The Income- Tax Act, 1961 *	Income Tax	74.52	55.17	AY 2019-20	CIT(A), New Delhi
Finance Act, 1994 (Service Tax)	Service Tax and Penalty	1.80	1.71	FY 2008-09 to FY 2010-11	CESTAT, New Delhi
The Income- Tax Act, 1961	Tax Deducted at Source	0.04	0.04	FY 2008-09 & FY 2020-21 to FY 2023-24	Demand as per Traces Portal
The Goods and Service Tax Act, 2017	Goods and Service Tax, Interest and Penalty	0.13	0.13	FY 2020-2021	Dy. Comm. of State Tax,
The Goods and Service Tax Act, 2017	Goods and Service Tax, Interest and Penalty	0.61	0.61	FY 2019-2020	Dy. Comm. of State Tax, Mumbai
The Goods and Service Tax Act, 2017	Goods and Service Tax, Interest and Penalty	0.05	0.05	FY 2019-2020	Dy. State tax Officer (Circle), Nungambakkam
The Goods and Service Tax Act, 2017	Goods and Service Tax	0.01	0.01	FY 2018-2019 to FY 2020-2021	Superintendent Gunfoundry, 1 CGST Range

\*Income tax matters which are disputed/unpaid as appearing in e-filing portal of Income tax department as on March 31, 2024 and amount is exclusive of interest.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) a) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowing in the payment of interest thereon to any banks, financial institutions and Government.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- c) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company has utilized the money obtained by way of term loans for the purpose for which they were obtained.
- d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, no funds have been raised on short term basis by the company. Accordingly, reporting on clause 3(ix)(d) of the Order is not applicable.
- e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken

any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Companies Act, 2013. Accordingly, reporting on clause 3(ix)(e) of the Order is not applicable.

- f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures as defined under the Companies Act, 2013. Accordingly, reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) a) According to the information provided and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting on clause 3(x)(a) of the Order is not applicable.
- b) According to the information provided and explanations given to us and on the basis of our examination of the records of the Company, the Government of India has infused a sum of ₹ 400 Crores and ₹ 500 Crores towards share capital on March 07, 2023 and March 08, 2024 respectively. The company has allotted 29,36,85,756 number of equity shares of ₹ 13.62/- each (including security premium of ₹ 3.62) on April 27, 2023 and 12,39,77,188 number of equity shares of ₹ 40.33/- each (including security premium of ₹ 30.33) on April 18, 2024



- to the President of India (Government of India) against the receipt of ₹ 400 Crores and ₹ 500 Crores respectively on preferential basis and the company has complied with the requirements of section 42 and section 62 of the Companies Act, 2013 and the funds raised have been used for the purposes for which the funds were raised.
- (xi) a) According to the information provided and explanations given to us and on the basis of our examination of the records of the Company, no fraud by the company and no fraud on the company has been noticed or reported during the course of our audit.
- b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.
- (xii) According to information and explanations given to us, the Company is not a Nidhi Company. Hence, the Nidhi Rules, 2014 are not applicable to the Company. Accordingly reporting under clause 3(xii) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.
- (xiv) a) In our opinion and based on examination, the company has an internal audit system commensurate with their size and nature of its business.
- b) We were unable to obtain some of the internal audit reports of company as the internal audit was not conducted, therefore we have considered, during the course of our audit, the reports of the Internal Auditor(s) issued to the Company during the year till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with directors or persons connected with them which are covered under Section 192 of Companies Act, 2013.
- (xvi) a) The Company is a Non- Banking Finance Company and has obtained registration under section 45-IA of the Reserve Bank of India Act, 1934. The Company has been granted certificate of registration to commence/carry on the business of non-banking financial institution without accepting public deposits on August 18, 2009 vide registration No. is B-14.00009.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable.
- d) According to the information and explanations given to us and on the basis of our examination, the group has no CIC as part of the Group.
- (xvii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not incurred cash losses during the current financial year, but has incurred cash losses in the immediately preceding financial year for ₹ 621.01 Crores.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report and that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date, and that our opinion is a merely an estimation and basis various contingent events and probable future scenarios. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) a) According to the information and explanations given to us and on the basis of our examination of the records of the company, it is not required to transfer any unspent amount to a Fund specified in Schedule VII of the Companies Act in compliance with the provision of sub section (6) of Section 135 of the said Act.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the company, there is no amount which is remaining unspent under sub section 5 of Section 135 of the Act pursuant to any ongoing CSR project.

For **S MANN AND COMPANY**  
Chartered Accountants  
Firm Registration No: 000075N

**CA SUBHASH CHANDER MANN**  
Partner  
Membership No.: 080500  
UDIN: 24080500BKFBH6705

Place : New Delhi  
Date : April 30, 2024

## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of IFCI Limited of even date on standalone financial statements)

### Part A - Directions

S. No.	Directions	Reply												
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, all the accounting transactions process through IT system. The income tax computation and deferred tax computation have been done manually on MS excel, however the accounting entries for both are passed through IT system only.												
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the companys inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?  (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company)	<p>There is no restructuring of loans availed by the company during the year under reference.</p> <p>There are no cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the companys inability to repay the loan.</p> <p>However, according to the information and explanations provided to us by the Company, company as a lender, following are case(s) of waiver/ write-off of debts/ loan/ interest etc. The details of such write-off/waiver are as under:</p> <table border="1"> <thead> <tr> <th>S. No.</th><th>Nature of Dues</th><th>Amount (₹ in crores)</th></tr> </thead> <tbody> <tr> <td>A.</td><td>Waiver/Write-off/ Technical write-off of loans</td><td>437.26</td></tr> <tr> <td>B.</td><td>Recovery/Write-back of Amount Earlier Written Off</td><td>61.43</td></tr> <tr> <td>C</td><td>Debtors write-offs</td><td>4.62</td></tr> </tbody> </table> <p>It was informed that the waiver/write-off is decided on case-to-case basis with due assessment of the possibility of recovery/realization in each case considering the available security, status of the borrower/investee and pending litigation. The outstanding in technical write-offs/ waiver cases was fully provided for in the books of accounts to the extent of the amount of write-off/ waiver.</p>	S. No.	Nature of Dues	Amount (₹ in crores)	A.	Waiver/Write-off/ Technical write-off of loans	437.26	B.	Recovery/Write-back of Amount Earlier Written Off	61.43	C	Debtors write-offs	4.62
S. No.	Nature of Dues	Amount (₹ in crores)												
A.	Waiver/Write-off/ Technical write-off of loans	437.26												
B.	Recovery/Write-back of Amount Earlier Written Off	61.43												
C	Debtors write-offs	4.62												
3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	<p>There is no grant/subsidy received/receivable by the company from Central/ State Government or its agencies during the year under audit.</p> <p>Further, the funds received for Credit Enhancement Guarantee Scheme for Scheduled Castes and under various PLI Schemes have been properly accounted for and utilized as per terms and conditions of the scheme. The above information is solely based upon management representations and to the extent as per Para 5 &amp; 6 of ‘Emphasis of Matters’ section of this report.</p>												

### Part B – Sub-Directions

S. No.	Sub-Directions	Reply																				
1.	Investments																					
	Whether the titles of ownership in respect of CGS/SGS/ Bonds/Debentures etc. are available in physical/de-mat form and these, in aggregate, agree with the respective amounts shown in the Companys books of accounts? If not, details may be stated.	<p>According to the information and explanations provided by the Company and based on audit procedures performed by us, the titles of ownership in respect of CGS/ SGS/ Bonds/ Debentures, etc. are available in physical/de-mat form and these, in aggregate, agree with the respective amounts shown in the Companys books of accounts, except for the cases mentioned below:</p> <p>a)Where shares are lying in Demat or physical form but not accounted for in the books of accounts to the extent identified on test check basis.</p> <table><tr><th>S. No.</th><th>Company Name</th><th>Mode</th><th>No of shares</th></tr><tr><td>1</td><td>Hindalco India</td><td>Demat</td><td>1160</td></tr><tr><td>2</td><td>Mawana Sugars*</td><td>Demat</td><td>137</td></tr><tr><td>3</td><td>XPRO India</td><td>Demat</td><td>2325</td></tr><tr><td>4</td><td>JK Lakshmi Cement</td><td>Demat</td><td>180</td></tr></table> <p>*Shares Received in lieu of holding in SIEL Ltd and SIEL Sugar Ltd</p> <p>The company is in the process of claiming the aforesaid shares from the company and the Investor Education &amp; Protection Funds and would be taken in book after approval from competent authority.</p>	S. No.	Company Name	Mode	No of shares	1	Hindalco India	Demat	1160	2	Mawana Sugars*	Demat	137	3	XPRO India	Demat	2325	4	JK Lakshmi Cement	Demat	180
S. No.	Company Name	Mode	No of shares																			
1	Hindalco India	Demat	1160																			
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3	XPRO India	Demat	2325																			
4	JK Lakshmi Cement	Demat	180																			

S. No.	Sub-Directions	Reply																											
		<p>b) Where shares are accounted in the books of Account but are not available in Demat or physical form, to the extent identified on test check basis.</p> <table> <tr> <th>S. No.</th><th>Company Name</th><th>No of shares</th></tr> <tr> <td>1</td><td>LML LTD (PREF.)</td><td>21,50,912</td></tr> <tr> <td>2</td><td>OCM INDIA LTD</td><td>5,89,743</td></tr> <tr> <td>3</td><td>SAMCOR GLASS LTD</td><td>20,00,000</td></tr> <tr> <td>4</td><td>SOUTHERN WIND FARMS PVT. LTD.</td><td>1,00,000</td></tr> <tr> <td>5</td><td>ASHOK PAPER MILLS LTD (PREF.)</td><td>30,000</td></tr> <tr> <td>6</td><td>ASHOK PAPER MILLS LTD</td><td>3,00,000</td></tr> <tr> <td>7</td><td>CACHAR SUGAR MILLS LTD (PREF.)</td><td>14,953</td></tr> <tr> <td>8</td><td>KILBURN OFFICE AUTOMATION LTD</td><td>400</td></tr> </table> <p>The company is in the process of requesting for issue duplicate shares certificate in respect of aforesaid companies.</p>	S. No.	Company Name	No of shares	1	LML LTD (PREF.)	21,50,912	2	OCM INDIA LTD	5,89,743	3	SAMCOR GLASS LTD	20,00,000	4	SOUTHERN WIND FARMS PVT. LTD.	1,00,000	5	ASHOK PAPER MILLS LTD (PREF.)	30,000	6	ASHOK PAPER MILLS LTD	3,00,000	7	CACHAR SUGAR MILLS LTD (PREF.)	14,953	8	KILBURN OFFICE AUTOMATION LTD	400
S. No.	Company Name	No of shares																											
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7	CACHAR SUGAR MILLS LTD (PREF.)	14,953																											
8	KILBURN OFFICE AUTOMATION LTD	400																											
2.	<p><b>Loans</b></p> <p>In respect of provisioning requirement of all restructured, rescheduled, renegotiated loan-whether a system of periodical assessment of realizable value of securities available against all such loans is in place and adequate provision has been created during the year? Any deficiencies in this regard, if any, may be suitably commented upon along with financial impact.</p>	<p>There is a system of assessment of realizable value of securities available for loan portfolio including restructured, rescheduled, renegotiated loans and is updated on quarterly basis. However, valuation exercise is undertaken on periodical basis or, as and when warranted by the circumstances.</p> <p>In view of adoption of Ind AS norms the financial accounts of the company are drawn as per Ind AS. Impairment in the assets has been calculated in accordance with Ind AS by calculating Expected Credit Loss (ECL) in case of loans as per accounting policy of the company. The company is following the policy of provision on loan assets on the basis of Ind AS Norms vs IRAC Norms, whichever is higher.</p>																											
3.	Whether Resolution Plan/One Time Settlement (OTS) entered into by the Company with the borrower has been taken into consideration for booking of the outstanding loan amount and for adjustment of Impairment loss allowance	Proper accounting adjustments for impairment and settlement have been done with respect of OTS Settlements and resolution plan.																											
4.	Review the valuation of investment(s) in common Associates/entities/Joint Venture by all group companies of IFCI to recognize impairment, if any. Discrepancies/deficiencies, if any, may be suitably highlighted in Audit Report (applicable on consolidated financial statements only).	It is not applicable for the standalone financial statements. Hence, reporting for this point is not applicable.																											

For **S MANN AND COMPANY**  
Chartered Accountants  
Firm Registration No: 000075N

**CA SUBHASH CHANDER MANN**  
Partner  
Membership No.: 080500  
UDIN: 24080500BKFBH6705

Place : New Delhi  
Date : April 30, 2024

## ANNEXURE “C” TO THE INDEPENDENT AUDITORS REPORT

### (Referred to in paragraph 3(f) under Report on Other Legal and Regulatory Requirements section of our report to the members of IFCI Limited of even date on standalone financial statements)

#### Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to standalone financial statements of **IFCI Limited** (“the Company”) as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

#### Auditors Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements of the company 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

#### Meaning of Internal Financial Controls with reference to standalone financial statements

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

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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, to the best of information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024 so far as our examination has revealed regarding 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 MANN AND COMPANY**  
Chartered Accountants  
Firm Registration No: 000075N

**CA SUBHASH CHANDER MANN**  
Partner  
Membership No.: 080500  
UDIN: 24080500BKFBH6705

Place : New Delhi  
Date : April 30, 2024

**IFCI LTD.**  
**BALANCE SHEET AS AT MARCH 31, 2024**

(All amounts are in Rupees crores unless otherwise stated)

	Note	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>I. ASSETS</b>				
<b>(1) Financial Assets</b>				
(a) Cash and cash equivalents	3	642.46	110.38	112.43
(b) Bank balance other than (a) above	4	2,649.36	1,891.89	648.37
(c) Derivative financial instruments	5	-	14.83	2.02
(d) Trade receivables	6	103.64	38.32	30.52
(e) Loans	7	1,306.39	1,799.19	2,382.59
(f) Investments	8	1,658.81	1,018.97	1,683.60
(g) Other financial assets	9	41.72	33.87	49.93
<b>Total Financial Assets</b>		<b>6,402.37</b>	<b>4,907.45</b>	<b>4,909.46</b>
<b>(2) Non-financial Assets</b>				
(a) Investment in subsidiaries	10	1,250.55	1,257.70	1,260.09
(b) Investment accounted using equity method	11	-	-	-
(c) Current tax assets (Net)		34.30	31.86	48.28
(d) Deferred tax assets (Net)	12	1,306.65	1,739.12	1,852.75
(e) Investment property	13	276.45	283.32	271.41
(f) Property, plant and equipment	14	602.27	618.24	634.49
(g) Capital work-in-progress		-	-	-
(h) Other intangible assets	15	0.19	0.26	0.43
(i) Other non-financial assets	16	85.50	92.11	93.25
<b>Total Non-Financial Assets</b>		<b>3,555.91</b>	<b>4,022.61</b>	<b>4,160.70</b>
Assets classified as held for sale	17	49.41	0.04	0.04
<b>Total Assets</b>		<b>10,007.69</b>	<b>8,930.10</b>	<b>9,070.20</b>
<b>II. LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>(1) Financial Liabilities</b>				
(a) Derivative financial instruments	5	13.94	-	-
(b) Trade payables				
(i) Total outstanding dues of MSMEs				
(ii) Total outstanding dues of creditors other than MSMEs	18	53.49	62.26	52.85
(c) Debt securities	19	4,371.74	4,590.31	5,054.47
(d) Borrowings (other than debt securities)	20	334.25	443.09	982.77
(e) Subordinated liabilities	21	744.67	774.67	974.66
(f) Other financial liabilities	22	3,188.92	2,349.99	1,480.69
<b>Total Financial Liabilities</b>		<b>8,707.01</b>	<b>8,220.32</b>	<b>8,545.44</b>
<b>(2) Non-financial liabilities</b>				
(a) Provisions	23	86.48	83.68	79.31
(b) Other non-financial liabilities	24	-	-	-
<b>Total Non-Financial Liabilities</b>		<b>86.48</b>	<b>83.68</b>	<b>79.31</b>
<b>(3) Equity</b>				
(a) Equity share capital	25	2,489.61	2,195.93	2,102.99
(b) Other equity	26	(1,275.41)	(1,569.83)	(1,657.54)
<b>Total Equity</b>		<b>1,214.20</b>	<b>626.10</b>	<b>445.45</b>
<b>Total Liabilities and Equity</b>		<b>10,007.69</b>	<b>8,930.10</b>	<b>9,070.20</b>

The accompanying notes are an integral part of these financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors of IFCI Limited

For **S MANN AND COMPANY**  
Chartered Accountants  
ICAI Firm registration No.: 000075N

**MANOJ MITTAL**  
Managing Director &  
Chief Executive Officer  
DIN 01400076

**RAHUL BHAVE**  
Deputy Managing  
Director  
DIN 09077979

**UMESH KUMAR GARG**  
Independent Director  
DIN 00599426

**CA SUBHASH CHANDER MANN**  
Partner  
Membership No.: 080500

**SUNEET SHUKLA**  
Chief General Manager &  
Chief Financial Officer

**PRIYANKA SHARMA**  
Company Secretary

Place: New Delhi  
Dated: 30 April 2024

**IFCI LTD.**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024**

(All amounts are in Rupees crores unless otherwise stated)

	Note	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)
<b>Revenue from operations</b>				
Interest income	27	429.34	505.16	840.91
Dividend income		113.10	51.35	37.80
Rental income		42.74	38.28	35.74
Advisory Income		68.39	59.05	49.54
Net gain/(loss) on fair value changes	28	186.54	89.77	40.98
<b>I. Total revenue from operations</b>		<b>840.11</b>	<b>743.61</b>	<b>1,004.97</b>
II. Other income	29	55.83	11.15	6.67
<b>III. Total income (I+II)</b>		<b>895.94</b>	<b>754.76</b>	<b>1,011.64</b>
<b>Expenses</b>				
Finance costs	30	572.74	631.30	922.88
Foreign exchange loss		12.89	19.07	18.52
Impairment on financial instruments	31	(335.17)	130.21	1,621.35
Employee benefits expenses	32	91.61	99.27	92.43
Depreciation and amortisation	33	24.16	24.07	23.03
Others expenses	34	45.91	36.41	118.53
<b>IV. Total expenses</b>		<b>412.14</b>	<b>940.33</b>	<b>2,796.74</b>
<b>V. Profit before exceptional items and tax (III- IV)</b>		<b>483.80</b>	<b>(185.57)</b>	<b>(1,785.10)</b>
VI. Exceptional items		-	-	-
<b>VII. Profit/(Loss) before tax (V-VI)</b>		<b>483.80</b>	<b>(185.57)</b>	<b>(1,785.10)</b>
<b>VIII. Tax expense:</b>				
- Current tax		-	-	-
- Taxation for earlier years		-	-	-
- Deferred tax (net)	12	355.55	102.01	206.24
Total Tax expense		355.55	102.01	206.24
<b>IX. Profit/(Loss) for the Year (VII-VIII)</b>		<b>128.25</b>	<b>(287.58)</b>	<b>(1,991.33)</b>
<b>X. Other comprehensive income</b>				
A. (i) Items that will not be reclassified to profit or loss				
- Fair value changes on FVTOCI - equity securities		206.57	33.93	140.98
- Gain/(loss) on sale of FVTOCI - equity securities		(183.33)	(53.33)	(102.70)
- Actuarial gain/(loss) on defined benefit obligation		-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss				
- Tax on Fair value changes on FVTOCI - Equity securities		(72.18)	(11.86)	(49.27)
- Tax on Actuarial gain/(loss) on Defined benefit obligation		-	-	-
<b>Subtotal (A)</b>		<b>(48.94)</b>	<b>(31.26)</b>	<b>(10.99)</b>
B. (i) Items that will be reclassified to profit or loss				
- Debt securities measured at FVTOCI - net change in fair value		13.53	(0.75)	(10.54)
- Debt securities measured at FVTOCI - reclassified to profit and loss		-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss				
- Tax on Fair value changes on FVTOCI - Debt securities		(4.74)	0.24	(13.80)
<b>Subtotal (B)</b>		<b>8.79</b>	<b>(0.51)</b>	<b>(24.34)</b>
<b>Other comprehensive income / (loss) (A + B)</b>		<b>(40.15)</b>	<b>(31.77)</b>	<b>(35.33)</b>
<b>XI. Total comprehensive income / (loss) for the year (IX+X)</b>		<b>88.10</b>	<b>(319.35)</b>	<b>(2,026.66)</b>
<b>XII. Earnings per equity share</b>				
Basic Earnings per share of ₹ 10 each		0.52	(1.31)	(9.47)
Diluted Earnings per share of ₹ 10 each		0.52	(1.31)	(9.47)

The accompanying notes are an integral part of these financial statements.

As per our report of even date attached

For **S MANN AND COMPANY**  
Chartered Accountants  
ICAI Firm registration No.: 000075N

**CA SUBHASH CHANDER MANN**  
Partner  
Membership No.: 080500

Place: New Delhi  
Dated: 30 April 2024

For and on behalf of the Board of Directors of **IFCI Limited**

**MANOJ MITTAL**  
Managing Director &  
Chief Executive Officer  
DIN 01400076

**SUNEET SHUKLA**  
Chief General Manager &  
Chief Financial Officer

**RAHUL BHAVE**  
Deputy Managing  
Director  
DIN 09077979

**PRIYANKA SHARMA**  
Company Secretary

**UMESH KUMAR GARG**  
Independent Director  
DIN 00599426



**IFCI LTD.**

**STATEMENT OF CASH FLOW FOR THE YEAR ENDING 31 MARCH 2024**

(All amounts are in Rupees crores unless otherwise stated)

	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	483.80	(185.57)
Adjustments for:		
Depreciation and amortisation	24.16	24.07
Impairment provision/ write offs	(335.17)	(79.29)
Unrealised gain/(loss) on investments	(295.96)	(95.44)
Impairment on Assets held for sale	(49.37)	-
Finance Cost	572.74	631.30
Dividend Income	(113.10)	(51.35)
Interest Income	(429.34)	(505.16)
Interest cost on preference shares	-	-
Operating Profit before Working Capital Changes & Operating Activities	(142.23)	(261.44)
<b>Interest Received and Paid</b>		
Interest Paid	(606.62)	(608.82)
Interest Received	416.23	507.10
<b>Net Interest Received and Paid</b>	(190.39)	(101.72)
Dividend Received	113.10	51.35
Adjustments for Operating Activities:		
(Increase)/ decrease in Investments	(299.94)	742.39
(Increase)/ decrease in Loans & Advances	834.18	661.83
(Increase)/ decrease in Derivative Financial Instruments	28.77	(12.81)
Increase/ (decrease) in Trade Payables	(8.77)	9.41
Increase/ (decrease) in Subordinated Liabilities	(30.00)	(199.99)
(Increase)/ decrease in Receivables	(66.75)	(8.17)
Increase/ (decrease) in Debt Securities	(218.57)	(464.16)
Increase/ (decrease) in Borrowings	(108.84)	(539.68)
<b>Operating Profit before Working Capital Changes</b>	(89.44)	(122.99)
Adjustments for:		
(Increase)/ decrease in Other Financial Assets	19.72	(0.80)
Increase/ (decrease) in Other Non-financial Assets	(13.55)	14.98
Increase/ (decrease) in Other Financial Liabilities	873.33	846.82
Increase/ (decrease) in Other Non-financial Liabilities	-	-
Increase/ (decrease) in Provision	2.27	5.69
Increase/ (decrease) in other bank balances	(757.47)	(1,243.52)
Increase/ (decrease) in assets held for sale	-	-
Cash Flow before taxation	124.30	(376.83)
Income Tax (paid)/ refund - Net	(2.44)	16.42
<b>Net cash flow from Operating Activities</b>	32.42	(483.40)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of / Advance for property, plant and equipments (including Leased property)	(0.32)	(32.47)
Investment in subsidiaries	-	-
Proceeds from sale of investment property	-	-
Sale of investment in associates and joint ventures	-	-
Purchase of/ Advance for Intangible Asset	(0.03)	0.17
Proceeds from sale of property, plant and equipments (including leased property)	0.01	13.65
Sale of Investment	-	-
<b>Net cash flow from Investing Activities</b>	(0.34)	(18.65)

(All amounts are in Rupees crores unless otherwise stated)

	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue of Equity Shares	-	92.94
Share Premium (net of expenses)	-	7.06
Share application money received	<b>500.00</b>	400.00
<b>Net cash flow from Financing Activities</b>	<b>500.00</b>	500.00
<b>Net Increase/ (Decrease) in Cash and Cash Equivalent Flow (A+B+C)</b>	<b>532.08</b>	(2.05)
Add : Cash and Cash Equivalents at beginning of the year	<b>110.38</b>	112.43
<b>Cash and Cash Equivalents at the end of the year</b>	<b>642.46</b>	110.38
<b>Details of Cash and Cash Equivalents at the end of the year :</b>		
Cash in hand (including postage stamps)	-	-
Balances with Banks		
- Bank balance	<b>542.52</b>	7.27
- Bank Deposits	-	67.28
Collateralised borrowings lending operations (CBLO)	<b>99.94</b>	35.83
Cheques on hand & under collection and remittances in transit	-	-
<b>Total Cash and Cash Equivalents at the end of the year</b>	<b>642.46</b>	110.38

The above statement of cash flows has been prepared under the Indirect Method as per guidelines set out in Ind AS 7 'Statement of cash Flows'.

The accompanying notes are an integral part of these financial statements.

As per our report of even date attached

For **S MANN AND COMPANY**  
Chartered Accountants  
ICAI Firm registration No.: 000075N

**CA SUBHASH CHANDER MANN**  
Partner  
Membership No.: 080500

**Place:** New Delhi

**Dated:** 30 April 2024

For and on behalf of the Board of Directors of **IFCI Limited**

**MANOJ MITTAL**  
Managing Director &  
Chief Executive Officer  
DIN 01400076

**SUNEET SHUKLA**  
Chief General Manager &  
Chief Financial Officer

**RAHUL BHAVE**  
Deputy Managing  
Director  
DIN 09077979

**PRIYANKA SHARMA**  
Company Secretary

**UMESH KUMAR GARG**  
Independent Director  
DIN 00599426

**IFCI LTD.**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024**

(All amounts are in Rupees crores unless otherwise stated)

**a. Equity Share Capital**

Balance as at 01 April 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01 April 2022	Changes in equity share capital during the year	Balance as at 31 March 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 31 March 2023	Changes in equity share capital during the year	Balance as at 31 March 2024
2,102.99	-	2,102.99	92.94	2,195.93	-	2,195.93	293.69	2,489.61

**b. Other Equity**

Particulars	Share application money pending allotment	Deemed equity contribution	Impairment Reserve	Reserves and Surplus								Debt instruments through other comprehensive income	Equity instruments through other comprehensive income	Remeasurements of the defined benefit plans	Total
				Reserve u/s 45IC of RBI Act	Special reserve under section 36(1) (viii) of the income Tax Act, 1961	Capital reserve	Securities premium	Capital redemption reserve	Debenture redemption reserve	General reserve	Retained earnings				
Balance as at 01 April 2022	-	335.82	34.54	875.04	136.69	0.85	1,060.69	231.92	87.58	513.08	(4,520.47)	(2.75)	(463.88)	53.36	(1,657.54)
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	(287.58)	(0.50)	(31.26)	-	(319.34)
Application money transfer during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Application money received during the year	400.00	-	-	-	-	-	-	-	-	-	-	-	-	-	400.00
Issue of equity shares during the period	-	-	-	-	-	-	7.06	-	-	-	-	-	-	-	7.06
Appropriations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to/from retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	400.00	335.82	34.54	875.04	136.69	0.85	1,067.75	231.92	87.58	513.08	(4,808.06)	(3.26)	(495.14)	53.36	(1,569.83)
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	128.25	8.79	(48.94)	-	88.10
Application money received during the year	500.00	-	-	-	-	-	-	-	-	-	-	-	-	-	500.00
Issue of equity shares during the period	(400.00)	-	-	-	-	-	106.31	-	-	-	-	-	-	-	(293.69)
Appropriations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to/from retained earnings	-	-	70.13	-	-	-	-	-	-	-	(70.13)	-	-	-	-
Balance as at 31 March 2024	500.00	335.82	104.67	875.04	136.69	0.85	1,174.06	231.92	87.58	513.08	(4,749.94)	5.53	(544.08)	53.36	(1,275.41)

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **S MANN AND COMPANY**  
Chartered Accountants  
ICAI Firm registration No.: 000075N

**CA SUBHASH CHANDER MANN**  
Partner  
Membership No.: 080500

**Place:** New Delhi  
**Dated:** 30 April 2024

For and on behalf of the Board of Directors of **IFCI Limited**

**MANOJ MITTAL**  
Managing Director &  
Chief Executive Officer  
DIN 01400076

**SUNEET SHUKLA**  
Chief General Manager &  
Chief Financial Officer

**RAHUL BHAVE**  
Deputy Managing  
Director  
DIN 09077979

**PRIYANKA SHARMA**  
Company Secretary

**UMESH KUMAR GARG**  
Independent Director  
DIN 00599426

(All amounts are in Rupees crores unless otherwise stated)

## ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

### 1 BACKGROUND

IFCI Limited ('the Company'), incorporated in Delhi, India is a Non-Banking Finance Company in the public sector. Established in 1948 as a statutory corporation, IFCI is currently a company listed on BSE and NSE. The Company provide financial support for the diversified growth of Industries across the spectrum. The financing activities cover various kinds of projects such as airports, roads, telecom, power, real estate, manufacturing, services sector and such other allied industries.

### 2 MATERIAL ACCOUNTING POLICIES

#### Basis of Preparation of Financial Statements

The financial statements for the year ended March 31, 2024 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in this regard.

For periods up to and including the year ended March 31, 2018, the Company presented its financial statements on accrual basis under historical cost convention, and conform in all material aspects to the Generally Accepted Accounting Principles in India ('Indian GAAP' or 'previous GAAP') which encompasses applicable accounting standards relevant provisions of the Companies Act, 2013, the applicable guidelines issued by the Reserve Bank of India (RBI) for Non-Banking Financial Companies, other statutory provisions and regulatory framework.

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

The financial statements were authorised for issue by the Company's Board of Directors on April 30, 2024.

### 3 Functional and Presentation currency

These financial statements are presented in Indian Rupees (₹), which is the Company's functional and presentation currency. All amounts have been denominated in crores and rounded off to the nearest two decimal, except when otherwise indicated.

### 4 Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following material items:

- Financial assets at FVTOCI that is measured at fair value
- Financial instruments at FVTPL that is measured at fair value
- Net defined benefit (asset)/ liability - fair value of plan assets less present value of defined benefit obligation

### 5 Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities and assets) as on the date of the financial statements and the reported income and expenses for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

### 6 Material Accounting Policies

The Company has consistently applies the following accounting policies to all periods presented in these financial statements.

#### a. Revenue recognition

- i. Interest income from financial assets is recognised on an accrual basis using Effective Interest Rate ('EIR') method. The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate to the net carrying amount of the financial asset. The EIR is computed basis the expected cash flows by considering all the contractual terms of the financial instrument. The calculation includes all fees, transaction costs, and all other premiums or discounts paid or received between parties to the contract that are an integral part of the effective interest rate.

The interest revenue continues to be recognised at the original EIR applied on the gross carrying amount for financial assets (when the asset is not credit impaired). During financial year 2023-24, the Company has changed its accounting policy whereby income on stage 3 assets (except on assets which are standard under IRAC norms) shall be recognized in books of accounts with effect from 01st April 2021.

For financial assets that were credit impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset. The increase in gross carrying amount of Stage 3 assets shall be written off to the extent of Stage 3 interest income where there is no reasonable expectation of recovery.

- ii. Penal interest and other overdue charges which are not included in effective interest rate is recognised on realisation, due to uncertainty of realisation and is accounted for accordingly.
- iii. Amount received from borrowers against loans and advances are appropriated due date-wise towards other debits, interest overdue and principal overdue, in that order, across the due dates, except in the case of one time or negotiated settlements, where the appropriation is done as per the terms of the settlement.
- iv. Premium on pre-payment of loans/ reduction in interest rates is recognised as income on receipt basis.
- v. Dividends declared by the respective Companies till the close of the accounting period are accounted for as income when the right to receive the dividend is established.
- vi. LC Commission is recognised over time as the services are rendered as per the terms of the contract.
- vii. The dividend unclaimed on account of shares sold and outstanding in the books are recognised as income after the end of three years, the limitation period.

#### b. Financial instruments

##### I. Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. However, trade receivables that do not contain a significant financing component are measured at transaction price.

(All amounts are in Rupees crores unless otherwise stated)

## II. Classifications and subsequent measurement

### Financial assets

On initial recognition, a financial asset is classified as subsequently measured at either amortised cost or fair value through other comprehensive income ('FVTOCI') or FVTPL, depending on the contractual cash flow characteristics of the financial assets and the Company's business model for managing the financial assets.

### Business Model Assessment

The Company makes an objective assessment of the business model in which an asset is held at a portfolio level, because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
  - The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Company's stated objective for managing the financial assets is achieved and how cash flows are realized;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

### Financial assets at Amortised Cost

A financial asset is measured at amortised cost only if both of the following conditions are met:

- It is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Subsequently, these are measured at amortised cost using the effective interest rate (EIR) method less any impairment losses.

### Financial assets at Fair Value through Other Comprehensive Income ('FVTOCI')

A financial asset is measured at FVTOCI only if both of the following conditions are met:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Subsequently, these are measured at fair value and changes therein, are recognised in other comprehensive income. Impairment losses on said financial assets are recognised in other comprehensive income and do not reduce the carrying amount of the financial asset in the balance sheet

### Financial assets at Fair Value through Profit and Loss (FVTPL)

Any financial instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

Subsequently, these are measured at fair value and changes therein, are recognised in profit and loss account.

### Investment in equity instruments

All equity investments in scope of Ind AS 109 (i.e. other than equity investments in subsidiaries / associates / joint ventures) are measured at FVTPL.

Subsequently, these are measured at fair value and changes therein, are recognised in profit and loss account. However on initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment by investment basis.

### Derivative instruments

All derivative instruments are measured as FVTPL.

### Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised cost, as appropriate and is accordingly accounted for.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

## III. Measurement Basis

### Amortised cost

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the EIR method of discount or premium on acquisition and fees or costs that are an integral part of the EIR and, for financial assets, adjusted for any loss allowance.

### Fair Valuation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

(All amounts are in Rupees crores unless otherwise stated)

#### IV. De-recognition/Modification of financial assets and financial liabilities

Derecognition of financial assets and financial liabilities

##### Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or fully recovered or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. The Company also recognise a liability for the consideration received attributable to the Company's continuing involvement on the asset transferred. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset de-recognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

##### Financial liabilities

The Company de-recognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

#### VI. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when the Company has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

#### VII. Impairment of Financial Assets

The Company recognises impairment allowances for ECL on all the financial assets that are not measured at FVTPL:

- financial assets that are debt instruments
- lease receivables
- financial guarantee contracts issued
- loan commitment issued

No impairment loss is recognised on equity investments

ECL are probability weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit impaired – as the present value of all cash shortfalls that are possible within 12 months after the reporting date.
- financial assets with significant increase in credit risk but not credit impaired – as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial asset.
- financial assets that are credit impaired – as the difference between the gross carrying amount and the present value of estimated cash flows
- undrawn loan commitments – as the present value of the difference between the contractual cash flows that are due to the Company if the commitment is drawn down and the cash flows that the Company expects to receive

With respect to trade receivables and other financial assets, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For financial assets at FVTOCI, the loss allowance is recognised in OCI.

##### Write-off

Financial assets are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level and is charged to statement of profit or loss.

However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss as an adjustment to impairment on financial assets.

#### c. Investment in subsidiaries, associates and joint ventures

The Company accounts for its investments in subsidiaries, associates and joint ventures at cost less accumulated impairment, if any.

#### d. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

##### 1. The Company as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.



(All amounts are in Rupees crores unless otherwise stated)

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

## **II. The Company as lessee**

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such cost incurred. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

## **e. Employee benefits**

### **i. Short term employee benefits**

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **ii. Post employment benefits**

#### **a. Defined contribution plans**

##### **Pension**

Prior to 1 April 2008, the employees were governed by the provisions of the pension scheme in operation at the time of their retirement and are accordingly entitled to DA relief and family pension as and when due. The contribution made on account of same is charged to revenue as and when due. The Company switched to defined contribution scheme in August 2008 for employees existing on 1 April 2008 and opting for the same. The administration of Pension Fund in respect of the employees has been entrusted by Trustees to Life Insurance Corporation of India (LIC) by entering into a Group Superannuation Cash Accumulation Scheme.

#### **b. Defined benefit plans**

##### **Provident Fund**

The Company pays fixed contribution to Provident Fund at predetermined rates and invests the funds in permitted securities. The contributions to the fund for the year are recognized as expense and are charged to the profit or loss. The obligation of the Company is to make such fixed contributions and to ensure a minimum rate of return to the members as specified by the Government of India (GoI).

##### **Gratuity**

The Company has a defined benefit employee scheme in the form of Gratuity. The Trustees of the scheme have entrusted the administration of related fund to LIC. Expense for the year is determined on the basis of actuarial valuation of the Company's year-end obligation in this regard and the value of year end assets of the scheme. Contribution is deposited with LIC based on intimation received by the Company.

##### **Medical facility**

The Company has a post-retirement medical benefit scheme for employees and their dependants subject to certain limits for hospitalization and normal medical treatment.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current costs and the fair value of any plan assets, if any is deducted.

### **iii. Other long term employee benefits**

Benefits under the Company's leave encashment and leave fare concession constitute other long term employee benefits. The Company's net obligation in respect of leave encashment is the amount of future benefit that employees have present value, and the fair value of any related assets is deducted. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognized in profit or loss in the period in which they arise. Provision for Leave fare concession is being made on actuarial valuation basis.

## **f) Income Taxes**

### **I. Current tax**

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Minimum alternative tax ("MAT") under the provisions of the Income Tax Act, 1961 is recognised as current tax in the statement of profit and loss.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### **II. Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if the Company:

- has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

(All amounts are in Rupees crores unless otherwise stated)

The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

**g) Property, plant and equipment and Investment property**

**Recognition and measurement**

Property, plant and equipment held for use or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. The cost includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Assets having individual value of less than ₹ 5,000/- are charged to statement of Profit and Loss in the year of purchase.

Investment Property consists of building let out to earn rentals. The Company follows cost model for measurement of investment property.

**Depreciation**

Depreciation is provided using the straight line method over the useful life as prescribed under Schedule II to the Companies Act, 2013. Depreciation is calculated on pro-rata basis, including the month of addition and excluding the month of sale/disposal. Leasehold improvements are amortised over the underlying lease term on a straight line basis.

Residual value in respect of Buildings and Vehicles is considered as 5% of the cost and in case of other assets ₹ 'Nil'.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

**De-recognition**

An item of property, plant and equipment or investment property is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment or investment property is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

**h) Intangible assets**

**Recognition and measurement**

Intangible assets are recognized at cost of acquisition which includes all expenditure that can be directly attributed or allocated on a reasonable and consistent basis, to create, produce or making the asset ready for its intended use.

**Amortisation**

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The intangible assets shown in the Balance Sheet include computer software having perpetual license and are amortized on Straight Line Method over the period of six years from the date of capitalization.

**De-recognition**

An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in profit or loss when the asset is de-recognized.

**i) Impairment of non-financial assets**

At each reporting date, the Company reviews the carrying amount of its non financial assets (other than assets held for sale and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that is largely independent of the cash inflows of other assets or CGUs.

The 'recoverable amount' of an asset or CGU is the greater of its value in use and its fair value less costs to sell. 'Value in use' is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in profit and loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**j) Foreign currency transactions**

The expenses and income in foreign exchange transactions are accounted for at the rates prevailing on the date of transactions/ at the forward rate, if booked, for such transaction. Assets and liabilities held in foreign currencies and accrued income and expenditure in foreign currencies are translated into Indian Rupees at the rates advised by Foreign Exchange Dealers Association of India (FEDAI) prevailing towards the close of the accounting period. Gains/ losses, if any, on valuation of various assets and liabilities are taken to Statement of Profit & Loss

**k) Provisions and contingencies related to claims, litigation, etc.**

Provisions are recognised when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

**l) Contingent liabilities and contingent assets**

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are disclosed in the financial statements where an inflow of economic benefits is probable.

(All amounts are in Rupees crores unless otherwise stated)

**m) Cash and cash equivalent**

Cash and cash equivalents include balance with banks in current accounts and term deposits, cash & cheques in hand and money lent on collateralized lending & borrowing obligations transactions.

**n) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

**o) Assets held for sale**

Assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets measured at the lower of their carrying amount and fair value less cost to sell with gains and losses on remeasurement recognised in profit or loss.

Once classified as held for sale, assets are no longer amortised, depreciated or impaired.

**1(A). Restatement of Financial Statements due to Changes in Accounting Policy**

The company has modified its accounting policy regarding the recognition of stage 3 income, effective April 1, 2021. This change aligns with the recommendations of the Comptroller and Auditor General of India (CAG), the Reserve Bank of India (RBI) and the Institute of Chartered Accountants of India (ICAI). The Management has considered that the aforesaid changes are material and as a result the financials of 31.3.2023 are to be restated. The relevant extracts of the Ind AS financial statements after the incorporation of the aforesaid accounting policy is as given below.

**Terms of Repayment of KfW lines of Credit**

(Amount in ₹ Crores)						
Extract from statement of Profit and Loss	As at 31/03/2023 (Original)	As at 31/03/2023 (Restated)	Adjustment	As at 31/03/2023 (Original)	As at 31/03/2023 (Restated)	Adjustment
<b>Interest Income (Refer Schedule No. 27)</b>						
Interest on Loans	295.66	505.16	209.50	592.88	840.91	248.03
<b>Impairment on financial instruments (Refer Schedule No. 31)</b>						
Write off	-79.29	130.21	209.50	1373.32	1,621.35	248.03

Interest income for FY 2022-23 and 2021-22 has increased by ₹ 209.50 crores and ₹ 248.03 crores respectively. Since there is no expectation of recovery, the same has been written off respectively. Hence, there is no impact on Net Profit/ Net loss of these years respectively. The opening Balance sheet as on 01.04.2022 has not changed as there is no change in Retained earnings.

**Movement in Loan due to change in accounting policy related to stage 3 income recognition**

(Amount in ₹ Crores)		
Particulars	As at March 31, 2023 (Restated)	As at April 01, 2022
<b>Gross Loan Book (Refer Schedule No.7)</b>	<b>6,441.59</b>	<b>7,339.90</b>
Add: Interest accrued on stage 3	209.50	248.03
Less: Writeoff of Interest accrued on stage 3	(209.50)	(248.03)
<b>Gross Loan Book after adjustment</b>	<b>6,441.59</b>	<b>7,339.90</b>

The necessary disclosures concerning this policy change have been incorporated into the financial statements' respective schedules on Loans, Interest Income and Impairment on Financial Instruments.

(All amounts are in Rupees crores unless otherwise stated)

### 3 CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Cash in hand (including postage stamps) *	-	-	-
Balances with Banks			
- Bank balance	542.52	7.27	22.46
- Bank Deposits	-	67.28	89.97
Collateralised borrowings lending operations (CBLO)	99.94	35.83	-
Cheques on hand & under collection and remittances in transit	-	-	-
<b>Total</b>	<b>642.46</b>	<b>110.38</b>	<b>112.43</b>

\* Cash in hand balance is ₹ 100 (Hundred rupees) as on respective reporting date.

### 4 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Balances with Banks			
- Bank balance	0.33	-	-
- Bank deposits ^	366.88	-	-
Balances with banks under PLI scheme	1,447.60	843.73	50.57
Balances with banks for debt servicing	201.23	458.71	35.86
Unclaimed dividend account	-	2.26	5.92
Balances with banks held as margin money against guarantees *	45.60	44.90	49.59
Bank deposits under directions of court and tribunal etc. #	243.03	220.79	200.97
Bank Deposits against fund placed with company under Credit Guarantee Enhancement Scheme			
- Bank balance	0.04	0.02	0.19
- Bank deposits ^	344.65	321.48	305.27
<b>Total</b>	<b>2,649.36</b>	<b>1,891.89</b>	<b>648.37</b>
^ 'Includes balances for more than 12 months	325.35	-	-
* 'Includes balances for more than 12 months	-	-	-
# 'Includes balances for more than 12 months	-	-	-

### 5 DERIVATIVE FINANCIAL INSTRUMENTS:

	As at 31 March, 2024		As at 31 March, 2023 (Restated)		As at April 01, 2022 (Restated)	
	Notional amounts	Fair Value- Assets/ Liabilities	Notional amounts	Fair Value- Assets/ Liabilities	Notional amounts	Fair Value- Assets/ Liabilities
<b>Part I</b>						
<b>Currency derivatives:</b>						
- Spot and forwards	334.25	(13.94)	364.20	14.83	370.57	2.02
<b>Total Derivative Financial Instruments - Part I</b>	<b>334.25</b>	<b>(13.94)</b>	<b>364.20</b>	<b>14.83</b>	<b>370.57</b>	<b>2.02</b>
<b>Part II</b>						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
Undesignated derivatives	334.25	(13.94)	364.20	14.83	370.57	2.02
<b>Total derivative financial instruments - Part II</b>	<b>334.25</b>	<b>(13.94)</b>	<b>364.20</b>	<b>14.83</b>	<b>370.57</b>	<b>2.02</b>

The derivatives have been used by the Company for hedging the interest rate and principle risk for loans taken in foreign currency.

Refer Note No.53 for management of risk arising from derivatives.

### 6 RECEIVABLES:

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
(A) Secured			
- considered good	-	-	-
- considered doubtful	-	-	-
(B) Unsecured			
- considered good	107.23	40.19	31.85
- considered doubtful	-	-	-
	<b>107.23</b>	<b>40.19</b>	<b>31.85</b>
Less: Provision for impairment	(3.59)	(1.87)	(1.33)
<b>Total</b>	<b>103.64</b>	<b>38.32</b>	<b>30.52</b>

(All amounts are in Rupees crores unless otherwise stated)

**Trade receivables ageing**

As at 31 March 2024	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	76.68	-	-	-	-	76.68
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	15.30	11.17	1.92	-	28.39
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	2.16	2.16
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
	<b>76.68</b>	<b>15.30</b>	<b>11.17</b>	<b>1.92</b>	<b>2.16</b>	<b>107.23</b>
Less: Provision for impairment	(0.00)	0.77	0.56	0.10	2.16	3.59
<b>Total</b>						<b>103.64</b>

As at 31 March 2023 (Restated)	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	30.81	-	-	-	-	30.81
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	4.27	2.53	1.08	-	7.88
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	1.50	1.50
(iv) Disputed Trade Receivables— considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
	<b>30.81</b>	<b>4.27</b>	<b>2.53</b>	<b>1.08</b>	<b>1.50</b>	<b>40.19</b>
Less: Provision for impairment	-	0.20	0.12	0.05	1.50	1.87
<b>Total</b>						<b>38.32</b>

As at 31 March 2022 (Restated)	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	24.91	-	-	-	-	24.91
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	3.01	1.66	1.19	-	5.86
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	1.08	1.08
(iv) Disputed Trade Receivables— considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
	<b>24.91</b>	<b>3.01</b>	<b>1.66</b>	<b>1.19</b>	<b>1.08</b>	<b>31.85</b>
Less: Provision for impairment	-	0.13	0.07	0.05	1.08	1.33
<b>Total</b>						<b>30.52</b>

For terms and conditions of trade receivables owing from related parties and transactions with related parties, see Note 47.

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 53.

(All amounts are in Rupees crores unless otherwise stated)

## 7 LOANS

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>(A) At Amortised cost</b>			
(i) Term loans	4,218.90	5,565.23	6,527.79
(ii) Leasing	0.04	0.04	0.04
(iii) Debentures	827.10	876.32	812.07
<b>Total (A) - Gross</b>	<b>5,046.04</b>	<b>6,441.59</b>	<b>7,339.90</b>
Less: Impairment loss allowance	3,739.65	4,642.40	4,957.31
<b>Total (A) - Net</b>	<b>1,306.39</b>	<b>1,799.19</b>	<b>2,382.59</b>
<b>(B) Security Details</b>			
(i) Secured by tangible assets and intangible assets	2,830.36	4,006.14	5,175.88
(ii) Covered by bank/government guarantees	0.61	57.91	54.37
(iii) Unsecured	2,215.07	2,377.54	2,109.65
<b>Total (B) - Gross</b>	<b>5,046.04</b>	<b>6,441.59</b>	<b>7,339.90</b>
Less: Impairment loss allowance	3,739.65	4,642.40	4,957.31
<b>Total (B) - Net</b>	<b>1,306.39</b>	<b>1,799.19</b>	<b>2,382.59</b>
<b>(C) Loans in India</b>			
(i) Public sector	2.11	2.11	54.11
(ii) Others	5,043.93	6,439.48	7,285.79
<b>Total (C) - Gross</b>	<b>5,046.04</b>	<b>6,441.59</b>	<b>7,339.90</b>
Less: Impairment loss allowance	3,739.65	4,642.40	4,957.31
<b>Total (C) - Net</b>	<b>1,306.39</b>	<b>1,799.19</b>	<b>2,382.59</b>
<b>(D) Loans outside India</b>	-	-	-
<b>Total (D) - Gross</b>	-	-	-
Less: Impairment loss allowance	-	-	-
<b>Total (D)-Net</b>	-	-	-

The Company has changed its accounting policy whereby interest income on stage 3 assets (except on the assets which are standard under IRAC norms) shall be recorded in the books of accounts with effect from 1st April, 2021. Accordingly, Interest income for the financial year 2022-23 and 2021-22 will be reinstated and increased by ₹ 209.50 crores and ₹ 248.03 crores respectively. Since there is no reasonable expectation of recovery, company has decided to write off this amount in respective years. Accordingly, impairment of financial instruments for these years shall increase by respective amounts in each financial year.

### Movement in Loan due to change in accounting policy related to stage 3 income recognition

Particulars	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>Gross Loan Book (Refer Schedule 7 above)</b>	6,441.59	7,339.90
Add: Interest accrued on stage 3	209.50	248.03
Less: Writeoff of Interest accrued on stage 3	(209.50)	(248.03)
<b>Gross Loan Book after adjustment</b>	<b>6,441.59</b>	<b>7,339.90</b>

In the current Financial Year 2023-24 the company has accrued interest aggregating to ₹ 160.46 crores out of which it has written off ₹ 145 crores based on recovery estimates.

The Company's exposure to credit and currency risks, and loss allowances related to loans are disclosed in Note 53.



(All amounts are in Rupees crores unless otherwise stated)

**8 INVESTMENTS**

	Amortised cost	At Fair Value			Others	Total
		Through other comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
	(1)	(2)	(3)	(4)	(5)=(2)+(3)+(4)	(6)
<b>As at 31 March, 2024</b>						
<b>(A)</b>						
(i) Mutual funds	-	-	246.24	-	-	246.24
(ii) Government securities	-	0.70	-	-	-	0.70
(iii) Treasury Bill	-	513.13	-	-	-	513.13
(iv) Debt securities	-	17.80	-	-	-	17.80
(v) Equity instruments	-	14.33	670.97	-	-	685.30
(vi) Others						
Venture capital	-	-	109.61	-	-	109.61
Security receipts	-	-	60.98	-	-	60.98
Commercial Paper	-	-	-	-	-	-
Corporate Deposit	-	-	-	-	-	-
Preference shares	-	-	25.05	-	-	25.05
<b>Total – Gross (A)</b>	-	545.96	1,112.85	-	-	1,658.81
<b>(B)</b>						
(i) Investments in India	-	545.96	1,112.85	-	-	1,658.81
(ii) Investments outside India	-	-	-	-	-	-
<b>Total – Gross (B)</b>	-	545.96	1,112.85	-	-	1,658.81
<b>(C) Less: Allowance for Impairment loss</b>	-	-	-	-	-	-
<b>(D) Total – Net (A-C)</b>	-	545.96	1,112.85	-	-	1,658.81
	Amortised cost	At Fair Value			Others	Total
		Through other comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
	(1)	(2)	(3)	(4)	(5)=(2)+(3)+(4)	(6)
<b>As at 31 March, 2023 (Restated)</b>						
<b>(A)</b>						
(i) Mutual funds	-	-	147.61	-	-	147.61
(ii) Government securities	-	0.70	-	-	-	0.70
(iii) Treasury Bill	-	-	-	-	-	-
(iv) Debt securities	-	19.98	-	-	-	19.98
(v) Equity instruments	-	26.72	591.7	-	-	618.42
(vi) Others						
Venture capital	-	-	109.71	-	-	109.71
Security receipts	-	-	118.60	-	-	118.60
Commercial Paper	-	-	-	-	-	-
Corporate Deposit	-	-	0	-	-	-
Preference shares	-	-	3.95	-	-	3.95
<b>Total – Gross (A)</b>	-	47.40	971.57	-	-	1,018.97
<b>(B)</b>						
(i) Investments in India	-	47.40	971.57	-	-	1,018.97
(ii) Investments outside India	-	-	-	-	-	-
<b>Total – Gross (B)</b>	-	-	-	-	-	-
<b>(C) Less: Allowance for Impairment loss</b>	-	-	-	-	-	-
<b>(D) Total – Net (A-C)</b>	-	47.40	971.57	-	-	1,018.97

(All amounts are in Rupees crores unless otherwise stated)

	Amortised cost	At Fair Value			Others	Total
		Through other comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
	(1)	(2)	(3)	(4)	(5)=(2)+(3)+(4)	(6)
<b>As at 31 March, 2022 (Restated)</b>						
(A)	-	-	90.96	-	-	90.96
(i) Mutual funds	-	0.72	-	-	-	0.72
(ii) Government securities	-	533.09	-	-	-	533.09
(iii) Treasury Bill	-	-	-	-	-	-
(iv) Debt securities	-	93.29	-	-	-	93.29
(v) Equity instruments	-	54.75	600.92	-	-	655.67
(vi) Others	-	-	-	-	-	-
Venture capital	-	-	114.48	-	-	114.48
Security receipts	-	-	190.53	-	-	190.53
Commercial Paper	-	-	-	-	-	-
Corporate Deposit	-	-	-	-	-	-
Preference shares	-	-	4.86	-	-	4.86
Total – Gross (A)	-	681.85	1,001.75	-	-	1,683.60
(B)						
(i) Investments in India	-	681.85	1,001.75	-	-	1,683.60
(ii) Investments outside India	-	-	-	-	-	-
Total – Gross (B)	-	-	-	-	-	-
(C) Less: Allowance for Impairment loss	-	-	-	-	-	-
(D) Total – Net (A-C)	-	681.85	1,001.75	-	-	1,683.60

The Company's exposure to credit and currency risks, and loss allowances related to loans are disclosed in Note 53.

## 9 OTHER FINANCIAL ASSETS

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Interest on Investments	13.62	0.51	2.44
Accrued income	0.26	2.01	14.31
Loans to employees	23.75	24.79	26.41
Other deposits	54.59	54.97	57.57
Other doubtful deposits	12.12	12.12	12.12
Other recoverables	7.10	9.84	7.49
	111.44	104.24	120.34
Less: Allowance for impairment loss	69.72	70.37	70.41
<b>Total</b>	<b>41.72</b>	<b>33.87</b>	<b>49.93</b>

The Company's exposure to credit and currency risks, and loss allowances related to loans are disclosed in Note 53.

## 10 INVESTMENT IN SUBSIDIARIES

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Investment in subsidiaries	1,381.72	1,381.72	1,381.72
Less: Allowance for impairment loss	131.17	124.02	121.63
<b>Total</b>	<b>1,250.55</b>	<b>1,257.70</b>	<b>1,260.09</b>

(All amounts are in Rupees crores unless otherwise stated)

## 11 INVESTMENT ACCOUNTED USING EQUITY METHOD

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Investment in associates	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 12 DEFERRED TAX ASSETS AND LIABILITIES

Particulars	As at 01 April 2023	Recognised in equity	Recognised in profit or loss during the year	Recognised in OCI during the year	As at 31 March 2024
<b>Deferred tax assets:</b>					
Loans	1,633.97	-	(313.83)	-	<b>1,320.14</b>
Others	377.71	-	-	-	<b>377.71</b>
Minimum alternate tax credit entitlement	-	-	-	-	-
	<u>2,011.68</u>	<u>-</u>	<u>-313.83</u>	<u>-</u>	<u><b>1,697.85</b></u>
<b>Deferred tax liabilities:</b>					
Property, plant and equipment	223.58	-	(11.31)	-	<b>212.28</b>
Investments	103.14	-	55.53	76.92	<b>235.59</b>
Investments in subsidiaries	(100.88)	-	(2.50)	-	<b>(103.38)</b>
DTL on Special Reserve u/s 36(i)(viii)	46.72	-	-	-	<b>46.72</b>
Borrowings	(0.00)	-	-	-	<b>(0.00)</b>
	<u>272.56</u>	<u>-</u>	<u>41.72</u>	<u>76.92</u>	<u><b>391.21</b></u>
<b>Net deferred tax assets</b>	<u>1,739.12</u>	<u>-</u>	<u>-355.55</u>	<u>(76.92)</u>	<u><b>1,306.65</b></u>

Particulars	As at 01 April 2022 (Restated)	Recognised in equity	Recognised in profit or loss during the year	Recognised in OCI during the year	As at 31 March 2023 (Restated)
<b>Deferred tax assets:</b>					
Loans	1,743.55	-	(109.58)	-	1,633.97
Others	377.71	-	-	-	377.71
Minimum alternate tax credit entitlement	-	-	-	-	-
	<u>2,121.27</u>	<u>-</u>	<u>-109.58</u>	<u>-</u>	<u>2,011.68</u>
<b>Deferred tax liabilities:</b>					
Property, plant and equipment	241.43	-	(17.85)	-	223.58
Investments	77.43	-	14.09	11.62	103.14
Investments in subsidiaries	(100.05)	-	(0.83)	-	(100.88)
DTL on Special Reserve u/s 36(i)(viii)	46.72	-	-	-	46.72
Borrowings	2.98	-	(2.98)	-	(0.00)
	<u>268.51</u>	<u>-</u>	<u>-7.57</u>	<u>11.62</u>	<u>272.56</u>
<b>Net deferred tax assets</b>	<u>1,852.76</u>	<u>-</u>	<u>-102.01</u>	<u>(11.62)</u>	<u>1,739.12</u>

## 13 INVESTMENT PROPERTY

	Gross Block				Depreciation				Net Block	
	As at 1 April 2023	Additions/ Adjustments	Disposals/ Adjustment	As at 31 March 2024	As at 1 April 2023	For the year	Disposals/ Adjustment	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023 (Restated)
Owned Assets										
Freehold Land	23.16	-	-	23.16	-	-	-	-	23.16	23.16
Buildings	328.31	-	-	328.31	93.41	6.88	-	100.29	228.02	234.90
Assets under finance lease										
Leasehold land	25.26	-	-	25.26	-	-	-	-	25.26	25.26
Total	376.73	-	-	376.73	93.41	6.88	-	100.29	276.45	283.32

(All amounts are in Rupees crores unless otherwise stated)

	Gross Block				Depreciation				Net Block	
	As at 1 April 2022	Additions/ Adjustments	Disposals/ Adjustment	As at 31 March 2023 (Restated)	As at 1 April 2022	For the year	Disposals/ Adjustment	As at 31 March 2023 (Restated)	As at 31 March 2023 (Restated)	As at 31 March 2022 (Restated)
Owned Assets	-	-	-	-	-	-	-	-	-	-
Freehold Land	11.82	11.34	-	23.16	-	-	-	-	23.16	11.82
Buildings	322.00	6.31	-	328.31	86.66	1.72	(5.03)	93.41	234.90	235.34
Assets under finance lease										
Leasehold land	24.25	1.01	-	25.26	-	-	-	-	25.26	24.25
<b>Total</b>	<b>358.07</b>	<b>18.66</b>	<b>-</b>	<b>376.73</b>	<b>86.66</b>	<b>1.72</b>	<b>(5.03)</b>	<b>93.41</b>	<b>283.32</b>	<b>271.41</b>

	Gross Block				Depreciation				Net Block	
	As at 1 April 2021	Additions/ Adjustments	Disposals/ Adjustment	As at 1 April 2022 (Restated)	As at 1 April 2021	For the year	Disposals/ Adjustment	As at 1 April 2022 (Restated)	As at 1 April 2022 (Restated)	As at 31 March 2021 (Restated)
Owned Assets										
Freehold Land	9.84	1.98	-	11.82	-	-	-	-	11.82	9.84
Buildings	192.75	129.25	-	322.00	17.10	2.73	(66.83)	86.66	235.34	175.65
Assets under finance lease										
Leasehold land	0.02	24.23	-	24.25	-	-	-	-	24.25	0.02
<b>Total</b>	<b>202.61</b>	<b>155.46</b>	<b>-</b>	<b>358.07</b>	<b>17.10</b>	<b>2.73</b>	<b>(66.83)</b>	<b>86.66</b>	<b>271.41</b>	<b>185.51</b>

For details regarding rental income earned from investment property, refer statement of profit and loss.

Fair value of investment property as on 31/03/2024 is ₹ 537.30 crore (PY - 31/03/2023 : ₹ 554.37 crore).

#### Measurement of fair values

##### i. Fair value hierarchy

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. However, the valuation has been determined by the IFCI Limited internally during the reported period ended March 31, 2024.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

##### ii. Valuation technique

The Company follows direct sale comparison technique. The valuation model considers the value of the subject property by comparing recent sales / listing of similar interest in the properties located in the surrounding area. By analysing sales which qualify as 'arms-length' transactions, between willing buyers and sellers, adjustments would be made for size, location, time, amenities and other relevant factors when comparing such sales price against the subject property. This approach is commonly used to value standard properties when realisable sales evidence is available.

## 14 PROPERTY, PLANT AND EQUIPMENT

	Gross Block				Depreciation				Net Block	
	As at 1 April 2023	Additions/ Adjustments	Disposals/ Adjustments	As at 31 March 2024	As at 1 April 2023	For the year	Disposals/ Adjustments	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Owned Assets</b>										
Freehold Land	85.81	-	-	85.81	-	-	-	-	85.81	85.81
Buildings	328.67	0.04	-	328.71	(3.55)	10.26	-	6.72	321.99	332.22
Leasehold Improvement	0.04	-	-	0.04	0.04	-	-	0.04	-	-
Plant & Machinery	8.18	-	-	8.18	2.62	0.59	-	3.22	4.96	5.55
Furniture & Fixtures	5.88	0.04	-	5.92	5.66	0.08	-	5.73	0.19	0.23
Vehicles	0.27	-	-	0.27	(0.03)	0.04	-	0.01	0.26	0.30
Office Equipments	1.34	1.03	0.04	2.32	0.61	0.42	0.04	0.98	1.34	0.73
Electrical Installations and Equipments	11.39	0.10	0.01	11.48	10.66	0.32	-	10.98	0.50	0.73
<b>Assets under Lease</b>										
Leasehold Land	239.10	-	-	239.10	46.42	5.47	-	51.89	187.21	192.68
<b>Total</b>	<b>680.67</b>	<b>1.21</b>	<b>0.05</b>	<b>681.82</b>	<b>62.43</b>	<b>17.18</b>	<b>0.04</b>	<b>79.57</b>	<b>602.27</b>	<b>618.24</b>

(All amounts are in Rupees crores unless otherwise stated)

	Gross Block				Depreciation				Net Block	
	As at 1 April 2022	Additions/ Adjustments	Disposals/ Adjustments	As at 31 March 2023	As at 1 April 2022	For the year	Disposals/ Adjustments	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
				(Restated)				(Restated)	(Restated)	(Restated)
<u>Owned Assets</u>										
Freehold Land	97.15	-	11.34	85.81	-	-	-	-	85.81	97.15
Buildings	315.71	19.26	6.31	328.67	(13.77)	15.25	5.03	(3.55)	332.22	329.48
Leasehold Improvement	0.04	-	-	0.04	0.04	-	-	0.04	-	-
Plant & Machinery	8.18	-	-	8.18	2.03	0.59	-	2.62	5.55	6.15
Furniture & Fixtures	5.89	0.00	0.00	5.88	5.49	0.17	0.00	5.66	0.23	0.39
Vehicles	0.36	-	0.09	0.27	0.01	0.04	0.08	(0.03)	0.30	0.35
Office Equipments	2.57	0.27	1.50	1.34	1.82	0.28	1.49	0.61	0.73	0.75
Electrical Installations and Equipments	11.35	0.04	0.00	11.39	10.29	0.37	-	10.66	0.73	1.06
<u>Assets under Lease</u>										
Leasehold Land	240.11	-	1.01	239.10	40.95	5.47	-	46.42	192.68	199.16
Total	681.35	19.57	20.25	680.67	46.86	22.17	6.61	62.43	618.24	634.49

	Gross Block				Depreciation				Net Block	
	As at 1 April 2021	Additions/ Adjustments	Disposals/ Adjustments	As at 1 April 2022 (Restated)	As at 1 April 2021	For the year	Disposals/ Adjustments	As at 1 April 2022 (Restated)	As at 1 April 2022 (Restated)	As at 31 March 2021
<u>Owned Assets</u>										
Freehold Land	99.13	-	1.98	97.15	-	-	-	-	97.15	99.13
Buildings	444.96	-	129.25	315.71	38.95	14.11	66.83	(13.77)	329.48	406.01
Leasehold Improvement	0.04	-	-	0.04	0.04	-	-	0.04	-	-
Plant & Machinery	7.39	0.79	-	8.18	1.43	0.60	-	2.03	6.15	5.96
Furniture & Fixtures	5.88	0.01	0.01	5.89	5.18	0.32	0.00	5.49	0.39	0.70
Vehicles	0.33	0.20	0.17	0.36	0.14	0.03	0.16	0.01	0.35	0.19
Office Equipments	2.71	0.21	0.35	2.57	1.72	0.44	0.34	1.82	0.75	0.99
Electrical Installations and Equipments	11.34	0.01	-	11.35	9.84	0.46	0.00	10.29	1.06	1.51
<u>Assets under Lease</u>										
Leasehold Land	264.34	-	24.23	240.11	37.10	3.85	-	40.95	199.16	227.24
Total	836.13	1.21	155.98	681.35	94.39	19.80	67.34	46.86	634.49	741.73

## 15 INTANGIBLE ASSETS

	Gross Block			As at 31 March 2024	Amortisation			As at 31 March 2024	Net Block	
	As at 1 April 2023	Additions/ Adjustments	Disposals/ Adjustments		As at 1 April 2023	For the year	Disposals/ Adjustments		As at 31 March 2024	As at 31 March 2023 (Restated)
Computer Software	3.05	0.03	-	3.08	2.79	0.10	-	2.89	0.19	0.26
<b>Total</b>	<b>3.05</b>	<b>0.03</b>	<b>-</b>	<b>3.08</b>	<b>2.79</b>	<b>0.10</b>	<b>-</b>	<b>2.89</b>	<b>0.19</b>	<b>0.26</b>

	Gross Block			As at 31 March 2023 (Restated)	Amortisation			As at 31 March 2023 (Restated)	Net Block	
	As at 1 April 2022	Additions/ Adjustments	Disposals/ Adjustments		As at 1 April 2022	For the year	Disposals/ Adjustments		As at 31 March 2023 (Restated)	As at 31 March 2022 (Restated)
Computer Software	3.05	0.00	-	3.05	2.62	0.17	-	2.79	0.26	0.43
<b>Total</b>	<b>3.05</b>	<b>0.00</b>	<b>-</b>	<b>3.05</b>	<b>2.62</b>	<b>0.17</b>	<b>-</b>	<b>2.79</b>	<b>0.26</b>	<b>0.43</b>

(All amounts are in Rupees crores unless otherwise stated)

	Gross Block				Amortisation				Net Block	
	As at 1 April 2021	Additions/ Adjustments	Disposals/ Adjustments	As at 1 April 2022	As at 1 April 2021	For the year	Disposals/ Adjustments	As at 1 April 2022	As at 1 April 2022	As at 31 March 2021
				(Restated)				(Restated)	(Restated)	(Restated)
Computer Software	3.02	0.03	-	3.05	2.11	0.51	-	2.62	0.43	0.91
Total	3.02	0.03	-	3.05	2.11	0.51	-	2.62	0.43	0.91

## 16 OTHER NON-FINANCIAL ASSETS

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Capital advances	0.82	0.82	0.82
Pre-paid expenses	1.40	1.62	0.22
Other Assets	83.28	89.67	92.21
<b>Total</b>	<b>85.50</b>	<b>92.11</b>	<b>93.25</b>

## 17 ASSETS HELD FOR SALE

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Assistance under development financing (AUF) - Associates	49.41	0.04	0.04
<b>Total</b>	<b>49.41</b>	<b>0.04</b>	<b>0.04</b>

## 18 TRADE PAYABLES

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Total outstanding dues to MSMEs	-	-	-
Total outstanding dues of creditors other than MSMEs	53.49	62.26	52.85
<b>Total</b>	<b>53.49</b>	<b>62.26</b>	<b>52.85</b>

### Trade Payables ageing

As at 31 March 2024	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	35.13	4.45	2.48	11.43	53.49
(iii) Disputed dues –MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>					<b>53.49</b>

As at 31 March 2023 (Restated)	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	37.47	4.14	1.48	19.17	62.26
(iii) Disputed dues –MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>					<b>62.26</b>

As at 1 April 2022 (Restated)	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	29.72	2.47	2.07	18.59	52.85
(iii) Disputed dues –MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>					<b>52.85</b>

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at all the reporting dates. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent the status of such parties identified on the basis of information available with the Company.



(All amounts are in Rupees crores unless otherwise stated)

**19 Debt securities**

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>(A) At Amortised cost</b>			
(i) Bonds			
- Privately Placed Bonds	2,745.37	2,745.37	3,238.65
- Privately Placed Zero Coupon Bonds	359.60	327.55	298.43
- Infrastructure Bonds	177.61	346.70	321.05
- Privately Placed Bonds issued to Subsidiaries	75.00	75.00	75.00
- Less: Interest accrued but not due	(104.19)	(187.66)	(162.01)
(ii) Tax-free Bonds (secured by floating charge on receivables of IFCI Ltd.)			
- held by subsidiary and associate companies	45.00	45.00	45.00
- held by others	100.00	265.00	265.00
(iii) Public issue of NCDs			
Secured Redeemable Non Convertible Debentures(secured by floating charge on receivables of IFCI Ltd.)			
- held by subsidiary and associate companies	10.00	10.00	10.00
- held by others	1,051.12	1,037.58	1,025.28
- Less: Interest accrued but not due	(87.77)	(74.23)	(61.93)
- Others (Bonds/ Debentures etc.)	-	-	-
<b>Total (A)</b>	<b>4,371.74</b>	<b>4,590.31</b>	<b>5,054.47</b>
<b>(B) Debt securities issued in/outside India</b>			
(i) Debt securities in India	4,371.74	4,590.31	5,054.47
(ii) Debt securities outside India	-	-	-
<b>Total (B)</b>	<b>4,371.74</b>	<b>4,590.31</b>	<b>5,054.47</b>

**Terms of Repayment of Other Bonds**

Series	Interest rate	Date of maturity	Amount
Zero Coupon Bonds	9.75%	7-Jul-40	22.83
Zero Coupon Bonds	9.75%	7-Jul-39	25.05
Zero Coupon Bonds	9.75%	7-Jul-38	27.50
Other Bonds	9.90%	5-Nov-37	106.88
Zero Coupon Bonds	9.75%	7-Jul-37	30.18
Zero Coupon Bonds	9.75%	7-Jul-36	33.13
Zero Coupon Bonds	9.75%	7-Jul-35	36.37
Zero Coupon Bonds	9.75%	7-Jul-34	39.90
Zero Coupon Bonds	9.75%	7-Jul-33	43.79
Other Bonds	9.90%	5-Nov-32	106.88
Zero Coupon Bonds	9.75%	7-Jul-32	48.07
Zero Coupon Bonds	9.75%	7-Jul-31	52.77
Other Bonds	9.98%	29-Oct-30	250.00
Other Bonds	9.75%	16-Jul-30	500.00
Other Bonds	9.75%	13-Jul-30	250.00
Other Bonds	9.70%	18-May-30	250.00
Other Bonds	9.70%	4-May-30	250.00
Other Bonds	9.75%	26-Apr-28	350.00
Other Bonds	9.90%	5-Nov-27	106.88
Other Bonds	10.12%	8-Oct-27	19.59
Other Bonds	10.10%	8-Oct-27	5.15
Infra Bonds	8.72%	31-Mar-27	23.11
Infra Bonds	9.16%	15-Feb-27	40.02
Infra Bonds	8.75%	12-Dec-26	10.30
Other Bonds	9.55%	13-Apr-25	225.00
Other Bonds	9.55%	5-Mar-25	200.00
Other Bonds	9.75%	25-Jan-25	200.00
<b>Total</b>			<b>3,253.39</b>

(All amounts are in Rupees crores unless otherwise stated)

**Terms of Repayment of Secured Bonds**

Bonds	Rate of Interest (% p.a.)	Date of Maturity	Amount
Tax Free Bonds	8.76%	31-Mar-29	145.00
Public Issue of Bonds*	9.40%	13-Feb-25	325.37
Public Issue of Bonds*	9.90%	1-Dec-24	647.99
<b>Total</b>			<b>1,118.36</b>

\* additional interest @ 0.10% p.a. payable to individual investor

**20 BORROWINGS (OTHER THAN DEBT SECURITIES)**

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>(A) At Amortised cost</b>			
(i) Term loans			
- from banks and other parties	-	75.00	610.02
- from other parties	-	-	-
- from financial institutions	-	-	-
- from KfW Line	334.25	364.25	372.75
(ii) Finance lease obligations	-	-	-
(iii) Loans repayable on demand			
- from banks	-	-	-
- from other parties	-	3.84	-
<b>Total (A)</b>	<b>334.25</b>	<b>443.09</b>	<b>982.77</b>
<b>(B) Borrowings (other than Debt Securities) in/outside India</b>			
(i) Borrowings in India	-	78.84	610.02
(ii) Borrowings outside India	334.25	364.25	372.75
<b>Total (B)</b>	<b>334.25</b>	<b>443.09</b>	<b>982.77</b>

**Terms of Repayment of KfW lines of Credit**

Name of Lender	Rate of Interest (% p.a.)	Amount(Euros)	Amount	Date of Maturity	Repayment	Date of next Instalment
KFW, Frankfurt	0.75%	5,76,737.37	5.18	31-Dec-26	Half Yearly	The outstanding Kfw Loan has been prepaid on April 18, 2024
KFW, Frankfurt	1.25%	11,41,203.40	10.26	31-Dec-29	Half Yearly	
KFW, Frankfurt	0.75%	8,24,202.62	7.41	30-Jun-30	Half Yearly	
KFW, Frankfurt	0.75%	8,87,602.81	7.98	31-Dec-30	Half Yearly	
KFW, Frankfurt	0.75%	14,26,504.26	12.82	30-Jun-31	Half Yearly	
KFW, Frankfurt	0.75%	16,34,088.97	14.69	30-Jun-32	Half Yearly	
KFW, Frankfurt	0.75%	18,99,449.25	17.07	31-Dec-33	Half Yearly	
KFW, Frankfurt	0.75%	26,84,282.39	24.12	30-Jun-34	Half Yearly	
KFW, Frankfurt	0.75%	35,20,755.79	31.64	31-Dec-34	Half Yearly	
KFW, Frankfurt	0.75%	41,07,719.00	36.92	31-Dec-36	Half Yearly	
KFW, Frankfurt	0.75%	1,46,49,534.88	131.67	30-Jun-38	Half Yearly	
KFW, Frankfurt	0.75%	38,37,757.01	34.49	31-Dec-32	Half Yearly	
<b>TOTAL</b>		<b>3,71,89,837.75</b>	<b>334.25</b>			

(All amounts are in Rupees crores unless otherwise stated)

## 21 SUBORDINATED LIABILITIES

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>(A) At Amortised cost</b>			
(i) Subordinate - Tier II Bonds	916.75	923.72	1,102.94
- Less: Interest accrued but not due	(172.08)	(149.05)	(128.28)
<b>Total (A)</b>	<b>744.67</b>	<b>774.67</b>	<b>974.66</b>
<b>(B) Subordinated Liabilities in/outside India</b>			
(i) Subordinated Liabilities in India	744.67	774.67	974.66
(ii) Subordinated Liabilities outside India	-	-	-
<b>Total (B)</b>	<b>744.67</b>	<b>774.67</b>	<b>974.66</b>

### Terms of Repayment of Other Bonds

Series	Interest rate	Date of maturity	Amount
Tier II Bonds	9.98%	18-Sep-37	50.00
Tier II Bonds	10.75%	31-Oct-26	102.49
Tier II Bonds	10.75%	1-Aug-26	468.55
Tier II Bonds	10.70%	28-Feb-27	123.63
<b>Total</b>			<b>744.67</b>

## 22 OTHER FINANCIAL LIABILITIES

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Interest accrued but not due on bonds and borrowings	662.75	696.62	674.14
Security Deposits	14.84	11.84	8.61
Unclaimed Dividend	-	2.26	5.92
Unpaid Matured Debentures & interest	0.57	0.25	0.46
Funds Placed with the Corporation			
(a) Scheduled Cast Credit Guarantee Enhancement Scheme (placed by Govt. of India)	347.47	323.21	306.54
(b) PLI scheme	1,447.91	843.74	50.00
(c) Employees Providend Fund	82.68	76.74	80.14
Other Liabilities	632.70	395.33	354.88
	<b>3,188.92</b>	<b>2,349.99</b>	<b>1,480.69</b>

## 23 PROVISIONS

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Impairment provision on off balance sheet exposure	32.96	33.49	32.17
Employee Benefits	53.52	50.19	47.14
<b>Total</b>	<b>86.48</b>	<b>83.68</b>	<b>79.31</b>

\* includes reversal of provision of ₹ 0.34 crore on gratuity liability of employees in FY 24.  
Refer note no. 45 for detailed disclosure on employee benefits.

## 24 OTHER NON-FINANCIAL LIABILITIES

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Deferred revenue	-	-	-
	-	-	-
	-	-	-

(All amounts are in Rupees crores unless otherwise stated)

## 25 EQUITY

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>Authorised</b>			
4,00,00,00,000 Equity Shares of ₹ 10/- each	<b>4,000.00</b>	4,000.00	4,000.00
	<b>4,000.00</b>	4,000.00	4,000.00
<b>Issued</b>			
2,55,68,61,317 Equity Shares of ₹ 10/- each	<b>2,556.86</b>	2,263.18	2,170.24
	<b>2,556.86</b>	2,263.18	2,170.24
<b>Subscribed</b>			
2,49,09,30,563 Equity Shares of ₹ 10/- each	<b>2,490.93</b>	2,197.24	2,104.31
	<b>2,490.93</b>	2,197.24	2,104.31
<b>Paid up</b>			
2,48,96,13,863 Equity Shares of ₹ 10/- each	<b>2,489.61</b>	2,195.93	2,102.99
	<b>2,489.61</b>	2,195.93	2,102.99

### Reconciliation of the number of equity shares and share capital:

The Company had received ₹ 400 crore was received from GOI on March 07, 2023, towards subscription to the share capital of the Company for the FY 2022-23 as share application money. In this regard, the Committee of Directors had allotted 29,36,85,756 number of equity shares of face value of ₹ 10/- each to the GOI on April 27, 2023 @ ₹ 13.62/- per equity share (including security premium of ₹ 3.62/- per equity share)

Further, an amount of ₹ 500 crore was received from GOI on March 08, 2024, towards subscription to the share capital of the Company for the FY 2023-24 as share application money. In this regard, the Committee of Directors had allotted 12,39,77,188 number of equity shares of face value of ₹ 10/- each to the GOI on April 18, 2024 @ ₹ 40.33/- per equity share (including security premium of ₹ 30.33/- per equity share).

Particulars	As at 31 March 2024		As at 31 March 2023 (Restated)		As at April 01, 2022 (Restated)	
	Number	Amount	Number	Amount	Number	Amount
<b>Equity shares</b>						
Outstanding at beginning of the period	2,195,928,107	2,195.93	2,102,991,305	2,102.99	1,895,993,092	1,895.99
Add: Shares issued	293,685,756	293.69	92,936,802	92.94	206,998,213	207.00
<b>Outstanding at the end of the period</b>	<b>2,489,613,863</b>	<b>2,489.61</b>	<b>2,195,928,107</b>	<b>2,195.93</b>	<b>2,102,991,305</b>	<b>2,102.99</b>
<b>Paid up share capital</b>	<b>2,489,613,863</b>	<b>2,489.61</b>	<b>2,195,928,107</b>	<b>2,195.93</b>	<b>2,102,991,305</b>	<b>2,102.99</b>

### Terms/ rights attached to equity shares:

The Company has only one class of equity share, i.e. equity shares having face value of ₹ 10 per share entitled to one vote per share.

### Shareholding of Promoters

Name of the Promoter	As at 31 March 2024		As at 31 March 2023 (Restated)		As at April 01, 2022 (Restated)	
	Number of shares	% of total Shares	Number of shares	% of total Shares	Number of shares	% of total Shares
President of India	1,750,576,628	70.32%	1,456,890,872	66.35%	1,363,954,070	64.86%
	% Change during the period		% Change during the period		% Change during the period	
	3.97%		1.49%		3.84%	

## 26 OTHER EQUITY

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>i Share application money pending allotment</b>			
Opening balance	400.00	-	200.00
Less: transfer during the year	(400.00)	400.00	(200.00)
Add: Application money received during the year	500.00	-	-
Closing balance	<b>500.00</b>	<b>400.00</b>	<b>-</b>

(All amounts are in Rupees crores unless otherwise stated)

**26 OTHER EQUITY (Contd...)**

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>ii Reserve u/s 45IC of RBI Act</b>			
Opening balance	875.04	875.04	875.04
Closing balance	875.04	875.04	875.04
<b>iii Impairment Reserve</b>			
Opening balance	34.54	34.54	34.54
Add: Transfer from retained earnings	70.13	-	-
Closing balance	104.67	34.54	34.54
<b>iii Special Reserve under Section 36(1)(viii) of the Income Tax Act, 1961</b>			
Opening balance	136.69	136.69	136.69
Closing balance	136.69	136.69	136.69
<b>iv Capital Reserve</b>			
Opening balance	0.85	0.85	0.85
Closing balance	0.85	0.85	0.85
<b>v Securities Premium Reserve</b>			
Opening balance	1,067.75	1,060.69	967.69
Add: Issue of equity shares	106.31	7.06	93.00
Closing balance	1,174.06	1,067.75	1,060.69
<b>vi Capital Redemption Reserve</b>			
Opening balance	231.92	231.92	231.92
Add: Transfer from retained earnings	-	-	-
Closing balance	231.92	231.92	231.92
<b>vii Debenture Redemption Reserve</b>			
Opening balance	87.58	87.58	247.08
Add: Transfer from retained earnings	-	-	-
Add: Transfer to General reserve	-	-	(159.50)
Closing balance	87.58	87.58	87.58
<b>viii General Reserve</b>			
Opening balance	513.08	513.08	353.58
Add: Transfer from Debenture Redemption Reserve	-	-	159.50
Closing balance	513.08	513.08	513.08
<b>ix Deemed equity contribution</b>			
Opening balance	335.82	335.82	335.82
Closing balance	335.82	335.82	335.82
<b>x Retained Earnings</b>			
Opening balance	(4,808.06)	(4,520.47)	(2,529.14)
Add: profit/(loss) during the year	128.25	(287.58)	(1,991.33)
Less: Transfer to Impairment reserve	(70.13)	-	-
Closing balance	(4,749.94)	(4,808.06)	(4,520.47)
<b>xi Debt instruments through Other Comprehensive Income</b>			
Opening balance	(3.26)	(2.76)	21.57
Add: Fair value change during the year	8.79	(0.50)	(24.34)
Closing balance	5.53	(3.26)	(2.76)

(All amounts are in Rupees crores unless otherwise stated)

## 26 OTHER EQUITY (Contd...)

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>xii Equity instruments through Other Comprehensive Income</b>			
Opening balance	(495.14)	(463.88)	(452.89)
Add: Fair value change during the year	(48.93)	(31.26)	(10.99)
Closing balance	<u>(544.07)</u>	<u>(495.14)</u>	<u>(463.88)</u>
<b>xiii Remeasurements of the defined benefit plans</b>			
Opening balance	53.36	53.36	53.36
Add: Actuarial gain/loss during the year	-	-	-
Closing balance	<u>53.36</u>	<u>53.36</u>	<u>53.36</u>
<b>Total balance</b>	<u>(1,275.41)</u>	<u>(1,569.83)</u>	<u>(1,657.52)</u>

### Reserve u/s 451C of RBI Act

Pursuant to increase in shareholding of Govt. of India more than 50% of the paid-up Share Capital, the Company has become Government Company u/s 2(45) of the Companies Act, 2013 and the Company being a Government Company u/s 2(45) of the Companies Act, 2013 was exempt from such provisions under RBI Act upto 31/03/2019. Since there is net loss in the current year, no transfer has been made to the Reserve Bank of India.

### Special Reserve under Section 36(1)(viii) of the Income Tax Act, 1961

Section 36(1)(viii) of the Income Tax Act allows financial institutions to transfer 20% of profit from eligible business i.e. net income from long-term industrial financing, to this Reserve and the same is allowed as a deduction while computing taxable income. The Income Tax Act, by an amendment in Finance Act, 1998, has put a condition on maintaining the Reserve created w.e.f FY 1997-98. Any withdrawal would attract tax liability. Upto FY 1996-97, utilisation of the said Reserve created in the earlier year did not attract tax liability and accordingly Deferred Tax Liability (DTL) has been created on the reserve transferred after FY 1997-98.

### Capital Reserve

Capital Reserve represents proceeds of forfeited shares

### Securities Premium Reserve

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

### Capital Redemption Reserve

Capital Redemption Reserve represents amount transferred from surplus in statement of profit and loss towards redemption of preference shares without fresh issue of capital, as was required under section 55 of the Companies Act, 2013.

### Debenture Redemption Reserve

Debenture Redemption Reserve has been created in terms of Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014 for Non Convertible Debentures issued by IFCI Ltd. through public offer. Later vide Notification GSR-574(E) dated 16/08/19, Ministry of Corporate Affairs (MCA) has notified amended rules for Share Capital and Debentures (Rules 2014), no additional DRR has to be created either for public issue of bonds or for private placements in case of existing bonds and debentures.

### General Reserve

General reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations.

### Deemed equity contribution

Deemed equity contribution on account of preferential rate borrowings from shareholders.

### Retained Earnings

Represents as at date accumulated surplus/(deficit) of the profits earned by the Company.

### Debt instruments through Other Comprehensive Income

This comprises changes in the fair value of debt instruments recognised in other comprehensive income and accumulated within equity. The Company transfers amounts from such component of equity to retained earnings when the relevant debt instruments are derecognised.

### Equity instruments through Other Comprehensive Income

This comprises changes in the fair value of certain identified equity instruments recognised in other comprehensive income and accumulated within equity.

### Remeasurements of the defined benefit plans

Remeasurements of defined benefit liability (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).



(All amounts are in Rupees crores unless otherwise stated)

## 27 INTEREST INCOME

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023 (Restated)		For the year ended March 31, 2022 (Restated)	
	On Financial Assets measured at fair value through other comprehensive income	On Financial Assets measured at Amortised Cost	On Financial Assets measured at fair value through other comprehensive income	On Financial Assets measured at Amortised Cost	On Financial Assets measured at fair value through other comprehensive income	On Financial Assets measured at Amortised Cost
Interest on loans	-	383.89	-	478.64	-	765.23
Interest income from investments	45.44	-	26.51	-	75.68	-
Interest on debentures	-	0.01	-	0.01	-	-
<b>Total</b>	<b>45.44</b>	<b>383.90</b>	<b>26.51</b>	<b>478.65</b>	<b>75.68</b>	<b>765.23</b>

The Company has changed its accounting policy whereby interest income on stage 3 assets (except on the assets which are standard under IRAC norms) shall be recorded in the books of accounts with effect from 1st April, 2021. Accordingly, Interest income for the financial year 2022-23 and 2021-22 will be reinstated and increased by ₹ 209.50 crores and ₹ 248.03 crores respectively.

## 28 NET GAIN/ (LOSS) ON FAIR VALUE CHANGES

	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss	-	-	-
- Equity securities	122.12	58.23	65.02
- Derivatives	-	(0.69)	(0.73)
- Security Receipts	(40.59)	(2.44)	7.53
- Preference Shares	53.20	41.80	-
- Units of Venture Capital Funds	18.49	21.94	13.93
- Units of Mutual Funds	32.85	10.28	26.08
(B) Net gain on derecognition of financial instruments at fair value through other comprehensive income	0.47	(39.36)	(70.85)
(C) Total Net gain/(loss) on fair value changes	<b>186.54</b>	<b>89.76</b>	<b>40.98</b>
Fair value changes :			
- Realised	(109.42)	(5.68)	(55.31)
- Unrealised	295.96	95.44	96.29
(D) Total Net gain/(loss) on fair value changes	<b>186.54</b>	<b>89.76</b>	<b>40.98</b>

## 29 OTHER INCOME

	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)
Net gain/(loss) on derecognition of property, plant and equipment	-	-	0.02
Reversal of Impairment loss on non-financial assets/assets held for sale	49.37	-	-
Profit on buy back of shares by subsidiary	-	-	-
Interest from Income Tax Refund	0.74	3.77	2.72
Others	5.72	7.38	3.93
<b>Total</b>	<b>55.83</b>	<b>11.15</b>	<b>6.67</b>

## 30 FINANCE COST

	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)
<b>On Financial liabilities measured at amortised cost</b>			
Interest on borrowings	572.74	631.30	908.39
Interest on debt securities	-	-	14.49
<b>Total</b>	<b>572.74</b>	<b>631.30</b>	<b>922.88</b>

(All amounts are in Rupees crores unless otherwise stated)

### 31 IMPAIRMENT ON FINANCIAL INSTRUMENTS

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023 (Restated)		For the year ended March 31, 2022 (Restated)	
	On Financial Assets measured at Amortised Cost	On Financial Assets measured at fair value through other comprehensive income	On Financial Assets measured at Amortised Cost	On Financial Assets measured at fair value through other comprehensive income	On Financial Assets measured at Amortised Cost	On Financial Assets measured at fair value through other comprehensive income
Loans *	-	(340.85)	-	129.75	-	1,671.45
Investments	(0.02)	-	(0.08)	-	(50.03)	-
Other financial assets	-	5.70	-	0.54	-	(0.07)
<b>Total</b>	<b>(0.02)</b>	<b>(335.15)</b>	<b>(0.08)</b>	<b>130.29</b>	<b>(50.03)</b>	<b>1,671.38</b>
* Includes write off (net) during the year		<b>417.42</b>		<b>233.84</b>		<b>1388.67</b>

The Company has changed its accounting policy whereby interest income on stage 3 assets (except on the assets which are standard under IRAC norms) shall be recorded in the books of accounts with effect from 1st April, 2021. Accordingly, Interest income for the financial year 2022-23 and 2021-22 will be reinstated and increased by ₹ 209.50 crores and ₹ 248.03 crores respectively. Since there is no reasonable expectation of recovery, company has decided to write off this amount in respective years. Accordingly, impairment of financial instruments for these years shall increase by respective amounts in each financial year.

### 32 EMPLOYEE BENEFIT EXPENSES

	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)
Salaries and wages	52.02	56.12	59.26
Contribution to provident and others fund	18.77	17.00	12.60
Expenses towards post employment benefits	16.79	18.25	16.05
Staff welfare expenses	4.03	7.90	4.52
<b>Total</b>	<b>91.61</b>	<b>99.27</b>	<b>92.43</b>

### 33 DEPRECIATION AND AMORTISATION

	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)
Depreciation of property, plant and equipment	17.18	22.17	19.79
Depreciation of investment property	6.88	1.72	2.73
Amortisation of intangible assets	0.10	0.17	0.51
<b>Total</b>	<b>24.16</b>	<b>24.07</b>	<b>23.03</b>

### 34 OTHER EXPENSES

	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)
Rent	0.40	0.51	0.66
Rates and taxes	4.80	5.03	4.63
Insurance	0.32	0.17	0.34
Repairs and maintenance			
- Buildings	10.21	10.29	7.90
- IT	2.38	1.99	3.25
- Others	0.11	0.17	0.18
Electricity and water charges	4.71	4.44	4.12
Security expenses	3.11	3.00	2.91
Payment to auditors #	0.37	0.32	0.39
Directors fee & expenses	0.36	0.17	0.24
Publications and advertisement	0.82	0.56	0.57
Consultation and law charges	7.78	4.28	6.07

(All amounts are in Rupees crores unless otherwise stated)

### 34 OTHER EXPENSES (Contd...)

	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)
Travelling and conveyance	0.84	0.64	0.47
Training and development	0.17	0.18	0.09
Postage and telephone	0.43	0.46	0.32
Printing and stationery	0.26	0.19	0.27
Listing/ Filing/ Custody Fee	1.69	1.48	2.06
Library and membership subscription	0.16	0.22	0.43
Expenses on CSR Activity	-	-	-
Impairment loss on non-financial assets/assets held for sale	7.16	2.39	83.61
Other miscellaneous expenses	(0.16)	(0.08)	0.02
<b>Total</b>	<b>45.91</b>	<b>36.41</b>	<b>118.53</b>

# Refer note no 35 for payment to Auditors

### 35 PAYMENT TO AUDITORS

	For the year ended March 31, 2024	For the year ended March 31, 2023
Audit Fees	0.29	0.23
Certification and other services	0.06	0.06
Reimbursement of Expenses	0.02	0.03
<b>Total</b>	<b>0.37</b>	<b>0.32</b>

### 35.1 DETAILS OF CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Gross amount required to be spent by the company for respective financial year	0.00	0.00
b) Construction/acquisition of any assets	-	-
c) Yet to be paid in cash	-	-
d) Amount spent during the period -		
- Development of Human Capital	-	0.54
- Development of Rural areas & sustainable development activities		
- Promotion of sports		
- Other welfare activities	-	0.11
- Healthcare and sanitation	-	-
- Admin & other expenses	-	-
- Water Conservation and Sanitation	-	0.06
<b>Total (d)</b>	<b>-</b>	<b>0.71</b>

**\*Note: (No disbursement for IFCI CSR fund by ISF).**

- Shortfall for current year is NIL
- Shortfall for previous years NIL
- Reason for shortfall – NA
- where a provision is made with respect to a liability incurred by enetering into a contractual obligation – Nil

(All amounts are in Rupees crores unless otherwise stated)

### 35.2 CONTINGENT LIABILITIES AND COMMITMENTS

	As at March 31, 2024	As at March 31, 2023
<b>A. Contingent Liabilities#</b>		
(i) Claims not acknowledged as debts	109.96	110.39
(ii) Guarantees excluding financial guarantees	3.43	3.22
(iii) Tax Matters :		
Income Tax *	60.03	-
Service tax / GST	2.51	-
<b>Total</b>	<b>175.93</b>	<b>113.61</b>
<b>B. Commitments</b>		
(i) Estimated amount of contract (including lease contract) remaining to be executed on capital account (net of advances)	-	-
(ii) Undrawn Commitments	-	15.14
<b>Total</b>	<b>-</b>	<b>15.14</b>
<b>C. Contingent assets</b>	<b>Nil</b>	<b>Nil</b>

### 35.3 TAX EXPENSE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>A. Amounts recognised in profit or loss</b>		
<b>Current tax (a)</b>		
Current tax expense	-	-
Current tax expense/ (benefit) pertaining to earlier years	-	-
<b>Sub-total (a)</b>	<b>-</b>	<b>-</b>
<b>Deferred tax (b)</b>		
Deferred tax expense/ (credit)	355.55	102.01
<b>Sub-total (c)</b>	<b>355.55</b>	<b>102.01</b>
<b>Tax expense (a) + (b)</b>	<b>355.55</b>	<b>102.01</b>

#### B. Reconciliation of effective tax rate

	Year ended March 31, 2023		Year ended March 31, 2022	
	%	Amount	%	Amount
Profit/(Loss) before tax	-	483.80	-	(185.57)
Tax using the Company's domestic tax rate of 34.944%	34.94%	169.06	34.94%	(64.85)
Effect of:				
Tax exempt income	0.00%	-	0.00%	-
Non-deductible expenses	0.44%	2.14	-1.90%	3.53
Changes in estimates related to prior years for current tax	0.00%	-	0.00%	-
Current year depreciation for which no deferred tax asset was recognised	-1.41%	(6.82)	3.69%	(6.84)
Others	39.51%	191.17	-91.70%	170.17
Effective tax rate/ tax expense	73.49%	355.55	-54.97%	102.01

36 Certain balances appearing under trade receivables and payables are subject to confirmation.

37 The Company had received ₹ 400 crore from GOI on March 07, 2023, towards subscription to the share capital of the Company for the FY 2022-23 as share application money. In this regard, the Committee of Directors had allotted 29,36,85,756 number of equity shares of face value of ₹ 10/- each to the GOI on April 27, 2023 @ ₹ 13.62/- per equity share (including security premium of ₹ 3.62/- per equity share).

Further, an amount of ₹ 500 crore was received from GOI on March 08, 2024, towards subscription to the share capital of the Company for the FY 2023-24 as share application money. In this regard, the Committee of Directors had allotted 12,39,77,188 number of equity shares of face value of ₹ 10/- each to the GOI on April 18, 2024 @ ₹ 40.33/- per equity share (including security premium of ₹ 30.33/- per equity share).

38 As on March 31, 2024, provisioning required under RBI Prudential (IRACP) Norms (including standard assets provisioning) is higher than impairment allowance under Ind AS 109 by ₹ 104.67 crore. Hence, Impairment Reserve has been created for ₹ 70.13 crore, as required by RBI notification no "DOR (NBFC) CC. PD. No109/22.10.106/2019-20 dated March 13, 2020. Further, existing impairment reserve of ₹ 34.54 crores created till June 30, 2020 has not been reversed. ECL on Loan Assets is computed on portfolio basis. LGD percentage as on 31st March 2024 is 71.60%.

(All amounts are in Rupees crores unless otherwise stated)

- 39** As on 31st March 2024, the Company has changed its accounting policy whereby interest income on stage 3 assets (except on assets which are standard under IRAC norms) shall be recognized in books of accounts with effect from 01st April 2021. Accordingly, Interest Income for FY2021-22 and FY 2022-23 has increased by ₹ 248.03 and ₹ 209.50 Crore respectively. Since, there was no expectation of recovery, the same has been written off as bad debts in both the years. Hence, there is no impact on net profit/net loss of these years respectively.

During FY 23-24, the company has recognised the Interest Income of ₹ 160 crore and written off ₹ 145 crore as bad debts, since there is no expectation of recovery for the same. The previous year financial statements have been reinstated accordingly and opening balance sheet has also been prepared to reflect the changes in application of Interest income on stage 3 assets.

- 40** The valuation of Investments in subsidiary companies has been considered on the basis of financial statements of the subsidiaries for the period ended 31st December 2023, instead of 31st March 2024. There is no material impact of this on the financial statements of the company.
- 41** In the context of reporting business/geographical segment as required by Ind AS 108 - "Operating Segments", the Company operations comprise of only one business segment of financing. Hence, there is no reportable segment as per Ind AS 108.
- 42** On all the secured bonds and debentures issued by the Company and outstanding as on 31st March 2024, 100% security cover has been maintained against principal and interest, by way of floating charge on book debts/receivables of the Company.
- 43** These financial statements have been prepared as per Schedule III Division III of the Companies Act, 2013 which has been notified by the Ministry of Corporate Affairs and published in the official Gazette on 11th October 2018. Any application guidance/ clarifications/ directions issued by RBI or other regulators will be implemented as and when they are issued/ applicable.

**43.1** IFCI is carrying the investment in subsidiary companies at cost net of impairment loss (if any) and opted for one time exemption under IndAS 101 for deemed cost being the carrying value of investment as at transition date i.e. April 1, 2017. As on March 31, 2024, the Company had investment in 27,91,54,700 no. of Equity shares in its subsidiary, IFCI Factors Ltd. (IFL) and 3,93,63,809 no. of Equity shares in its subsidiary, IFCI Financial Services Ltd. (IFIN). The company got the shares of IFL & IFIN fair valued internally, per which, the fair value of investments in shares of IFL was determined at ₹ 16.19 crore and the fair value of investments in shares of IFIN was determined at ₹ 61.29 crore, using the generally accepted valuation methodologies against breakup value, in line with Indian Accounting Standards and accordingly, the resultant impairment loss has been charged in the Profit & Loss Account.

**44 Uses of Funds**

No funds are borrowed from banks and financial institutions during the year.

**44.1 Change due to revaluation**

During the year the company has not revalued its Property Plant and Equipment (PPE) and intangible assets

**44.2 Other additional regulatory disclosures as required under Schedule III**

- a. Loans and advances  
The company has not granted any loans and advances in the nature of loans to promoters, directors, Key Managerial Personnel (KMPs) and the related parties, repayable on demand and where terms or period of repayment are not defined.
- b. Ageing Analysis of Capital Work in Progress  
There is no Capital work in progress in the current year as well as preceeding financial year.
- c. Ageing Analysis of Intangible Assets under Development  
There is no Intangible Assets under Development in the current year as well as preceeding financial year.
- d. Benami Property:  
No proceedings have been initiated or pending against the company for holding any Benami property under the Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- e. Borrowing against security of Current Assets  
The company has no borrowings from bank or financial institutions against security of current assets.
- f. Wilful Defaulter:  
The company has not been declared as wilful defaulter by any bank or financial institution or any other lender during the year.
- g. Relationship with Struck off company:  
The company has no transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- h. Registration of Charges or satisfaction with Registrar of Companies (ROC)  
There is no charge or satisfaction yet to be registered with ROC beyond the Statutory period.
- i. Companies with number of Layer of Companies:  
Company being a NBFC, clause(87) of section 2 of the Act is not applicable.
- j. Scheme of arrangement  
During the year no Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- k. Utilization of borrowed funds:
  - (i) The company has not advanced or loaned or invested any funds to any other person(s) or entity(ies), with the understanding that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - (ii) The company has not received any funds from any other person(s) or entity(ies) including foreign entities, with the understanding that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- l. Undisclosed Income:

During the year the Company has not disclosed any income in terms of any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), unless there is immunity for disclosure under any scheme.

(All amounts are in Rupees crores unless otherwise stated)

m. Details of Crypto Currency or Virtual Currency:

The company has not traded in Crypto Currency or Virtual Currency during the financial year.

#### 45 EMPLOYEE BENEFITS

The Company operates the following post-employment plans -

##### i. Defined contribution plan

The Company makes monthly contribution towards pension which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as expense towards such contribution are as follows:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Contribution to Pension Fund	0.01	0.01

##### ii. Defined benefit plan

##### A. Gratuity

The Company has a defined benefit gratuity plan in India, governed by the IFCI Gratuity Regulations, 1968. This plan entitles an employee, a sum equal to one month's pay plus dearness allowance for each completed year of service in IFCI or part thereof in excess of six months, subject to a maximum of twenty months pay plus dearness allowance or Rupees Eighteen Lakh whichever is less, for first twenty years of service. The scheme is fully funded with Life Insurance Corporation of India (LIC). This defined benefit plan expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2024. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	As at March 31, 2024	As at March 31, 2023
Net defined benefit liability	(0.34)	(3.31)

##### (a) Funding

The scheme is fully funded with Life Insurance Corporation of India (LIC). The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding of the plan is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out in Section D below. Employees do not contribute to the plan.

Expected contributions to gratuity plan for the year ending 31 March 2024 is ₹ 1.25 crore.

##### (b) Reconciliation of the net defined benefit (asset) / liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

	As at March 31, 2024			As at March 31, 2023		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit(asset)/liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit(asset)/liability
Balance at the beginning of the year	22.88	26.18	(3.31)	24.90	25.93	(1.03)
Current service cost	1.33	-	1.33	1.36	-	1.36
Past service cost including curtailment Gains/Losses	-	-	-	-	-	-
Interest cost (income)	1.69	(1.93)	(0.24)	1.82	(1.89)	(0.08)
	3.01	(1.93)	1.08	3.18	(1.89)	1.29
Remeasurements loss (gain)						
- Actuarial loss (gain) arising from:						
- demographic assumptions	-	-	-	-	-	-
- financial assumptions	-	-	-	-	-	-
- experience adjustment	(0.21)	-	(0.21)	(1.48)	-	(1.48)
- on plan assets	-	0.10	0.10	-	0.05	0.05
	(0.21)	0.10	(0.12)	(1.48)	0.05	(1.43)
Contributions paid by the employer	-	-	-	-	-	-
Benefits paid	(4.35)	(6.35)	2.00	(3.73)	(1.59)	(2.14)
	(4.35)	(6.35)	2.00	(3.73)	(1.59)	(2.14)
<b>Balance at the end of the year</b>	<b>21.33</b>	<b>21.66</b>	<b>(0.34)</b>	<b>22.88</b>	<b>26.18</b>	<b>(3.31)</b>



(All amounts are in Rupees crores unless otherwise stated)

**(c) Plan assets**

	As at March 31, 2024	As at March 31, 2023
Investment with Life insurance Corporation	100%	100%

On an annual basis, an asset-liability matching study is done by the Company whereby the Company contributes the net increase in the actuarial liability to the plan manager (insurer) in order to manage the liability risk.

**(d) Actuarial assumptions**

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	As at March 31, 2024	As at March 31, 2023
Discount rate	7.21%	7.37%
Future salary growth	6.00%	6.00
Withdrawal rate:		
Up to 30 years	1.00%	1.00%
From 31 to 44 years	1.00%	1.00%
Above 44 years	1.00%	1.00%
Retirement Age (in year)	60	60
Mortality	IALM (2012-14)	IALM (2012-14)

**(e) Sensitivity analysis of significant assumptions**

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(0.97)	1.05	(1.02)	1.09
Future salary growth (0.50% movement)	1.05	(0.97)	1.09	(1.02)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown. Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these not calculated.

**(f) Expected maturity analysis of the defined benefit plans in future years**

	As at March 31, 2024	As at March 31, 2023
0 to 1 Year	3.61	3.11
1 to 2 Year	0.90	3.09
2 to 3 Year	0.50	0.84
3 to 4 Year	1.94	0.72
4 to 5 Year	0.74	1.94
5 to 6 Year	1.22	0.66
6 Year onwards	12.41	12.53
<b>Total</b>	<b>21.33</b>	<b>22.88</b>

As at 31 March 2024, the weighted-average duration of the defined benefit obligation was 12.74 years (31 March 2023: 12.69 years).

**(g) Description of Risk Exposures**

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

**Salary Increases :** Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

**Investment Risk :** If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

**Discount Rate :** Reduction in discount rate in subsequent valuations can increase the plan's liability.

**Mortality & disability :** Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

**Withdrawals :** Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

**B. Post Retirement Medical Benefit**

IFCI is extending post-retirement medical benefits to the employees and eligible dependent family members after their retirement. As per the scheme, employees who are members of Voluntary Welfare Scheme (VWS) are eligible for reimbursement of medical expenses after retirement. The benefits under the scheme are extended to the retired employees, his/her spouse and dependent children and entitlement for reimbursement, although within

(All amounts are in Rupees crores unless otherwise stated)

the ceilings and is based upon the Grade in which an employee retires, subject to the condition that spouse of the concerned employee is not availing of any medical benefits from his/her employer, if any. Reimbursement of the medical bills is made at the rates applicable to the employees at the center at which the employee resides after retirement as per the rates circulated by IFCI for its working employees time to time.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the Medical Benefit plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	As at March 31, 2024	As at March 31, 2023
Net defined benefit liability	34.79	32.11

**(a) Reconciliation of the net defined benefit (asset) / liability**

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

	Defined benefit obligation	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	32.11	29.82
Current service cost	0.09	0.10
Past service cost including curtailment Gains/Losses	-	-
Interest cost (income)	2.37	2.18
	<u>2.46</u>	<u>2.28</u>
Remeasurements loss (gain)		
- Actuarial loss (gain) arising from:		
- demographic assumptions	-	-
- financial assumptions	-	-
- experience adjustment	0.68	0.42
	<u>0.68</u>	<u>0.42</u>
Benefits paid	<u>(0.46)</u>	<u>(0.40)</u>
	<u>(0.46)</u>	<u>(0.40)</u>
<b>Balance at the end of the year</b>	<u><b>34.79</b></u>	<u><b>32.11</b></u>

Expected contributions to the plan for the year ending 31 March 2024 is ₹ 2.61 crore.

**(b) Plan assets**

There were no plan assets with the Company w.r.t said post retirement medical benefit plan

**(c) Actuarial assumptions**

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	As at March 31, 2024	As at March 31, 2023
Discount rate	7.21%	7.37%
Future medical cost increase	3.00%	3.00%
Withdrawal rate:		
Up to 30 years	1.00%	1.00%
From 31 to 44 years	1.00%	1.00%
Above 44 years	1.00%	1.00%
Retirement Age (in year)	60	60
Mortality	IALM (2012-14)	IALM (2012-14)

**(d) Sensitivity analysis of significant assumptions**

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(1.14)	1.14	(1.11)	1.11

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

(All amounts are in Rupees crores unless otherwise stated)

(e) Expected maturity analysis of the defined benefit plans in future years

	As at March 31, 2024	As at March 31, 2023
0 to 1 Year	2.67	2.59
1 to 2 Year	2.16	1.99
2 to 3 Year	2.17	2.00
3 to 4 Year	1.91	1.77
4 to 5 Year	2.05	1.89
5 to 6 Year	1.59	1.47
6 Year onwards	22.24	20.40
<b>Total</b>	<b>34.79</b>	<b>32.11</b>

As at 31 March 2024, the weighted-average duration of the defined benefit obligation was 7.87 years (31 March 2023: 7.83 years).

(f) Description of Risk Exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow-

**Medical Cost Increase** - increase in actual medical cost per retiree will increase the Plan's liability. Increase in medical Cost per Retiree rate assumption will also increase the liability.

**Investment Risk** - If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

**Discount Rate** : Reduction in discount rate in subsequent valuations can increase the plan's liability.

**Mortality & disability** : Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

**Withdrawals** : Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

C. Provident Fund

The Company has a defined benefit provident fund, governed by the IFCI Employees' Provident Fund Regulations. Monthly contributions to the Provident Fund is being charged against revenue. IFCI has been paying interest on the provident fund balance at the rate notified by the Employees' Provident Fund Organization (EPFO) for the relevant year. The Provident Fund is administered through duly constituted and approved administrators. The Committee of Administrators of IFCI Employees' Provident Fund has approved earmarking of specific investments against the PF liability in the current financial year. For the purpose, investments have been earmarked towards PF liability in line with the notification issued by Ministry of Labour & Employment notifying the pattern of investment for EPFO and EPF exempted establishments.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the provident fund plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	As at March 31, 2024	As at March 31, 2023
Net defined benefit liability	2.77	(9.90)

(a) Funding

During the Financial year 2018-19, the Company has earmarked some of its investments in government securities, mutual funds against Provident fund liability.

Expected contributions to provident fund plan for the year ending 31 March 2024 is ₹ 0.88 crore.

(b) Reconciliation of the net defined benefit (asset) / liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

	As at March 31, 2024			As at March 31, 2023		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit(asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit(asset)/ liability
Balance at the beginning of the year	86.36	96.26	(9.90)	82.40	92.22	(9.81)
Interest cost/(income)	1.10	-	1.10	2.93	-	2.93
Current service cost	0.97	-	0.97	1.03	-	1.03
	2.07	-	2.07	3.96	-	3.96
Remeasurements loss (gain)						
- Actuarial loss (gain) arising from:						
- demographic assumptions	-	-	-	-	-	-
- financial assumptions	-	-	-	-	-	-
- experience adjustment	-	-	-	-	-	-
- on plan assets	-	0.97	(0.97)	-	1.03	(1.03)
	-	0.97	(0.97)	-	1.03	(1.03)

(All amounts are in Rupees crores unless otherwise stated)

	As at March 31, 2024			As at March 31, 2023		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit(asset)/liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit(asset)/liability
Contributions paid by the employee	-	-	-	-	-	-
Benefits paid	-	-	-	-	-	-
Employer contribution	-	(11.57)	11.57	-	3.01	(3.01)
Settlements/transfers	-	-	-	-	-	-
	-	(11.57)	11.57	-	3.01	(3.01)
<b>Balance at the end of the year</b>	<b>88.43</b>	<b>85.66</b>	<b>2.77</b>	<b>86.36</b>	<b>96.26</b>	<b>(9.90)</b>

(c) **Plan assets**

	March 31, 2024	March 31, 2023
Investment in earmarked securities	100%	100%

On an annual basis, an asset-liability matching study is done by the Company whereby the Company contributes the net increase in the actuarial liability to a pool which in turn make investments in order to manage the liability risk.

(d) **Actuarial assumptions**

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	As at March 31, 2024	As at March 31, 2023
Discount rate	7.21%	7.37%
Expected statutory interest rate on the ledger balance	8.25%	8.15%
Expected year/Current short fall in interest earnings on the fund	0.30%	0.30%
Mortality rates inclusive of provision for disability	IALM (2012-14)	IALM (2012-14)
Withdrawal Rate (Age related)		
Up to 30 Years	1.00%	1.00%
Between 31 - 44 Years	1.00%	1.00%
Above 44 Years	1.00%	1.00%
Normal Retirement Age	60	60

(e) **Sensitivity analysis of significant assumptions**

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(0.09)	0.10	(0.08)	0.09

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

(f) **Expected maturity analysis of the defined benefit plans in future years**

	As at March 31, 2024	As at March 31, 2023
1 year	23.76	11.72
Between 2-5 years	13.30	22.22
Between 5-10 years	16.45	14.21
Over 10 years	32.54	31.71
<b>Total</b>	<b>86.05</b>	<b>79.86</b>

As at 31 March 2024, the weighted-average duration of the defined benefit obligation was 12.74 years (31 March 2023: 12.69 years).

(g) **Description of Risk Exposures**

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

**Investment Risk** : If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability

**Discount Rate** : Reduction in discount rate in subsequent valuations can increase the plan's liability.

(All amounts are in Rupees crores unless otherwise stated)

**Mortality & disability** : Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

**Withdrawals** : Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

**iii. Other long-term employment benefits**

The Company provides leave encashment benefits and leave fair concession to the employees of the Company which can be carried forward to future years. Amount recognised in the Statement of Profit and Loss for compensated absences is as under-

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Amount recognised in Statement of Profit and Loss</b>		
Leave encashment	<b>0.34</b>	0.70
Leave fair concession	<b>0.54</b>	4.12
Medical benefits	<b>1.90</b>	1.97

**46 MATURITY ANALYSIS OF ASSETS AND LIABILITIES**

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

	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>I. ASSETS</b>						
<b>(1) Financial Assets</b>						
(a) Cash and cash equivalents	642.46	-	642.46	110.38	-	110.38
(b) Bank Balance other than (a) above	2,324.01	325.35	2,649.36	1,891.89	-	1,891.89
(c) Derivative financial instruments	-	-	-	14.83	-	14.83
(d) Receivables	103.64	-	103.64	38.32	-	38.32
(e) Loans	24.59	1,281.80	1,306.39	63.85	1,735.34	1,799.19
(f) Investments	929.01	729.80	1,658.81	399.06	619.91	1,018.97
(g) Other Financial assets	15.64	26.08	41.72	4.38	29.49	33.87
<b>Total financial assets</b>	<b>4,039.34</b>	<b>2,363.03</b>	<b>6,402.37</b>	<b>2,522.71</b>	<b>2,384.74</b>	<b>4,907.45</b>
<b>(2) Non-financial Assets</b>						
(a) Investment in subsidiaries	-	1,250.55	1,250.55	-	1,257.70	1,257.70
(b) Equity accounted investees	-	-	-	-	-	-
(c) Current tax assets (Net)	-	34.30	34.30	-	31.86	31.86
(d) Deferred tax Assets (Net)	-	1,306.65	1,306.65	-	1,739.12	1,739.12
(e) Investment Property	-	276.45	276.45	-	283.32	283.32
(f) Property, Plant and Equipment	-	602.27	602.27	-	618.24	618.24
(g) Capital work-in-progress	-	-	-	-	-	-
(h) Other Intangible assets	-	0.19	0.19	-	0.26	0.26
(i) Other non-financial assets	1.40	84.10	85.50	1.62	90.49	92.11
<b>Total non-financial assets</b>	<b>1.40</b>	<b>3,554.51</b>	<b>3,555.91</b>	<b>1.62</b>	<b>4,020.99</b>	<b>4,022.61</b>
Assets held for sale	49.41	-	49.41	0.04	-	0.04
<b>Total assets</b>	<b>4,090.15</b>	<b>5,917.54</b>	<b>10,007.69</b>	<b>2,524.37</b>	<b>6,405.73</b>	<b>8,930.10</b>
<b>II. LIABILITIES AND EQUITY</b>						
<b>LIABILITIES</b>						
<b>(1) Financial Liabilities</b>						
(a) Derivative financial instruments	13.94	-	13.94	-	-	-
(b) Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	53.49	-	53.49	62.26	-	62.26
(c) Debt Securities	1,373.35	2,998.39	4,371.74	250.23	4,340.08	4,590.31
(d) Borrowings (Other than Debt Securities)	31.78	302.47	334.25	106.62	336.47	443.09
(e) Subordinated Liabilities	-	744.67	744.67	-	774.67	774.67
(f) Other financial liabilities	2,172.38	1,016.54	3,188.92	1,223.90	1,126.09	2,349.99
<b>Total financial liabilities</b>	<b>3,644.95</b>	<b>5,062.06</b>	<b>8,707.01</b>	<b>1,643.01</b>	<b>6,577.31</b>	<b>8,220.32</b>

(All amounts are in Rupees crores unless otherwise stated)

	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>(2) Non-Financial Liabilities</b>						
(a) Provisions	6.48	80.00	86.48	2.49	81.19	83.68
(b) Other non-financial liabilities	0.34	(0.34)	-	0.43	(0.43)	-
<b>Total non-financial liabilities</b>	<b>6.82</b>	<b>79.66</b>	<b>86.48</b>	<b>2.92</b>	<b>80.76</b>	<b>83.68</b>
<b>Total Liabilities</b>	<b>3,651.76</b>	<b>5,141.73</b>	<b>8,793.49</b>	<b>1,645.93</b>	<b>6,658.07</b>	<b>8,304.00</b>
Net	438.39	775.81	1,214.20	878.44	(252.34)	626.10

#### 47 RELATED PARTY DISCLOSURE

##### i. Name of the related party and nature of relationship:-

A. Nature of Relationship	Name of the Related Party
<b>Subsidiaries</b>	IFCI Financial Services Ltd. (IFIN) IFCI Venture Capital Funds Ltd. (IVCF) IFCI Infrastructure Development Ltd. (IIDL) IFCI Factors Ltd. (IFL) MPCON Ltd. Stock Holding Corporation of India Ltd. IFIN Commodities Ltd. (indirect control through IFIN) IFIN Credit Ltd. (indirect control through IFIN) IFIN Securities Finance Limited (indirect control through IFIN) IIDL Realtors Pvt. Ltd. (indirect control through IIDL) SHCIL Services Ltd. (indirect control through SHCIL) Stockholding Document Management Services Limited (indirect control through SHCIL) Stock Holding Securities IFCI Limited (SSIL)(indirect control through SHCIL)
<b>Associates *</b>	IFCI Social Foundation Institute of Leadership Development Associates held for sale - Athena Chattisgarh Power Pvt. Ltd. - Gati Infrastructure Bhasmeyer Power Pvt. Ltd. - KITCO Ltd. - Nagai Power Pvt. Ltd. - Shiga Energy Private Ltd. - Vadraj Cements Ltd. - Vadraj Energy (Gujarat) Ltd.

\* The accounts of Associates have not been consolidated in the Consolidated Financial Statements for the year ending March 31, 2024. However, the names of the Associates have been disclosed in the related party for meeting the Ind AS requirements.

<b>Joint venture</b>	IFCI Sycamore Capital Advisors Pvt. Ltd. (under voluntary liquidation)
<b>Trust incorporated for CSR activity</b>	IFCI Social Foundation
<b>Key Managerial Personnel</b>	Shri Manoj Mittal - Managing Director & Chief Executive Officer (w.e.f 12 June 2021) Shri Rahul Bhawe, Dy. Managing Director (w.e.f. November 28, 2023) Shri Prasoon - Chief Financial Officer (ceased to be CFO w.e.f. August 11, 2023) Shri Suneet Shukla - Chief Financial Officer (w.e.f. August 11, 2023) Ms. Priyanka Sharma - Company Secretary ( w.e.f. 16 Sep. 2021) Shri Mukesh Kumar Bansal (ceased to be Director w.e.f. March 27, 2024) Shri Kartikeya Misra (ceased to be Director w.e.f. March 27, 2024) Prof. Narayanaswamy Balakrishnan (w.e.f. 30 October 2017) Prof. Arvind Sahay (w.e.f. 30 October 2017) Shri Surendra Behera (w.e.f. 09 Nov 2022 ) Shri Arvind Kumar Jain (w.e.f 09 Nov 2022) Shri Umesh Kumar Garg (w.e.f. May 10, 2023)

**Entities under the control of same government**  
The Company is a Central Public Sector Undertaking (CPSU) controlled directly or indirectly by Central Government. Pursuant to paragraph 25 and 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. The Company has applied the exemption available for government related entities and have made limited disclosures in the standalone financial statements.



(All amounts are in Rupees crores unless otherwise stated)

**ii. Related party transactions during the year and balance receivable from and payable to related parties as at the balance sheet date:-**

Name of related party		Nature of transaction	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>A. Subsidiaries and Associates</b>				
IFCI Financial Services Ltd.	(i)	Rent & Maintenance received	<b>0.94</b>	1.03
	(ii)	Brokerage/ Professional fee paid	<b>0.02</b>	0.05
	(iii)	Depository Services		
	(iv)	Salaries/ Other Estt. Exp. paid by IFCI for employees posted by IFCI, recovered / recoverable from them	<b>0.02</b>	0.23
	(v)	Salary paid/ payable for employees of IFIN, posted on deputation in IFCI	<b>0.06</b>	0.11
IFCI Venture Capital Fund Ltd.	(i)	Rent & Maintenance received	<b>1.67</b>	1.65
	(ii)	Professional fee received	<b>0.18</b>	0.18
	(iii)	Interest paid/payable by IFCI	<b>1.98</b>	1.78
	(iv)	Salaries/ Other Estt. Exp. paid by IFCI for employees posted by IFCI, recovered/ recoverable from them	<b>0.98</b>	0.67
	(v)	Salary paid/ payable for employees of IVCF, posted on deputation in IFCI	<b>0.51</b>	0.18
IFCI Infrastructure Development Ltd.	(i)	Dividend Received	<b>24.99</b>	-
	(ii)	Rent & Maintenance received	<b>0.14</b>	0.59
	(iii)	Rent & Maintenance paid	-	-
	(iv)	Interest paid/ payable by IFCI	<b>8.96</b>	8.95
	(v)	Salaries/ Other Estt. Exp. paid by IFCI for employees posted by IFCI, recovered/ recoverable from them	<b>0.90</b>	0.55
IFCI Factors Ltd.	(i)	Rent & Maintenance received	<b>0.77</b>	1.52
	(ii)	Professional fee received	<b>0.06</b>	0.06
	(iii)	Salaries/ Other Estt. Exp. paid by IFCI for employees posted by IFCI, recovered/ recoverable from them	-	0.37
	(iv)	Salary paid/ payable for employees of IFCI Factors, posted on deputation in IFCI	<b>1.34</b>	0.27
	(v)	Interest paid/payable to IFCI	<b>0.87</b>	
Stock Holding Corporation of India Ltd.	(i)	Rent & Maintenance received by IFCI	<b>2.59</b>	2.59
	(ii)	Interest paid/ payable by IFCI	<b>2.10</b>	2.10
	(iii)	Dividend Received	<b>80.14</b>	37.41
	(iv)	Brokerage/ Professional fee paid	<b>0.00</b>	0.01
	(v)	Sitting Fees Received	<b>0.21</b>	0.14
	(vi)	Salaries/ Other Estt. Exp. paid to IFCI for employees posted by IFCI, recovered/ recoverable from them	<b>0.50</b>	-
MPCON	(i)	Dividend Received	<b>0.80</b>	0.93
	(ii)	Brokerage/ Professional fee paid	-	1.86
	(iii)	Rent received	-	-
	(iv)	Salaries/ Other Estt. Exp. paid by IFCI for employees posted by IFCI, recovered/ recoverable from them	<b>0.47</b>	0.51
	(v)	Salary paid/ payable for employees of mpcon, posted on deputation in IFCI	<b>2.83</b>	-
Stockholding Document Management Services Ltd	(i)	Brokerage/ Professional fee paid	<b>0.04</b>	0.01
	(ii)	Sitting Fees Received	<b>0.04</b>	0.03
Stockholding Services Ltd	(i)	Sitting Fees Received	<b>0.02</b>	0.01
	(ii)	Advisory & Appraisal Fee received	-	-
Stockholding Securities IFSC Ltd	(i)	Sitting Fees Received	<b>0.06</b>	0.05
	(ii)	Advisory & Appraisal Fee received	-	-
KITCO	(i)	Sitting Fees Received	<b>0.002</b>	0.01
IFCI Social Foundation Trust	(i)	Contribution for CSR activities	-	-
	(ii)	Salaries/ Other Estt. Exp. recovered/ recoverable for employees deputed by IFCI		

(All amounts are in Rupees crores unless otherwise stated)

(Contd.)

Name of related party		Nature of transaction	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>B. Entities under the control of same government</b>				
CEGSSC, GOI		Agency Commission - Credit Guarantee Fund For SC/ST	<b>0.34</b>	0.38
Ministry of Electronics & Information Technology, GOI		Commission - M Sips	<b>3.45</b>	5.05
Ministry of Electronics & Information Technology, GOI		Scheme Management Fees -PLI Electronics	<b>3.77</b>	3.19
Ministry of Electronics & Information Technology, GOI		Agency Fees SPECS	<b>5.37</b>	1.98
Ministry of Chemical & Fertilizer - Department of Pharmaceuticals, GOI		Scheme Management Fee-PLI-Bulk Drugs	<b>1.23</b>	1.39
Ministry of Chemical & Fertilizer - Department of Pharmaceuticals, GOI		Scheme Management Fee-PLI-Medical Devices	<b>0.40</b>	2.20
Ministry of Chemical & Fertilizer - Department of Pharmaceuticals, GOI		Scheme Management Fee-PLI-Bulk Drugs Parks	<b>1.90</b>	1.90
Ministry of Chemical & Fertilizer - Department of Pharmaceuticals, GOI		Scheme Management Fee-PLI-Medical Devices Parks	<b>0.76</b>	0.76
Ministry of Food Processing Industries, GOI		Monitoring Agency Fees	<b>3.02</b>	3.39
Ministry of Electronics & Information Technology, GOI		Scheme Management Fees -IT Hardware	<b>3.55</b>	0.55
Ministry of Electronics & Information Technology, GOI		Scheme Management Fees -PLI White Goods	<b>3.00</b>	3.00
Ministry of Electronics & Information Technology, GOI		Scheme Management Fees -PLI Auto Scheme	<b>2.00</b>	2.00
Ministry of Electronics & Information Technology, GOI		Scheme Management Fees -PLI ACC Scheme	<b>1.28</b>	1.10
Ministry of Electronics & Information Technology, GOI		Scheme Management Fees -PLI Textile	<b>3.50</b>	5.58
India Semiconductor Mission		Scheme Management Fees - Semiconductor Fabs Scheme	<b>2.75</b>	3.25
India Semiconductor Mission		Scheme Management Fees - Display Fabs Scheme	<b>3.00</b>	1.00
India Semiconductor Mission		Scheme Management Fees - Compound Semiconductor/ ATMP/OSAT Scheme	<b>2.91</b>	1.38
Ministry of Civil Aviation (MOCA)		Scheme Management Fee - Drones and Drone Components	<b>1.16</b>	1.40
Ministry of Heavy Industries		Scheme Management Fee - FAME II	<b>15.93</b>	4.22
Deptt for Promotion of Industry & Internal Trade		Scheme Management Fee - PLI Toys	-	1.00
SDF, Ministry of Consumer Affairs, Food & Public Distribution, GOI		Agency Commission - Sugar Development Fund	<b>5.87</b>	9.64
Steel Authority of India Ltd.		Advisory & Appraisal Fee received	<b>0.09</b>	0.06
Central Government		Interest Income on G Sec & T Bill	<b>18.98</b>	33.13
State Bank of India		Rental Income	<b>3.37</b>	3.37
Registrar of Companies		Rental Income	<b>4.46</b>	2.61
Grid Controller of India Ltd. (earlier POSCO)		Rental Income	<b>7.06</b>	6.66
SBI Life Insurance		Rental Income	<b>0.29</b>	0.25
United India Insurance		Rental Income	<b>0.24</b>	0.26
Canara Bank		Rental Income	<b>0.38</b>	0.41
National Pension System Trust		Rental Income	<b>2.88</b>	3.44
India Semiconduction mission (Digital India Corporation)			<b>0.72</b>	-
<b>C. Compensation of key managerial personnel</b>				
Short-term employee benefits			<b>2.05</b>	1.74
Post-employment defined benefit			-	-
Compensated absences			-	0.08
Share-based payments			-	-
Termination benefits			-	0.02
Sitting fees			<b>0.26</b>	0.11

(All amounts are in Rupees crores unless otherwise stated)

**D. Outstanding balances of related party**

	As at March 31, 2024	As at March 31, 2023
IFCI Venture Capital Fund Ltd.		
- Bonds issued by IFCI	10.00	10.00
- Loans given by IFCI	-	-
IFCI Infrastructure Development Ltd.		
- Bonds issued by IFCI	95.00	95.00
- Bonds/debenture subscribed by IFCI	-	-
IIDL Realtors Pvt. Ltd.	-	-
IFCI Factors Ltd.		
- Bonds/debenture subscribed by IFCI	-	-
Stock Holding Corporation of India Ltd.		
- Bonds issued by IFCI	25.00	25.00
SHCIL Services Ltd.	-	-
Stockholding Document Management Services Limited	-	-
Stock Holding Securities IFCI Limited	-	-
IFCI Financial Services Ltd. (IFIN)	-	-
IFIN Securities Finance Ltd		
- receivable outstanding	-	-
IFIN Commodities Ltd.	-	-
IFIN Credit Ltd.	-	-
MPCON Ltd.	-	-

**Terms and conditions**

All transactions with these related parties are priced on an arm's length basis.

**48 LEASES**

**A. Lease as lessee**

The leases typically run for a period of 11 months, with an option to renew the lease after that period. Lease payments are renegotiated on regular intervals to reflect market rentals.

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>i. Future minimum lease payments</b>		
At year end, the future minimum lease payments to be made under cancellable operating leases are as follows:		
(a) Not later than one year	0.23	0.23
(b) Later than one year but not later than five years	0.29	-
(c) Later than five years	-	-
<b>ii. Amounts charged in profit or loss</b>	0.40	0.51

**B. Lease as lessor**

The Company leases out its building (classified as investment property) on operating lease basis. The leases typically run for a period of 11 months - 7 years, with an option to renew the lease after that period. Lease payments are renegotiated on regular intervals to reflect market rentals.

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>i. Future minimum lease payments</b>		
At year end, the future minimum lease payments to be made under non-cancellable operating leases are as follows:		
(a) Not later than one year	35.15	36.22
(b) Later than one year but not later than five years	55.68	69.97
(c) Later than five years	8.17	22.17
<b>ii. Amounts recognised in profit or loss</b>	42.74	38.28

(All amounts are in Rupees crores unless otherwise stated)

#### 49 EARNINGS PER SHARE (EPS)

	Units	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>i</b>			
(a) Profit Computation for Equity shareholders			
Net profit as per Statement of Profit & Loss	₹	128.25	(287.58)
Less: Preference Dividend	₹	-	-
Net profit for Equity Shareholders	₹	128.25	(287.58)
(b) Weighted Average Number of Equity Shares outstanding	Nos	2,489,613,863	2,195,928,107
<b>ii</b>			
(a) Profit Computation for Equity shareholders (including potential shareholders)			
Net profit as per Statement of Profit & Loss	₹	128.25	(287.58)
Less: Preference dividend	₹	-	-
Net profit for equity shareholders (including potential shareholders)	₹	128.25	(287.58)
(b) Weighted Average Number of Equity Shares outstanding *	Nos	2,489,613,863	2,195,928,107
Earnings Per Share (Weighted Average)			
<b>Basic</b>	₹	0.52	(1.31)
<b>Diluted</b>	₹	0.52	(1.31)

#### 50 OPERATING SEGMENTS

The Board of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments." The Company's operating segments are established in the manner consistent with the components of the Company that are evaluated regularly by the Chief Operating Decision Maker as defined in 'Ind AS 108 - Operating Segments.' The Company is engaged primarily in the business of financing and there are no separate reportable segments as per Ind AS 108.

##### a. Information about products and services:

The company deals in only one product i.e. granted loans to corporate customers. Hence, no separate disclosure is required.

##### b. Information about geographical areas:

The entire sales of the Company are made to customers which are domiciled in India. Also, all the assets of the Company are located in India.

##### c. Information about major customers (from external customers):

The Company does not earn revenues from the customers which amount to 10 per cent or more of Company's revenues

#### 51 TRANSFERS OF FINANCIAL ASSETS

In the ordinary course of business, the Company enters into transactions that result in the transfer of loans and advances given to customers. In accordance with the accounting policy set out in Note 2, the transferred financial assets continue to be recognised in their entirety or to the extent of the Company's continuing involvement, or are derecognised in their entirety.

The Company transfers financial assets that are not derecognised in their entirety are primarily through the sale of NPA loans to asset reconstruction companies (ARCs).

##### A. Transferred financial assets that are not derecognised in their entirety

###### Sale of NPA loans to asset reconstruction companies (ARCs)

Sale of NPA loans to asset reconstruction companies (ARCs) are transactions in which the Company sells loan and advances to an unconsolidated special vehicle and simultaneously purchases the majority portion of security receipts issued by said vehicle. The security receipts are collateralised by the loans purchased by the vehicle and hence the cash flow of the security receipts is dependent on the recovery of purchased loans.

The Company continues to recognise that part of the loans in their entirety against which security receipts have been subscribed by the Company because it retains substantially all of the risks and rewards of ownership w.r.t that part of the transferred loan. The part of loan transferred against which cash consideration is received is derecognised.

The following table sets out the carrying amounts and fair values of one financial asset transferred that is not derecognised in entirety and associated liabilities.

	Carrying amount		Fair value		
	Assets - Loans	Liabilities - Borrowings	Assets - Loans	Liabilities - Borrowings	Net position
<b>Sale of NPA loans to asset reconstruction companies (ARCs)</b>					
As at 31 March 2024	65.52	-	245.59	-	245.59
As at 31 March 2023	61.30	-	217.40	-	217.40

##### B. Transferred financial assets that are derecognised in their entirety

###### Sale of NPA loans to asset reconstruction companies (ARCs)

The Company has taken derecognition exemption and de-recognise the loans in their entirety against which security receipts have been subscribed by the Company. The Company has classified said investment in security receipts subsequently measured at fair value through profit and loss.

During the year the Company has recognised a fair value gain/(loss) of ₹ 186.54 crore (₹ 89.77 crore in 2022-23). The fair value gain/(loss) on the security receipts as on 31 March 2024 is ₹ (-)40.59 crore (31 March 2023 - ₹ (-)2.43 crore)

The following table sets out the details of the assets that represents the Company's continuing involvement with the transferred assets that are derecognised in their entirety.

(All amounts are in Rupees crores unless otherwise stated)

	Carrying amount	Fair value	
	Assets - Investment in security receipts	Assets - Investment in security receipts	Liabilities
<b>Sale of NPA loans to asset reconstruction companies (ARCs)</b>			
As at 31 March 2024	60.98	60.98	-
As at 31 March 2023	118.60	118.60	-
The amount that best represents the Company's maximum exposure to loss from its continuing involvement in the form of security receipts issued by ARCs is their carrying amount.			

## 52 FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT

### A. Financial instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

Particulars	As at 31 March 2024		
	FVTPL	FVTOCI	Amortised cost
<b>Financial assets:</b>			
Cash and cash equivalents	-	-	642.46
Bank balance other than above	-	-	2,649.36
Derivative financial instruments	-	-	-
Receivables	-	-	103.64
Loans	-	-	1,306.39
Investments	1,112.85	545.96	-
Other financial assets	-	-	41.72
	<u>1,112.85</u>	<u>545.96</u>	<u>4,743.56</u>
<b>Financial liabilities:</b>			
Derivative financial instruments	13.94	-	-
Trade payables	-	-	53.49
Debt securities	-	-	4,371.74
Borrowings (other than debt securities)	-	-	334.25
Subordinated liabilities	-	-	744.67
Other financial liabilities	-	-	3,188.92
	<u>13.94</u>	<u>-</u>	<u>8,693.07</u>
Particulars	As at 31 March 2023		
	FVTPL	FVTOCI	Amortised cost
<b>Financial assets:</b>			
Cash and cash equivalents	-	-	110.38
Bank balance other than above	-	-	1,891.89
Derivative financial instruments	14.83	-	-
Receivables	-	-	38.32
Loans	-	-	1,799.19
Investments	971.57	47.40	-
Other financial assets	-	-	33.87
	<u>986.40</u>	<u>47.40</u>	<u>3,873.65</u>
<b>Financial liabilities:</b>			
Derivative financial instruments	-	-	-
Trade payables	-	-	62.26
Debt securities	-	-	4,590.31
Borrowings (other than debt securities)	-	-	443.09
Subordinated liabilities	-	-	774.67
Other financial liabilities	-	-	2,349.99
	<u>-</u>	<u>-</u>	<u>8,220.32</u>

(All amounts are in Rupees crores unless otherwise stated)

## B. Valuation framework

The respective operational department performs the valuation of financial assets and liabilities required for financial reporting purposes, either externally or internally for every quarterly reporting period. Specific controls for valuation includes verification of observable pricing, review of significant unobservable inputs and valuation adjustments.

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

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

Level 2 : The fair value of financial instruments that are not traded in active markets is determined using valuation techniques which maximize the use of observable market data either directly or indirectly, such as quoted prices for similar assets and liabilities in active markets, for substantially the full term of the financial instrument but do not qualify as Level 1 inputs. If all significant inputs required to fair value an instrument are observable the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based in observable market data, the instruments is included in level 3. That is, Level 3 inputs incorporate market participants' assumptions about risk and the risk premium required by market participants in order to bear that risk. It develops Level 3 inputs based on the best information available in the circumstances.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used.

## C. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

- (a) recognised and measured at fair value and
- (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

### Financial assets and liabilities measured at fair value - recurring fair value measurements

As at 31 March 2024	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>				
Derivative financial instruments	-	-	-	-
Investments	791.08	170.59	697.14	1,658.81
	<u>791.08</u>	<u>170.59</u>	<u>697.14</u>	<u>1,658.81</u>
<b>Financial liabilities:</b>				
Derivative financial instruments	-	13.94	-	13.94
	<u>-</u>	<u>13.94</u>	<u>-</u>	<u>13.94</u>

### Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at 31 March 2024	Amortised cost	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>					
Loans	1,306.39	-	-	1,306.39	1,306.39
	<u>1,306.39</u>	<u>-</u>	<u>-</u>	<u>1,306.39</u>	<u>1,306.39</u>
<b>Financial liabilities:</b>					
Debt securities	4,371.74	-	-	4,371.74	4,371.74
Borrowings (other than debt securities)	334.25	-	334.25	-	334.25
Subordinated liabilities	744.67	-	-	744.67	744.67
	<u>5,450.66</u>	<u>-</u>	<u>334.25</u>	<u>5,116.41</u>	<u>5,450.66</u>

### Financial assets and liabilities measured at fair value - recurring fair value measurements

As at 31 March 2023	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>				
Derivative financial instruments	-	14.83	-	14.83
Investments	192.73	228.31	597.93	1,018.97
	<u>192.73</u>	<u>243.14</u>	<u>597.93</u>	<u>1,033.80</u>
<b>Financial liabilities:</b>				
Derivative financial instruments	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>



(All amounts are in Rupees crores unless otherwise stated)

**Assets and liabilities which are measured at amortised cost for which fair values are disclosed**

As at 31 March 2023	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets:					
Loans	1,799.19	-	-	1,799.19	1,799.19
Investments	-	-	-	-	-
	<u>1,799.19</u>	<u>-</u>	<u>-</u>	<u>1,799.19</u>	<u>1,799.19</u>
Financial liabilities:					
Debt securities	4,590.31	-	-	4,590.31	4,590.31
Borrowings (other than debt securities)	443.09	-	443.09	-	443.09
Subordinated liabilities	774.67	-	-	774.67	774.67
	<u>5,808.07</u>	<u>-</u>	<u>443.09</u>	<u>5,364.98</u>	<u>5,808.07</u>

**Financial instruments valued at carrying value**

The respective carrying values of certain on-balance sheet financial instruments approximated their fair value. These financial instruments include cash in hand, balances with other banks, trade receivables, trade payables and certain other financial assets and liabilities. Carrying values were assumed to approximate fair values for these financial instruments as they are short-term in nature and their recorded amounts approximate fair values or are receivable or payable on demand.

**Financial instruments measured at fair value and fair value of financial instruments carried at amortised cost**

Type	Valuation technique	Significant unobservable input
Unquoted equity securities	Net asset value/Company comparable method/ Discounted cash flow	Weighted average cost of capital/Discount rate
Preference shares	Net asset value/Company comparable method/ Discounted cash flow	Future cash flows, discount rates
Loans	Discounted cash flow	Future cash flows, discount rates
Debt securities	Discounted cash flow	Future cash flows, discount rates
Borrowings (other than debt securities)	Discounted cash flow	Future cash flows, discount rates
Subordinated liabilities	Discounted cash flow	Future cash flows, discount rates

**ii) Level 3 fair values**

**Reconciliation of Level 3 fair values**

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

Particulars	Preference shares at fair value through profit and loss	Equity shares at fair value through other comprehensive income	Equity shares at fair value through other profit and loss
Balance as at 1 April 2023	3.95	-	593.98
Total gain or losses:			
- in profit or loss	21.10	-	50.32
- in OCI	-	-	-
Purchases	-	-	-
Settlement	-	-	27.79
Transfer to Level 3	-	-	-
<b>Balance as at 31 March 2024</b>	<b>25.05</b>	<b>-</b>	<b>672.09</b>

Total gain or losses for the year in the above table are presented in the statement of profit or loss and OCI as follows :

Particulars	Preference shares at fair value through profit and loss	Equity shares at fair value through other comprehensive income	Equity shares at fair value through other profit and loss
<b>Total gain or losses recognised in profit or loss :</b>			
- Net fair value change from financial instruments carried at fair value	21.10	-	50.32
<b>Total gain or losses recognised in OCI :</b>			
- Fair value reserve (equity instruments) - net change in fair value	-	-	-
<b>Profit or loss - attributable to the change in unrealised gain and losses relating to assets and liabilities held at the end of the year:</b>			
- Net fair value change from financial instruments carried at fair value	21.10	-	22.53

(All amounts are in Rupees crores unless otherwise stated)

Particulars	Preference shares at fair value through profit and loss	Equity shares at fair value through other profit and loss
Balance as at 1 April 2022	4.86	596.32
Total gain or losses:		
- in profit or loss	-	(106.70)
Purchases	-	-
Settlement	(0.91)	104.36
Balance as at 31 March 2023	3.95	593.98

Total gain or losses for the year in the above table are presented in the statement of profit or loss and OCI as follows :

Particulars	Preference shares at fair value through profit and loss	Equity shares at fair value through other profit and loss
<b>Total gain or losses recognised in profit or loss :</b>		
- Net fair value change from financial instruments carried at fair value	-	(106.70)
<b>Profit or loss - attributable to the change in unrealised gain and losses relating to assets and liabilities held at the end of the year:</b>		
- Net fair value change from financial instruments carried at fair value	0.91	(211.06)

### 53 FINANCIAL RISK MANAGEMENT

The company's activities are primarily subjected to credit risk, market risk and operational risk for managing risk management committee exists. The function of the committee is to identify, monitor, manage and mitigate these risks. The company also makes sure that it adheres to internal policies and procedures, complies with the regulatory guidelines and maintains sufficient loan documentation.

With regards to its lending activity, the company has established various limits and restrictions to manage the risks. There are various reports which are prepared and presented to senior management by the risk management committee at regular intervals and on ad-hoc basis which helps in risk monitoring. The company has also set-up procedures to mitigate the risks in case of any breach.

#### A. Risk management framework

The Company's Board of Directors have overall responsibility for the establishment and oversight of the risk management framework. The board of directors have established the Risk Management and Asset Liability Management Committee of the Directors (RALMCD) which is responsible for developing and monitoring the Company's integrated risk management policies. The RALMCD is assisted in its oversight role by the Risk and Asset Liability Management Committee of Executives (RALMCE). The Integrated Risk Management Department undertakes regular reviews of risk management controls and procedures, the results of which are reported to the RALMCE on monthly basis.

#### B. Credit risk

Credit risk arises from loans and advances, cash and cash equivalents, investment in debt securities and deposits with banks and financial institutions and any other financial assets.

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's loans and advances to customers, trade receivables from customers; loans and investments in debt securities.

##### a) Credit risk management

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer/obligor. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry, business specific risk, management risk, transition specific risk and project related risks.

A financial asset is considered 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the issuer or the borrower
- A breach of contract, such as default
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower concession(s) that the lender(s) would not otherwise consider
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation
- The disappearance of the active market for that financial asset because of financial difficulties
- Purchase or origination of a financial asset at a deep discount that reflects the incurred credit loss

The risk management committee has established a credit policy under which each new customer is analyzed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes minimum finalised internal rating, external ratings, if they are available, background verification, financial statements, income tax returns, credit agency information, industry information, etc. Credit limits have been established for each customer and reviewed periodically and modifications are done, as and when required. Any loan exceeding prescribed limits require approval from the respective competent authority.

##### b) Probability of default (PD)

The Probability of Default (PD) defines the probability that the borrower will default on its obligations in the future. Ind AS 109 requires the use of separate PD for a 12 month duration and lifetime duration based on the stage allocation of the borrower. A PD used for Ind AS 109 should reflect the institution's view of the future and should be unbiased (i.e. it should not include any conservatism or optimism).

To arrive at historical probability of default, transition matrix approach has been applied using IFCI internal obligor ratings.

(All amounts are in Rupees crores unless otherwise stated)

**c) Definition of default**

Default' has not been defined under Ind AS. An entity shall apply a default definition that is consistent with the definition used for internal credit risk management purposes and consider qualitative indicators when appropriate. A loan is considered as defaulted and therefore Stage-3 (credit impaired) for ECL calculations in the following cases:

- On deterioration of the IFCI internal combined ratings of the borrower to CR-9 or CR-10 (Comparison to be done between origination rating and current rating).
- On asset being classified as NPA as per RBI prudential norms
- On restructuring of assets with impairment in loan value
- On asset being more than 90 days past dues.

**d) Exposure at default (EAD)**

The exposure at default (EAD) represents the gross carrying amount of the financial instruments which is subject to the impairment calculation.

**e) Loss given default (LGD)**

LGD is an estimate of the loss from the transaction given that a default occurs. The LGD component of ECL is independent of deterioration of asset quality, and thus applied uniformly across various stages. With respect to loan portfolio, NPA accounts which have originated in past 7 years and have been closed, along with NPA accounts ageing more than 5 years (assumed as closed), have been considered for LGD computation.

**f) Significant increase in credit risk**

At each reporting date, an entity shall assess whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, an entity shall use the change in the risk of the default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit loss. To make that assessment, an entity shall compare the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. An entity may assume that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

For the assessment of the SICR for the loans and advances, the following conditions have been considered:

- Deterioration of the IFCI internal combined ratings of the borrowers by 3 rating grades. (Comparison to be done between origination rating and current rating).
- Deterioration of the ratings of the borrowers from the investment grade to the sub-investment grade.
- On restructuring of assets without impairment in loan value
- On asset overdue beyond 60 days past dues

**g) Provision for expected credit losses**

The following tables sets out information about the overdue status of loans and advances, loan commitments, financial guarantees, trades receivables and other financial assets to customers in Stages 1, 2 and 3.

As at March 31, 2024					
	Stage 1	Stage 2	Stage 3	POCI	Total
<b>Loans and advances at amortised cost</b>					
Grade 1-6 : Low-fair risk	-	-	-	-	-
Grade 7-8 : higher risk	-	85.75	-	-	85.75
Grade 9-10 : Loss	-	-	3,296.26	-	3,296.26
	-	85.75	3,296.26	-	3,382.01
Loss allowance	-	(17.84)	(2,554.25)	-	(2,572.09)
Carrying value	-	67.91	742.01	-	809.92
<b>As at March 31, 2024</b>					
	Stage 1	Stage 2	Stage 3	POCI	Total
<b>Loans and advances at amortised cost</b>					
Rating -1 to 6	15.00	-	-	-	15.00
Rating - 7 to 8	-	-	-	-	-
Rating - 9 to 10	-	-	1,399.72	-	1,399.72
	15.00	-	1,399.72	-	1,414.72
Loss allowance	(0.15)	-	(1,002.20)	-	(1,002.35)
Carrying value	14.85	-	397.52	-	412.37

(All amounts are in Rupees crores unless otherwise stated)

**Trade receivables at amortised cost**

	Lifetime	Credit Impaired	Total
Less than 6 months	76.68	(0.00)	76.68
More than 6 months less than 1 year	14.53	0.77	15.30
More than 1 year less than 2years	10.61	0.56	11.17
More Than 2 years less than 3 years	1.82	0.10	1.92
Above 3 years	0.00	2.16	2.16
	103.64	3.59	107.23
Loss allowance	-	(3.59)	(3.59)
<b>Carrying value</b>	<b>103.64</b>	<b>-</b>	<b>103.64</b>

**Other financial assets at amortised cost**

	Lifetime	Credit Impaired	Total
Less than 6 months	39.21	-	39.21
More than 6 months less than 1 year	0.22	-	0.22
More than 1 year less than 2years	0.03	-	0.03
More Than 2 years less than 3 years	2.25	-	2.25
Above 3 years	-	69.72	69.72
	41.72	69.72	111.44
Loss allowance	-	(69.72)	(69.72)
<b>Carrying value</b>	<b>41.72</b>	<b>-</b>	<b>41.72</b>

**Investment in debt securities at FVTOCI**

	Stage-1	Stage-2	Stage-3	Total
BBB - to AAA	561.71	-	-	561.71
BB- to BB+	-	-	-	-
B- to B+	-	-	-	-
C to CCC+	-	-	-	-
D	-	-	-	-
	561.71	-	-	561.71
Loss allowance	-	-	-	-
<b>Amortised cost</b>	<b>561.71</b>	<b>-</b>	<b>-</b>	<b>561.71</b>
<b>Fair value</b>	<b>570.54</b>	<b>-</b>	<b>-</b>	<b>570.54</b>

As at March 31, 2024

	Stage 1	Stage 2	Stage 3	POCI	Total
<b>Loan commitments &amp; Financial Guarantee Contracts-Greenfield</b>					
Grade 1-6 : Low-fair risk	5.71	-	-	-	5.71
Grade 7-8 : higher risk	-	-	-	-	-
Grade 9-10 : Loss	-	-	-	-	-
	5.71	-	-	-	5.71
Loss allowance	(0.15)	-	-	-	(0.15)
<b>Carrying value</b>	<b>5.56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5.56</b>
<b>Loan commitments &amp; Financial Guarantee Contracts-Others</b>					
Grade 1-6 : Low-fair risk	-	-	-	-	-
Grade 7-8 : higher risk	-	-	-	-	-
Grade 9-10 : Loss	45.81	-	-	-	45.81
	45.81	-	-	-	45.81
Loss allowance	(32.80)	-	-	-	(32.80)
<b>Carrying value</b>	<b>13.01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.01</b>

(All amounts are in Rupees crores unless otherwise stated)

	As at March 31, 2023				
	Stage 1	Stage 2	Stage 3	POCI	Total
<b>Loans and advances at amortised cost</b>					
Grade 1-6 : Low-fair risk	79.36	-	-	-	79.36
Grade 7-8 : higher risk	-	100.46	-	-	100.46
Grade 9-10 : Loss	-	-	4,490.79	-	4,490.79
	79.36	100.46	4,490.79	-	4,670.61
Loss allowance	(2.65)	(17.23)	(3,488.22)	-	(3,508.10)
Carrying value	76.71	83.23	1,002.57	-	1,162.51

	As at March 31, 2023				
	Stage 1	Stage 2	Stage 3	POCI	Total
<b>Loans and advances at amortised cost-Greenfield</b>					
Rating -1 to 6	209.32	-	-	-	209.32
Rating - 7 to 8	-	-	-	-	-
Rating - 9 to 10	-	-	1,561.74	-	1,561.74
	209.32	-	1,561.74	-	1,771.06
Loss allowance	(11.92)	-	(1,122.34)	-	(1,134.26)
Carrying value	197.40	-	439.40	-	636.80

	Lifetime		Credit Impaired	Total
Less than 6 months		30.81	-	30.81
More than 6 months less than 1 year		4.07	0.20	4.27
More than 1 year less than 2years		2.41	0.12	2.53
More Than 2 years less than 3 years		1.03	0.05	1.08
Above 3 years		-	1.50	1.50
		38.32	1.87	40.19
Loss allowance		-	(1.87)	(1.87)
Carrying value		38.32	-	38.32

	Lifetime		Credit Impaired	Total
Less than 6 months		33.15	-	33.15
More than 6 months less than 1 year		0.67	-	0.67
More than 1 year less than 2years		0.01	-	0.01
More Than 2 years less than 3 years		0.04	0.04	0.08
Above 3 years		-	70.33	70.33
		(33.87)	70.37	104.24
Loss allowance		-	(70.37)	(70.37)
Carrying value		33.87	-	33.87

	Investment in debt securities at FVTOCI			
	Stage-1	Stage-2	Stage-3	Total
BBB - to AAA	23.59	-	-	23.59
BB- to BB+	-	-	-	-
B- to B+	-	-	-	-
C to CCC+	-	-	-	-
D	-	-	0.00	-
	23.59	-	-	23.59
Loss allowance	(0.02)	-	-	(0.02)
Amortised cost	23.57	-	-	23.57
Fair value	20.68	-	-	20.68

(All amounts are in Rupees crores unless otherwise stated)

	As at March 31, 2023				
	Stage 1	Stage 2	Stage 3	POCI	Total
<b><u>Loan commitments &amp; Financial Guarantee Contracts-Greenfield</u></b>					
Grade 1-6 : Low-fair risk	5.71	-	-	-	5.71
Grade 7-8 : higher risk	7.57	-	-	-	7.57
Grade 9-10 : Loss	-	-	-	-	-
	13.28	-	-	-	13.28
Loss allowance	(0.59)	-	-	-	(0.59)
<b>Carrying value</b>	<b>12.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12.69</b>
<b><u>Loan commitments &amp; Financial Guarantee Contracts-Others</u></b>					
Grade 1-6 : Low-fair risk	-	-	-	-	-
Grade 7-8 : higher risk	-	-	-	-	-
Grade 9-10 : Loss	45.81	-	-	-	45.81
	45.81	-	-	-	45.81
Loss allowance	(32.89)	-	-	-	(32.89)
<b>Carrying value</b>	<b>12.92</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12.92</b>

- h) **Movements in the allowance for impairment in respect of loans, Investment in debt securities, trade receivables and other financial assets**  
The movement in the allowance for impairment in respect of asset on finance, trade receivables and other financial assets is as follows:

**Loans and advances at amortised cost**

Reconciliation of loss allowance	Loss allowance measured at 12 month expected losses	Loss allowance measured at life-time expected losses		Total
		Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets for which credit risk has increased significantly and credit-impaired	
<b>Loss allowance on 31 March 2022</b>	<b>35.44</b>	<b>39.36</b>	<b>3,722.47</b>	<b>3,797.26</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	(9.79)	(9.79)
Transfer to Stage 3	-	-	-	-
Net remeasurement of loss allowance	0.98	(6.41)	199.65	194.22
New financial assets originated or purchased	-	-	-	-
Financial assets that have been derecognised	(0.30)	(15.70)	(172.39)	(188.39)
Write offs	-	-	(251.70)	(251.70)
Unwind of discount	-	-	-	-
Changes in risk parameters	-	-	-	-
<b>Loss allowance on 31 March 2023</b>	<b>36.12</b>	<b>17.25</b>	<b>3,488.24</b>	<b>3,541.60</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net remeasurement of loss allowance	(36.12)	0.59	(199.43)	(234.96)
New financial assets originated or purchased	-	-	-	-
Financial assets that have been derecognised	-	-	(522.84)	(522.84)
Write offs	-	-	(211.72)	(211.72)
Unwind of discount	-	-	-	-
Changes in risk parameters	-	-	-	-
<b>Loss allowance on 31 March 2024</b>	<b>(0.00)</b>	<b>17.84</b>	<b>2,554.25</b>	<b>2,572.08</b>

The contractual amount outstanding on loans and advances measured at amortised cost that were written off during the year ended 31 March 2024 and are still subject to enforcement activity.

(All amounts are in Rupees crores unless otherwise stated)

**Loans and advances at amortised cost- Greenfield**

Reconciliation of loss allowance	Loss allowance measured at life-time expected losses			Total
	Loss allowance measured at 12 month expected losses	Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets for which credit risk has increased significantly and credit-impaired	
<b>Loss allowance on 31 March 2022</b>	<b>1.80</b>	<b>70.55</b>	<b>1,119.87</b>	<b>1,192.22</b>
Transfer to Stage 1	10.92	(70.55)	-	(59.63)
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net remeasurement of loss allowance	(0.78)	0.00	13.52	12.74
New financial assets originated or purchased	-	-	-	-
Financial assets that have been derecognised	-	-	(11.05)	(11.05)
Write offs	-	-	-	-
Unwind of discount	-	-	-	-
Changes in risk parameters	-	-	-	-
<b>Loss allowance on 31 March 2023</b>	<b>11.94</b>	<b>(0.00)</b>	<b>1,122.34</b>	<b>1,134.28</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net remeasurement of loss allowance	(11.79)	-	(120.14)	(131.93)
New financial assets originated or purchased	-	-	-	-
Financial assets that have been derecognised	-	-	-	-
Write offs	-	-	-	-
Unwind of discount	-	-	-	-
Changes in risk parameters	-	-	-	-
<b>Loss allowance on 31 March 2024</b>	<b>0.15</b>	<b>(0.00)</b>	<b>1,002.20</b>	<b>1,002.35</b>

**Investment in Debt securities at FVTOCI**

Reconciliation of loss allowance	Loss allowance measured at life-time expected losses			Total
	Loss allowance measured at 12 month expected losses	Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets for which credit risk has increased significantly and credit-impaired	
<b>Loss allowance on 31 March 2022</b>	<b>0.10</b>	-	<b>0.01</b>	<b>0.11</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net remeasurement of loss allowance	(0.03)	-	-	(0.03)
New financial assets originated or purchased	-	-	-	-
Financial assets that have been derecognised	-	-	-	-
Write offs	-	-	-	-
Unwind of discount	-	-	-	-
Changes in risk parameters	-	-	-	-
<b>Loss allowance on 31 March 2023</b>	<b>0.07</b>	-	<b>0.01</b>	<b>0.08</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net remeasurement of loss allowance	(0.07)	-	(0.01)	(0.08)
New financial assets originated or purchased	-	-	-	-
Financial assets that have been derecognised	-	-	-	-
Write offs	-	-	-	-
Unwind of discount	-	-	-	-
Changes in risk parameters	-	-	-	-
<b>Loss allowance on 31 March 2024</b>	<b>(0.00)</b>	-	<b>(0.00)</b>	<b>(0.00)</b>



(All amounts are in Rupees crores unless otherwise stated)

**i) Collateral held and other credit enhancements**

Collateral securing each individual loan may not be adequate in relation to the value of the loan. All borrowers must meet the Company's internal credit assessment procedures, regardless of whether the loan is secured. In addition to the collateral stated above, the Company holds other types of collateral such as second charges and floating charges for which specific values are generally not available. The company has internal policies on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

- 1 Mortgage of Immovable properties
- 2 Hypothecation of Movable property
- 3 Bank and Government Guarantees
- 4 Pledge of instruments through which promoter's contribution is infused in the project
- 5 Pledge of Promoter Shareholding
- 6 Corporate and Personal Guarantees of Promoters

**j) Concentration of risk**

The Company monitors concentration of credit risk by sector and by geographic location. An analysis of concentration of credit risk from loans and advances is shown below.

**Loans and advances to customers**

	As at March 31, 2024	As at March 31, 2023
Carrying amount		
<b>Concentration by sector</b>		
Corporate:		
Construction Industry	115.14	66.96
Diversified	382.75	749.54
Diversified Infrastructure	415.64	571.99
Iron and Steel	170.45	179.05
Misc. Manufacturing And Other Industries	95.81	219.85
Miscellaneous Food Products	178.10	229.93
Miscellaneous Services	234.90	341.27
Motor Vehicles And Parts	123.92	124.13
NBFC	0.01	168.73
Others	1349.54	985.76
Power Generation	1012.81	1,263.15
Real Estate	291.04	364.45
Road Construction	375.92	759.17
Ship Building And Repairs	22.81	51.25
Steel Products	3.63	126.80
Textile Products	2.13	20.52
<b>Total</b>	<b>4,775</b>	<b>6,223</b>
<b>Concentration by location</b>		
India	4,775	6,223

Concentration by location for loans and advances is based on the customer's country of domicile.

\* Loan amount excludes interest accrued but not due and Stage -3 Income

**k) Modified / Restructured loans**

When the Company grants concession, for economic or legal reasons related to a borrower's financial difficulties, for other than an insignificant period of time, the related loan is classified as a Troubled Debt Restructuring (TDR). Concessions could include a reduction in the interest rate below current market rates, payment extensions, forgiveness of principal, forbearance or other actions intended to maximize collection. Loans, for which the terms have been modified, and for which the borrower is experiencing financial difficulties, are considered TDRs.

From a risk management point of view, once an asset is forborne or modified, the Company's special department for distressed assets continues to monitor the exposure until it is completely and ultimately derecognised.

A loan that is renegotiated is derecognised if the existing agreement is cancelled and a new agreement is made on substantially different terms or if the terms of the existing agreement are modified such that the renegotiated loan is a substantially different instrument.

Where the renegotiation of such loans are not derecognised, impairment continues to be assessed for significant increases in credit risk compared to the initial origination credit risk rating.

There were no modified assets which were forborne during the period and accordingly no loss were suffered by the Company.

**l) Governance Framework**

As required by the RBI Notification no. "DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020, where provision requirement as per extant RBI norms is higher than ECL as computed under IndAS, the provision as per RBI norms shall be adopted, on portfolio basis. Further, in accordance with RBI Guidelines, where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), the difference shall be appropriated from the net profit or loss after tax to a separate 'Impairment Reserve'.

(All amounts are in Rupees crores unless otherwise stated)

### C. Liquidity risk

Liquidity risk is the potential inability to meet the institution's liabilities as they become due. From IFCI perspective, it basically originates from the mismatches in the maturity pattern of assets and liabilities. Analysis of liquidity risk involves the measurement of not only the liquidity position of the institution on an ongoing basis but also examining how funding requirements are likely to be affected under severe but plausible scenarios. Net funding requirements are determined by analysing the institution's future cash flows based on assumptions of the future behaviour of assets and liabilities that are classified into specified time buckets, utilizing the maturity ladder approach and then calculating the cumulative net flows over the time frame for liquidity assessment.

For the present, for measuring and managing net funding requirements, the use of maturity ladder and calculation of cumulative surplus or deficit of funds at selected maturity dates is being utilized as a standard tool.

The ALM format prescribed by RBI in this regard is being utilized for measuring cash flow mismatches in different time bands. The cash flows are placed in different time bands based on projected future behaviour of assets, liabilities and off-balance sheet items. Apart from the above cash flows, the institution would also track the impact of prepayments of loans, premature closure of liabilities and exercise of options built in certain instruments which offer put/call options after specified times. Thus, cash outflows can be ranked by the date on which liabilities fall due, the earliest date a liability holder could exercise an early repayment option or the earliest date contingencies could be crystallized.

The company has initiated an exercise to identify its High Quality Liquid Investments and compute Liquidity Coverage Ratio.

In addition, the Company maintains the following lines of credit:

- IDBI Bank: ₹ 110 Crore which is secured against FD with ROI 7.66% p.a.
- HDFC Bank : ₹ 16 Crore which is secured against MF with ROI MCLR of the month.

### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amount are gross and undiscounted, and excludes contractual interest payments and exclude the impact of netting agreements.

As at 31 March 2024			Contractual cash flows							
	Carrying amount	Gross nominal inflow/ (outflow)	1 day to 30 days	1-2 months	2-3 months	3-6 months	6 months- 1 year	1-3 year	3-5 year	More than 5 years
<b>Non - derivative financial liabilities</b>										
Borrowings	334.25	334.25	-	-	15.89	-	15.89	63.57	60.13	178.78
Debt securities issued	4,371.74	4,371.36	-	-	-	-	1,373.35	298.42	481.62	2,217.97
Subordinated liabilities	744.67	744.67	-	-	-	-	-	694.67	-	50.00
<b>Derivative financial liabilities</b>										
Trading										
- Outflow										
- Inflow										
Risk management:										
- Outflow	13.94	13.94	13.94							
- Inflow	-	-	-							
<b>Non-derivative financial assets</b>										
Loans and advances	1,306.39	4,808.81	2.50	3.75	1.67	4.57	12.10	32.97	30.87	4,720.37
Investment securities	1,658.81	3,935.80	864.88	33.85	29.04	0.62	0.62	3.72	29.65	2,973.42
<b>As at 31 March 2023</b>										
	Carrying amount	Gross nominal inflow/ (outflow)	1 day to 30 days	1-2 months	2-3 months	3-6 months	6 months- 1 year	1-3 year	3-5 year	More than 5 years
<b>Non - derivative financial liabilities</b>										
Borrowings	443.09	439.26	-	25.00	15.81	25.00	40.81	63.26	61.55	207.83
Debt securities issued	4,590.31	4,051.33	-	-	-	-	250.23	936.09	900.09	1,964.93
Subordinated liabilities	774.67	1,313.30	-	-	-	-	-	662.27	-	651.04
<b>Derivative financial liabilities</b>										
Trading										
- Outflow										
- Inflow										
Risk management:										
- Outflow										
- Inflow	14.83	14.83	14.83							
<b>Non-derivative financial assets</b>										
Loans and advances	1,799.19	6,223.16	2.54	3.54	17.78	14.91	25.08	90.34	63.43	6,005.54
Investment securities	1,018.97	3,652.77	358.58	-	39.24	0.62	0.62	2.48	6.86	3,244.37

(All amounts are in Rupees crores unless otherwise stated)

Contractual cash flows	As at March 31, 2024	As at March 31, 2023
<b>Other financial assets</b>		
- within 12 months	15.64	4.38
- after 12 months	26.08	29.49
Gross nominal inflow/(outflow)	41.72	33.87
<b>Other financial liabilities</b>		
- within 12 months	2,172.38	1,223.90
- after 12 months	1,016.54	1,126.09
Gross nominal inflow/(outflow)	(3,188.92)	(2,349.99)

The inflows/(outflows) disclosed in the above table represents contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contract maturity. The disclosure shows net cash flow amounts for derivatives that are net cash settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross settlement.

The interest payments on variable interest rate loans in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change. The future cash flows on contingent consideration and derivative instruments may be different from the amount in the above table as interest rates and exchange rates or the relevant conditions underlying the contingency change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

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

	On demand	1 day to 30 days	1-2 months	2-3 months	3-6 months	6 months - 1 year	1-3 year	3-5 year	More than 5 years	Total
<b>As at 31 March 2024</b>										
Other undrawn commitments to lend	-	-	-	-	-	-	-	-	-	-
<b>As at 31 March 2023</b>										
Other undrawn commitments to lend	15.14	-	-	-	-	-	-	-	-	15.14

#### D. Market risk

Market the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. In line with regulatory guidelines, the Company classifies exposures to market risk into either Current or Long term portfolios and manages each of those portfolios separately.

The market risk management framework in IFCI comprises risk identification, setting up of limits & triggers, risk measurement, risk monitoring, risk reporting and taking corrective actions where necessitated. It is pertinent to highlight that the details pertaining to threshold investment grade rating, investment limits, approval authority, control mechanism including stop-loss triggers, compliances required, etc. for different treasury products including equity trading have been clearly outlined in the extant Treasury & Investment Policy of IFCI.

##### (a) Market risk - trading portfolios

The Company does not have any trading portfolios.

##### (b) Market risk - Non-trading portfolios

###### (i) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which borrowings are denominated and the respective functional currencies of Company. The functional currency for the company is ₹. The currency in which these transactions are primarily denominated is EURO.

Currency risks related to the principal amounts of the Company's EURO bank loans, have been fully hedged using forward contracts that mature on the same dates as the loans are due for repayment.

Generally, borrowings are denominated in currencies that match the cash flows generated by the underlying operations of the Company – primarily ₹. In addition, interest on borrowings is denominated in the currency of the borrowing. This provides an economic hedge without derivatives being entered into and therefore hedge accounting is not applied in these circumstances.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

#### Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management is as follows:

Particulars	March 31, 2024		March 31, 2023	
	INR	EURO	INR	EURO
Borrowings	334.25	3.72	364.25	4.07
Net exposure in respect of recognised assets and liabilities	334.25	3.72	364.25	4.07

(All amounts are in Rupees crores unless otherwise stated)

#### **Sensitivity analysis**

A reasonably possible strengthening (weakening) of Rs and EURO against all currencies at 31 March would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>31 March 2024</b>				
EURO (10% movement)	33.43	(33.43)	21.75	(21.75)
<b>31 March 2023</b>				
EURO (10% movement)	36.43	(37.28)	23.70	(24.25)

#### **(ii) Interest rate risk**

The Company makes attempts to minimize the gap between floating rate liabilities and floating rate assets, in order to minimize interest rate risk. This is achieved by way of borrowings at a floating rate and lending at rates linked to IFCI benchmark rate, which in turn is linked to, among others, its cost of borrowings. Further, analysis of impact of change in market rates of interest is carried out on a periodic basis, to understand impact on Net Interest Income of IFCI and Market Value of Equity of IFCI. In line with extant regulatory guidelines, Interest rate Sensitivity statement is prepared on a monthly basis and analysed to understand gaps in various time buckets.

##### *Exposure to interest rate risk*

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Fixed rate instruments</b>		
Financial assets	-	-
Financial liabilities	5,116.41	5,364.98
<b>Variable rate instruments</b>		
Financial assets	1,306.39	1,799.19
Financial liabilities	334.25	443.09

##### *Fair value sensitivity analysis for fixed rate instruments*

A reasonably possible change of 100 basis points in interest rate at the reporting date would have no impact in statement of profit and loss. This would have an impact on the fair value at the reporting daytes This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

##### *Cash flow sensitivity analysis for variable rate instruments*

A reasonably possible change of 100 basis points in interest rate at the reporting date would have increased or decreased equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
<b>31 March 2024</b>				
Variable rate instruments	3.34	(3.34)	2.17	(2.17)
<b>Cash flow sensitivity (net)</b>				
	=====	=====	=====	=====
<b>31 March 2023</b>				
Variable rate instruments	4.43	(4.43)	2.88	(2.88)
<b>Cash flow sensitivity (net)</b>				
	=====	=====	=====	=====

#### **(iii) Equity price risk**

Equity price risk is the risk that the fair value of equities declines as a result of changes in the level of equity indices and market price of individual stocks. The non-trading equity price risk exposure arises from equity securities classified at Fair Value. The equity price risk same is more applicable to securities held for the purpose of trading. As the Company focuses on long term investments and curent investments are kept low (investments held for tradng purposes), IFCI may not be exposed to significant equity price risk.

## **54 CAPITAL MANAGEMENT**

The basic approach of capital adequacy framework is that, a financial institution should have sufficient capital to absorb shocks on account of any unexpected losses arising from the risks in its business.

As per RBI guidelines, IFCI as a Government owned NBFC-ND-SI is required to maintain a minimum capital to risk weighted asset ratio. Capital management entails optimal utilization of scarce capital to meet extant regulatory capital requirements. IFCI has put in place an appropriate Risk Appetite framework and computes its capital requirements and adequacy as per extant regulatory guidelines.

(All amounts are in Rupees crores unless otherwise stated)

**i. Regulatory capital**

The Company's regulatory capital consists of the sum of the following elements :

- Common equity Tier 1 (CET1) capital, which includes ordinary share capital, related share premiums, retained earnings and reserves after adjustment for dividend declared and deduction for goodwill, intangible assets and other regulatory adjustments relating to items that are not included in equity but are treated differently for capital adequacy purposes.
- Tier 2 capital, which includes preference shares, qualifying subordinated liabilities and any excess of impairment over expected losses.

	As at March 31, 2024	As at March 31, 2023
Common equity Tier 1 (CET1) capital	(1,689.01)	(2,596.49)
Tier 2 capital instruments	0.15	14.57
Total regulatory capital	(1,688.86)	(2,581.92)
Risk weighted assets	3,492.80	3,653.84
CRAR (%)	-48.35%	-70.66%
CRAR -Tier I Capital (%)	-48.36%	-71.06%
CRAR -Tier II Capital (%)	0.01%	0.40%

# For the purpose of calculation of Net Owned Funds, DTA has been considered net of MAT credit entitlement.

\* As required by the RBI Notification no. "DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020 in respect of Implementation of Indian Accounting Standard (IndAS) in NBFC, the company has appropriated the difference between the impairment allowance under Ind AS 109 and the provisioning required under RBI Prudential (IRACP) Norms ( including standard assets provisioning), a sum of ₹ 104.67 crore has been taken to "Impairment Reserve".

**ii. Capital allocation**

The amount of capital allocated to each operation or activity is undertaken with the objective of minimisation of return on the risk adjusted capital. Allocation of capital is to various lines of business basis annual business plan drawn at the beginning of the year. Various consideration for allocating capital include synergies with existing operations and activities, availability of management and other resources, and benefit of the activity with the company's long term strategic objectives.

**55** The following additional information is disclosed in terms of RBI Circulars applicable to Non-Banking Financial Companies. Ind AS adjustments have not been made in these disclosures unless specifically stated :

- (i) The company is registered with Securities and Exchange Board of India as debenture trustee having registration code i.e. "IND000000002".
- (ii) "There are no penalties imposed by RBI and other regulator during the year ended March 31, 2024. However, the Stock Exchanges had been imposing fines for non-compliance with the provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, relating to composition of the Board of Directors and Committees namely Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Risk Management Committee, in the absence of requisite number of Independent Directors on the Board of IFCI.

In response to the fines levied by the Stock Exchanges, it was submitted that being a Government Company, the power to appoint Independent Directors on the Board of IFCI Limited, vests with the Department of Financial Services, being the Administrative Ministry in charge. Once the requisite number of Independent Directors are appointed, the Committees will be reconstituted as per the applicable regulatory provisions and the Stock Exchanges were requested not to impose fine or to take any action on the Company.

Considering our submissions, BSE had waived the fines imposed for the above said non-compliances for the period ended upto December 31, 2020, except for an amount of ₹ 1,82,000 for Regulation 20 w.r.t. composition of Stakeholders' Relationship Committee for the period ended June 30, 2020. No corresponding waiver has been granted by NSE yet. However, NSE had replied that waiver application can be placed only after the Company complies with the corresponding Regulations of SEBI Listing Regulations and advised IFCI to first appoint Directors as required to comply with applicable Regulations and subsequently apply for the waiver application.

As on date, the total consolidated outstanding fines imposed by the Stock Exchanges is ₹ 4,18,30,100/- (inclusive of applicable taxes) for the quarters ended September 2018 to December 2023.

Further, upon our request, Government had appointed one Independent Director on the Board of the Company on May 10, 2023. Consequent to appointment of one (1) Independent Director, the composition of the Stakeholders' Relationship Committee and Risk Management Committee has become compliant. Application for waiver of fines for these Committees had been submitted to the Stock Exchanges. Till the period ended March 2024, approval of Stock Exchanges was awaited. "

- (iii) Ratings assigned by credit rating agencies and migration of ratings during the year ended 31 March, 2024 are as under:

Long Term (Bonds/NCDs/Term Loans)

Ratings by	March 31, 2024	March 31, 2023
ICRA	ICRA B+ w.e.f 29/05/2023	ICRA B+ w.e.f 17/08/2022
CARE	CARE BB w.e.f 29/05/2023	CARE BB w.e.f 06/07/2022
Brickwork	BWR B+ w.e.f 29/05/2023	BWR B+ w.e.f 04/10/2022

Short Term (Commercial Paper/Short term borrowings)

Ratings by	March 31, 2024	March 31, 2023
ICRA	ICRA A4 w.e.f 17/08/2023	ICRA A4 w.e.f 17/08/2022
Brickwork	BWR A4 w.e.f 10/11/2023	BWR A4 w.e.f 04/10/2022

(All amounts are in Rupees crores unless otherwise stated)

For Structured Secured NCD

Ratings by	March 31, 2024	March 31, 2023
CARE	Withdrawn	Withdrawn
Brickwork	Withdrawn	Withdrawn

Subordinate Bonds

Ratings by	March 31, 2024	March 31, 2023
ICRA	ICRA B+ w.e.f 29/05/2023	ICRA B+ w.e.f 17/08/2022
CARE	CARE BB w.e.f 29/05/2023	CARE BB w.e.f 06/07/2022
Brickwork	BWR B+ w.e.f 29/05/2023	BWR B+ w.e.f 04/10/2022

(iv) Disclosures relating to Customer Complaints

Particulars	March 31, 2024	March 31, 2023
a) No. of complaints pending at the beginning of the period	-	-
b) No. of complaints received during the period	3,930	8,648
c) No. of complaints redressed during the period	3,930	8,648
d) No. of complaints pending at the end of the period	-	-

(v) Capital to Risk Assets Ratio (CRAR)

Particulars	March 31, 2024	March 31, 2023
(a) Capital to Risk Assets Ratio (CRAR)	-48.35%	-70.66%
(i) Core CRAR	-48.36%	-71.06%
(ii) Supplementary CRAR	0.01%	0.40%
(b) Subordinated debt raised, outstanding as Tier II Capital (₹ crore)	0.00	0.00
(c) Risk-weighted assets (₹ crore):		
(i) On-Balance Sheet Items	3,352.10	3,535.33
(ii) Off-Balance Sheet Items	140.70	118.51

(vi) Loans and advances availed, inclusive of interest accrued thereon but not paid

Particulars	As on 31/03/2024		As on 31/03/2023	
	Outstanding	Overdue	Outstanding	Overdue
(a) Debentures:				
(i) Secured	1,118.35	-	1,283.35	-
(ii) Unsecured	-	-	-	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans	-	-	75.00	-
(d) Inter Corporate loans & borrowing	-	-	-	-
(e) CBLO/ Commercial Paper	-	-	3.85	-
(f) Other Loans (incl. FC Loan)	334.25	-	364.25	-
(g) Funds placed with IFCI	-	-	-	-
(h) Bonds	3,998.06	-	4,081.62	-

The Company has not defaulted in repayment of dues to any financial institution or bank or bond/ debenture holders.

(vii) Investor group wise classification of all investments (Current & Long Term) in shares and securities (both Quoted & Unquoted)

Category	March 31, 2024		March 31, 2023	
	Market/Break-up/ Fair Value/ NAV	Book Value (Cost)	Market/Break-up/ Fair Value/ NAV	Book Value
Related Parties				
(a) Subsidiaries	4,224.00	1,546.41	3,941.68	1,546.41
(b) Companies in same group	7.78	0.04	7.41	0.04
(c) Joint Venture	-	0.01	-	0.01
(d) Other than Related Parties	1,708.18	2,112.21	1,327.37	2,106.30
<b>Total</b>	<b>5,939.96</b>	<b>3,658.67</b>	<b>5,276.46</b>	<b>3,652.76</b>

(All amounts are in Rupees crores unless otherwise stated)

(viii) Details of investment and movement in provision :

Particulars	March 31, 2024	March 31, 2023
<b>A) Value of Investment in India</b>		
Provisions for Depreciation		
Net Value of Investments		
<b>B) Movement of provisions held towards depreciation on investments</b>	N.A. (Under Ind AS, investments have to be fair valued, hence not applicable)	
(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		

(ix) Particulars	March 31, 2024	March 31, 2023
Leased Assets and stock on hire and other assets counting towards Loan activities	-	-

(x) Borrower group-wise classification of assets financed:

Category	March 31, 2024	March 31, 2023
<b>1 Related Parties</b>		
(a) Subsidiaries	-	-
(b) Companies in same group	-	-
<b>2 Other than Related Parties</b>	<b>1,910.44</b>	<b>1,972.70</b>
<b>Total</b>	<b>1,910.44</b>	<b>1,972.70</b>

Amount is net of provision against non-performing and standard restructured assets

(xi) Details of Single Borrower Limit - exceeded by the NBFC on the basis of Gross Exposure

Concern Name	March 31, 2024						March 31, 2023					
	Loan Outstanding (₹ Crore)	Total % of Fund	Investment % of Fund	Owned % of Fund	Total Exposure (₹ Crore)	% of OF	Loan Outstanding (₹ Crore)	Total % of Fund	Investment % of Fund	Owned % of Fund	Total Exposure (₹ Crore)	% of OF
	NIL						NIL					

\*For the computation of single borrower limit, "Tier I Capital" is considered as at the end of immediate preceeding previous year. As on March 31, 2023 "Tier I Capital" of IFCI stood at (-) ₹ 2,596 crore, hence there are breaches in single borrower limits.

(xii) Details of Group Borrower Limit - exceeded by the NBFC on the basis of Gross Exposure

Group Name	March 31, 2024						March 31, 2023					
	Loan Outstanding (₹ Crore)	Total % of Fund	Investment % of Fund	Owned % of Fund	Total Exposure (₹ Crore)	% of OF	Loan Outstanding (₹ Crore)	Total % of Fund	Investment % of Fund	Owned % of Fund	Total Exposure (₹ Crore)	% of OF
	NIL						NIL					

\*For the computation of group borrower limit, "Tier I Capital" is considered as at the end of immediate preceeding previous year. As on March 31, 2023 "Tier I Capital" of IFCI stood at (-) ₹ 2,596 crore, hence there are breaches in group borrower limits.

(xiii) Concentration of Advances

	March 31, 2024	March 31, 2023
Total Advances to top twenty largest borrowers / customers	<b>3,500.45</b>	3,913.25
Percentage of Advances to twenty largest borrowers / customers to	<b>39.85%</b>	33.74%
Total Exposure of the NBFC on borrowers / customers		

\*for the computaion of percentage, total exposure as at the end of immediate preceeding previous year is considered.

(xiv) Concentration of Exposures

	March 31, 2024	March 31, 2023
Total Exposure to top twenty largest borrowers / customers	<b>3,645.99</b>	4,020.39
Percentage of Exposures to top twenty largest borrowers / customers to	<b>41.51%</b>	34.67%
Total Exposure of the NBFC on borrowers / customers		

\*for the computaion of percentage, total exposure as at the end of immediate preceeding previous year is considered.

(xv) Concentration of NPAs

	March 31, 2024	March 31, 2023
Total Exposure to top Four NPA Accounts	<b>1442.55 (12.43%)</b>	1499.82(12.93%)

\*for the computaion of percentage, total exposure as at the end of immediate preceeding previous year is considered.



(All amounts are in Rupees crores unless otherwise stated)

(xvi) Status of Non-Performing Assets

Particulars	March 31, 2024	March 31, 2023.
<b>1 Gross Non-Performing Assets</b>		
(a) Related Parties	-	-
(b) Other than Related parties	4615.56	5,749.06
<b>2 Net Non-Performing Assets</b>		
(a) Related Parties	-	-
(b) Other than Related parties	937.17	1,499.18
Assets acquired in satisfaction of debt	-	17.5

xvii) Movement of NPA :

Particulars	March 31, 2024	March 31, 2023
(i) Net NPAs to Net Advances (%)	83.80%	76.00%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	5749.06	6514.90
(b) Additions during the year	236.79	34.91
(c) Reductions during the year	1370.3	800.75
(i) Upgradation	0	0
(ii) Recoveries (excluding recoveries made from upgraded accounts)	933.04	536.88
(iii) Technical/Prudentail Write offs	225.54	145.03
(iv) Write off other than those under (iii) above	211.72	118.84
(d) Closing balance	4,615.55	5,749.06
(iii) Movement of Net NPAs		
(a) Opening balance	1499.18	2057.99
(b) Additions during the year	236.79	0.00
(c) Reductions during the year	798.80	558.81
(d) Closing balance	937.17	1499.18
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	4,249.88	4,456.91
(b) Provisions made during the year	209.55	409.72
(c) Write-off / write-back of excess provisions	781.04	616.75
(d) Closing Balance	3,678.39	4,249.88

xviii) Sector-Wise NPA

Sector	% of NPAs to Total Advances	
	March 31, 2024	March 31, 2023
1 Agriculture and Allied Activities	-	-
2 MSME	-	-
3 Corporate Borrowers	96.22%	92.39%
4 Services	-	-
5 Unsecured Personal Loans	-	-
6 Auto Loans	-	-
7 Other personal loans	-	-

(xix) Provisions and contingencies made during the year

Break up of Provisions and Contingencies	March 31, 2024	March 31, 2023
Provisions for depreciation on Investment	0	0
Provision towards NPA	-571.49	-207.02
Provision made towards Income tax		
Provision for Standard Assets	0	-2.42
Provision against trade receivables and other advances	0	0

(All amounts are in Rupees crores unless otherwise stated)

**(xx) Exposure to Real Estate Sector**

Category	March 31, 2024	March 31, 2023
<b>a) Direct Exposure</b>		
(i) Residential Mortgages-		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented (Individual housing loans up to ₹ 15 lakh may be shown separately)	-	-
(ii) Commercial Real Estate-		
Lending secured by mortgages on commercial real estate (office building, retail space, multipurpose 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 (NFB) limits	291.04	364.45
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures:	-	-
<b>b) Indirect Exposure</b>		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	-	-

**(xxi) Exposure to Capital Market**

Particulars	March 31, 2024	March 31, 2023
(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;	2507.79	2745.55
(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;	435.94	484.97
(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;	-	0.00
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	0.00
(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;	50.11	50.11
(viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units if equity oriented mutual funds;	-	-
(ix) Financing to stockbrokers for margin trading		
(x) All exposures to Alternate Investment Funds:		
(i) Category I	104.13	104.71
(ii) Category II		
(iii) Category III		
<b>Total Exposure to Capital Market</b>	<b>3,097.97</b>	<b>3,385.34</b>

**xxii) Assets sold to Securitization Company/ Reconstruction Company (SC/ RC):**

Particulars	March 31, 2024	March 31, 2023
1 Number of Accounts	8	3
2 Aggregate outstanding of accounts sold to SC/ RC	558.99	319.02
3 Aggregate consideration	449.10*	189.64*
4 Additional consideration realized in respect of accounts transferred in earlier years	50.27	73.89
5 Aggregate gain/ (loss) over net book value	149.26*	189.64*

\* includes SR recovery of ₹ 36.125 cr

\*\*Includes sale of one Security Receipt.

(xxiii) Particulars	March 31, 2024	March 31, 2023
Assignment transactions undertaken	-	-

(All amounts are in Rupees crores unless otherwise stated)

(xxiv) **Details of Non-performing financial assets purchased:**

Particulars	March 31, 2024	March 31, 2023
Number of accounts purchased during the year	-	-
Aggregate Outstanding (₹ crore)	-	-
Of the above number of accounts restructured during the year	-	-
Aggregate Outstanding (₹ crore)	-	-

(xxv) **Non-performing financial assets sold to other than SC/RC**

Particulars	March 31, 2024	March 31, 2023
Non-performing financial assets sold to other than SC/RC	-	-

Particulars	March 31, 2024	March 31, 2023
Exchange traded interest rate (IR) derivatives	-	-

Particulars	March 31, 2024	March 31, 2023
Details of Forward rate agreement/ interest rate swap	-	-

(xxviii) **Quantitative Disclosures:**

Particulars	March 31, 2024	March 31, 2023
(i) Currency Derivatives - Hedging	334.25	364.20
Marked to Market Position		
a) Assets	-14.25	13.08
b) Liability	7.68	-5.32
(ii) Interest Rate Derivatives	-	

(xxix) **Disclosures on Flexible Structuring of Existing Loans**

Financial Year	No. of Borrowers taken up for Flexible Structuring	Amount of Loans Taken up for flexible Structuring		Exposure weighted average duration of Loans taken up for Flexible Structuring	
		Classified as Standard	Classified As NPA	Before Applying Flexible Structure	After Applying Flexible Structuring
(i) FY 2023-24	-	-	-	-	-
(ii) FY 2022-23	-	-	-	-	-

(xxx) **Disclosures on Change in Ownership of Projects under Implementation (Accounts which are currently under the stand-still period).**

Particulars	Amount Outstanding as on the reporting date		
	Classified as Standard	Classified as Standard Restructured	Classified as NPA
No. of Project Loan Accounts where Banks have decided to effect change in ownership	-	-	-

(xxxi) **Disclosures on the Scheme for Sustainable Structuring of Stressed Assets (S4A) as on 31st March, 2024**

	No. of Accounts where S4A has been applied	Aggregate amount outstanding	Amount Outstanding		Provision Held
			In Part A	In Part B	
<b>FY 2023-24</b>					
(i) Classified as Standard	0	0	0	0	0.00
(ii) Classified as NPA	0	0	0	0	0.00
<b>FY 2022-23</b>					
(i) Classified as Standard	0	0	0	0	0.00
(ii) Classified as NPA	0	0	0	0	0.00

(All amounts are in Rupees crores unless otherwise stated)

(xxxii) Disclosures on Change in Ownership outside SDR Scheme (accounts which are currently under the stand-still period)

Financial Year	No. of Accounts where banks have decided to effect change in ownership	Amount outstanding as on the reporting date		Amount Outstanding as on the reporting date with respect to accounts where conversion of debt to equity /conversion of debt to equity/ invocation of pledge of equity shares is pending		Amount Outstanding as on the reporting date with respect to accounts where invocation of pledge of equity shares has taken place		Amount Outstanding as on the reporting date with respect to accounts where change in ownership is envisaged by issuance of fresh shares or sale of promoters equity	
		Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA
FY2023-24	-	-	-	-	-	-	-	-	-
FY2022-23	-	-	-	-	-	-	-	-	-

(xxxiii) Disclosures on Strategic Debt Restructuring Scheme (Accounts which are currently under the stand-still period)

Financial Year	No. of Accounts where SDR has been invoked	Amount outstanding as on the reporting date		Amount Outstanding as on the reporting date with respect to accounts where conversion of debt to equity is pending		Amount Outstanding as on the reporting date with respect to accounts where conversion of debt to equity has taken place	
		Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA	Classified as Standard	Classified as NPA
FY2023-24	-	-	-	-	-	-	-
FY2022-23	-	-	-	-	-	-	-

(xxxiv) Maturity Pattern of assets and liabilities:

As at 31 March 2024

Particulars	1 day to 30 days	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
<b>LIABILITIES</b>									
Borrowing from Banks	-	-	15.89	-	15.89	63.57	60.13	178.78	334.25
Market borrowings	-	-	-	-	1,373.35	993.09	481.62	2,267.97	5,116.03
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>15.89</b>	<b>-</b>	<b>1,389.24</b>	<b>1,056.66</b>	<b>541.74</b>	<b>2,446.75</b>	<b>5,450.28</b>
<b>ASSETS</b>									
Advances	2.50	3.75	1.67	4.57	12.10	32.97	30.87	4,720.37	4,808.81
Investments	864.88	33.85	29.04	0.62	0.62	3.72	29.65	2,973.42	3,935.80
<b>TOTAL</b>	<b>867.38</b>	<b>37.60</b>	<b>30.71</b>	<b>5.19</b>	<b>12.72</b>	<b>36.69</b>	<b>60.52</b>	<b>7,693.80</b>	<b>8,744.61</b>

As at 31 March 2023

Particulars	1 day to 30 days	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
<b>LIABILITIES</b>									
Borrowing from Banks	-	25.00	15.81	25.00	40.81	63.26	61.55	207.83	439.26
Market borrowings	-	-	-	-	250.23	1,598.35	900.09	2,615.96	5,364.63
<b>TOTAL</b>	<b>-</b>	<b>25.00</b>	<b>15.81</b>	<b>25.00</b>	<b>291.04</b>	<b>1,661.61</b>	<b>961.64</b>	<b>2,823.79</b>	<b>5,803.89</b>
<b>ASSETS</b>									
Advances	2.54	3.54	17.78	14.91	25.08	90.34	63.43	6,005.54	6,223.16
Investments	358.58	-	39.24	0.62	0.62	2.48	6.86	3,244.37	3,652.77
<b>TOTAL</b>	<b>361.12</b>	<b>3.54</b>	<b>57.02</b>	<b>15.53</b>	<b>25.70</b>	<b>92.82</b>	<b>70.29</b>	<b>9,249.91</b>	<b>9,875.93</b>

(All amounts are in Rupees crores unless otherwise stated)

(xxv) Disclosure of Restructured Accounts																
Sl. No.	Type of Restructuring Asset Classification Details	Under CDR Mechanism					Others					Total				
		Standard	Sub- Standard	Doubtful	Loss	Total	Standard	Sub- Standard	Doubtful	Loss	Total	Standard	Sub- Doubtful	Loss	Total	
1	Restructured Accounts as on April, 1 of the FY (opening figures)**	No. of borrowers	-	2	-	2	-	-	10	2	12	-	12	2	14	
		Amount outstanding	-	28.36	-	28.36	-	-	945.16	38.26	983.42	-	973.52	38.26	1,011.78	
		Provision thereon	-	-	17.14	-	17.14	-	-	722.44	38.26	760.7	-	739.58	38.26	777.84
2		Fresh restructuring during the year #	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding		-	-	-	-	-	-	-	-	-	-	-	-	-	
	Provision thereon		-	-	-	-	-	-	-	-	-	-	-	-	-	
3	Upgradations to restructured standard category during the FY*		No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	
4		Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding		-	-	-	-	-	-	-	-	-	-	-	-	-	
	Provision thereon		-	-	-	-	-	-	-	-	-	-	-	-	-	
5	Downgradations of restructured accounts during the FY *		No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	
6		Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding		-	-	-	-	-	-	-	-	-	-	-	-	-	
	Provision thereon		-	-	-	-	-	-	-	-	-	-	-	-	-	
7	ACCOUNTS CLOSED DURING THE YEAR		No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	
8		Restructured Accounts as on March, 31 of the FY (closing figures)	No. of borrowers	-	2	-	2	-	-	10	2	12	0	0	12	2
	Amount outstanding		-	-	-	-	-	-	863.62	38.26	901.88	0	0	863.62	38.26	901.88
	Provision thereon		-	-	-	0	-	-	706.28	38.26	744.54	0	0	706.28	38.26	744.54

(All amounts are in Rupees crores unless otherwise stated)

**(xxxvi) ECL -Disclosure in to Notes for Financial Statements IFCI Limited**

As required by the RBI Notification no. "DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020 in respect of Implementation of Indian Accounting Standard(IndAS) in NBFC, the company has appropriated the difference between the impairment allowance under Ind AS 109 and the provisioning required under RBI Prudential (IRACP) Norms (including standard assets provisioning), a sum of ₹ 104.67 crore has been taken to "Impairment Reserve".

**As on 31/03/2024**

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	15.00	0.15	14.85	0.06	0.09
	Stage 2	85.76	17.84	67.91	0.34	17.50
	Stage 3	80.42	57.58	22.84	0.32	57.26
<b>Subtotal</b>		<b>181.18</b>	<b>75.58</b>	<b>105.60</b>	<b>0.72</b>	<b>74.85</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	0.00	0.00	0.00	0.00	0.00
Doubtful - up to 1 year	Stage 3	0.00	0.00	0.00	0.00	0.00
1 to 3 years	Stage 3	46.26	33.12	13.14	16.50	16.62
More than 3 years	Stage 3	4429.72	3365.35	1064.37	3522.30	(157.0)
<b>Subtotal for doubtful</b>		<b>4,475.98</b>	<b>3,398.47</b>	<b>1,077.51</b>	<b>3,538.81</b>	<b>(140.3)</b>
Loss	Stage 3	139.58	100.39	39.2	139.58	(39.2)
<b>Subtotal for NPA</b>		<b>4,615.56</b>	<b>3,498.86</b>	<b>1,116.70</b>	<b>3,678.39</b>	<b>(179.53)</b>
<b>Total</b>		<b>4,796.74</b>	<b>3,574.44</b>	<b>1,222.30</b>	<b>3,679.11</b>	<b>(104.67)</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	5.71	0.15	5.56	-	0.15
	Stage 2	-	-	0.00	-	-
	Stage 3	292.00	198.00	94.00	-	198.00
Accrued Income (Stage 1)	Stage 1	3.12	-	3.12	-	-
	Stage 1	23.83	0.30	23.53	0.06	0.24
	Stage 2	85.76	17.84	67.91	0.34	17.50
	Stage 3	4,987.98	3,754.44	1,233.54	3,678.71	75.74
<b>Total</b>		<b>5,097.57</b>	<b>3,772.59</b>	<b>1,324.97</b>	<b>3,679.11</b>	<b>93.48</b>

**(xxxvii) DISCLOSURES IN ACCORDANCE WITH GUIDELINES ON LIQUIDITY RISK MANAGEMENT FRAMEWORK AND LIQUIDITY COVERAGE RATIO AS PER RBI'S MASTER DIRECTION- NON -BANKING FINANCIAL COMPANY- SYSTEMICALLY IMPORTANT NON - DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016.**

**(i) Funding Concentration based on Significant Counterparty(both deposits & borrowings)**

S. No.	No. of Significant Counterparties *	Amount (₹ in Crore)	% of Total Deposits
1	22	2,510.59	46.06%

\* Significant counterparty borrowings in aggregate for more than 1% of the total liabilities

**(ii) Top 20 Large Deposits**

S. No.	Counterparty	Amount (₹ in Crore)	% of Total Deposits
	NIL		

(All amounts are in Rupees crores unless otherwise stated)

(iii) Top 20 Borrowings

S. No.	Name of the Lender / Investor	Amount (₹ in Crore)	% of Total Borrowings
1	KFW	334.25	6.13%
2	THE SOUTH CANARA DISTRICT CENTRAL CO OPERATIVE BANK LTD	235.99	4.33%
3	TRUSTEES GEB'S C P FUND	202.15	3.71%
4	FOOD CORPORATION OF INDIA CPF TRUST	161.70	2.97%
5	THE MUMBAI DISTRICT CENTRAL CO-OP BANK LTD	147.00	2.70%
6	KSRTC EMPLOYEES CONTRIBUTORY PROVIDENT FUND TRUST	123.90	2.27%
7	A P S R T C EMPLOYEES PROVIDENT FUND TRUST	120.50	2.21%
8	INDIAN OIL CORPORATION LTD (REFINERIES DIVISION) EMPLOYEES PROVIDENT FUND	116.90	2.14%
9	POWERGRID EMPLOYEE PROVIDENT FUND TRUST	103.83	1.90%
10	STATE BANK OF INDIA	100.00	1.83%
11	BANGIYA GRAMIN VIKASH BANK	93.30	1.71%
12	RAMAKRISHNA MISSION	85.08	1.56%
13	NEYVELI LIGNITE CORPORATION EMPLOYEES PROVIDENT FUND TRUST	81.64	1.50%
14	BOARD OF TRUSTEES M .S. R.T.C. CPF	77.90	1.43%
15	AXIS BANK LIMITED	77.00	1.41%
16	IFCI INFRASTRUCTURE DEVELOPMENT LIMITED	75.00	1.38%
17	Hindustan Steel Limited Contributory Provident Fund Rourkela	68.80	1.26%
18	THE THANE DIST CENTRAL CO OP BANK LTD	65.00	1.19%
19	GWSSB -ECPF TRUST	63.00	1.16%
20	IOCL EMPLOYEES PRMB FUND	60.00	1.10%
21	PROVIDENT FUND OF RELIANCE INFRASTRUCTURE LIMITED	59.60	1.09%
22	SICOM LIMITED	58.04	1.06%
	<b>Total</b>	<b>2,510.59</b>	<b>46.06%</b>

(iv) Funding Concentration based on significant instrument/ product

S. No.	Name of the Instrument / product	Amount (₹ in Crore)	% of Total Liabilities*
1	Private Placement Bonds	2,893.79	53.09%
2	Public NCDs	973.35	17.86%
3	Subordinate Bonds	744.67	13.66%
4	Foreign Currency Liability	334.25	6.13%
5	Zero Coupon Bonds	359.6	6.60%
6	Tax Free Bonds	145.00	2.66%
	<b>Grand Total</b>	<b>5,450.66</b>	<b>100.00%</b>

\*% calculated on outstanding principal liability as on March 31, 2024

(v) Stock Ratios

Sl. No.	Particular	Ratio *	Limit
1	Short-Term Liabilities / Total Assets	25.75%	Not exceeding 30%
2	Short-Term Liabilities / Long term assets	37.25%	Not exceeding 40%
3	Commercial Paper / total Assets **	-	Not exceeding 10%
4	NCDs having original maturity of less than 1 year / total assets #	-	Not exceeding 10%
5	Long term( >1 yr ) assets/ total assets	69.13%	Not exceeding 85%
6	Short-Term Liabilities / total Liabilities	30.00%	Not exceeding 30%

\$Ratios calculated as per Ind AS balances

\* Ratios after adjustment of amount received from GOI w.r.t Advisory schemes which was meant for Advisory Applicants.

If the amount received from GOI for Advisory Services is included, Short-Term Liabilities / total Assets would be 36.49%, Short-Term Liabilities / Long term assets will be 61.71% & Short-Term Liabilities / Total Liabilities will be 41.53%.

\*\* No outstanding Commercial Paper

# No NCDs was issued having original maturity of less than 1 year



(All amounts are in Rupees crores unless otherwise stated)

**Liquidity Coverage Ratio**

Particulars	For period ended 31.03.2024		For period ended 31.12.2023		For period ended 30.09.2023		For period ended 30.06.2023	
<u>HIGH QUALITY LIQUID ASSET</u>	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount
Total High Quality Liquidity Asset (HQLA)	84,482	68,247	94,920	70,594	61,910	35,657	50,485	28,582
<b>CASH OUTFLOW</b>								
Outflow related to derivative exposure and other collateral requirement	-	-	-	-	-	-	-	-
Other Contractual funding obligation	39,262	45,151	1,950	2,243	4,146	4,768	7,313	8,410
Other Contingent funding obligation	-	-	-	-	-	-	-	-
<b>Total Cash Outflows (1+2+3+4)</b>	<b>39,262</b>	<b>45,151</b>	<b>1,950</b>	<b>2,243</b>	<b>4,146</b>	<b>4,768</b>	<b>7,313</b>	<b>8,410</b>
<b>CASH INFLOW</b>								
Inflows from fully performing exposures	432	324	443	332	670	503	688	516
Lines of credit - Credit or liquidity facilities or other contingent funding	-	-	-	-	-	-	-	-
Other Cash Inflow	5,000	3,750	3,377	2,533	11,515	8,636	4,242	3,182
<b>Total Cash Inflow</b>	<b>5,432</b>	<b>4,074</b>	<b>3,820</b>	<b>2,865</b>	<b>12,185</b>	<b>9,139</b>	<b>4,930</b>	<b>3,698</b>
<b>TOTAL HQLA</b>		<b>68,247</b>		<b>70,594</b>		<b>35,657</b>		<b>28,582</b>
<b>Net Cash Inflows</b>		<b>41,077</b>		<b>-623</b>		<b>-4,371</b>		<b>4,712</b>
<b>25% of Total Cash Outflow</b>		<b>11,288</b>		<b>561</b>		<b>1,192</b>		<b>2,102</b>
<b>Liquidity Coverage ratio</b>		<b>166</b>		<b>12,592</b>		<b>2,991</b>		<b>607</b>

Your company has taken several prudent steps to ensure ample liquidity. The prominent drivers of the LCR are the outflows on account of debt servicing and inflows on account of standard repayments and NPA recovery. The surplus funds available are majorly deployed in liquid mutual funds, government securities(G-Sec/Treasury Bills), commercial papers and other money market instruments as per the Board approved policy. Its an endeavour of your company to maintain LCR comfortable and within the stipulated norms.

**xxxviii) Sector wise exposure**

Sectors	2023-24			2022-23		
	Total Exposure (includes on balance sheet and off balance sheet exposure ₹ Cr)	Gross NPA (₹ Cr)	Percentage of Gross NPA to total exposure in that sector	Total Exposure (includes on balance sheet and off balance sheet exposure ₹ Cr)	Gross NPAs ₹ Crore	Percentage of Gross NPAs to total exposure in that sector
2. Industry						
a. Mining & Quarrying (incl. Coal)	232.48	49.20	21.16	214.81	114.81	53.45
b. Food Processing	211.06	75.45	35.75	286.81	280.18	97.69
c. Beverage & Tobacco	474.11	0.00	0.00	8.57	0.00	0.00
d. Textiles	1243.95	1018.14	81.85	122.17	65.30	53.45
g. Paper & Paper Products	6.13	5.98	97.58	53.42	52.91	99.04
h. Petroleum, Coal Products & Nuclear Products	0.04	0	0.00	80.48	0	0.00
i. Chemicals & Chemical Products	177.99	176.84	99.35	145.06	143.57	98.98
j. Rubber, Plastic & their Products	15.41	1.84	11.92	79.37	0.24	0.30
l. Cement & Cement Products	140.78	53.06	37.69	75.58	0.05	0.07
m. Basic Metal & Metal Product	665.96	537.04	80.64	465.19	327.27	70.35
n. All Engineering	729.39	729.33	99.99	591.01	570.82	96.58
o. Vehicles, Vehicle Parts & Transport Equipment	121.85	119.95	98.44	146.56	124.15	84.71
p. Gems & Jewellery	85.78	85.78	100.00	65.69	65.69	100.00
q. Construction	323.29	323.29	100.00	661.93	596.40	90.10
r. 1.1 Electricity Generation	920.73	181.61	19.72	1715.87	1133.54	66.06
r. 1.4 Solar Renewal Energy	6.14	0	0.00	25.00	0	0.00
r. 1.5 Others	100.00	100.00	100.00	12.83	12.73	99.22
r. 2 Telecommunications	77.34	53.19	68.77	403.29	135.10	33.50
r. 3 Roads	63.50	63.50	99.99	761.43	475.87	62.50
r. 8 Other Infrastructure	317.79	316.93	99.73	990.90	546.59	55.16
s. Other Industries	2870.33	1228.59	42.80	3036.05	1103.83	36.36
<b>Grand Total</b>	<b>8784.04</b>	<b>5119.70</b>	<b>58.28</b>	<b>9942.00</b>	<b>5749.06</b>	<b>57.83</b>

(All amounts are in Rupees crores unless otherwise stated)

Sectors	2023-24			2022-23		
Other Industries	Total Exposure (includes on balance sheet and off balance sheet exposure (₹ Cr)	Gross NPA (₹ Cr)	Percentage of Gross NPA to total exposure in that sector	Total Exposure (includes on balance sheet and off balance sheet exposure ₹ CR	Gross NPAs ₹ Crore	Percentage of Gross NPAs to total exposure in that sector
All sub-sector shall be available for flagging (sub-sector should represent the operating segment of the flagship company of the group/ company whose shares are being pledged).	45.82	0.00	0.00	7.51	0	0
Associate Company	0	0	0.00	83.16	0	0
Banks	690.08	250.63	36.32	43.58	0	0
Basket of loans & investments	370.87	0.00	0.00	0.33	0.33	100
Brokers & other Capital Market Participants	170.16	101.25	59.50	72.93	0	0
Building Materials	18.09	4.33	23.91	97.49	95.75	98.21
Business Services	85.41	68.41	80.10	32.93	32.67	99.21
Commercial & Residential real estate	4.69	0.00	0.00	491.55	364.45	74.14
Government Securities	0.00	0.00	0.00	42.08	0.00	0.00
Diversified Corporate	0.00	0.00	0.00	0.00	0.00	0.00
Holding Company	135.81	135.81	100.00	0.00	0.00	0.00
Holding company-Tourism & Related Activity (Other than under Infrastructure)	74.28	74.28	100.00	90.94	90.94	100.00
Hotels (non-infra)	215.65	212.69	98.63	56.80	30.72	54.08
IT Services	20.91	20.91	100.00	53.79	36.79	68.40
Media & Entertainment	247.61	212.60	85.86	145.00	145.00	100.00
Misc. Other Products	0.03	0.00	0.00	10.12	1.20	11.86
Miscellaneous Services	364.40	0.00	0.00	1.00	0.00	0.00
Mutual Funds	198.08	21.73	10.97	263.56	0.00	0.00
NBFC	40.17	40.02	99.64	291.94	169.25	57.97
Non-ferrous metals	3.04	3.04	100.00	113.72	59.26	52.11
Printing, Publishing And Allied Indus.	72.14	72.14	100.00	0.00	0.00	100.00
Retail Brand Chain	0.05	0.00	0.00	86.84	77.45	89.19
Subsidiary Company	10.76	10.74	99.83	1036.16	0.00	0.00
Tourism & Related Activity (Other than under Infrastructure)	102.26	0.00	0.00	14.62	0.04	0.26
Venture Capital fund	0.01	0.01	100.00	0.00	0.00	0.00
Wholesale Trading	0.00	0.00	0.00	0.00	0.00	0.00
<b>Grand Total</b>	<b>2870.33</b>	<b>1228.59</b>	<b>42.80</b>	<b>3036.05</b>	<b>1103.83</b>	<b>36.36</b>

**Note:**

- The disclosures as above shall be based on the sector wise and industry wise bank credit(SIBC) return submitted by scheduled commercial banks to the reserve Bank of and published by Reserve Bank as “ Sectoral Deployment of Bank Credit”
- In the disclosures as above, if within a sector, exposure to a specific subsector/industry is more than 10 percent of Tier 1 capital of a NBFC, the same shall be disclosed separately within that sector, Further, within a sector, if exposure to specific sub sector/industry is less than 10 percent of Tier 1 capital, such exposures shall be clubbed and disclosed as “Others” within that sector.

**(xxxix) Disclosure of complaints**

**Summary of complaints received by Resources Department from customers and from the office of Ombudsman**

Sr. No.	Particulars	FY 2023-24 Current year	FY 2022-23 Previous Year
	<b>Complaints received by NBFC from its customers</b>		
1	Number of complaints pending at beginning of the year	0	0
2	Number of complaints received during the year*	3930	8379
3	Number of complaints disposed during the year	3930	8379
	3.1 Of which, Number of complaints rejected by the NBFC	0	0
4	Number of complaints pending at the end of the year	0	0
	<b>Maintainable complaints received by the NBFC from Office of Ombudsman</b>		
5	Number of Maintainable complaints received by the NBFC from Office of Ombudsman	9	10
	5.1 Of 5, number of complaints resolved in favour of the NBFC by office of Ombudsman	9	9
	5.2 Of 5, number of complaints resolved through conciliation /mediation/advisories issued by office of Ombudsman	0	1
	5.3 Of 5, number of complaints resolved after passing of Awards by office of Ombudsman against the NBFC	0	0
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

\*including 20 & 8 complaints received from RBI during FY 24 & FY23 respectively pertaining to resources department.

(All amounts are in Rupees crores unless otherwise stated)

Grounds of Complaints (i.e. complaints relating to)	Number of complaints pending at beginning of the year	Number of complaints received during the year	% increase/decrease in the Number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days.
1	2	3	4	5	6
<b>Current year FY 2023-24</b>					
Ground 1 Non -receipt of Allotment Advise/ Bond Certificate	0	0	0	0	0
Ground 2 Non -receipt of Interest/Redemption/Buyback Amount	0	3910	-53.33	0	0
Ground 3 Non receipt of dividend	0	0	-100	0	0
Ground 4 others	0	20	81.8		
Ground 5					
Others					
<b>Total</b>	<b>0</b>	<b>3930</b>	<b>-71.53</b>	<b>0</b>	<b>0</b>
<b>Previous year 2022-23</b>					
Ground 1 Non -receipt of Allotment Advise/ Bond Certificate	0	0	0	0	
Ground 2 Non -receipt of Interest/Redemption/Buyback Amount	0	8379	357.87	0	0
Ground 3 Non receipt of dividend	0	258	-41.63	0	0
Ground 4 others	0	11	-47.61	0	0
Ground 5					
Others					
<b>Total</b>	<b>0</b>	<b>8648</b>	<b>277.14</b>	<b>0</b>	<b>0</b>

**(xli) Intra Group Exposures**

Particulars	FY23-24	FY22-23
Total amount of intra group exposures	1,546.45	1546.45
Total amount of top 20 intra group exposures	1,546.45	1546.45
Total Intra group exposure as percentage of total exposure	17.61%	13.33%

**(xli) Related Party Disclosure**

Related Party	Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
Items	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
Borrowings	130.00	130.00	-	-	-	-	-	-	-	-	130.00	130.00
Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	0.59	1.18	-	-	-	-	0.59	1.18
Investments	1,546.41	1,546.41	0.04	0.04	-	-	-	-	-	-	1,546.45	1,546.45
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid *	11.07	11.05	-	-	-	-	-	-	-	-	11.07	11.05
Interest received	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-
* excluding cumulative interest	1.96	10.77										

For other transactions please refer note no. 47.

(All amounts are in Rupees crores unless otherwise stated)

**(xlii) Breach of Covenants**

There were no instances of default or breaches of covenant in respect of loan availed or debt securities issued during the financial years ended March 31, 2024.

**(xliii) Divergence in Asset Classification and Provisioning**

The RBI has neither assessed any additional provisioning requirements in excess of 5 percent of the reported profits before tax and impairment loss on financial instruments for the financial year ended March 31, 2024, nor identified any additional Gross NPAs in excess of 5% of the reported Gross NPAs for the said period.

**56 Open interest in the Currency Futures/Forwards as at 31/03/2024**

Position (as at 31/03/2024)

Particulars	Value Date	Counter party	Number of Units Involved (EUR & USD)
1 EUR/INR	26 April 2024	SBI	37,189,800.00

**57** Foreign Currency exposure that is not hedged by derivative instrument or otherwise is USD 0.000 million (Previous Year ended March 2023: USD 0.001 million) and EUR 0.00 million (Previous Year ended March 2023: EUR (-) 0.01 million) equivalent to ₹ 0.00 crore (Previous Year ended March 2023: ₹ 0.08 crore).

**58 Details of securities sold and purchased under Repos and Reverse Repos Transactions:**

Particulars	Maximum O/s during the period	Daily Average O/s during the period	O/s as on March 31, 2024
<b>Securities sold under Repo:</b>			
1 Govt. Securities	-	-	-
2 Corporate Bonds	-	-	-
<b>Securities purchased under reverse repo:</b>			
1 Govt. Securities	-	-	-
2 Corporate Bonds	-	-	-

Maximum & average outstanding is based on face value of securities.

**59** Previous year figures have been re-grouped/ re-arranged/ restated wherever necessary, to conform to current period's presentation.

In terms of our Report of even date

As per our report of even date attached

For **S MANN AND COMPANY**  
Chartered Accountants  
ICAI Firm registration No.: 000075N

**CA SUBHASH CHANDER MANN**  
Partner  
Membership No.: 080500  
Place: New Delhi  
Dated: 30 April 2024

For and on behalf of the Board of Directors of **IFCI Limited**

**MANOJ MITTAL**  
Managing Director &  
Chief Executive Officer  
DIN 01400076

**SUNEET SHUKLA**  
Chief General Manager &  
Chief Financial Officer

**RAHUL BHAVE**  
Deputy Managing  
Director  
DIN 09077979

**PRIYANKA SHARMA**  
Company Secretary

**UMESH KUMAR GARG**  
Independent Director  
DIN 00599426

## INDEPENDENT AUDITOR'S REPORT

**To the Members of IFCI Limited**

**Report on the Audit of Consolidated Financial Statements**

### Opinion

We have audited the accompanying Consolidated Financial Statements of **IFCI Limited** (hereinafter referred to as "Company") and its subsidiaries (the company and its subsidiaries together referred to as "the Group"), which comprises the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at 31st March, 2024, and their Consolidated Profit, their Consolidated total comprehensive income, their Consolidated cash flows and their Consolidated changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in "Auditors Responsibilities for the Audit of Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidences obtained by us is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

#### 1. Emphasis of Matter

##### A. Emphasis of Matter -IFCI Limited

- We draw attention to **Note No. 40 (iii)** of the Financial Statements regarding change in accounting policy towards recognition of interest income on Stage 3 assets w.e.f. 01.04.2021. Accordingly, the interest income for the FY 2021-2022 and FY 2022-2023 has increased by ₹ 248.03 Crores and ₹ 209.50 Crores respectively.
- We draw attention to **Note No. 40 (iv)** where the Capital Risk Adequacy Ratio (CRAR) stands at (-)48.35 % as on 31.03.2024, below the RBI stipulated guideline vide circular dated 31st May, 2018 (RBI/2017-18/181 DNBR (PD) CC.No.092/03.10.001/2017-18).
- In a certain case, it was observed that one party has appointed the company as its advisor/consultant for assisting and preparation of their proposal under SDF (Sugar Development Fund) scheme of Government of India (GOI). However, company is also acting as nodal agency/agent of government for independently carrying

out various due diligence procedures on application received by nodal ministry under SDF Scheme. Notwithstanding express approval from GOI, the action of assisting/coaching an applicant into preparation of documents/project reports on commercial terms, and simultaneously conducting due diligence on behalf of GOI, severely undermines the creditability of the proposals appraised by the company, and comprises the independent position of the company.

- The company has informed us vide letter dt. 01.11.2022 received from nodal ministry that case specific data for SDF (Sugar Development Fund) Scheme may not be shared with auditors. Accordingly, same is not reviewed by us.
- The company has informed us that as per communication received from nodal ministry towards PLI (Production Linked Incentive) schemes, files and documents shall not be made available to the auditors, hence we have not reviewed the same.

#### B. Emphasis of Matter-M/s Stock Holding Corporation of India Limited

We draw attention to:

- Note No. 43** of the Consolidated Financial Statements related to the outcome of continuing litigation with a Bank, pending adjudication of the matter by the Honorable Supreme Court. As per the legal opinion obtained by the Management, the company is hopeful for recovery of FDRs kept as security deposit with Honorable Kolkata High Court and Honorable Supreme Court no provision has been recognized in the Statement of Profit and Loss.

#### B.1 Emphasis of Matter - M/s Stock holding Document Management Services Limited

In respect of Subsidiary "Stock holding Document Management Services Limited" the statutory auditors has given following matter of emphasis:

- We draw attention to **Note 45** of the Consolidated Financial Statements regarding Company's liability to the third parties due to the fire occurred at Company's Premises.

#### C. Emphasis of Matter in case of M/s MPCON Limited

- We draw attention to Note 47D(a) of the Consolidated Financial Statements, where a sum of ₹ 13.13 Lakhs is shown under the head Other Current Liabilities are the amount which is received by the company during the financial year but the same has been unidentified by the company from whom the amount has been received.
- We draw attention to Note 37 of the Consolidated Financial Statements, which describe the uncertainty, related to the outcome of the Profit/Loss, suit filed against the company.
- We draw attention to Note 47D(b) the Consolidated Financial Statements, a sum of ₹ 39.12 Lakhs related to Other Current Assets of the previous financial year 2022-23 has been directly adjusted from the reserve and surplus.
- It is observed that as on 31.03.2024 the Sundry Debtors of ₹ 8,67,92,648/- were reported in balance sheet. The ageing of the sundry debtors is tabled below: -

Particulars	Amount in ₹
Upto 6 Month	8,28,666
More than 6 months to 3 Year	1,75,163
More than 3 Years	8,57,88,819

5. It is observed that as on 31.03.2024 the Trade Payables of ₹ 4.93 Crores were outstanding in balance sheet for more than three years. These Trade Payables are directly related to the sundry debtors of ₹ 8.57 Crores. These payable balances are dependent on recoverable balances. The net position of these payable & recoverable balances is tabled below;

₹ In Crores

Particulars	Ageing - More than 3 Years
Sundry Debtors	8.57
Trade Payables	4.93
<b>Net Position</b>	<b>3.64</b>

6. Confirmation of balances with receivable (Debtors), payables (Creditors) and loans and advances has not been obtained. As far as third-party confirmation is concerned, it clearly reveals that due to pending confirmation and reconciliation of Balances impact thereof on the probability and financial position of the corporate cannot be ascertained.
7. The organization is not following the government's tendering process as required by procurement rules. It has been observed that no tender has been floated for acquisition of services to be provided to clients. As informed the services are being availed from the parties who bring the business to the organization. In our opinion and as per procurement policy contract should be allotted to empaneled consultants which are to be empaneled through a transparent empanelment process by inviting response through newspaper or MPCON's website and should be evaluated for empanelment. Allocation of contract of service providing should be on L1 bidder.
8. In reference to Note 47D(c) it is hereby informed that in case of manpower supply of contract MPCON raise invoice after receipt of certificate/confirmation from the concerned department. MPCON recognize income in our books of accounts in relevant month and simultaneously book expenses in relevant month for Manpower supply contract. In our opinion and as per Revenue recognition norms Bill for services are to be raised within 30 days of providing services but in instant case it has been observed that bills for the month of Jan, Feb and March are not raised to some parties nor corresponding expenses bill have been booked in books.
9. Out of total turnover it is noticed that total business carried with the MSME Regd. vendors amount to Rs 113.64 Crores while business with Non-Regd. MSME Vendors amounts to ₹ 100.77 Crores, as per the available records declaration from the relevant parties were not available. It is hereby suggested to obtain declaration from all relevant parties. We relied on the information submitted before us.

#### D. Emphasis of Matter - M/s IFCI Venture Capital Funds Limited

1. We draw attention to **Note 47C** of the Consolidated

Financial Statements, regarding change in accounting policy towards recognition of interest income on Stage 3 assets and write-off the amount which have no reasonable expectation of recovery w.e.f. April 01, 2021.

The results for the year were materially affected by Changes in accounting policies. The Board considered Memorandum No. 1856/23-24 and took note of the recommendation of the CAG after receiving the clarification from ICAI and RBI for recognition of interest income on Stage 3 assets in line with IND AS 109.

Accordingly, interest income for FY 2022-23 and 2021-22 has increased by INR 1,163.41 Lakhs and INR 1,266.84 Lakhs respectively. Since there is no expectation of recovery, the same has been written off as bad debts respectively. Hence, there is no impact on Net Profit/Net loss of these years respectively.

During the FY 2023-24, the company has recognized the Interest income of INR 1,117.10 Lakhs and written off the INR 1,104.29 Lakhs as bad debts, since there is no expectation of recovery for the same.

#### E. Emphasis of Matter - M/s IFCI Factors Limited

- We draw attention to **Note 47A(b)** of the Consolidated Financial Statements, where reversal of Deferred Tax Assets of ₹ 8637.51 Lakhs is Mentioned.
- We draw attention to **Note 47A(c)** in the Financial Statements. During the quarter ended September 30, 2023, the company has assigned 57 NPA loan accounts out of its 62 loan/investment accounts for INR. 1,321 lakhs. In view of the same there has been substantial reduction in the operations. At present, no fresh lending is being done. Therefore, the company's ability to continue as a going concern would depend upon its future action plan. Further, as informed by the management, the company has not sanctioned/dischursed any fresh loan during current financial. These events or conditions indicate that a material uncertainty exists that may cast doubt on the company's ability to continue as going concern.

Consolidated Opinion is not modified in respect of aforesaid matters.

#### 2. Key Audit Matters reported in main report

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matters	How our matter was addressed in the audit
1.	<b>Impairment of Loan Assets – Expected Credit Loss (ECL)</b> [Refer Note No.56 to the Consolidated Financial Statements read with accounting policy No. F(b)] The most significant areas where we identified greater levels of management judgment are:	<b>Our Audit Procedure includes:</b> We have obtained an understanding of the guidelines as specified in Ind AS 109 “Financial Instruments”, various regulatory updates and the Company's internal instructions and procedures in



S. No.	Key Audit Matters	How our matter was addressed in the audit
	<p>ECL model Impairment loss measurement requires use of statistical models to estimate the Probabilities of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). These models are key driver to measure ECL.</p> <p>Individually assessed classification of various Stages the carrying value of loans and advances to borrowers may be materially misstated if individual impairments are not appropriately identified and estimated.</p> <p>The effect of these matters is that, as part of our risk assessment, we determined that the value of ECL has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the Financial Statements as a whole.</p> <p>In the event of any improper application of assumptions, the carrying value of loan assets could be materially misstated either individually or collectively. In view of the significance of the amount of loan assets in the Consolidated Financial Statements, the impairment of loan assets thereon has been considered as Key Audit Matter in our audit.</p>	<p>respect of the expected credit loss and adopted the following audit procedures:</p> <p>Evaluation and understanding of the key internal control mechanisms with respect to the loan assets, assessment of the loan impairment including assessment of relevant data quality, and review of the real data entered.</p> <p>Verification/review of the documentations, operations/performance of Loan asset accounts, on test check basis of the large and stressed loan assets, to ascertain any overdue, unsatisfactory conduct or weakness in any loan asset account.</p> <p>Review of the reports of the internal audit and any other audit/inspection mechanisms to ascertain the loan assets having any adverse indication/ comments, and review of the control mechanisms of the Company to ensure the proper classification of such loan assets and expected credit loss thereof.</p> <p>The accuracy of critical data elements input into the system used for computation of PD and LGD.</p> <p>The completeness and accuracy of data flows from source systems into the ECL calculation.</p> <p>Independent assessment of all Loan assets based on IRACP norms of RBI.</p> <p><b>Our results:</b></p> <p>We considered the credit impairment charge and provision recognized and the related disclosures to be acceptable &amp; satisfactory.</p>
2.	<p><b><u>Valuation of financial instruments at Fair Value</u></b></p> <p>[Refer Note No. 55 to the Consolidated Financial Statements read with accounting policy No. F(b)]</p> <p>Company enters into derivative contracts in accordance with RBI guidelines to manage its currency and interest rate risk. These derivative contracts are categorized at FVTPL and</p>	<p><b><u>Our Audit Procedure includes:</u></b></p> <p>We involved our team to review the managements underlying assumptions in estimating the fair valuation arrived at for those financial derivative contracts and the possible outcome of the underlying contracts accruing any profit or loss to the company.</p>

S. No.	Key Audit Matters	How our matter was addressed in the audit
	<p>certain derivative contracts are designated under cash flow hedge (Hedge Accounting).</p> <p>We consider the valuation of the derivative financial instruments and hedge accounting as a key audit matter due to its material exposure and the fact that the inappropriate application of these requirements could lead to a material effect on the income statement.</p>	<p>Our team also considered general market practices and other underlying assumptions in arriving at such fair valuation of the financial derivative contracts as outstanding/pending for settlement as on March 31, 2024.</p> <p>Assessing whether the financial statement disclosures appropriately reflect the Company's exposure to derivatives valuation risks with reference to the requirements of the prevailing accounting standards and Reserve Bank of India Guidelines.</p> <p><b>Our results:</b></p> <p>We did not find any material misstatement in measuring derivative contracts at fair value and the related disclosures to be acceptable &amp; satisfactory.</p>
3.	<p><b><u>Assessment of Information Technology (IT)</u></b></p> <p>The key financial accounting and reporting processes are highly dependent on the automated controls over the Company's IT systems. There is a risk that improper segregation of duties or user access management controls (in relation to key financial accounting and reporting systems) may undermine our ability to place some reliance thereon in our audit.</p> <p>We have considered this as key audit matter as any control lapses, validation failures, incorrect input data and wrong extraction of data may result in wrong reporting of data to the management and regulators.</p>	<p><b><u>Our Audit Procedure includes:</u></b></p> <p>Evaluated sample of key controls operating over the information/input in relation to financial accounting and reporting systems.</p> <p><b>Our results:</b></p> <p>We did not find any material deficiencies as per our analysis of reports emanating from IT systems on Financial Accounting and reporting.</p>

**Information other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information obtained at the date of this auditor's report, but does not include the standalone Financial Statements, Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with



the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibilities for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, Consolidated cash flow and Consolidated changes in equity of the Group in accordance with accounting principles generally accepted in India, including Ind AS specified under section 133 of the Companies Act, 2013.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a

material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

## Report on Other Legal and Regulatory Requirements

1. As required under section 143(5) of the Companies Act, 2013, we enclose herewith, as per **Annexure "A"**, our report for the Group on the directions and sub-directions (Part A and Part B, respectively) issued by the Comptroller & Auditor General of India.
  2. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable, that:
    - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit the aforesaid Consolidated Financial Statements;
    - b) In our opinion, proper books of account as required by law maintained by the group, including relevant records relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
    - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
    - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under section 133 of the Act.
    - e) In terms of Notification No. GSR 463(E) dated 05.06.2015 issued by Ministry of Corporate Affairs, Government of India, provisions of Sub-section 2 of Section 164 of the Act, are not applicable to the Group, being Government Companies;
    - f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure "B"**; and
    - g) With respect to other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, since it is a government company, the provision of section 197 of the Act is not applicable to the company as per GSR 463 (E) dated June 05, 2015, issued by the Ministry of Corporate Affairs
    - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      - i. The Consolidated Financial Statements disclose the impact of pending litigations on the Consolidated financial position of the Group- Refer Note No. 37 to the Consolidated Financial Statements;
      - ii. The group has made appropriate adjustment in the Profit & Loss Account, as required under the applicable law and accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note No. 55 to the Financial Statements;
      - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India
  - iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose Financial Statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose Financial Statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose Financial Statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. During the year, M/s Stock Holding Corporation of India Limited, MPCON Limited and IFCI Infrastructure Development Limited declared or paid dividend during the year which is in compliance with Section 123 of the Companies Act, 2013 as per Statutory Auditor Report of M/s Stock Holding Corporation of India Limited and MPCON Limited.
  - vi. Based on our examination, which included test checks, the Company and its subsidiaries, has used accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit, we did not come across any instance of the audit trail being tampered with.
- As proviso to Rule 3(1) of the companies (Accounts) Rules, 2014 is applicable from April 1, 2023 reporting

under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the Auditor's reports on the Financial Statements of Company and its subsidiaries as at and for the year ended March 31, 2024, included in the Consolidated Financial Statements of the group, to which reporting under CARO is applicable, we did not find any

qualifications or adverse remarks (except observations) by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the Consolidated Financial Statements.

For **S MANN AND COMPANY**  
Chartered Accountants  
Firm Registration No: 000075N

**CA SUBHASH CHANDER MANN**  
**Partner**  
Membership No.: 080500  
UDIN: 24080500BKFBII7646

Place: New Delhi  
Date: April 30, 2024

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of IFCI Limited of even date on Consolidated Financial Statements)

### Part A - Directions

S. No.	Directions	Reply												
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, all the accounting transactions process through IT system. Yes, all the accounting transactions process through IT system. The income tax computation and deferred tax computation have been done manually on MS excel, however the accounting entries for both are passed through IT system only.												
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company)	There is no restructuring of loans availed by the company during the year under reference. There are no cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan. However, according to the information and explanations provided to us by the Company, company as a lender, following are case(s) of waiver/ write-off of debts/ loan/ interest etc. The details of such write-off/waiver are as under: <table border="1"> <thead> <tr> <th>S. No.</th><th>Nature of Dues</th><th>Amount (₹ in crores)</th></tr> </thead> <tbody> <tr> <td>A.</td><td>Waiver/Write-off/ Technical write-off of loans</td><td>437.26</td></tr> <tr> <td>B.</td><td>Recovery/Write-back of Amount Earlier Written off</td><td>61.43</td></tr> <tr> <td>C</td><td>Debtors write-offs</td><td>4.62</td></tr> </tbody> </table> It was informed that the waiver/write-off is decided on case-to-case basis with due assessment of the possibility of recovery/realization in each case considering the available security, status of the borrower/investee and pending litigation. The outstanding in technical write-offs/ waiver cases was fully provided for in the books of accounts to the extent of the amount of write-off/ waiver.	S. No.	Nature of Dues	Amount (₹ in crores)	A.	Waiver/Write-off/ Technical write-off of loans	437.26	B.	Recovery/Write-back of Amount Earlier Written off	61.43	C	Debtors write-offs	4.62
S. No.	Nature of Dues	Amount (₹ in crores)												
A.	Waiver/Write-off/ Technical write-off of loans	437.26												
B.	Recovery/Write-back of Amount Earlier Written off	61.43												
C	Debtors write-offs	4.62												
3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	There is no grant/subsidy received/receivable by the company from Central/ State Government or its agencies during the year under audit. Further, the funds received for Credit Enhancement Guarantee Scheme for Scheduled Castes and under various PLI Schemes have been properly accounted for and utilized as per terms and conditions of the scheme. The above information is solely based upon management representations and to the extent as per Para 5 & 6 of ‘Emphasis of Matters’ section of this report.												

### Part B – Sub-Directions

S. No.	Sub-Directions	Reply																				
1.	<b>Investments</b> Whether the titles of ownership in respect of CGS/SGS/ Bonds/Debentures etc. are available in physical/de-mat form and these, in aggregate, agree with the respective amounts shown in the Company's books of accounts? If not, details may be stated.	<p>According to the information and explanations provided by the Company and based on audit procedures performed by us, the titles of ownership in respect of CGS/ SGS/ Bonds/ Debentures, etc. are available in physical/de-mat form and these, in aggregate, agree with the respective amounts shown in the Company's books of accounts, except for the cases mentioned below:</p> <p>a) Where shares are lying in Demat or physical form but not accounted for in the books of accounts to the extent identified on test check basis.</p> <table><tr><th>S. No.</th><th>Company Name</th><th>Mode</th><th>No of shares</th></tr><tr><td>1</td><td>Hindalco India</td><td>Demat</td><td>1160</td></tr><tr><td>2</td><td>Mawana Sugars*</td><td>Demat</td><td>137</td></tr><tr><td>3</td><td>XPRO India</td><td>Demat</td><td>2325</td></tr><tr><td>4</td><td>JK Lakshmi Cement</td><td>Demat</td><td>180</td></tr></table> <p><i>*Shares Received in lieu of holding in SIEL Ltd and SIEL Sugar Ltd</i></p> <p>The company is in the process of claiming the aforesaid shares from the company and the Investor Education &amp; Protection Funds and would be taken in book after approval from competent authority.</p> <p>b) Where shares are accounted in the books of Account but are not available in Demat or physical form, to the extent identified on test check basis.</p>	S. No.	Company Name	Mode	No of shares	1	Hindalco India	Demat	1160	2	Mawana Sugars*	Demat	137	3	XPRO India	Demat	2325	4	JK Lakshmi Cement	Demat	180
S. No.	Company Name	Mode	No of shares																			
1	Hindalco India	Demat	1160																			
2	Mawana Sugars*	Demat	137																			
3	XPRO India	Demat	2325																			
4	JK Lakshmi Cement	Demat	180																			

S. No.	Sub-Directions	Reply				
		S. No.	Company Name		No of shares	
		1	LML LTD (PREF.)		21,50,912	
		2	OCM INDIA LTD		5,89,743	
		3	SAMCOR GLASS LTD		20,00,000	
		4	SOUTHERN WIND FARMS PVT. LTD.		1,00,000	
		5	ASHOK PAPER MILLS LTD (PREF.)		30,000	
		6	ASHOK PAPER MILLS LTD		3,00,000	
		7	CACHAR SUGAR MILLS LTD (PREF.)		14,953	
		8	KILBURN OFFICE AUTOMATION LTD		400	
		The company is in the process of requesting for issue duplicate shares certificate in respect of aforesaid companies.				
2.	<b>Loans</b> In respect of provisioning requirement of all restructured, rescheduled, renegotiated loan-whether a system of periodical assessment of realizable value of securities available against all such loans is in place and adequate provision has been created during the year? Any deficiencies in this regard, if any, may be suitably commented upon along with financial impact.	There is a system of assessment of realizable value of securities available for loan portfolio including restructured, rescheduled, renegotiated loans and is updated on quarterly basis. However, valuation exercise is undertaken on periodical basis or, as and when warranted by the circumstances.  In view of adoption of Ind AS norms the financial accounts of the company are drawn as per Ind AS. Impairment in the assets has been calculated in accordance with Ind AS by calculating Expected Credit Loss (ECL) in case of loans as per accounting policy of the company. The company is following the policy of provision on loan assets on the basis of Ind AS Norms vs IRAC Norms, whichever is higher.				
3.	Whether Resolution Plan/One Time Settlement (OTS) entered into by the Company with the borrower has been taken into consideration for booking of the outstanding loan amount and for adjustment of Impairment loss allowance	Proper accounting adjustments for impairment and settlement have been done with respect of OTS Settlements and resolution plan.				
4.	Review the valuation of investment(s) in common Associates/entities/Joint Venture by all group companies of IFCI to recognize impairment, if any. Discrepancies/deficiencies, if any, may be suitably highlighted in Audit Report (applicable on consolidated financial statements only).	It is observed that investment in JBMFPL and BCIL is recorded at a value equal to or less than the book value as per their financial statements as on 31/03/2023. The difference in valuations recorded within the IFCI group entities is either on account of different date of valuation or difference in valuation assumptions.				
		S No.	Common Associate/ Entity/ Joint Venture	Shareholding by IFCI Group	Fair Valuation recorded as on 31/03/2024 in the Books	Remark
		1	Jangipur Bengal Mega Food Park Ltd. (JBMFPL)	IIDL: 15.83% IVCF: 7.82%	IIDL: ₹ 5.30 per share IVCF: ₹ 1.14 per share	Book value of JBMFPL as on 31/03/2023 available at the time of finalization of accounts: ₹ 8.15 per share
		2	Biotech Consortium India Ltd. (BCIL)	IFCI: 18.62% IVCF: 3.72%	IFCI: ₹ 55.20 per share IVCF: ₹ 0.00 per share	Book value of BCIL as on 31/03/2023 available at the time of finalization of accounts: ₹ 55.20 per share

For **S MANN AND COMPANY**  
Chartered Accountants  
Firm Registration No: 000075N

**CA SUBHASH CHANDER MANN**  
Partner  
Membership No.: 080500  
UDIN: 24080500BKFBII7646

Place: New Delhi  
Date: April 30, 2024



## ANNEXURE “B” TO THE INDEPENDENT AUDITORS REPORT

**(Referred to in paragraph 2(f) under Report on Other Legal and Regulatory Requirements section of our report to the members of IFCI Limited of even date on Consolidated Financial Statements)**

### **Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the Consolidated Financial Statements of IFCI Limited (hereinafter referred to as “the Company”) as of and for the year ended 31 March, 2024, we have audited the internal financial controls with reference to Consolidated Financial Statements of the company and its subsidiary companies, which are companies incorporated in India, as of that date.

#### **Managements Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to Consolidated Financial Statements that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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.

#### **Auditors Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to Consolidated Financial Statements of the Company and its subsidiaries, which are companies incorporated in India 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors judgment, including the assessment of the risks of material misstatement of the Consolidated 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 with reference to Consolidated Financial

Statements of the Company and its subsidiary companies, which are companies incorporated in India.

#### **Meaning of Internal Financial Controls with reference to Consolidated Financial Statements**

A company’s internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to Consolidated Financial Statements**

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

#### **Opinion**

In our opinion, to the best of our knowledge and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at 31 March, 2024, based on the criteria for internal control with reference to Consolidated Financial Statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Opinion is not modified in respect of aforesaid matter.

**For S MANN AND COMPANY**  
Chartered Accountants  
Firm Registration No: 000075N

**CA SUBHASH CHANDER MANN**  
Partner  
Membership No.: 080500  
UDIN: 24080500BKFBII7646

Place : New Delhi  
Date : April 30, 2024

**IFCI LTD.**

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024**

(All amounts are in Rupees crores unless otherwise stated)

	Note	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>I. ASSETS</b>				
<b>(1) Financial Assets</b>				
(a) Cash and cash equivalents	3	1,298.10	1,036.77	966.30
(b) Bank balance other than (a) above	4	3,748.28	2,720.15	1,328.15
(c) Derivative financial instruments	5	-	14.83	2.02
(d) Trade receivables	6	306.33	239.05	242.57
(e) Loans	7	1,363.15	1,907.98	2,623.48
(f) Investments	8	8,677.93	7,700.07	6,540.90
(g) Other financial assets	9	1,410.28	786.06	734.77
<b>Total financial assets</b>		<b>16,804.07</b>	<b>14,404.91</b>	<b>12,438.19</b>
<b>(2) Non-financial Assets</b>				
(a) Investment accounted using equity method	10	-	-	-
(b) Inventories		69.66	71.46	73.89
(c) Current tax assets (Net)		90.84	82.34	68.97
(d) Deferred tax Assets (Net)	11	0.00	430.02	924.40
(e) Investment property	12	284.03	298.16	286.76
(f) Property, plant and equipment	13	936.46	962.65	960.90
(g) Capital work-in-progress		12.53	5.49	11.51
(h) Intangible assets under development		0.23	5.64	4.11
(i) Goodwill	14	446.64	446.64	446.64
(j) Other intangible assets	15	66.59	56.38	47.01
(k) Other non-financial assets	16	157.11	167.52	217.43
<b>Total non-financial assets</b>		<b>2,064.09</b>	<b>2,526.29</b>	<b>3,041.62</b>
Assets held for sale	17	49.41	7.54	7.54
<b>Total assets</b>		<b>18,917.57</b>	<b>16,938.73</b>	<b>15,487.35</b>
<b>II. LIABILITIES AND EQUITY</b>				
<b>(1) Financial Liabilities</b>				
(a) Derivative financial instruments	5	13.94	-	-
(b) Payables				
(I) Trade payables				
(i) Total outstanding dues of MSMEs	18	1.86	17.89	0.87
(ii) Total outstanding dues of creditors other than MSMEs		461.09	257.13	390.00
(II) Other Payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
(II) Other payables				
(i) Total outstanding dues of MSMEs	18	-	-	-
(ii) Total outstanding dues of creditors other than MSMEs		-	-	2.23
(c) Debt securities	19	4,276.21	4,733.59	5,095.43
(d) Borrowings (other than debt securities)	20	346.10	511.55	1,025.02
(e) Subordinated liabilities	21	744.67	774.67	974.66
(f) Other financial liabilities	22	5,039.23	3,756.33	2,752.23
<b>Total financial liabilities</b>		<b>10,883.12</b>	<b>10,051.16</b>	<b>10,240.44</b>
<b>(2) Non-Financial Liabilities</b>				
(a) Provisions	23	125.13	183.65	156.68
(b) Deferred tax liabilities (Net)	11	208.47	-	-
(b) Other non-financial liabilities	24	21.54	35.08	35.67
<b>Total non-financial liabilities</b>		<b>355.14</b>	<b>218.73</b>	<b>192.35</b>
<b>(3) Equity</b>				
(a) Equity Share capital	25	2,489.61	2,195.93	2,102.99
(b) Other Equity	26	2,044.63	1,570.79	715.10
<b>Equity attributable to equity holders of the parent</b>		<b>4,534.24</b>	<b>3,766.72</b>	<b>2,818.09</b>
Non controlling interest		3,145.07	2,902.12	2,236.47
<b>Total equity</b>		<b>7,679.31</b>	<b>6,668.84</b>	<b>5,054.56</b>
<b>Total liabilities and equity</b>		<b>18,917.57</b>	<b>16,938.73</b>	<b>15,487.35</b>

The accompanying notes are an integral part of these financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors of IFCI Limited

For **S MANN AND COMPANY**  
Chartered Accountants  
ICAI Firm registration No.: 000075N

**MANOJ MITTAL**  
Managing Director &  
Chief Executive Officer  
DIN 01400076

**RAHUL BHAVE**  
Deputy Managing  
Director  
DIN 09077979

**UMESH KUMAR GARG**  
Independent Director  
DIN 00599426

**CA SUBHASH CHANDER MANN**  
Partner  
Membership No.: 080500

**SUNEET SHUKLA**  
Chief General Manager &  
Chief Financial Officer

**PRIYANKA SHARMA**  
Company Secretary

Place: New Delhi  
Dated: 30 April 2024



**IFCI LTD.**

**STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024**

(All amounts are in Rupees crores unless otherwise stated)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)
<b>I. Revenue from operations</b>				
Interest income	27	553.83	591.67	924.97
Dividend income		183.36	105.60	62.39
Rental income		39.68	49.94	26.76
Fees and commission income	28	539.96	489.59	62.46
Net gain on fair value changes	29	212.18	86.42	46.21
Sale of products (including Excise Duty)		0.85	2.31	22.29
Sale of services		456.72	369.11	655.17
<b>Total Revenue from operations</b>		<b>1,986.58</b>	<b>1,694.64</b>	<b>1,800.25</b>
<b>II. Other Income</b>	30	<b>128.24</b>	<b>33.73</b>	<b>43.44</b>
<b>III. Total Income</b>		<b>2,114.82</b>	<b>1,728.37</b>	<b>1,843.69</b>
<b>IV. Expenses</b>				
Finance Costs	31	571.13	641.62	943.07
Fees and commission expense		98.39	92.55	76.86
Net loss on fair value changes	29	-	-	0
Impairment on financial instruments	32	(294.28)	123.36	1639.29
Cost of materials consumed		3.17	4.05	15.69
Purchases of Stock-in-trade		0.31	0.61	10.39
Employee Benefits Expenses	33	313.73	303.85	311.04
Depreciation and Amortization	34	80.89	73.93	66.39
Others expenses	35	593.69	461.08	303.25
<b>Total Expenses</b>		<b>1,367.03</b>	<b>1,701.05</b>	<b>3,365.98</b>
<b>V. Profit / (loss) before exceptional items and tax (III- IV)</b>		<b>747.79</b>	<b>27.32</b>	<b>(1,522.29)</b>
Exceptional items		(3.09)	1.24	1.02
<b>VI. Profit/(Loss) before tax</b>		<b>750.88</b>	<b>26.08</b>	<b>(1,523.31)</b>
<b>VII. Tax Expense:</b>				
- Current Tax		54.88	45.43	35.11
- Taxation for earlier years		1.15	0.07	-
- Deferred Tax (Net)	11	453.80	100.36	202.78
Total Tax expense		509.83	145.86	237.89
<b>VIII. Profit/(loss) for the period</b>		<b>241.05</b>	<b>(119.78)</b>	<b>(1,761.20)</b>
Share of net profit of associates and joint ventures accounted for using the equity method		-	-	-
<b>IX. Profit/(Loss) for the period</b>		<b>241.05</b>	<b>(119.78)</b>	<b>(1,761.20)</b>
<b>X. Other Comprehensive Income</b>				
<b>A. (i) Items that will not be reclassified to profit or loss</b>				
- Fair value changes on FVTOCI - Equity securities		693.39	1,710.86	2,444.49
- Gain/(loss) on sale of FVTOCI - Equity securities		(183.32)	(53.33)	(102.70)
- Actuarial gain/(loss) on Defined benefit obligation		(5.53)	2.08	1.85
<b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b>				
- Tax on Fair value changes on FVTOCI - Equity securities		(180.71)	(390.82)	(565.28)
- Tax on Actuarial gain/(loss) on Defined benefit obligation		1.49	(0.67)	0.02
<b>Subtotal (A)</b>		<b>325.32</b>	<b>1,268.12</b>	<b>1,778.38</b>
<b>B. (i) Items that will be reclassified to profit or loss</b>				
- Debt securities measured at FVTOCI - net change in fair value		13.54	(0.75)	(10.54)
- Debt securities measured at FVTOCI - reclassified to profit and loss		-	-	-
- Exchange differences in translating the financial statements of a foreign operation		0.21	1.30	0.50
<b>(ii) Income tax relating to items that will be reclassified to profit or loss</b>				
- Tax on Fair value changes on FVTOCI - Debt securities		(4.74)	0.24	(13.80)
<b>Subtotal (B)</b>		<b>9.01</b>	<b>0.79</b>	<b>(23.84)</b>
<b>Other Comprehensive Income (A + B)</b>		<b>334.33</b>	<b>1,268.91</b>	<b>1,754.54</b>
<b>XI. Total Comprehensive Income for the period</b>		<b>575.38</b>	<b>1,149.13</b>	<b>(6.66)</b>
<b>XII. Profit for the year attributable to Equity holders of the parent</b>		<b>103.66</b>	<b>(207.80)</b>	<b>(1,831.34)</b>
Non-controlling interest		137.40	87.98	70.14
<b>XIII. Other Comprehensive income attributable to Equity holders of the parent</b>		<b>157.12</b>	<b>656.25</b>	<b>910.94</b>
Non-controlling interest		177.21	612.68	843.62
<b>XIV. Total comprehensive income for the year attributable to Equity holders of the parent</b>		<b>260.78</b>	<b>448.45</b>	<b>(920.40)</b>
Non-controlling interest		314.61	700.66	913.76
<b>XV. Earnings per equity share</b>				
Basic Earnings per share of ₹ 10.00 each		0.42	(0.95)	(8.71)
Diluted Earnings per share of ₹ 10.00 each		0.42	(0.95)	(8.71)

The accompanying notes are an integral part of these financial statements.

As per our report of even date attached

For **S MANN AND COMPANY**  
Chartered Accountants  
ICAI Firm registration No.: 000075N

**CA SUBHASH CHANDER MANN**  
Partner  
Membership No.: 080500

Place: New Delhi  
Dated: 30 April 2024

For and on behalf of the Board of Directors of **IFCI Limited**

**MANOJ MITTAL**  
Managing Director &  
Chief Executive Officer  
DIN 01400076

**SUNEET SHUKLA**  
Chief General Manager &  
Chief Financial Officer

**RAHUL BHAVE**  
Deputy Managing  
Director  
DIN 09077979

**PRIYANKA SHARMA**  
Company Secretary

**UMESH KUMAR GARG**  
Independent Director  
DIN 00599426

**IFCI LTD.**

**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDING 31 MARCH 2024**

(All amounts are in Rupees crores unless otherwise stated)

	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	750.88	26.08
Adjustments for:		
Depreciation and amortisation	80.89	73.93
Impairment provision/ write offs	(381.24)	(86.14)
Unrealised gain/(loss) on investments	(295.96)	248.14
Impairment on Asset Held for Sale	(49.37)	-
(Profit)/ Loss on Sale of Assets	(0.23)	(0.22)
Reamusement of Defined Benefit Plan	0.16	-
Net Gain or loss on fair value Changes	(4.40)	-
Gain on Sale of Investments	(0.25)	-
Dividend received	(183.36)	(105.60)
Finance Cost	572.82	-
Interest income	-	-
Interest Received	-	-
Interest Paid	-	-
Dividend Received	113.10	105.60
Bad Debts & Provision	10.47	-
Subsidy From Govt	(0.06)	-
Operating Profit before Working Capital Changes & Operating Activities	613.44	261.79
Interest Received and Paid		
Interest Paid	(440.40)	(641.62)
Interest Received	415.46	591.67
Adjustments for Operating Activities:		
(Increase)/ decrease in Investments	(291.00)	249.47
(Increase)/ decrease in Inventory	-	2.43
(Increase)/ decrease in Loans & Advances	403.06	801.65
(Increase)/ decrease in Derivative Financial Instruments	28.77	(12.81)
Increase/ (decrease) in Trade Payables	168.46	(118.08)
Increase/ (decrease) in Subordinated Liabilities	(30.00)	(199.99)
(Increase)/ decrease in Receivables	(76.62)	3.52
Increase/ (decrease) in Debt Securities	(218.57)	(361.84)
Increase/ (decrease) in Borrowings	(306.51)	(513.47)
Operating Profit before Working Capital Changes	266.09	62.72
Adjustments for:		
(Increase)/ decrease in Other Financial Assets	(27.31)	(51.29)
Increase/ (decrease) in Other Non-financial Asset	(13.55)	51.21
Increase/ (decrease) in Other Financial Liability	583.78	1,021.43
Increase/ (decrease) in Other Non-financial Liability	-	(0.59)
Increase/ (decrease) in Provision	10.07	29.05
Increase/ (decrease) in other bank balances	(757.47)	(1,392.00)
Increase/ (decrease) Other Current Asset/Liability	14.02	-
Cash Flow before taxation	(190.46)	(342.19)
Income Tax (paid)/ refund - Net	(63.77)	(56.10)
Net cash flow from Operating Activities	11.87	(335.57)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of / Advance for property, plant and equipments (including Leased property)	(44.01)	(64.48)
Proceeds from sale of investment property	-	(11.39)
Purchase of/ Advance for Intangible Asset	(0.03)	(1.07)
Deposit Matured	(301.93)	-
Proceeds from sale of property, plant and equipments (including leased property)	7.68	17.98
Dividend received	183.36	-
Net cash flow from Investing Activities	(154.93)	(58.96)

(All amounts are in Rupees crores unless otherwise stated)

	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Share application money received	500.00	400.00
Subsidy From Government	0.06	
Lease Payments	(16.24)	
Interest Paid	(7.78)	
Issue of Equity Shares	-	92.94
Share Premium (net of expenses)	-	7.06
Dividend paid	(71.66)	(35.00)
<b>Net cash flow from Financing Activities</b>	<b>404.39</b>	<b>465.00</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalent Flow (A+B+C)</b>	<b>261.33</b>	<b>70.47</b>
 Add : Cash and Cash Equivalents at beginning of the financial year	 1,036.77	 966.30
<b>Cash and Cash Equivalents at the end of the financial year</b>	<b>1,298.10</b>	<b>1,036.77</b>
<b>Details of Cash and Cash Equivalents at the end of the year:</b>		
Cash in hand (including postage stamps)	2.48	3.98
Balances with Banks		
- Bank balance	907.21	655.45
- Bank Deposits	74.66	341.51
Collaterised borrowings lending operations (CBLO)	313.75	35.83
Cheques on hand & under collection and remittances in transit	-	-
<b>Total Cash and Cash Equivalents at the end of the year</b>	<b>1,298.10</b>	<b>1,036.77</b>

The above statement of cash flows has been prepared under the Indirect Method as per guidelines set out in Ind AS 7 'Statement of cash Flows'.

The accompanying notes are an integral part of these financial statements.

As per our report of even date attached

For **S MANN AND COMPANY**  
Chartered Accountants  
ICAI Firm registration No.: 000075N

**CA SUBHASH CHANDER MANN**  
Partner  
Membership No.: 080500

**Place:** New Delhi

**Dated:** 30 April 2024

For and on behalf of the Board of Directors of **IFCI Limited**

**MANOJ MITTAL**  
Managing Director &  
Chief Executive Officer  
DIN 01400076

**SUNEET SHUKLA**  
Chief General Manager &  
Chief Financial Officer

**RAHUL BHAVE**  
Deputy Managing  
Director  
DIN 09077979

**PRIYANKA SHARMA**  
Company Secretary

**UMESH KUMAR GARG**  
Independent Director  
DIN 00599426

**IFCI LTD.**

**STATEMENT OF CHANGES IN EQUITY (CONSOLIDATED) FOR THE YEAR ENDED 31 MARCH 2024**

(All amounts are in Rupees crores unless otherwise stated)

a. Equity Share Capital																				
Balance as at 01 April 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01 April 2021	Changes in equity share capital during the year	Balance as at 31 March 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 31 March 2022	Changes in equity share capital during the year	Balance as at 31 March 2023												
2,102.99	-	2,102.99	92.94	2,195.93	-	2,195.93	293.68	2,489.61												
b. Other Equity																				
Particulars	Reserves and Surplus																			
	Deemed equity contribution- Shareholders	Share application money pending allotment	Reserve us 43C of RBI Act	Special Reserve under Section 36(1) (viii) of the Income Tax Act, 1961	Capital Reserve	Contingency reserve	Securities Premium Reserve	Capital Redemption Reserve	Debiture Reserve	Amalgamation reserve	General Reserve	Impairment Reserve	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Foreign currency translation reserve	Remeasurements of the defined benefit plans	Total attributable to equity holders of the parent	Total non controlling interest	Total
Balance as at 31 March, 2022	335.82	-	924.75	136.74	0.85	68.19	1,125.06	300.05	100.58	(0.80)	540.39	138.37	(4,144.22)	(2.79)	1,137.54	0.61	52.54	715.10	2,236.47	2,951.55
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-	(207.80)	0.18	655.30	0.69	0.75	448.63	700.66	1,149.29
Transfer to/from retained earnings	-	-	1.10	-	-	52.00	-	-	-	-	13.66	9.05	(75.88)	-	0.08	-	-	0.00	-	0.00
Application money transfer during the year	-	-	-	-	-	-	7.06	-	-	-	-	-	-	-	-	-	-	7.06	-	7.06
Application money received during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	400.00	-	400.00
Dividends paid including tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(35.00)	(35.00)
Others	-	-	-	-	-	-	-	-	-	-	-	-	(0.00)	-	-	-	-	(0.00)	-	(0.00)
Balance as at 31 March, 2023	335.82	400.00	925.84	136.74	0.85	120.19	1,132.12	300.05	100.58	(0.80)	554.05	148.82	(4,427.91)	(2.81)	1,792.82	1.30	53.30	1,570.79	2,002.12	4,472.81
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-	103.66	8.80	150.09	0.11	(1.88)	260.78	314.61	575.39
Transfer to/from retained earnings	-	-	0.24	-	-	92.50	-	-	-	-	17.81	(42.23)	(68.32)	-	-	-	-	-	-	-
Application money transfer during the year	-	(400.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(293.69)	-	(293.69)
Application money received during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	500.00	-	500.00
Dividends paid including tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(71.66)	(71.66)	(71.66)
Others	-	-	-	-	-	-	-	-	-	-	-	-	6.77	-	-	-	-	6.77	-	6.77
Balance as at 31 March, 2024	335.82	500.00	926.09	136.74	0.85	212.68	1,238.44	300.05	100.58	(0.80)	571.86	106.39	(4,383.80)	6.19	1,943.01	1.41	51.42	2,044.63	3,145.07	5,189.73

The accompanying notes are an integral part of these financial statements.

As per our report of even date attached

For **S MANN AND COMPANY**  
Chartered Accountants  
ICAI Firm registration No.: 000075N

For and on behalf of the Board of Directors of **IFCI Limited**

**MANOJ MITTAL**  
Managing Director &  
Chief Executive Officer  
DIN 01400076

**RAHUL BHAVE**  
Deputy Managing  
Director  
DIN 09077979

**UMESH KUMAR GARG**  
Independent Director  
DIN 00599426

**CA SUBHASH CHANDER MANN**  
Partner  
Membership No.: 080500

**PRIYANKA SHARMA**  
Company Secretary

**SUNEET SHUKLA**  
Chief General Manager &  
Chief Financial Officer

**Place:** New Delhi  
**Dated:** 30 April 2024

(All amounts are in Rupees crores unless otherwise stated)

## ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

### 1 GROUP INFORMATION

#### A Background

IFCI Limited ("the Company"), incorporated in Delhi, India is a Non-Banking Finance Company in the public sector. Established in 1948 as a statutory corporation, IFCI is currently a company listed on BSE and NSE. The Company provide financial support for the diversified growth of Industries across the spectrum. The financing activities cover various kinds of projects such as airports, roads, telecom, power, real estate, manufacturing, services sector and such other allied industries. The Group's registered office is at 61 Nehru Place, New Delhi-110 019. The Company together with its subsidiaries are collectively referred to as "the Group".

### 2 MATERIAL ACCOUNTING POLICIES

#### A Basis of Preparation of Financial Statements

The consolidated financial statements for the year ended March 31, 2024 have been prepared by the Group in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in this regard.

For periods up to and including the year ended March 31, 2018, the Group presented its financial statements on accrual basis under historical cost convention, and conform in all material aspects to the Generally Accepted Accounting Principles in India ("Indian GAAP" or "previous GAAP") which encompasses applicable accounting standards relevant provisions of the Companies Act, 2013, the applicable guidelines issued by the Reserve Bank of India (RBI) for Non-Banking Financial Companies, other statutory provisions and regulatory framework.

The accounting policies set out below have been applied consistently to the periods presented in these Consolidated financial statements.

The financial statements were authorised for issue by the Group's Board of Directors on 30 April 2024.

#### B Functional and Presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Group's functional and presentation currency. All amounts have been denominated in crores and rounded off to the nearest two decimal, except when otherwise indicated.

#### C Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following material items:

- Financial assets at FVTOCI that is measured at fair value
- Financial instruments at FVTPL that is measured at fair value
- Net defined benefit (asset)/ liability - fair value of plan assets less present value of defined benefit obligation
- Assets held for sale - Measured at fair value less cost to sale

#### D Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities and assets) as on the date of the financial statements and the reported income and expenses for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

#### E Principles of consolidation and equity accounting

##### a. Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

##### b. Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.

##### c. Joint ventures

Interests in joint ventures are accounted for using the equity method (see (d) below), after initially being recognised at cost in the consolidated balance sheet.

##### d. Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

#### F Material accounting policies

The Group has consistently applies the following accounting policies to all periods presented in these financial statements.

(All amounts are in Rupees crores unless otherwise stated)

**a. Revenue recognition**

- i. Interest income from financial assets is recognised on an accrual basis using Effective Interest Rate ('EIR') method. The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate to the net carrying amount of the financial asset. The EIR is computed basis the expected cash flows by considering all the contractual terms of the financial instrument. The calculation includes all fees, transaction costs, and all other premiums or discounts paid or received between parties to the contract that are an integral part of the effective interest rate.  
The interest revenue continues to be recognised at the original EIR applied on the gross carrying amount for financial assets (when the asset is not credit impaired). During financial year 2023-24, the Company has changed its accounting policy whereby income on stage 3 assets (except on assets which are standard under IRAC norms) shall be recognized in books of accounts with effect from 01st April 2021. For financial assets that were credit impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset. The increase in gross carrying amount of Stage 3 assets shall be written off to the extent of Stage 3 interest income where there is no reasonable expectation of recovery.
- ii. Penal interest and other overdue charges which are not included in effective interest rate is recognised on realisation, due to uncertainty of realisation and is accounted for accordingly.
- iii. Amount received from borrowers against loans and advances are appropriated due date-wise towards other debits, interest overdue and principal overdue, in that order, across the due dates, except in the case of one time or negotiated settlements, where the appropriation is done as per the terms of the settlement.
- iv. Premium on pre-payment of loans/ reduction in interest rates is recognised as income on receipt basis.
- v. Dividends declared by the respective Companies till the close of the accounting period are accounted for as income when the right to receive the dividend is established.
- vi. LC Commission is recognised over time as the services are rendered as per the terms of the contract.
- vii. The dividend unclaimed on account of shares sold and outstanding in the books are recognised as income after the end of three years, the limitation period.
- viii. Custodial fees are accrued monthly on the basis of daily/weekly average holdings in custody or the net asset value of holding/assets under management in the electronic segment.
- ix. Annual maintenance charges received from beneficiary account holders/clearing members for depository services are amortised on time proportion basis over the period of contract. Interest on delayed payment charges recognised on receipt basis.
- x. Service charges received are recognised as income on completion of post trading operations. A post trading operation is treated as complete on settlement under the electronic segment and on lodgement/ delivery of securities under the paper segment.
- xi. Income by way of fees for project advisory and Execution services is recorded on accrual basis as per services rendered pursuant to specific service agreements.
- xii. Income by way of fees for project consultancy services is recorded on accrual basis as per service rendered pursuant to the specific service agreements.
- xiii. Income from Digitization Services and software services are recognized on percentage completion method. Income from software products is recognized on delivery/installation of the software product.
- xiv. Revenue from hospitality services is recognised on accrual basis:
  - (i) Selling price is determined on the basis of published rack rate less discount offered to customers
  - (ii) Income in foreign exchange: The bills for services rendered are raised in Indian Rupees. The payment received in foreign currency against these bills, is credited and accounted for at the rate/ rates prevalent on the date of receipt of payment. The gains/ losses arising out of the fluctuation in the exchange rates are accounted for on realization.
- xv. Revenue from real estate development of constructed properties is recognised on the "percentage of completion method". Sales consideration as per legally enforceable agreements to sell entered into is recognized as revenue based on percentage of actual project cost incurred to total estimated project cost, subject to following:-
  - a) Actual cost incurred is not less than 25% of the total estimated project cost.
  - b) No significant uncertainty exist regarding receipt of consideration from customers.
  - c) In case of overdue, on actual realization basis.
  - d) All significant risk and rewards are transferred to customer.

Project cost includes cost of land, estimated cost of construction and development of such properties. The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates recognised in the period such changes are determined.
- xvi. Revenue from external project services is recognized based on the Cost plus method. A fixed markup percentage is added to the cost incurred towards construction and the total is recognized as revenue. The stage of completion is determined on the basis of work completion certificate obtained from engineer/architect.
- xvii. Commission and brokerage incomes are recognised at the point of time when services are rendered. Income where rendering of service is controlled by another party being dependent on allotments or as a trail income are recognised on certainty of realization.
- xviii. Revenue from sale of goods is recognized on transfer of all significant risks and rewards of ownership to the buyer (net of Goods and Services Tax, sales returns and trade discount) and when control is passed on to the customers.
- xix. Depository Services incomes are recognised on the basis of agreements entered into with clients and when the right to receive the income is established.
- xx. Insurance Commission from Agency business is booked upon actual receipt of commission from the principal.
- xxi. Income from factoring and other financing activities is accounted on accrual basis except in the case of non-performing asset where income is accounted on realization basis as per prudential guidelines laid down by the RBI.
- xxii. Brokerage income is recognized on the trade date of the transaction upon confirmation of transactions by exchanges.
- xxiii. Recovery from bad debts written off is recognised as income on the basis of realisation from customers.

(All amounts are in Rupees crores unless otherwise stated)

**b. Financial instruments**

**I. Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. However, trade receivables that do not contain a significant financing component are measured at transaction price.

**II. Classifications and subsequent measurement**

**Financial assets**

On initial recognition, a financial asset is classified as subsequently measured at either amortised cost or fair value through other comprehensive income ('FVTOCI') or FVTPL, depending on the contractual cash flow characteristics of the financial assets and the Group's business model for managing the financial assets.

**Business Model Assessment**

The Group makes an objective assessment of the business model in which an asset is held at a portfolio level, because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realized;

The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

**Financial assets at Amortised Cost**

A financial asset is measured at amortised cost only if both of the following conditions are met:

- It is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Subsequently, these are measured at amortised cost using the effective interest rate (EIR) method less any impairment losses.

**Financial assets at Fair Value through Other Comprehensive Income ('FVTOCI')**

A financial asset is measured at FVTOCI only if both of the following conditions are met:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Subsequently, these are measured at fair value and changes therein, are recognised in other comprehensive income. Impairment losses on said financial assets are recognised in other comprehensive income and do not reduce the carrying amount of the financial asset in the balance sheet

**Financial assets at Fair Value through Profit and Loss (FVTPL)**

Any financial instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL. Subsequently, these are measured at fair value and changes therein, are recognised in profit and loss account.

**Investment in equity instruments**

All equity investments in scope of Ind AS 109 are measured at FVTPL.

Subsequently, these are measured at fair value and changes therein, are recognised in profit and loss account. However on initial recognition of an equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment by investment basis.

**Derivative instruments**

All derivative instruments are measured as FVTPL.

**Financial liabilities and equity instruments**

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised cost, as appropriate and is accordingly accounted for.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognised at the proceeds received, net of directly attributable transaction costs.

**III. Measurement Basis**

**Amortised cost**

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the EIR method of discount or premium on acquisition and fees or costs that are an integral part of the EIR and, for financial assets, adjusted for any loss allowance.



(All amounts are in Rupees crores unless otherwise stated)

#### **Fair Valuation**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

#### **IV. De-recognition/Modification of financial assets and financial liabilities**

Derecognition of financial assets and financial liabilities

##### **Financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or fully recovered or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. The Group also recognises a liability for the consideration received attributable to the Group's continuing involvement on the asset transferred. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset de-recognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

##### **Financial liabilities**

The Group de-recognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

#### **V. Modifications of financial assets and financial liabilities**

##### **Financial assets**

If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the modification results in derecognition of the original financial asset and new financial asset is recognised at fair value.

If the cash flows of the modified asset are not substantially different, then the modification does not result in de-recognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset by recomputing the EIR rate on the instrument.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

##### **Financial liabilities**

The Company de-recognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

If the modification is not accounted as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original EIR and the resulting gain or loss is recognized in profit or loss. Any costs or fees incurred adjust the carrying amount of the modified financial liability and are amortised over the remaining term of the modified financial liability by recomputing the EIR rate on the instrument.

#### **VI. Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when the Group has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

#### **VII. Impairment of Financial Assets**

The Group recognises impairment allowances for ECL on all the financial assets that are not measured at FVTPL:

- financial assets that are debt instruments
- lease receivables
- financial guarantee contracts issued
- loan commitment issued

No impairment loss is recognised on equity investments

(All amounts are in Rupees crores unless otherwise stated)

ECL are probability weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit impaired – as the present value of all cash shortfalls that are possible within 12 months after the reporting date.
- financial assets with significant increase in credit risk but not credit impaired – as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial asset.
- financial assets that are credit impaired – as the difference between the gross carrying amount and the present value of estimated cash flows
- undrawn loan commitments – as the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn down and the cash flows that the Group expects to receive With respect to trade receivables and other financial assets, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For financial assets at FVTOCI, the loss allowance is recognised in OCI.

### VIII. Write-off

Financial assets are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss as an adjustment to impairment on financial assets.

### c. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

#### I. The Group as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

#### II. The Group as lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such cost incurred. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

### d. Employee benefits

#### i. Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### ii. Post employment benefits

##### a. Defined contribution plans

###### Pension

Prior to 1 April 2008, the employees were governed by the provisions of the pension scheme in operation at the time of their retirement and are accordingly entitled to DA relief and family pension as and when due. The contribution made on account of same is charged to revenue as and when due. The Group switched to defined contribution scheme in August 2008 for employees existing on 1 April 2008 and opting for the same. The administration of Pension Fund in respect of the employees has been entrusted by Trustees to Life Insurance Corporation of India (LIC) by entering into a Group Superannuation Cash Accumulation Scheme.

###### Provident fund

Group Companies other than IFCI, Factors Ltd & MPCON pays provident fund contributions to publicly administered provident funds as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

##### b. Defined benefit plans

###### Provident Fund

IFCI, Factors Ltd & MPCON pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The contributions to the fund for the year are recognized as expense and are charged to the profit or loss. The obligation of the Group is to make such fixed contributions and to ensure a minimum rate of return to the members as specified by the Government of India (GoI).

###### Gratuity

The Group has a defined benefit employee scheme in the form of Gratuity. The Trustees of the scheme have entrusted the administration of related fund to LIC. Expense for the year is determined on the basis of actuarial valuation of the Group's year-end obligation in this regard and the value of year end assets of the scheme. Contribution is deposited with LIC based on intimation received by the Group.

(All amounts are in Rupees crores unless otherwise stated)

#### **Medical facility**

The Group has a post-retirement medical benefit scheme for employees and their dependents subject to certain limits for hospitalization and normal medical treatment.

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current costs and the fair value of any plan assets, if any is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Accrued Benefit Method (same as Projected Unit Credit Method), which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan.

The change in defined benefit plan liability is split into changes arising out of service, interest cost and re-measurements and the change in defined benefit plan asset is split between interest income and re-measurements. Changes due to service cost and net interest cost / income is recognized in the statement of profit and loss. Re-measurements of net defined benefit liability / (asset) which comprise of the below are recognized in other comprehensive income:

- Actuarial gains and losses;
- The return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset)

#### **iii. Other long term employee benefits**

Benefits under the Group's leave encashment and leave fare concession constitute other long term employee benefits. The Group's net obligation in respect of leave encashment is the amount of future benefit that employees have present value, and the fair value of any related assets is deducted. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognized in profit or loss in the period in which they arise. Provision for Leave fare concession is being made on actuarial valuation basis.

#### **e. Income Taxes**

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of temporary differences between tax base and book base). It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

##### **I. Current tax**

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Minimum alternative tax ("MAT") under the provisions of the Income Tax Act, 1961 is recognised as current tax in the statement of profit and loss.

Current tax assets and liabilities are offset only if, the Group:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

##### **II. Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if the Group:

- a) has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

#### **f. Property, plant and equipment and Investment property**

##### **Recognition and measurement**

Property, plant and equipment held for use or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. The cost includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

Investment Property consists of building let out to earn rentals. The Group follows cost model for measurement of investment property.

##### **Depreciation**

Depreciation is provided using the straight line method over the useful life as prescribed under Schedule II to the Companies Act, 2013. Depreciation is calculated on pro-rata basis, including the month of addition and excluding the month of sale/disposal. Leasehold improvements are amortised over the underlying lease term on a straight line basis. Residual value in respect of Buildings and Vehicles is considered as 5% of the cost and in case of other assets 'Nil'.

(All amounts are in Rupees crores unless otherwise stated)

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

In case of assets costing less than or equal to ₹ 5,000/- individually are depreciated fully in the year in which such assets are purchased.

Considering the nature of business and operations of the company, SHCIL and step down subsidiary of SHCIL considered shorter life for certain assets as detailed below:

Nature of Asset	Useful life Adopted	Useful life in Companies Act
Computer Servers and Network	4 years	6 years
Mobiles	2 years	5 years
Vehicles	3 years	8 years
Building	58 years	60 years
SHCILMahape Building	63 Years	60 Years

#### De-recognition

An item of property, plant and equipment or investment property is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment or investment property is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

#### Capital Work-in-progress

All directly attributable expenditure, including interest cost during the asset construction period, which are necessary to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management as at the Balance Sheet date are accumulated and presented as Capital Work-In-Progress.

#### g. Intangible assets

##### Recognition and measurement

Intangible assets are recognized at cost of acquisition which includes all expenditure that can be directly attributed or allocated on a reasonable and consistent basis, to create, produce or making the asset ready for its intended use.

##### Amortisation

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The intangible assets shown in the Balance Sheet include computer software having perpetual license and are amortized on Straight Line Method over the period of six years from the date of capitalization.

However in SHCIL and MPCON Computer Software amortized in 3 Years from the date of Capitalization.

##### De-recognition

An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in profit or loss when the asset is de-recognized.

#### h. Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amount of its non financial assets (other than assets held for sale and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that is largely independent of the cash inflows of other assets or CGUs.

The 'recoverable amount' of an asset or CGU is the greater of its value in use and its fair value less costs to sell. 'Value in use' is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in profit and loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### i. Foreign currency transactions

The expenses and income in foreign exchange transactions are accounted for at the rates prevailing on the date of transactions/ at the forward rate, if booked, for such transaction. Assets and liabilities held in foreign currencies and accrued income and expenditure in foreign currencies are translated into Indian Rupees at the rates advised by Foreign Exchange Dealers Association of India (FEDAI) prevailing towards the close of the accounting period. Gains/ losses, if any, on valuation of various assets and liabilities are taken to Statement of Profit & Loss.

Foreign currency balances pertaining to Hospitality Business have been converted at the closing TT buying rate at the year end.

#### j. Provisions and contingencies related to claims, litigation, etc.

Provisions are recognised when the Group has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

#### k. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are disclosed in the financial statements where an inflow of economic benefits is probable.

(All amounts are in Rupees crores unless otherwise stated)

**l. Cash and cash equivalent**

Cash and cash equivalents include balance with banks in current accounts and term deposits, cash & cheques in hand and money lent on collateralized lending & borrowing obligations transactions.

**m. Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

**n. Assets held for sale**

Assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets measured at the lower of their carrying amount and fair value less cost to sell with gains and losses on remeasurement recognised in profit or loss.

Once classified as held for sale, assets are no longer amortised, depreciated or impaired.

**o. Borrowing Cost**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

**p. Stock in trade**

(a) Inventory comprises of lands (with or without removable structure) incl. existing/ added boundary walls, Land and Building/ Residential Complex, Built-up floor space acquired/ purchased for development and/or sale, other removable/ disposable assets existing thereon. These are valued at lower of Cost or net realizable value. Costs are determined by adding all considerations/ costs which are attributable to purchase/ acquisition, and other expenses incurred specifically thereto.

(b) Inventory of hospitality business comprises of closing balance of consumables purchased. FIFO method is followed for ascertaining the cost price considered for valuation. Closing inventories are valued at cost or replacement value, whichever is less, after providing for obsolescence and damage.

(c) Securities held for trade and those devolved on SHCIL in the process of settlement are held as stock-in trade and are valued at lower of cost or net realisable value.

(d) Securities on Deposit receipts received as collateral or directly deposited by clients with stock exchanges are not recorded in the accompanying financial statements.

(All amounts are in Rupees crores unless otherwise stated)

### 3 CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Cash in hand (including postage stamps)	2.48	3.98	3.27
Balances with Banks			
- Bank balance	907.21	655.45	596.92
- Bank Deposits	74.66	341.51	281.10
Collateralised Borrowings Lending Operations (CBLO) (secured against Treasury Bills)	313.75	35.83	85.00
Cheques on hand & under collection and remittances in transit	-	-	-
<b>Total</b>	<b>1,298.10</b>	<b>1,036.77</b>	<b>966.30</b>

### 4 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Bank deposits against fund placed with Group under Credit Guarantee Enhancement Scheme			
- Bank balance	33.23	115.64	0.19
- Bank deposits ^	1,432.90	1,001.24	321.91
Balances with Banks under PLI Scheme	1,447.60	843.73	50.57
Balances with banks for debt servicing	201.23	458.71	-
Unclaimed dividend account	-	2.26	5.92
Balances with banks (margin money against guarantees/lien marked) *	45.60	45.10	385.63
Bank deposits under directions of Court & Tribunal etc.	243.03	220.79	49.59
Other bank balances/deposits #	344.69	32.68	514.34
<b>Total</b>	<b>3,748.28</b>	<b>2,720.15</b>	<b>1,328.15</b>
* Includes balances for more than 12 months	-	-	184.41
# Includes balances for more than 12 months	325.35	-	182.53

### 5 DERIVATIVE FINANCIAL INSTRUMENTS:

	As at March 31, 2024			As at March 31, 2023 (Restated)			As at April 01, 2022 (Restated)		
	Notional amounts	Fair Value- Assets	Fair Value- Liabilities	Notional amounts	Fair Value- Assets	Fair Value- Liabilities	Notional amounts	Fair Value- Assets	Fair Value- Liabilities
<b>Part I</b>									
<b>Currency derivatives:</b>									
- Spot and forwards	334.25	-	13.94	364.20	14.83	-	370.57	2.02	-
<b>Total Derivative Financial Instruments - Part I</b>	<b>334.25</b>	<b>-</b>	<b>13.94</b>	<b>364.20</b>	<b>14.83</b>	<b>-</b>	<b>370.57</b>	<b>2.02</b>	<b>-</b>
<b>Part II</b>									
<i>Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:</i>									
Undesignated Derivatives	334.25	-	13.94	364.20	14.83	-	370.57	2.02	-
<b>Total Derivative Financial Instruments - Part II</b>	<b>334.25</b>	<b>-</b>	<b>13.94</b>	<b>364.20</b>	<b>14.83</b>	<b>-</b>	<b>370.57</b>	<b>2.02</b>	<b>-</b>

The derivatives have been used by the Group for hedging the interest rate and principle risk for loans taken in foreign currency. Refer Note No. 56 for management of risk arising from derivatives.

### 6 RECEIVABLES:

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
(A) Secured			
- considered good	-	-	25.04
- considered doubtful	-	-	6.94
(B) Unsecured			
- considered good	310.04	232.76	207.10
- considered doubtful	57.67	45.87	40.03
- others	-	1.50	0.00
	<b>367.71</b>	<b>280.13</b>	<b>279.12</b>
Less: Allowance for bad and doubtful debts	<b>61.38</b>	<b>41.08</b>	<b>36.55</b>
<b>Total</b>	<b>306.33</b>	<b>239.05</b>	<b>242.57</b>

(All amounts are in Rupees crores unless otherwise stated)

**Trade receivables ageing**

As at 31 March 2024	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	260.32	8.08	0.82	0.04	10.24	279.49
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	1.87	15.47	38.61	17.73	12.38	86.06
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	2.16	2.16
(iv) Disputed Trade Receivables— considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
(vii) Other Receivables	-	-	-	-	-	-
	<b>262.18</b>	<b>23.55</b>	<b>39.43</b>	<b>17.77</b>	<b>24.78</b>	<b>367.71</b>
Less: Provision for impairment	<b>0.80</b>	<b>0.98</b>	<b>27.97</b>	<b>15.91</b>	<b>15.72</b>	<b>61.38</b>
<b>Total</b>						<b>306.33</b>

\* Unbilled Revenue of SHCIL as on 31/03/2024 ₹ 18.81 cr (PY ₹ 19.12 cr)

As at 31 March 2023 (Restated)	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	232.76	-	-	-	-	232.76
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	37.99	4.27	2.53	1.08	-	45.87
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	1.50	1.50
(iv) Disputed Trade Receivables— considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
(vii) Other Receivables	-	-	-	-	-	-
	<b>270.75</b>	<b>4.27</b>	<b>2.53</b>	<b>1.08</b>	<b>1.50</b>	<b>280.13</b>
Less: Provision for impairment	<b>37.71</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.37</b>	<b>41.08</b>
<b>Total</b>						<b>239.05</b>

As at 01 April 2022 (Restated)	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	197.04	17.15	4.65	3.23	8.91	230.99
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	0.86	3.45	23.67	6.26	7.08	41.32
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	1.08	1.08
(iv) Disputed Trade Receivables— considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	(0.01)	(0.00)	(0.01)	0.05	4.51	4.54
(vi) Disputed Trade Receivables — credit impaired	-	-	0.01	0.02	0.93	0.96
(vii) Other Receivables	0.23	-	-	-	-	0.23
	<b>198.12</b>	<b>20.60</b>	<b>28.31</b>	<b>9.57</b>	<b>22.52</b>	<b>279.12</b>
Less: Provision for impairment	<b>2.15</b>	<b>0.66</b>	<b>15.14</b>	<b>5.12</b>	<b>13.48</b>	<b>36.55</b>
<b>Total</b>						<b>242.57</b>

For terms and conditions of trade receivables owing from related parties and transactions with related parties, see Note 50.

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 56.



(All amounts are in Rupees crores unless otherwise stated)

## 7 LOANS

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>(A) At Amortised cost</b>			
(i) Term loans	4,347.25	5,816.89	6,850.96
(ii) Leasing	0.04	0.04	0.04
(iii) Factoring	-	280.45	367.04
(iv) Debentures	827.10	876.32	812.07
<b>Total (A) -Gross</b>	<b>5,174.40</b>	<b>6,973.71</b>	<b>8,030.12</b>
Less: Impairment loss allowance	3,811.24	5,065.72	5,406.64
<b>Total (A) - Net</b>	<b>1,363.15</b>	<b>1,907.98</b>	<b>2,623.48</b>
<b>(B) Security Details</b>			
(i) Secured by tangible assets and intangible assets	2,940.60	4,215.28	5,400.68
(ii) Covered by bank/government guarantees	0.61	60.55	130.26
(iii) Unsecured	2,233.18	2,697.88	2,499.17
<b>Total (B) Gross</b>	<b>5,174.40</b>	<b>6,973.71</b>	<b>8,030.12</b>
Less: Impairment loss allowance	3,811.24	5,065.72	5,406.64
<b>Total (B) Net</b>	<b>1,363.15</b>	<b>1,907.98</b>	<b>2,623.48</b>
<b>(C) Loans in India</b>			
(i) Public sector	2.11	2.11	54.39
(ii) Others	5,172.29	6,971.60	7,975.73
<b>Total (C)- Gross</b>	<b>5,174.40</b>	<b>6,973.71</b>	<b>8,030.12</b>
Less: Impairment loss allowance	3,811.24	5,065.72	5,406.64
<b>Total (C)-Net</b>	<b>1,363.15</b>	<b>1,907.98</b>	<b>2,623.48</b>

The Company has changed its accounting policy whereby interest income on stage 3 assets (except on the assets which are standard under IRAC norms) shall be recorded in the books of accounts with effect from 1st April, 2021. Accordingly, Interest income for the financial year 2022-23 and 2021-22 will be restated and increased by ₹ 209.50 crores and ₹ 248.03 crores respectively. Since there is no reasonable expectation of recovery, company has decided to write off this amount in respective years. Accordingly, impairment of financial instruments for these years shall increase by respective amounts in each financial year.

### Movement in Loan due to change in accounting policy related to stage 3 income recognition

Particulars	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>Gross Loan Book (Refer Schedule 7 above)</b>	6,973.71	8,030.12
Add: Interest accrued on stage 3	209.50	248.03
Less: Writeoff of Interest accrued on stage 3	(209.50)	(248.03)
<b>Gross Loan Book after adjustment</b>	<b>6,973.71</b>	<b>8,030.12</b>

In the current Financial Year 2023-24 the company has accrued interest aggregating to ₹ 160.46 crores out of which it has written off ₹ 145 crores based on recovery estimates.

The Group's exposure to credit and currency risks, and loss allowances related to loans are disclosed in Note 56.

(All amounts are in Rupees crores unless otherwise stated)

## 8 INVESTMENTS

	Amortised cost	At Fair Value			Others	Total
		Through other comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
	(1)	(2)	(3)	(4)	(5)=(2)+(3)+(4)	(6)
<b>As at 31 March, 2024</b>						
(A)						
(i) Mutual funds	0.63	-	273.91	-	0.92	275.46
(ii) Government securities	61.73	0.70	-	-	-	62.43
(iii) Treasury Bill	-	513.14	-	-	-	513.14
(iv) Debt securities	-	17.80	-	-	-	17.80
(v) Equity instruments	-	6,918.40	674.22	-	4.51	7,597.13
(vi) Others						
Venture Capital	-	-	116.24	-	1.00	117.24
Security receipts	-	8.71	60.98	-	-	69.69
Commercial Paper	-	-	-	-	-	-
Preference shares	-	-	25.05	-	-	25.05
<b>Total – Gross (A)</b>	<b>62.36</b>	<b>7,458.75</b>	<b>1,150.40</b>	<b>-</b>	<b>6.42</b>	<b>8,677.93</b>
(B)						
(i) Investments in India	62.36	7,458.75	1,150.40	-	6.42	8,677.93
(ii) Investments outside India	-	-	-	-	-	-
<b>Total – Gross (B)</b>	<b>62.36</b>	<b>7,458.75</b>	<b>1,150.40</b>	<b>-</b>	<b>6.42</b>	<b>8,677.93</b>
(C) Less: Allowance for Impairment loss	-	-	-	-	-	-
<b>(D) Total – Net (A-C)</b>	<b>62.36</b>	<b>7,458.75</b>	<b>1,150.40</b>	<b>-</b>	<b>6.42</b>	<b>8,677.93</b>

	Amortised cost	At Fair Value			Others	Total
		Through other comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
	(1)	(2)	(3)	(4)	(5)=(2)+(3)+(4)	(6)
<b>As at 31 March, 2023 (Restated)</b>						
(A)						
(i) Mutual funds	-	-	174.30	-	-	174.30
(ii) Government securities	50.44	0.70	-	-	-	51.14
(iii) Treasury Bill	-	-	-	-	-	-
(iii) Other approved securities	-	-	-	-	-	-
(iv) Debt securities	66.01	19.98	-	-	95.00	180.99
(v) Equity instruments	-	6,441.98	595.17	-	7.55	7,044.70
(vi) Others						
Venture Capital	-	-	115.68	-	-	115.68
Security receipts	-	10.71	118.60	-	-	129.31
Commercial Paper	-	-	-	-	-	-
Preference shares	-	-	3.95	-	-	3.95
<b>Total – Gross (A)</b>	<b>116.45</b>	<b>6,473.37</b>	<b>1,007.71</b>	<b>-</b>	<b>102.55</b>	<b>7,700.07</b>
(B)						
(i) Investments in India	116.45	6,473.37	1,007.71	-	102.55	7,700.07
(ii) Investments outside India	-	-	-	-	-	-
<b>Total – Gross (B)</b>	<b>116.45</b>	<b>6,473.37</b>	<b>1,007.71</b>	<b>-</b>	<b>102.55</b>	<b>7,700.07</b>
Less: Allowance for Impairment loss	-	-	-	-	-	-
<b>(C) Total – Net (A-C)</b>	<b>116.45</b>	<b>6,473.37</b>	<b>1,007.71</b>	<b>-</b>	<b>102.55</b>	<b>7,700.07</b>

(All amounts are in Rupees crores unless otherwise stated)

	Amortised cost	At Fair Value			Others	Total
		Through other comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
	(1)	(2)	(3)	(4)	(5)=(2)+(3)+(4)	(6)
<b>As at 01 April, 2022 (Restated)</b>						
(A)						
(i) Mutual funds	-	-	112.90	-	-	112.90
(ii) Government securities	36.88	0.72	-	-	-	37.60
(iii) Treasury Bill	-	533.09	-	-	-	533.09
(iv) Debt securities	30.51	93.29	-	-	-	123.80
(v) Equity instruments	-	4,803.79	614.50	-	-	5,418.29
(vi) Others	-	-	119.83	-	-	119.83
Security receipts	-	-	190.53	-	-	190.53
Commercial paper	-	-	-	-	-	-
Certificate of deposit	-	-	-	-	-	-
Preference shares	-	-	4.86	-	-	4.86
<b>Total – Gross (A)</b>	<b>67.39</b>	<b>5,430.89</b>	<b>1,042.62</b>	<b>-</b>	<b>-</b>	<b>6,540.90</b>
(B)						
(i) Investments in India	67.39	5,430.89	1,042.62	-	-	6,540.90
(ii) Investments outside India	-	-	-	-	-	-
<b>Total – Gross (B)</b>	<b>67.39</b>	<b>5,430.89</b>	<b>1,042.62</b>	<b>-</b>	<b>-</b>	<b>6,540.90</b>
Less: Allowance for Impairment loss	-	-	-	-	-	-
<b>(C) Total – Net (A-C)</b>	<b>67.39</b>	<b>5,430.89</b>	<b>1,042.62</b>	<b>-</b>	<b>-</b>	<b>6,540.90</b>

The Group's exposure to credit and currency risks, and loss allowances related to loans are disclosed in Note 56.

## 9 OTHER FINANCIAL ASSETS

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Security Deposits	0.03	1.94	24.42
Accrued Income			
- Interest on Investments	56.67	34.40	2.88
- Other income	0.53	2.01	28.36
Unbilled revenue	-	19.12	17.32
Amounts due on settlement from Clearing House	-	-	226.76
Amounts recoverable from government towards stamp duty payments	-	-	0.25
Amounts due on settlement from Clients and Brokers , Others	-	-	223.56
Other advances receivable	-	135.01	0.01
Loans to employees	25.07	26.30	28.04
Other Deposits	484.15	105.73	190.50
Other doubtful deposits	12.16	12.12	21.69
Other recoverables	914.50	509.46	50.95
	<b>1,493.10</b>	<b>846.09</b>	<b>814.75</b>
Less: Impairment loss allowance	82.82	60.04	79.98
<b>Total</b>	<b>1,410.28</b>	<b>786.06</b>	<b>734.77</b>

The Group's exposure to credit and currency risks, and loss allowances related to loans are disclosed in Note 56.

(All amounts are in Rupees crores unless otherwise stated)

## 10 INVESTMENT ACCOUNTED USING EQUITY METHOD

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Investment in associates	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 11 DEFERRED TAX ASSETS AND LIABILITIES

Particulars	As at 01 April 2023	Recognised in equity	Recognised in profit or loss during the year	Recognised in OCI during the year	As at 31 March 2024
<b>Deferred tax assets:</b>					
Loans	1,633.97	-	(313.82)	-	<b>1,320.14</b>
Minimum alternate tax credit entitlement	-	-	0.90	-	<b>0.90</b>
Others	(830.50)	-	1,273.18	1.49	<b>443.42</b>
	<u>803.46</u>	<u>-</u>	<u>960.26</u>	<u>1.49</u>	<u><b>1,764.</b></u>
<b>Deferred tax liabilities:</b>					
Property, plant and equipment	223.58	-	(0.28)	-	<b>223.31</b>
Investments	103.14	-	1,414.33	185.45	<b>1,702.93</b>
DTL on Special Reserve u/s 36(i)(viii)	46.72	-	-	-	<b>46.72</b>
Borrowings	(0.00)	-	-	-	<b>-</b>
	<u>373.44</u>	<u>-</u>	<u>1,414.06</u>	<u>185.45</u>	<u><b>1,972.95</b></u>
<b>Net deferred tax Laibility</b>	<u>430.02</u>	<u>-</u>	<u>(453.80)</u>	<u>(183.96)</u>	<u><b>(208.47)</b></u>

Particulars	As at 01 April 2022 (Restated)	Recognised in equity	Recognised in profit or loss during the year	Recognised in OCI during the year	As at 31 March 2023 (Restated)
<b>Deferred tax assets:</b>					
Loans	1,743.56	-	(109.59)	-	1,633.97
Minimum alternate tax credit entitlement	-	-	-	-	-
Others	(450.60)	-	(379.24)	(0.67)	(830.50)
	<u>1,292.96</u>	<u>-</u>	<u>(488.83)</u>	<u>(0.67)</u>	<u>803.46</u>
<b>Deferred tax liabilities:</b>					
Property, plant and equipment	241.43	-	(17.85)	-	223.58
Investments	77.43	-	(364.87)	390.58	103.14
DTL on Special Reserve u/s 36(i)(viii)	46.72	-	-	-	46.72
Borrowings	2.98	-	(2.98)	-	(0.00)
	<u>368.56</u>	<u>-</u>	<u>(385.70)</u>	<u>390.58</u>	<u>373.44</u>
<b>Net deferred tax Asset</b>	<u>924.40</u>	<u>-</u>	<u>(103.13)</u>	<u>(391.25)</u>	<u>430.02</u>

## 12 INVESTMENT PROPERTY

	Gross Block			Depreciation				Net Block		
	As at 1 April 2023	Additions/ Adjustments	Disposals/ Adjustment	As at 31 March 2024	As at 1 April 2023	For the year	Disposals/ Adjustment	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
<b>Owned Assets</b>										
Freehold Land	23.16	-	-	<b>23.16</b>	-	-	-	-	<b>23.16</b>	23.16
Buildings	337.78	-	-	<b>337.78</b>	94.89	7.02	-	<b>102.17</b>	<b>235.61</b>	242.89
Flats	9.29	-	7.31	<b>1.98</b>	2.45	-	0.47	<b>1.98</b>	<b>0.00</b>	6.84
<b>Assets under finance lease</b>										
Leasehold land	25.26	-	-	<b>25.26</b>	-	-	-	-	<b>25.26</b>	25.26
<b>Total</b>	<u>395.50</u>	<u>-</u>	<u>7.31</u>	<u><b>388.18</b></u>	<u>97.34</u>	<u>7.02</u>	<u>0.47</u>	<u><b>104.15</b></u>	<u><b>284.03</b></u>	<u>298.16</u>

(All amounts are in Rupees crores unless otherwise stated)

	Gross Block				Depreciation				Net Block	
	As at 1 April 2022	Additions/ Adjustments	Disposals/ Adjustment	As at 31 March 2023 (Restated)	As at 1 April 2022	For the year	Disposals/ Adjustment	As at 31 March 2023 (Restated)	As at 31 March 2023 (Restated)	As at 31 March 2022 (Restated)
Owned Assets										
Freehold Land	11.82	11.34	-	23.16	-	-	-	-	23.16	11.82
Buildings	331.47	6.31	-	337.78	88.14	1.72	(5.03)	94.89	242.89	243.32
Flats	9.29	-	-	9.29	1.94	0.52	-	2.45	6.84	7.36
Assets under finance lease										
Leasehold land	24.25	1.01	-	25.26	-	-	-	-	25.26	24.25
<b>Total</b>	<b>376.84</b>	<b>18.66</b>	<b>-</b>	<b>395.50</b>	<b>90.08</b>	<b>2.23</b>	<b>(5.03)</b>	<b>97.34</b>	<b>298.16</b>	<b>286.76</b>

	Gross Block				Depreciation				Net Block	
	As at 1 April 2021	Additions/ Adjustments	Disposals/ Adjustment	As at 31 March 2022 (Restated)	As at 1 April 2021	For the year	Disposals/ Adjustment	As at 31 March 2022 (Restated)	As at 31 March 2022 (Restated)	As at 01 April 2021
Owned Assets										
Freehold Land	9.84	1.98	-	11.82	-	-	-	-	11.82	9.84
Buildings	202.22	129.25	-	331.47	18.58	2.73	(66.83)	88.14	243.32	183.63
Flats	9.29	-	-	9.29	1.66	0.28	-	1.94	7.36	7.63
Assets under finance lease										
Leasehold land	0.02	24.23	-	24.25	-	-	-	-	24.25	0.02
<b>Total</b>	<b>221.38</b>	<b>155.46</b>	<b>-</b>	<b>376.84</b>	<b>20.24</b>	<b>3.00</b>	<b>(66.83)</b>	<b>90.08</b>	<b>286.76</b>	<b>201.14</b>

For details regarding rental income earned from investment property, refer statement of profit and loss.

For details regarding investment property given on lease, refer Note 51.

#### Fair value of investment property (Land & Building)

##### Particulars

	As at March 31, 2024	As at March 31, 2023 (Restated)
IFCI Limited	537.30	554.37
IFCI Infrastructure Development Limited	47.75	57.22

#### Measurement of fair values

##### i. Fair value hierarchy

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. However, the valuation has been determined by the IFCI Limited internally during the reported period ended March 31, 2024.

The fair value of investment property (as measured for disclosure purposes in the financial statements) is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

##### ii. Valuation technique

The Company follows direct sale comparison technique. The valuation model considers the value of the subject property by comparing recent sales / listing of similar interest in the properties located in the surrounding area. By analysing sales which qualify as 'arms-length' transactions, between willing buyers and sellers, adjustments would be made for size, location, time, amenities and other relevant factors when comparing such sales price against the subject property. This approach is commonly used to value standard properties when realisable sales evidence is available.

(All amounts are in Rupees crores unless otherwise stated)

### 13 PROPERTY, PLANT AND EQUIPMENT

	Gross Block				Depreciation				Net Block	
	As at 01 April 2023	Additions/ Adjustments	Disposals/ Adjustments	As at 31 March 2024	As at 1 April 2023	For the year	Disposals/ Adjustments	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023 (Restated)
<b>Owned Assets</b>										
Freehold Land	147.83	-	-	147.83	0.12	-	-	0.12	147.71	147.71
Buildings	530.44	2.54	-	532.98	16.64	13.91	-	30.54	502.43	513.80
Leasehold Improvement	5.65	0.09	-	5.74	3.44	0.85	-	4.29	1.45	2.21
Plant & Machinery	124.93	5.09	0.18	129.84	45.79	9.83	0.09	55.53	74.31	79.14
Furniture & Fixtures	27.34	0.78	0.02	28.10	23.00	0.84	0.02	23.82	4.28	4.34
Vehicles	3.62	-	0.61	3.01	2.12	0.71	0.53	2.30	0.71	1.50
Office Equipments	73.69	7.41	1.88	79.21	53.14	10.00	1.77	61.37	17.84	20.55
Electrical Installations and Equipments	12.47	0.11	0.01	12.57	11.15	0.35	0.08	11.42	1.15	1.33
<b>Assets under Lease</b>										
Leasehold Land	239.18	-	-	239.18	47.10	5.49	-	52.59	186.59	192.08
<b>TOTAL</b>	<u>1,165.15</u>	<u>16.01</u>	<u>2.71</u>	<u>1,178.45</u>	<u>202.50</u>	<u>41.98</u>	<u>2.50</u>	<u>241.98</u>	<u>936.46</u>	<u>962.65</u>

	Gross Block				Depreciation				Net Block	
	As at 1 April 2022	Additions/ Adjustments	Disposals/ Adjustments	As at 31 March 2023 (Restated)	As at 01 April 2022	For the year	Disposals/ Adjustments	As at 31 March 2023 (Restated)	As at 31 March 2023 (Restated)	As at 31 March 2022 (Restated)
<b>Owned Assets</b>										
Freehold Land	159.17	-	11.34	147.83	0.09	0.03	-	0.12	147.71	159.08
Buildings	504.39	32.36	6.31	530.44	2.98	18.68	5.03	16.64	513.80	501.40
Leasehold Improvement	4.17	1.48	-	5.65	1.86	1.57	-	3.44	2.21	2.31
Plant & Machinery	111.19	14.06	0.32	124.93	36.50	9.50	0.21	45.79	79.14	74.69
Furniture & Fixtures	26.96	0.56	0.18	27.34	22.22	0.93	0.14	23.00	4.34	4.74
Vehicles	4.54	-	0.92	3.62	2.14	0.87	0.89	2.12	1.50	2.40
Office Equipments	62.50	15.73	4.54	73.69	46.50	11.11	4.47	53.14	20.55	16.00
Electrical Installations and Equipments	12.33	0.14	0.00	12.47	10.66	0.49	-	11.15	1.33	1.67
<b>Assets under Lease</b>										
Leasehold Land	240.19	-	1.01	239.18	41.57	5.53	-	47.10	192.08	198.62
<b>TOTAL</b>	<u>1,125.43</u>	<u>64.34</u>	<u>24.62</u>	<u>1,165.15</u>	<u>164.52</u>	<u>48.72</u>	<u>10.75</u>	<u>202.50</u>	<u>962.65</u>	<u>960.90</u>

	Gross Block				Depreciation				Net Block	
	As at 01 April 2021	Additions/ Adjustments	Disposals/ Adjustments	As at 31 March 2022 (Restated)	As at 01 April 2021	For the year	Disposals/ Adjustments	As at 31 March 2022 (Restated)	As at 31 March 2022 (Restated)	As at 01 April 2021
<b>Owned Assets</b>										
Freehold Land	161.09	0.06	1.98	159.17	-	0.09	-	0.09	159.08	161.09
Buildings	633.54	0.10	129.26	504.39	52.24	17.56	66.82	2.98	501.40	581.30
Leasehold Improvement	3.56	0.72	0.11	4.17	1.17	0.76	0.06	1.86	2.31	2.39
Plant & Machinery	105.11	7.43	1.36	111.19	28.39	8.72	0.61	36.50	74.69	76.72
Furniture & Fixtures	26.41	0.67	0.12	26.96	21.19	1.11	0.08	22.22	4.74	5.22
Vehicles	2.80	2.19	0.46	4.54	1.92	0.67	0.45	2.14	2.40	0.88
Office Equipments	51.85	11.61	0.96	62.50	39.00	8.43	0.94	46.50	16.00	12.85
Electrical Installations and Equipments	11.82	0.54	0.03	12.33	10.08	0.61	0.03	10.66	1.67	1.73
<b>Assets under Lease</b>										
Leasehold Land	264.42	-	24.23	240.19	37.72	3.85	-	41.57	198.62	226.70
<b>TOTAL</b>	<u>1,260.61</u>	<u>23.32</u>	<u>158.49</u>	<u>1,125.43</u>	<u>191.72</u>	<u>41.78</u>	<u>68.98</u>	<u>164.52</u>	<u>960.90</u>	<u>1,068.89</u>

During the year company has not revalued its Property Plant and Equipment (PPE) and intangible assets.

(All amounts are in Rupees crores unless otherwise stated)

#### 14 GOODWILL

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>Gross Block</b>			
(i) Opening Balance	446.64	446.64	446.64
(ii) Additions	-	-	-
(iii) Acquisitions through business combinations	-	-	-
(iv) Disposals	-	-	-
(v) Other adjustments	-	-	-
<b>(vi) Closing Balance</b>	<b>446.64</b>	<b>446.64</b>	<b>446.64</b>
<b>Impairment provision</b>			
(i) Opening balance	-	-	-
(ii) Acquisitions through business combinations	-	-	-
(iii) Impairment for the period	-	-	-
(iv) Disposals	-	-	-
(v) Reversals in provision	-	-	-
(vi) Other adjustments	-	-	-
<b>(vii) Closing Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Goodwill</b>	<b>446.64</b>	<b>446.64</b>	<b>446.64</b>

#### 15 OTHER INTANGIBLE ASSETS

	Gross Block				Amortisation			Net Block		
	As at 01 April 2023	Additions	Disposals	As at 31 March 2024	As at 01 April 2023	For the year	Disposals	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023 (Restated)
Computer software	20.70	29.23	-	49.93	16.86	10.39	-	27.25	22.68	3.84
Right of use Lease Assets	129.79	16.09	41.68	104.20	77.56	21.47	38.67	60.36	43.84	52.23
Licenses and franchises	0.60	-	-	0.60	0.29	0.24	-	0.53	0.07	0.31
<b>TOTAL</b>	<b>151.10</b>	<b>45.32</b>	<b>41.68</b>	<b>154.73</b>	<b>94.71</b>	<b>32.10</b>	<b>38.67</b>	<b>88.15</b>	<b>66.59</b>	<b>56.38</b>

	Gross Block				Amortisation			Net Block		
	As at 01 April 2022	Additions	Disposals	As at 31 March 2023 (Restated)	As at 01 April 2022	For the year	Disposals	As at 31 March 2023 (Restated)	As at 31 March 2023 (Restated)	As at 31 March 2022 (Restated)
Computer software	19.63	1.07	-	20.70	14.28	2.58	-	16.86	3.84	5.35
Right of use Lease Assets	99.16	31.94	1.31	129.79	57.81	20.38	0.63	77.56	52.23	41.35
Licenses and franchises	0.60	-	-	0.60	0.29	-	-	0.29	0.31	0.31
Non compete fees	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>119.39</b>	<b>33.01</b>	<b>1.31</b>	<b>151.10</b>	<b>72.38</b>	<b>22.96</b>	<b>0.63</b>	<b>94.71</b>	<b>56.38</b>	<b>47.01</b>

	Gross Block				Amortisation			Net Block		
	As at 01 April 2021	Additions	Disposals	As at 31 March 2022 (Restated)	As at 01 April 2021	For the year	Disposals	As at 31 March 2022 (Restated)	As at 31 March 2022 (Restated)	As at 01 April 2021 (Restated)
Computer software	14.17	5.46	-	19.63	11.75	2.53	-	14.28	5.35	2.42
Right of use Lease Assets	87.79	23.00	11.62	99.17	45.06	18.95	6.21	57.80	41.35	42.73
Licenses and franchises	0.60	-	-	0.60	0.17	0.12	-	0.29	0.31	0.43
Non compete fees	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>102.57</b>	<b>28.45</b>	<b>11.62</b>	<b>119.40</b>	<b>56.99</b>	<b>21.60</b>	<b>6.21</b>	<b>72.38</b>	<b>47.01</b>	<b>45.58</b>



(All amounts are in Rupees crores unless otherwise stated)

## 16 OTHER NON-FINANCIAL ASSETS

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Capital advances	18.96	5.95	5.67
Pre-paid expenses	20.84	21.48	19.97
Provident fund - asset	-	-	92.21
Statutory Dues	0.74	4.36	60.12
Other Assets	116.56	135.72	39.46
	157.11	167.52	217.43
Less: Provision for impairment	-	-	-
<b>Total</b>	<b>157.11</b>	<b>167.52</b>	<b>217.43</b>

## 17 ASSETS HELD FOR SALE

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Assistance under development financing (AUF) - Associates	49.41	7.54	7.54
<b>Total</b>	<b>49.41</b>	<b>7.54</b>	<b>7.54</b>

## 18 PAYABLES

### I Trade payables

Total outstanding dues to MSMEs	1.86	17.89	0.87
Total outstanding dues of creditors other than MSMEs	461.09	257.13	390.00
<b>Total</b>	<b>462.95</b>	<b>275.02</b>	<b>390.87</b>

#### Trade Payables ageing

As at 31 March 2024	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME	1.86	0.00	-	-	1.86
(ii) Others	429.65	9.29	3.86	18.29	461.09
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>					<b>462.95</b>
As at 31 March 2023 (Restated)	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME	17.89	-	-	-	17.89
(ii) Others	232.34	4.14	1.48	19.17	257.13
(iii) Disputed dues –MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>					<b>275.02</b>
As at 31 March 2022 (Restated)	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME	0.87	-	-	-	0.87
(ii) Others	358.93	4.88	3.34	22.79	389.95
(iii) Disputed dues –MSME	-	-	-	-	-
(iv) Disputed dues - Others	0.00	0.03	0.02	-	0.05
<b>Total</b>					<b>390.87</b>

(All amounts are in Rupees crores unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>II Other payables</b>			
Total outstanding dues to MSMEs	-	-	-
Total outstanding dues of creditors other than MSMEs	-	-	2.23
<b>Total</b>	-	-	2.23

The amount overdue to the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2024 is ₹ 1.86 crores (Previous Year: ₹ 17.89 crores). This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent the status of such parties identified on the basis of information available with the Group.

## 19 DEBT SECURITIES

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>(A) At Amortised cost</b>			
(i) Bonds			
- Privately Placed Bonds	2,790.37	3,149.11	3,238.66
- Privately Placed Zero Coupon Bonds	359.60	327.55	311.47
- Infrastructure Bonds	177.61	159.04	478.95
- Less: Interest accrued but not due	(116.93)	(187.66)	(162.01)
(ii) Tax-free Bonds (secured by floating charge on receivables of IFCI Ltd.)			
- held by others	100.00	265.00	265.00
(iii) Secured Redeemable Non Convertible Debentures(secured by floating charge on receivables of IFCI Ltd.)			
- held by subsidiary and associate companies	-	-	-
- held by others	1,051.12	1,047.59	1,025.27
- Less: Interest accrued but not due	(87.77)	(74.23)	(61.92)
(iv) Privately Placed Bonds (Redeemable Non Convertible Debentures secured by floating charge on receivables of IFCI Ltd. & Lien on G-Sec)			
- Others (Bonds/ Debentures etc.)	2.21	2.21	-
<b>Total (A)</b>	<b>4,276.21</b>	<b>4,733.59</b>	<b>5,095.43</b>
<b>(B) Inside/Outside India</b>			
(i) Debt securities in India	4,276.21	4,733.59	5,095.43
(ii) Debt securities outside India	-	-	-
<b>Total (B)</b>	<b>4,276.21</b>	<b>4,733.59</b>	<b>5,095.43</b>

## 20 BORROWINGS (OTHER THAN DEBT SECURITIES)

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>(A) At Amortised cost</b>			
(i) Term loans			
- from banks and other parties	11.85	75.00	633.32
- from other parties	-	-	-
- from financial institutions	-	-	-
- from KfW Line	334.25	364.25	372.75
(ii) Loans repayable on demand from Banks	-	26.70	18.95
(iii) Others	-	45.60	-
<b>Total</b>	<b>346.10</b>	<b>511.55</b>	<b>1,025.02</b>
<b>(B) Inside/Outside India</b>			
(i) Borrowings in India	11.85	147.30	652.27
(ii) Borrowings outside India	334.25	364.25	372.75
<b>Total</b>	<b>346.10</b>	<b>511.55</b>	<b>1,025.02</b>

(All amounts are in Rupees crores unless otherwise stated)

## 21 SUBORDINATED LIABILITIES

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>(A) At Amortised cost</b>			
(i) Subordinate - Tier II Bonds	916.75	923.72	1,101.29
- Less: Interest accrued but not due	(172.08)	(149.05)	(126.63)
<b>Total (A)</b>	<b>744.67</b>	<b>774.67</b>	<b>974.66</b>
<b>(B) Inside/Outside India</b>			
(i) Subordinated Liabilities in India	744.67	774.67	974.66
(ii) Subordinated Liabilities outside India	-	-	-
<b>Total (B)</b>	<b>744.67</b>	<b>774.67</b>	<b>974.66</b>

## 22 OTHER FINANCIAL LIABILITIES

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Interest accrued but not due on bonds & borrowings	662.75	707.68	677.95
Unsecured Loan	-	-	0.02
Security Deposits	14.84	13.38	9.81
Unpaid Matured Debentures & interest	0.57	0.25	0.46
Funds Placed with the Corporation			
(a) Scheduled Cast Credit Guarantee Enhancement Scheme (placed by Govt. of India)	347.47	323.21	306.54
(b) PLI scheme	1,447.91	843.74	50.00
(c) Employees Provident Fund	104.47	633.67	80.14
Unclaimed redemption proceeds and interest on Relief and Saving Bonds	-	-	19.67
Amounts due on settlement to Clearing House, Clients and Brokers	-	-	439.77
Amounts payable to Government on account of stamp duty collection	-	-	95.54
Advance Depository Participant charges ,Advances from Customers, Statutory dues including Provident Fund and Taxes (includes amount due on settlement)	-	-	419.65
Contractual liability against Factoring	-	-	5.95
Unclaimed Dividend	0.02	2.27	5.93
Right of use lease Liabilities	-	-	47.09
Other Liabilities (trade deposits and other payables)	2,461.22	1,232.12	593.70
	<b>5,039.25</b>	<b>3,756.33</b>	<b>2,752.23</b>

## 23 PROVISIONS

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Impairment provision on off balance sheet exposure	36.70	95.86	32.17
Employee Benefits	85.49	87.79	70.29
Provisions for others expenses	2.94	-	29.77
Provision for Claims-Long term Provisions	-	-	24.46
<b>Total</b>	<b>125.13</b>	<b>183.65</b>	<b>156.68</b>

\* includes reversal of provision of ₹ 0.34 crore on gratuity liability of employees of holding company (IFCI Ltd.) in FY 24  
Refer Note No. 49 for detailed disclosure on employee benefits.

(All amounts are in Rupees crores unless otherwise stated)

## 24 OTHER NON-FINANCIAL LIABILITIES

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
Income received in Advance	15.40	35.08	7.76
Grant in Aid received for trainings	-	-	1.53
Statutory Dues	0.06	-	23.70
Other	6.07	-	2.67
	<b>21.54</b>	<b>35.08</b>	<b>35.67</b>

## 25 EQUITY

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>Authorised</b>			
4,00,00,00,000 Equity Shares of ₹ 10/- each	4,000.00	4,000.00	4,000.00
	<b>4,000.00</b>	<b>4,000.00</b>	<b>4,000.00</b>
<b>Issued</b>			
2,55,68,61,317 Equity Shares of ₹ 10/- each	2,556.86	2,263.18	2,170.24
	<b>2,556.86</b>	<b>2,263.18</b>	<b>2,170.24</b>
<b>Subscribed</b>			
2,49,09,30,563 Equity Shares of ₹ 10/- each	2,490.93	2,197.24	2,104.31
	<b>2,490.93</b>	<b>2,197.24</b>	<b>2,104.31</b>
<b>Paid up</b>			
2,48,96,13,863 Equity Shares of ₹ 10/- each	2,489.61	2,195.93	2,102.99
	<b>2,489.61</b>	<b>2,195.93</b>	<b>2,102.99</b>

### Reconciliation of the number of equity shares and share capital:

The Company had received ₹ 400 crore was received from GOI on March 07, 2023, towards subscription to the share capital of the Company for the FY 2022-23 as share application money. In this regard, the Committee of Directors had allotted 29,36,85,756 number of equity shares of face value of ₹ 10/- each to the GOI on April 27, 2023 @ ₹ 13.62/- per equity share (including security premium of ₹ 3.62/- per equity share)

Further, an amount of ₹ 500 crore was received from GOI on March 08, 2024, towards subscription to the share capital of the Company for the FY 2023-24 as share application money. In this regard, the Committee of Directors had allotted 12,39,77,188 number of equity shares of face value of ₹ 10/- each to the GOI on April 18, 2024 @ ₹ 40.33/- per equity share (including security premium of ₹ 30.33/- per equity share).

### Particulars

	As at 31 March 2024		As at 31 March 2023 (Restated)		As at 31 March 2022 (Restated)	
	Number	Amount	Number	Amount	Number	Amount
<b>Equity shares</b>						
Outstanding at beginning of the period	2,195,928,107	2,195.93	2,102,991,305	2,102.99	1,895,993,092	1,895.99
Add: Shares issued to Government of India	293,685,756	293.69	92,936,802	92.94	206,998,213	207.00
<b>Outstanding at the end of the period</b>	<b>2,489,613,863</b>	<b>2,489.61</b>	<b>2,195,928,107</b>	<b>2,195.93</b>	<b>2,102,991,305</b>	<b>2,102.99</b>
<b>Paid up share capital</b>	<b>2,489,613,863</b>	<b>2,489.61</b>	<b>2,195,928,107</b>	<b>2,195.93</b>	<b>2,102,991,305</b>	<b>2,102.99</b>

### Terms/ rights attached to equity shares:

The Group has only one class of equity share, i.e. equity shares having face value of ₹ 10 per share entitled to one vote per share.

### Shareholders holding more than 5% of equity shares

#### Name of the shareholder

	As at 31 March 2024		As at 31 March 2023 (Restated)		As at 31 March 2022 (Restated)	
	Number of shares	% of total Shares	Number of shares	% of total Shares	Number of shares	% of total Shares
President of India	1,750,576,628	70.32%	1,456,890,872	66.35%	1,363,954,070	64.86%
	% Change during the period		% Change during the period		% Change during the period	
	3.97%		1.49%		3.84%	

(All amounts are in Rupees crores unless otherwise stated)

## 26 OTHER EQUITY

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>i Share application money pending allotment</b>			
Opening balance	400.00	-	200.00
Less: transfer during the year	(400.00)	-	(200.00)
Add: Application money received during the year	500.00	400.00	-
Closing balance	500.00	400.00	-
<b>ii Reserve u/s 45IC of RBI Act</b>			
Opening balance	925.84	924.75	924.23
Add: Transfer from retained earnings	0.24	1.10	0.52
Closing balance	926.09	925.84	924.75
<b>iii Special Reserve under Section 36(1)(viii) of the Income Tax Act, 1961</b>			
Opening balance	136.74	136.74	136.74
Closing balance	136.74	136.74	136.74
<b>iv Capital Reserve</b>			
Opening balance	0.85	0.85	0.85
Sale of associate	-	-	-
Closing balance	0.85	0.85	0.85
<b>v Securities Premium Reserve</b>			
Opening balance	1,132.12	1,125.06	1,032.06
Add: Issue of equity shares	106.31	7.06	93.00
Closing balance	1,238.44	1,132.12	1,125.06
<b>vi Capital Redemption Reserve</b>			
Opening balance	300.05	300.05	300.05
Add: Transfer from retained earnings	-	-	-
Closing balance	300.05	300.05	300.05
<b>vii Debenture Redemption Reserve</b>			
Opening balance	100.58	100.58	260.08
Add: Transfer from retained earnings	-	-	-
Add: Transfer to General reserve	-	-	(159.50)
Closing balance	100.58	100.58	100.58
<b>viii General Reserve</b>			
Opening balance	554.05	540.39	374.01
Add:	17.81	13.66	166.38
Closing balance	571.86	554.05	540.39
<b>ix Deemed equity contribution</b>			
Opening balance	335.82	335.82	335.82
Less: Early redemption of preference shares	-	-	-
Closing balance	335.82	335.82	335.82
<b>x Impairment Reserve</b>			
Opening balance	148.62	139.57	132.00
Add: Transfer from retained earnings	(42.23)	9.05	7.57
Closing balance	106.39	148.62	139.57

(All amounts are in Rupees crores unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023 (Restated)	As at April 01, 2022 (Restated)
<b>xi Retained Earnings</b>			
Opening balance	(4,427.91)	(4,144.22)	(2,167.56)
Add: profit/(loss) during the year	103.66	(207.80)	(1,831.34)
Less: Transfer to capital redemption reserve	-	-	-
Less: Transfer to reserve u/s 45IC of RBI Act	(0.24)	(1.10)	158.98
Less: Transfer to general reserve	(17.81)	(13.66)	(166.38)
Less: Transfer to impairment reserve	42.23	(9.05)	(7.57)
Less: Transfer to contingency reserve	(92.50)	(52.00)	(30.89)
Less: Securities Premium	-	-	(93.00)
Less: Dividends (incl dividend distribution tax)	-	-	-
Add: Others	6.77	(0.08)	(6.46)
Closing balance	<u>(4,385.80)</u>	<u>(4,427.91)</u>	<u>(4,144.22)</u>
<b>xii Debt instruments through Other Comprehensive Income</b>			
Opening balance	(2.61)	(2.79)	21.55
Add: other comprehensive income during the year	8.80	0.18	(24.34)
Closing balance	<u>6.19</u>	<u>(2.61)</u>	<u>(2.79)</u>
<b>xiii Equity instruments through Other Comprehensive Income</b>			
Opening balance	1,792.92	1,137.54	203.66
Add: Transfer from retained earnings	-	0.08	-
Add: other comprehensive income during the year	150.09	655.30	933.88
Closing balance	<u>1,943.01</u>	<u>1,792.92</u>	<u>1,137.54</u>
<b>xiv Remeasurements of the defined benefit plans</b>			
Opening balance	53.30	52.54	51.43
Add: other comprehensive income during the year	(1.88)	0.75	1.11
Closing balance	<u>51.42</u>	<u>53.30</u>	<u>52.54</u>
<b>xv Contingency reserve</b>			
Opening balance	120.19	68.19	37.30
Add: other comprehensive income during the year	92.50	52.00	30.89
Closing balance	<u>212.68</u>	<u>120.19</u>	<u>68.19</u>
<b>xvi Foreign currency translation reserve</b>			
Opening balance	1.30	0.61	0.35
Add: other comprehensive income during the year	0.1	0.69	0.26
Closing balance	<u>1.41</u>	<u>1.30</u>	<u>0.61</u>
<b>xvii Amalgamation reserve</b>			
Opening balance	(0.60)	(0.60)	(0.60)
Closing balance	<u>(0.60)</u>	<u>(0.60)</u>	<u>(0.60)</u>
<b>Total balance</b>	<u>2,044.63</u>	<u>1,570.79</u>	<u>715.10</u>

#### Reserve u/s 45IC of RBI Act

Pursuant to increase in shareholding of Govt. of India more than 50% of the paid-up Share Capital, the Group has become Government Company u/s 2(45) of the Companies Act, 2013 and therefore in view of the exemption available to Government Companies, no transfer has been made to the statutory reserve created u/s 45IC of RBI Act, 1934.

#### Special Reserve under Section 36(1)(viii) of the Income Tax Act, 1961

Section 36(1)(viii) of the Income Tax Act allows financial institutions to transfer 20% of profit from eligible business i.e. net income from long-term industrial financing, to this Reserve and the same is allowed as a deduction while computing taxable income. The Income Tax Act, by an amendment in Finance Act, 1998, has put a condition on maintaining the Reserve created w.e.f FY 1997-98. Any withdrawal would attract tax liability. Upto FY 1996-97, utilisation of the said Reserve created in the earlier year did not attract tax liability and accordingly Deferred Tax Liability (DTL) has been created on the reserve transferred after FY 1997-98.

#### Capital Reserve

Capital Reserve represents proceeds of forfeited shares

(All amounts are in Rupees crores unless otherwise stated)

#### Securities Premium Reserve

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

#### Capital Redemption Reserve

Capital Redemption Reserve represents amount transferred from surplus in statement of profit and loss towards redemption of preference shares without fresh issue of capital, as was required under section 55 of the Companies Act, 2013.

#### Debenture Redemption Reserve

Debenture Redemption Reserve has been created in terms of Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014 for Non Convertible Debentures issued by IFCI Ltd. through public offer. Later vide Notification GSR-574(E) dated 16/08/19, Ministry of Corporate Affairs (MCA) has notified amended rules for Share Capital and Debentures (Rules 2014), no additional DRR has to be created either for public issue of bonds or for private placements in case of existing bonds and debentures.

#### General Reserve

General reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations.

#### Deemed equity contribution

Deemed equity contribution on account of preferential rate borrowings from shareholders.

#### Retained Earnings

Represents as at date accumulated surplus/(deficit) of the profits earned by the Group.

#### Contingency reserve

Contingency reserve was created through an annual transfer of net income attributed to a specific reserve to be used in case of any contingencies arising.

#### Foreign currency translation reserve

Foreign currency translation reserve is created out of the exchange difference arising on conversion of foreign subsidiary into presentation currency.

#### Amalgamation reserve

Represents reserve created on merger of two or more entities.

#### Debt instruments through Other Comprehensive Income

This comprises changes in the fair value of debt instruments recognised in other comprehensive income and accumulated within equity. The Group transfers amounts from such component of equity to retained earnings when the relevant debt instruments are derecognised.

#### Equity instruments through Other Comprehensive Income

This comprises changes in the fair value of certain identified equity instruments recognised in other comprehensive income and accumulated within equity.

#### Remeasurements of the defined benefit plans

Remeasurements of defined benefit liability (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).

## 27 INTEREST INCOME

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023 (Restated)		For the year ended March 31, 2022 (Restated)	
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost
Interest on loans	-	393.79	-	477.08	-	792.70
Interest income from investments	45.44	70.03	80.01	16.49	84.32	(4.09)
Interest on deposits	-	2.00	0.01	1.66	7.21	36.23
Other Interest Income	-	42.57	-	16.43	-	8.60
<b>Total</b>	<b>45.44</b>	<b>508.39</b>	<b>80.01</b>	<b>511.65</b>	<b>91.53</b>	<b>833.44</b>

The Company has changed its accounting policy whereby interest income on stage 3 assets (except on the assets which are standard under IRAC norms) shall be recorded in the books of accounts with effect from 1st April, 2021. Accordingly, Interest income for the financial year 2022-23 and 2021-22 will be restated and increased by ₹ 209.50 crores and ₹ 248.03 crores respectively.



(All amounts are in Rupees crores unless otherwise stated)

## 28 FEES AND COMMISSION INCOME

	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)
Fund Management Fees	13.92	12.67	9.89
Business Services Fees and Commission (including guarantee commission)	526.05	476.90	51.17
Application and Administration Charges	-	0.03	1.40
<b>Total</b>	<b>539.96</b>	<b>489.59</b>	<b>62.46</b>

## 29 NET GAIN/ (LOSS) ON FAIR VALUE CHANGES

	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss			
- Equity securities	144.36	55.39	70.04
- Derivatives	-	(0.69)	(0.73)
- Security Receipts	(40.59)	(2.44)	7.53
- Preference Shares	53.20	41.80	-
- Units of Venture Capital Funds	18.50	21.94	14.12
- Units of Mutual Funds	32.87	10.28	26.11
(B) Net gain on derecognition of financial instruments at fair value through other comprehensive income	3.85	(39.86)	(70.85)
(C) <b>Total Net gain/(loss) on fair value changes</b>	<b>212.18</b>	<b>86.42</b>	<b>46.21</b>
Fair value changes :			
- Realised	(87.09)	(6.13)	(51.14)
- Unrealised	299.28	92.55	97.36
(D) <b>Total Net gain/(loss) on fair value changes</b>	<b>212.18</b>	<b>86.42</b>	<b>46.21</b>

## 30 OTHER INCOME

	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)
Net gain/(loss) on derecognition of property, plant and equipment	1.35	0.22	0.02
Foreign exchange gain/loss	-	-	0.12
Profit on sale of assets held for sale (Net)	-	-	-
Interest from Income Tax Refund	1.33	4.75	2.72
Deferred Income from Land	-	-	4.43
Reversal of Impairment Loss	95.51	-	-
Profit on sale of associates	-	-	0.89
Sundry balances written back (net)	-	-	13.83
Others	30.04	28.75	21.42
<b>Total</b>	<b>128.24</b>	<b>33.73</b>	<b>43.44</b>

(All amounts are in Rupees crores unless otherwise stated)

### 31 FINANCE COSTS

	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)
Interest on borrowings	563.06	633.81	928.29
Interest on debt securities	0.23	0.99	8.29
Interest on subordinated liabilities	-	-	-
Other interest expenses	0.00	0.02	1.40
Interest on Right of Use Lease Liability	-	-	4.86
Other Finance Cost	7.85	6.80	0.22
<b>Total</b>	<b>571.13</b>	<b>641.62</b>	<b>943.07</b>

### 32 IMPAIRMENT ON FINANCIAL INSTRUMENTS

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023 (Restated)		For the year ended March 31, 2022 (Restated)	
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost
Loans *	-	(324.67)	-	121.75	-	1,687.83
Investments	(0.02)	2.04	(0.08)	0.63	(50.03)	-
Provision for doubtful debts/ advances	-	28.37	-	1.05	-	(0.02)
Other assets	-	-	-	-	-	1.51
<b>Total</b>	<b>(0.02)</b>	<b>(294.26)</b>	<b>(0.08)</b>	<b>123.44</b>	<b>(50.03)</b>	<b>1,689.32</b>

\* Includes write off (net) during the year **417.42** **239.06** **1,388.83**

The Company has changed its accounting policy whereby interest income on stage 3 assets (except on the assets which are standard under IRAC norms) shall be recorded in the books of accounts with effect from 1st April, 2021. Accordingly, Interest income for the financial year 2022-23 and 2021-22 will be restated and increased by ₹ 209.50 crores and ₹ 248.03 crores respectively. Since there is no expectation of recovery, the same has been written off respectively. Accordingly, impairment of financial instruments for these years shall increase by respective amounts in each financial year.

### 33 EMPLOYEE BENEFIT EXPENSES

	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)
Salaries and wages	244.40	232.40	252.54
Contribution to provident and other funds	33.72	31.41	26.69
Expenses towards post employment benefits	20.12	21.47	18.90
Staff welfare expenses	15.49	18.57	12.62
Others	-	-	0.28
<b>Total</b>	<b>313.73</b>	<b>303.85</b>	<b>311.04</b>

### 34 DEPRECIATION AND AMORTISATION

	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)
Depreciation of property, plant and equipment	41.98	51.14	41.77
Depreciation on Investment Property	6.81	-	3.01
Amortisation of intangible assets	32.10	22.78	21.60
<b>Total</b>	<b>80.89</b>	<b>73.93</b>	<b>66.39</b>

(All amounts are in Rupees crores unless otherwise stated)

### 35 OTHER EXPENSES

	For the year ended March 31, 2024	For the year ended March 31, 2023 (Restated)	For the year ended March 31, 2022 (Restated)
Rent	0.77	1.27	3.16
Rates and Taxes	7.42	7.79	7.34
Insurance	8.74	8.47	7.02
Repairs and Maintenance			
- Buildings	15.78	15.79	15.19
- Plant and Machinery	-	-	14.77
- IT	19.17	19.67	3.96
- Others	2.90	3.17	3.85
Electricity & Water Charges	17.62	17.08	15.19
Security expenses	7.90	7.60	7.72
Payment to Auditors *	1.20	1.58	1.66
Directors' Fee & Expenses	1.82	0.50	0.45
Publications & Advertisement	5.18	6.28	0.76
Consultation & Law charges	11.44	14.17	18.32
Travelling & Conveyance	5.32	6.22	6.17
Training & Development	9.76	1.44	1.20
Postage & Telephone	11.34	3.98	4.12
Printing & Stationery	15.63	11.14	9.57
Listing/ Filing/ Custody Fee	10.78	9.58	18.02
Library & Membership Subscription	0.30	0.37	0.56
Expenses on CSR Activity	2.65	1.98	0.87
Bad Debts	74.28	-	-
Loss on Sale of Fixed Assets	0.13	-	-
Technical Know-how Fees	-	-	90.13
Software Expenses	-	-	16.70
Foreign exchange gain/loss	12.89	19.10	18.54
Other miscellaneous expenses	350.68	303.91	2.21
<b>Total</b>	<b>593.69</b>	<b>461.08</b>	<b>303.25</b>

\* Refer note 36 for details on payment to auditors.

### 36 PAYMENT TO AUDITORS

	For the year ended March 31, 2024	For the year ended March 31, 2023
Audit Fees	1.01	1.42
Certification and other services	0.14	0.13
Reimbursement of Expenses	0.05	0.09
<b>Total</b>	<b>1.20</b>	<b>1.65</b>

### 37 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Contingent Liabilities#</b>		
(i) Claims not acknowledged as debts	124.49	124.92
(ii) Guarantees excluding financial guarantees	3.46	3.22
(iii) Export obligations under EPCG Licenses	-	0.02
(iv) Tax Matters :		
Income Tax*	77.60	9.36
Service tax / GST	6.27	-
<b>Total</b>	<b>211.82</b>	<b>137.52</b>

\*Considering the current status of the pending litigation cases, no material financial impact is expected on the financial statements as on March 31, 2024.

(All amounts are in Rupees crores unless otherwise stated)

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>B. Commitments</b>		
(i) Estimated amount of contract (including lease contract) remaining to be executed on capital account (net of advances)	11.56	13.05
(ii) Undrawn Commitments	7.17	26.39
<b>Total</b>	<b>18.73</b>	<b>39.44</b>
<b>C. Contingent assets</b>	Nil	Nil

### 38 TAX EXPENSE

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Amounts recognised in profit or loss</b>		
<b>Current tax (a)</b>		
Current tax expense	54.88	45.43
Current tax expense/ (benefit) pertaining to earlier years	1.15	0.07
<b>Sub-total (a)</b>	<b>56.03</b>	<b>45.50</b>
<b>Deferred tax (b)</b>		
Deferred tax expense/ (credit)	453.80	100.36
<b>Sub-total (b)</b>	<b>453.80</b>	<b>100.36</b>
<b>Tax expense (a)+(b)</b>	<b>509.83</b>	<b>145.86</b>

### B. Reconciliation of effective tax rate

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	%	Amount	%	Amount
Profit before tax	-	750.88	-	26.08
Tax using the Group's domestic tax rate of 34.944%	34.94%	262.39	34.94%	9.11
<b>Effect of:</b>				
Tax exempt income	0.00%	-	0.00%	-
Non-deductible expenses	0.00%	-	0.00%	-
Changes in estimates related to prior years for current tax	0.15%	1.15	0.27%	0.07
Current year depreciation for which no deferred tax asset was recognised	-0.91%	(6.82)	-26.23%	(6.84)
Others	33.71%	253.11	550.31%	143.52
<b>Effective tax rate/ tax expense</b>	<b>67.90%</b>	<b>509.83.</b>	<b>559.28%</b>	<b>145.86</b>

39 Certain balances appearing under trade receivables and payables are subject to confirmation.

### 40 In case of IFCI Limited

- (i) The Company had received ₹ 400 crore was received from GOI on March 07, 2023, towards subscription to the share capital of the Company for the FY 2022-23 as share application money. In this regard, the Committee of Directors had allotted 29,36,85,756 number of equity shares of face value of ₹ 10/- each to the GOI on April 27, 2023 @ ₹ 13.62/- per equity share (including security premium of ₹ 3.62/- per equity share).

Further, an amount of ₹ 500 crore was received from GOI on March 08, 2024, towards subscription to the share capital of the Company for the FY 2023-24 as share application money. In this regard, the Committee of Directors had allotted 12,39,77,188 number of equity shares of face value of ₹ 10/- each to the GOI on April 18, 2024 @ ₹ 40.33/- per equity share (including security premium of ₹ 30.33/- per equity share).

- (ii) As on March, 2024 provisioning required under RBI Prudential (IRACP) Norms (including standard assets provisioning) is higher than impairment allowance under Ind AS 109 by ₹ 104.67 Crore. Hence, Impairment reserve has been created for ₹ 70.13 crore, as required by RBI Notification no "DOR (NBFC) CC. PD. No109/22.10.106/2019-20 dated March 13, 2020. Further, existing impairment reserve of ₹ 34.54 crores created till June 30, 2020 has not been reversed. ECL on loan Assets is computed on portfolio basis. LGD percentage as on 31st March 2024 is 71.60%.

- (iii) As on 31st March 2024, the Company has changed its accounting policy whereby interest income on stage 3 assets (except on assets which are standard under IRAC norms) shall be recognized in books of accounts with effect from 01st April 2021. Accordingly, Interest Income for FY2021-22 and FY 2022-23 has increased by ₹ 248.03 and ₹ 209.50 Crore respectively. Since, there was no expectation of recovery, the same has been written off as bad debts in both the years. Hence, there is no impact on net profit/net loss of these years respectively.

During FY 23-24, the company has recognised the Interest Income of ₹ 160 crore and written off ₹ 145 crore as bad debts, since there is no expectation of recovery for the same. The previous year financial statements have been restated accordingly and opening balance sheet has also been prepared to reflect the changes in application of Interest income on stage 3 assets.

- (iv) The Capital Risk Adequacy Ratio (CRAR) stands at -(48.35%) as on 31 March 2024, below the RBI stipulated guidelines vide circular dt 31st May 2018 (RBI/2017-18/181 DNBR (PD) CC.No. 092/03.10.001/2017-18).

(All amounts are in Rupees crores unless otherwise stated)

- (v) These financial statements have been prepared as per Schedule III Division III of the Companies Act, 2013 which has been notified by the Ministry of Corporate Affairs and published in the official Gazette on 11th October 2018. Any application guidance/ clarifications/ directions issued by RBI or other regulators will be implemented as and when they are issued/ applicable.
- (vi) The valuation of Investments in subsidiary companies has been considered on the basis of financial statements of the subsidiaries for the period ended 31st December 2023, instead of 31st March 2024. There is no material impact of this on the financial statements of the company.
- (vii) IFCI is carrying the investment in subsidiary companies at cost net of impairment loss (if any) and opted for one time exemption under IndAS 101 for deemed cost being the carrying value of investment as at transition date i.e. April 1, 2017. As on March 31, 2024, the Company had investment in 27,91,54,700 no. of Equity shares in its subsidiary, IFCI Factors Ltd. (IFL) and 3,93,63,809 no. of Equity shares in its subsidiary, IFCI Financial Services Ltd. (IFIN). The company got the shares of IFL & IFIN fair valued internally, per which, the fair value of investments in shares of IFL was determined at ₹ 16.19 crore and the fair value of investments in shares of IFIN was determined at ₹ 61.29 crore, using the generally accepted valuation methodologies against breakup value, in line with Indian Accounting Standards and accordingly, the resultant impairment loss has been charged in the Profit & Loss Account.

- 41 In the context of reporting business/geographical segment as required by Ind AS 108 - "Operating Segments", the Company operations comprise of only one business segment of financing. Hence, there is no reportable segment as per Ind AS 108.
- 42 On all the secured bonds and debentures issued by the Company and outstanding as on 31st March 2024, 100% security cover has been maintained against principal and interest, by way of floating charge on book debts/receivables of the Company.

**In case of Stockholding Corporation of India Limited**

- 43 The Company had during the year 2000-01 undertaken a transaction of ₹ 2,441 lakh with a client through the Calcutta Stock Exchange (CSE) under the 'Cash on Payout' scheme for the sale of 7,20,000 equity shares of DSQ Industries Limited. The said transaction was confirmed by CSE based on which postdated cheques were issued. The cheques were stopped for payment before their due date by the Company as the underlying trade transaction was contended to be non-bonafide and disallowed by CSE. The Bank, which had granted financial assistance against the said cheques, issued a notice of demand against the Company under Section 138 of the Negotiable Instrument Act, 1881. The Bank also filed an application in the Debt Recovery Tribunal (DRT) for recovery of the amount along with compound interest from the Company and the client. The Company disputed the claim of the Bank. The Bank's application to the DRT was dismissed and only the client was held liable. The Bank and the client had filed an appeal in the Debt Recovery Appellate Tribunal (DRAT) against the order of DRT. The appeals were allowed vide the DRAT order dated September 23, 2011, which stated that the amount would carry compound interest from August 1, 2001 @ 19% p.a. with quarterly rests till realisation and the Bank was entitled to realize the sum from both the client and the Company. The Company filed a Revision Application in High Court, Calcutta on November 30, 2011 which was admitted but no interim relief was granted. Hence, the Company filed a Special Leave Petition (SLP) in the Supreme Court for stay of the High Court Order for not granting interim relief of staying the DRAT order, the Order of the DRAT and the recovery certificate and notice of demand issued by Presiding Officer and recovery officer of DRT respectively. The Supreme Court vide its order dated April 23, 2012 granted stay on the recovery proceedings and requested the Calcutta High Court to dispose off the Revision Application within a period of four months and the Company to deposit ₹ 3,000 lakh with the Calcutta High Court Registry within a period of 4 weeks from the date of order by way of a short term deposit in a nationalized bank. Accordingly, the Company had deposited the money with the Calcutta High Court, Registry. The Revision application was dismissed. The Company filed Special Leave Petition (SLP) in the Supreme Court in May 2015. The Supreme Court vide its order dated May 14, 2015 stayed the operation of the execution proceedings and the Company to deposit with the Registrar, Supreme Court of India, a fixed deposit receipt in the name of the Company and endorsed in favour of the Registrar an amount of not less than ₹ 3,000 lakh. Accordingly, the Company made the deposit. The amount of ₹ 6,000 lakh, deposited by the Company in the High Court (₹ 3,000 lakh) and Supreme Court (₹ 3,000 lakh) is shown under the heading "Other Non-current Financial Assets" under the sub-heading "Security and other deposits considered good" in the Statement of Balance Sheet. The bank was granted liberty to withdraw ₹ 3,000 lakh along with interest that had been lying as deposit before the High Court of Kolkata which is subject to final decision in the SLP. Accordingly, an amount of ₹ 3,804 lakh was released to the Bank. Further by an order dated October 12, 2015, the Supreme Court directed the bank to withdraw an additional amount of ₹ 1,500 lakh along with accrued interest from the money deposited with the Supreme Court. Accordingly, an amount of ₹ 1,545 lakh was released to the Bank. The Special Leave petition has been converted into a Civil Appeal on February 08, 2017 and the matter is listed in the Supreme Court for final disposal. The matter was appearing in the weekly list for January 2020. No hearings had taken place in 2020 and options for early hearing were explored. However, the Bank mentioned the matter on December 06, 2021 for early listing and the Supreme court directed the matter to be listed in four weeks time, approximately around January 11, 2022. The matter was appearing in the list for April 2023 and was last listed on April 19, 2023 wherein the Court directed for it to be listed on May 11, 2023. However, on May 11, 2023 the matter did not reach the board of the Court. The matter is currently pending for final hearing.
- 44(i) It was observed that 3 trading accounts were opened in the year 2022 by providing fake / forged identity documents like PAN card, Aadhaar Card and Election Id. Card in the names of 3 existing clients (i.e. demat account holders). After opening the trading accounts, shares held in the demat accounts of the existing clients were sold and the pay-out has been made to the bank accounts registered in the trading account. StockHolding has filed a consolidated complaint with Puducherry Police authorities on September 12, 2023. A claim has been lodged by the Corporation with the Insurers on September 22, 2023 for a total loss amount of ₹ 55 lakhs. Further, claim has also been lodged by the subsidiary, StockHolding Services Limited under their insurance policy. The Company has restored shares to the DP account holders. The loss incurred on purchase of shares for the needful restoration amounts to ₹ 56 lakhs has been accounted as "Claims Paid" in the books of accounts during the FY 2023-24
- 44(ii) There was a fire incident on December 11, 2017 at Mahape premises of the Company. The insurance company have appointed surveyors. The Corporation has received the insurance claim amounting to ₹ 1,405 Lakhs on 28th July, 2021 towards the fire incident. The surveyors assessed the damage to the property of the Company. The Company appointed contractors to carry out the repair work for the Interior and Basement areas. The completion of the repair/ renovation work has been delayed due to the outbreak of the COVID-19 pandemic and the lockdown enforced by the Government. The work resumed at the end of August 2020 and completed, with major work pertaining to the work order of Mahape Interior being completed. Expenses transferred to Repairs & Maintenance Account for Mahape Interiors furnishing for the year ended March 31, 2024 is ₹ Nil. (Previous Year ₹ 38 lakhs booked as expenses for Mahape Interiors furnishing).
- 45 **IN CASE OF STOCKHOLDING DOCUMENT MANAGEMENT SERVICES LIMITED**
  - (a) A fire incident occurred on December 11, 2017 at Mahape premise of the company.
  - (b) The Company has received claims for loss of documents from its clients. Pending ascertainment of actual claim, the company has not provided/ disclosed for such claim/contingent liabilities and corresponding insurance claim receivable in the books of account as on March 31, 2024. Also, the Company is a party to legal proceedings but does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of operations or cash flows. Further, claims by party (ies) in respect of which the management has been advised by its legal counsel, that the same are frivolous and not tenable, have also not been considered as contingent liabilities.
- 46 In case of SHCIL Services Limited, The Company has received summons dated March 06, 2018 from Court of Additional Chief Metropolitan Magistrate, (4th court, Girgaon, Mumbai) for violation of provisions of section 81, 193 and 285 of Companies Act 1956 which took place prior to financial year 2008-09. The Company had filed the compounding applications with ROC and NCTL Mumbai on September 11, 2018. During the current year, the Company has

(All amounts are in Rupees crores unless otherwise stated)

received compounding order from the National Company Law Tribunal (NCLT) with a compounding fee of ₹ 1.88 lakh each for the violation of provisions of section 81 and 285 and ₹ 0.015 lakh for violation of section 193 of the companies Act 1956. All fees has been paid off and no further payable on the Balance Sheet date

#### 47 IN CASE OF

##### A IFCI Factors Limited (IFL) :-

- Arrear of Dividend on Compulsorily Convertible Cumulative Preference Shares is ₹ 61.03 crores which has not been provided for as per sanction terms & conditions.
- The Company had assigned its portfolio of 57 accounts during the financial year for a total consideration of ₹ 13.21 crore. The net book value of 57 accounts as on March 31, 2023 is ₹ 11.50 crore. The sale of portfolio comprising of 57 accounts lead to a reversal of Deferred Tax Asset of ₹ 83.67 crore. The balance DTA of ₹ 2.71 crore has been reversed due to uncertainty in future profitability
- During the year company has assigned 57 NPA loan accounts out of its 62 Loan/Investment accounts for INR 1,321 Lakhs.

##### B IFCI Infrastructure Development Ltd. (IIDL) :-

- Inventory includes one property against which the Regional Provident Fund Commissioner - II has ordered for the recovery of those defaulted by the earlier company, i.e. Haryana Sheet Glass Limited (HSGL). A Writ Petition has been filed by the company before High Court of Punjab and Haryana at Chandigarh against the said order. The Court was of prima facie opinion that proper procedures has not been followed in assessing the liability. Accordingly, the impugned order has been quashed giving liberty to PF department to decide afresh after following due procedure. The matter is sub-judice.
- The Company has received a notice from AIG Stamp Ghaziabad, for short payment of stamp duty amounting to ₹ 150.02 Lakhs. The Honable high court has granted stay in favour of the company & the case is pending for the further hearing.
- An award dated 25.01.2018 was passed by the Arbitral Tribunal in the arbitration proceedings between M/s Subir Engineering Work(s) Pvt Ltd. vs. IIDL directing IIDL to pay claimant ₹ 768.00 lakhs with interest @ 6% from 27.10.2016 against the total claim of ₹ 2118 lakhs claimed by the Claimant. (The Award includes VAT amount of ₹ 309.00 lakhs and security deposit of ₹ 272.00 lakhs). IIDL has filed a petition u/s 34 of The Arbitration and Conciliation Act 1996 before Hon'ble Delhi High Court against this award. Further, an amount of ₹ 400.00 lakhs has been deposited in the court as per the direction of Honable High Court. The matter is Sub-judice before DHC.
- The Company is contesting several matters pertaining to its project 21st Milestone Residency at Ghaziabad before Real Estate Regulatory Authority/ Real Estate Appellate Tribunal. In two of the matters i.e. Dwariakesh Sugar Industries Limited and Amit Kumar Shrivastava, an attachment order was passed by the RERA authority against which the company has filed an appeal before REAT. Wherein as per the direction of the tribunal, the company has deposited an amount of ₹ 19.51 Lakhs.
- The Arbitrator passed an award on 21.02.2022 observing that the Claimant has been found entitled to a total sum of ₹ 442.47 Lakhs as against sum of ₹ 200.61 Lakhs held recoverable by IIDL from SBTL under its Counter Claim with respect to amount to be recovered from M/s SBTL from its retention money for work done by IIDL and ₹ 100 Lakhs towards liquidated damages recoverable under the Counter Claim of IIDL. Setting off the said amount against the amount found payable to SBTL, SBTL shall be entitled to a sum of ₹ 141.87 Lakhs only.

Accordingly, an award of ₹ 141.87 Lakhs in favour of SBTL in full and final settlement of all the disputes and the claims and the counter claims arising from the disputes along with interest on the amount awarded in the favor of SBTL @ 9% p.a from 5.08.2019 till the date the awarded amount is paid, passed by the Arbitrator. Further, SBTL shall also be entitled to proportionate costs of arbitration proceedings @ ₹ 15 Lakhs. The same paid to SBTL on 26-07-2022. The matter is Subjudice before DHC.

- As per company policy, investment held in Jangipur Bengal Mega Foodpark Limited was revalued during the year 2023-24. This has resulted in impairment of fair value from INR 7.70 per share to INR 5.30 per share leading to net loss on fair value changes of ₹ 204.10 Lakhs.

##### C IFCI Venture Capital Funds Limited :-

- The company changes its accounting policy whereby interest income on stage 3 Assets (except on the assets which are standard under IRAC norms) shall be recorded in the books of accounts with effect from 1st April 2021. Accordingly, interest income for the financial year 2022-23 and 2021-22 will be reinstated and increased by ₹ 1163.41 lakh and ₹ 1266.84 lakh respectively.
- During the year 2023-24, the Company has recognized the interest income of INR 1,117.10 Lakhs and written off the INR 1,104.29 Lakhs as bad debts, since there is no expectation of recovery for the same.

##### D MPCON Limited :-

- A sum of ₹ 13.13 Lacs is shown under the head other current liabilities are the amount which is received by the company during the financial year but the same has been unidentified by the company from whom the amount has been received.
- Sum of ₹ 39.12 Lacs related to other current assets (income tax refundable) of the previous financial year 2022-23 has been directly adjusted from reserve and surplus.
- In case of manpower supply assignments invoices are raised after receipt of certificate/confirmation from the department. Income is also treated in the relevant period when department treat the expenses.

##### E IFCI Financial Services Limited :-

- With respect to Subsidiary Company IFIN Securities Finance Limited, the outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The Covid-19 post lockdown has not resulted in material decline in prices of listed / quoted equity shares & mutual funds and the loans against shares, mutual funds and margin funding portfolio have not witnessed a material decline in the underlying security value. As a result of the above, the company has created its Expected Credit loss (ECL) provisioning based on past history of the borrowers as applicable, and risk of credit default that may result due to likely stress in the financial position of our borrowers. Moreover, due to the uncertainties associated with the pandemic, the actual impact may not be in line with current estimates. The Company will continue to closely monitor any material changes to future economic conditions due to the impact of pandemic. Further, the impact assessment does not indicate any adverse impact on the ability of the company to continue as a going concern.
- With respect to Subsidiary Company IFIN Commodities Ltd, The company has surrendered its license with NCDEX and MCX on the basis of the resolution passed in the Board meetings held on 05.09.2023 and 30.01.2024. This is also approved by the shareholder in the EGM held on 12.02.2024. As a result of license surrender, the company has surrender its trading operations, which is major source of revenue with effect from 18.01.2024 and consequently the revenue from brokerage the date is Nil.

(All amounts are in Rupees crores unless otherwise stated)

#### 48 OTHER ADDITIONAL REGULATORY DISCLOSURES AS REQUIRED UNDER SCHEDULE III

In case of Stock Holding Corporation of India Limited (SHCIL) and IFCI Infrastructure Development Limite (IIDL)

##### a) Title Deeds of Immovable Property:

Relevant line item in the balance sheet	Description of the property	Gross carrying value	Title deed held in the Name of	Whether title deed holders are promoters, directors or relative of promoters, directors or employee of promoters, directors	Period of Holding the property	Reason for not being in the name of the company and whether the property is under dispute
Property, Plant and Equipment	18 Flats at Tilak Nagar- 9216 Sq. Feet	₹ 1.11 Crores	Stock Holding Corporation of India Limited	No	Since 01/05/1993	The conveyance of the property is under process
Property, Plant and Equipment	Pangoorvell, Ariyur Revenue Village, District - Villanpur, Puducherry (area 21.279 acres)	₹ 10.01 Crores	IFCI Infrastructure Development Limited (through sale certificate issued by IFCI Limited)	No	15 years & 08 months	One of the survey number identified as temple land due to which registration has not taken place. IIDL is in process of resolving the issue with concerned authority.

##### b) i) Ageing analysis of Capital Work-in-Progress (SHCIL):

Capital Work-in-Progress	Amounts in CWIP for a period of Mar 2024				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
Projects in Progress:— Branch interiors	0.24	-	-	-	0.24
IT Hardware Assets-Appliances and Servers	12.29	-	-	-	12.29
<b>Total</b>	<b>12.53</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12.53</b>

Capital Work-in-Progress	Amounts in CWIP for a period of Mar 2023				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
Projects in Progress:— Third Building Project at Mahape	4.56	0.04	0.02	0.07	4.69
Server Switches	0.80	-	-	-	0.80
<b>Total</b>	<b>5.36</b>	<b>0.04</b>	<b>0.02</b>	<b>0.07</b>	<b>5.49</b>

##### ii) Details of Capital Work-in-Progress, whose completion is overdue or has exceeded its cost compared to its original plan as on March 31, 2024:

Capital Work-in-Progress	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
	-	-	-	-

The project completion is overdue at original plan. However, the cost of project has not been exceeded compared to its original plan.

Details of Capital Work-in-Progress, whose completion is overdue or has exceeded its cost compared to its original plan as on March 31, 2023:

Capital Work-in-Progress	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
	4.69	-	-	-

Third building project at Mahape office - (Completion is overdue but not exceeded its costs compared to its original plan)

Server Switches

The project completion is overdue at original plan. However, the cost of project has not been exceeded compared to its original plan.

##### c) i) Ageing analysis of Intangible Assets under development (SHCIL):

Intangible Assets under development	Amounts for year ended March 2024				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
Projects in progress:- Development of product Software	-	0.23	-	-	0.23
Projects In Progress : SSL	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>0.23</b>	<b>-</b>	<b>-</b>	<b>0.23</b>



(All amounts are in Rupees crores unless otherwise stated)

	Amounts for a period of Mar 2023				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Intangible Assets under development					
Projects in progress:- Development of Estamping Software	0.23	-	-	-	0.23
Projects In Progress : SSL	1.55	3.86	-	-	5.41
Total	1.78	3.86	-	-	5.64

ii) **Details of Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan as on March 31, 2024:**

Intangible Assets under development	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
<b>Projects in progress:- Development of product Software</b>	<b>0.23</b>	-	-	-

The project completion is overdue at original plan. However, the cost of project has not been exceeded compared to its original plan.

Details of Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan as on Mar 31, 2023:

Intangible Assets under development	To be completed in			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
-	-	-	-	-

The project completion is overdue at original plan. However, the cost of project has not been exceeded compared to its original plan.

d) **In case of IFCI Infrastructure Development Limite (IIDL)**

**ADDITIONAL INFORMATION PURSUANT TO THE COMPANIES ACT, 2013**

**Quantitative Information in respect of Inventories**

Description	Purchases		Sales	
	Current Year			
	Units (Locations)	Amount	Units (Locations)	Amount
Land & Building	-	-	-	0.54
Machinery & Equipment	-	-	-	-
Additional Cost incurred on Existing Properties	-	-	-	-
Raw Material Consumables and Stores	-	0.53	-	1.77
	Previous Year			
Land & Building	-	-	-	1.70
Machinery & Equipment	-	-	-	-
Additional Cost incurred on Existing Properties	-	-	-	-
Raw Material Consumables and Stores	-	0.51	-	2.15

	Opening Stock		Closing Stock	
	Current Year			
	Units	Amount	Units	Amount
	(Locations)		(Locations)	
Land & Building	-	57.95	-	69.37
Machinery & Equipment	-	-	-	-
Work-in-Progre <span>ss</span> s	-	13.21	-	-
Consumables and Stores	-	0.23	-	0.19
	Previous Year			
Land & Building	-	57.95	-	57.95
Machinery & Equipment	-	-	-	-
Work-in-Progre <span>ss</span> s	-	15.50	-	13.21
Consumables and Stores	-	0.36	-	0.23

**Note:**

- Land and Buildings include units of different areas having varied description for its types / stage of construction / development, for which it is not practical to make it individually descriptive for quantitative disclosure.
- Consumables & Stores include various F&B, House Keeping, Diesel and Engineering related stores for which it is not practical to make it individually descriptive for quantitative disclosure.

(All amounts are in Rupees crores unless otherwise stated)

- 48 (e) Benami Property:  
No proceedings have been initiated or pending against the company for holding any Benami property under the Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

- 48 (f) Borrowing against security of Current Assets  
The group has no borrowings from bank or financial institutions against security of current assets, except in case of SHCIL and quarterly returns or statements of current assets filed by the SHCIL with banks or Financial institutions are in agreement with books of accounts

**In case of Stock Holding Corporation of India Limited**

Borrowing Against Security of Trade Receivables/Book Debts (Current Assets):

Details of quarterly return/statement	Trade Receivable as per Books (₹ Crores)	Trade Receivable as per return/ statement submitted to banks/ Financial Institutions (₹ Crores)	Differences, if any
Quarter - I	130.45	130.45	-
Quarter - II	105.98	105.98	-
Quarter - III	111.01	111.01	-
Quarter - IV	Not yet due & Statement yet to be submitted		-

- 48 (g) Wilful Defaulter:  
The company has not been declared as wilful defaulter by any bank or financial institution or any other lender during the year.

- 48 (h) Relationship with Struck off company:  
The company has no transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

- 48 (i) Details of Crypto Currency or Virtual Currency:  
The company has not traded in Crypto Currency or Virtual Currency during the financial year.

- 48 (j) Companies with number of Layer of Companies:  
Company being a NBFC, clause(87) of section 2 of the Act is not applicable.

- 48 (k) Scheme of arrangement  
During the year no Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the companies act 2013

- 48 (l) Utilization of borrowed funds:
- The company has not advanced or loaned or invested any funds to any other person(s) or entity(ies), with the understanding that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or provide any guarantee, security or the like to or on behalf of beneficiaries.
  - The company has not received any funds from any other person(s) or entity(ies) including foreign entities, with the understanding that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or the company (ultimate beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- 48 (m) Undisclosed Income:  
During the year the Company has not disclosed any income in terms of any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), unless there is immunity for disclosure under any scheme.

- 48 (n) Registration of charge or satisfaction with Registrar of Companies (ROC):

**In case of Stock Holding Corporation of India Limited**

Details of charges/ satisfaction of charges to be registered	Amount (₹)	Due Date of Registration	Delayed
Charge created by Stock Holding in favour of UTI in 1994 which has been satisfied in 1998 *	1,000,000.00	30/12/1994	No
Charge created in favour of Indian Overseas Bank as per MCA Website **	275,000.00	22/09/1988	No

\*The charge is satisfied and company is in the process of deletion of charges from the MCA website.

\*\*The charge is appearing on the MCA website however as per company records no charge has been created favouring Indian Overseas Bank.

Except as stated above, there are no charges or satisfaction of charges pending for registration with the Registrar of Companies (ROC) beyond the statutory period.

**49 Employee benefits**

The Group operates the following post-employment plans -

**i. Defined contribution plan**

The Group makes monthly contribution towards pension which is a defined contribution plan. The Group has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as expense towards such contribution are as follows:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Contribution to Pension Fund	0.01	0.01
Contribution to Employees' Provident Fund	8.45	8.69
Contribution to Employees' Superannuation Fund	5.54	5.15

(All amounts are in Rupees crores unless otherwise stated)

**ii. Defined Benefit plan**

**A. Gratuity**

The Company has a defined benefit gratuity plan in India, governed by the IFCI Gratuity Regulations, 1968. This plan entitles an employee, a sum equal to one month's pay plus dearness allowance for each completed year of service in IFCI or part thereof in excess of six months, subject to a maximum of twenty months pay plus dearness allowance or Rupees Eighteen Lakh whichever is less, for first twenty years of service.. The scheme is fully funded with Life Insurance Corporation of India (LIC). This defined benefit plan expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2024. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	As at March 31, 2024	As at March 31, 2023
Net defined benefit liability	19.52	6.60

**(a) Funding**

The scheme is fully funded with Life Insurance Corporation of India (LIC). The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding of the plan is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out in Section E below. Employees do not contribute to the plan.

Expected contributions to gratuity plan for the year ending 31 March 2024 is ₹ 1.25 crore.

**(b) Reconciliation of the net defined benefit (asset) / liability**

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

	As at March 31, 2024			As at March 31, 2023		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit(asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit(asset)/ liability
Balance at the beginning of the year	76.98	70.38	6.60	77.12	68.51	8.61
Current service cost	4.91	0.13	4.79	4.91	-	4.91
Past service cost including curtailment Gains/Losses	-	-	-	-	-	-
Interest cost (income)	5.87	1.90	3.98	5.73	5.62	0.11
	<b>10.79</b>	<b>2.02</b>	<b>8.76</b>	<b>10.65</b>	<b>5.62</b>	<b>5.02</b>
Remeasurements loss (gain)						
- Actuarial loss (gain) arising from:						
- demographic assumptions	1.07	-	1.07	(0.00)	-	(0.00)
- financial assumptions	5.01	(0.01)	5.02	(0.57)	-	(0.57)
- experience adjustment	(0.96)	(0.46)	(0.50)	(2.45)	(0.09)	(2.36)
- on plan assets	-	0.10	(0.10)	-	0.02	(0.02)
	<b>5.12</b>	<b>(0.38)</b>	<b>5.50</b>	<b>(3.03)</b>	<b>(0.07)</b>	<b>(2.96)</b>
Contributions paid by the employer	-	2.98	(2.98)	-	1.39	(1.39)
Benefits paid	(9.02)	(10.66)	1.64	(7.76)	(5.07)	(2.69)
	<b>(9.02)</b>	<b>(7.68)</b>	<b>(1.34)</b>	<b>(7.76)</b>	<b>(3.68)</b>	<b>(4.08)</b>
<b>Balance at the end of the year</b>	<b>83.87</b>	<b>64.35</b>	<b>19.52</b>	<b>76.98</b>	<b>70.38</b>	<b>6.60</b>

**(c) Plan assets**

	As at March 31, 2024	As at March 31, 2023
Investment with Life insurance Corporation	100%	100%

On an annual basis, an asset-liability matching study is done by the Group whereby the Group contributes the net increase in the actuarial liability to the plan manager (insurer) in order to manage the liability risk.

(All amounts are in Rupees crores unless otherwise stated)

**(d) Actuarial assumptions**

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	As at March 31, 2024	As at March 31, 2023
Discount rate	7.21%	7.37%
Future salary growth	6.00%	6.00%
Withdrawal rate:		
Up to 30 years	1.00%	1.00%
From 31 to 44 years	1.00%	1.00%
Above 44 years	1.00%	1.00%
Retirement Age (in year)	60	60
Mortality	IALM (2012-14)	IALM (2012-14)

**(e) Sensitivity analysis of significant assumptions**

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(1.06)	1.15	(1.20)	1.27
Future salary growth (0.50% movement)	1.15	(1.06)	1.27	(1.20)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown. Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

**(f) Expected maturity analysis of the defined benefit plans in future years**

	As at March 31, 2024	As at March 31, 2023
0 to 1 Year	3.68	3.23
1 to 6 Year	6.55	8.11
6 Year onwards	14.53	15.00
<b>Total</b>	<b>24.75</b>	<b>26.35</b>

As at 31 March 2024, the weighted-average duration of the defined benefit obligation was 12.74 years (31 March 2023: 12.69 years).

**(g) Discreption of risk exposures**

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follow -

**Salary Increases :** Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

**Investment Risk :** If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

**Discount Rate :** Reduction in discount rate in subsequent valuations can increase the plan's liability.

**Mortality & disability :** Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

**Withdrawals :** Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

**B. Post Retirement Medical Benefit**

IFCI is extending post-retirement medical benefits to the employees and eligible dependent family members after their retirement. As per the scheme, employees who are members of Voluntary Welfare Scheme (VWS) are eligible for reimbursement of medical expenses after retirement. The benefits under the scheme are extended to the retired employees, his/her spouse and dependent children and entitlement for reimbursement, although within the ceilings and is based upon the Grade in which an employee retires, subject to the condition that spouse of the concerned employee is not availing of any medical benefits from his/her employer, if any. Reimbursement of the medical bills is made at the rates applicable to the employees at the center at which the employee resides after retirement as per the rates circulated by IFCI for its working employees time to time.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statements as at balance sheet date:

	As at March 31, 2024	As at March 31, 2023
Net defined benefit liability	34.79	32.11

(All amounts are in Rupees crores unless otherwise stated)

**(a) Reconciliation of the net defined benefit (asset) / liability**

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

	Defined benefit obligation	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	32.11	29.82
Current service cost	0.09	0.10
Past service cost including curtailment Gains/Losses	-	-
Interest cost (income)	2.37	2.18
	<b>2.46</b>	<b>2.28</b>
Remeasurements loss (gain)		
- Actuarial loss (gain) arising from:		
- demographic assumptions	-	-
- financial assumptions	-	-
- experience adjustment	0.68	0.42
	<b>0.68</b>	<b>0.42</b>
Benefits paid	(0.46)	(0.40)
	<b>(0.46)</b>	<b>(0.40)</b>
<b>Balance at the end of the year</b>	<b>34.79</b>	<b>32.11</b>

Expected contributions to the plan for the year ending 31 March 2024 is ₹ 2.61 crore.

**(c) Plan assets**

There were no plan assets with the Group w.r.t said post retirement medical benefit plan

On an annual basis, an asset-liability matching study is done by the Group whereby the Group contributes the net increase in the actuarial liability to a restricted fund in order to manage the liability risk.

**(d) Actuarial assumptions**

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	As at March 31, 2024	As at March 31, 2023
Discount rate	7.21%	7.37%
Future medical cost increase	3.00%	3.00%
Withdrawal rate:		
Up to 30 years	1.00%	1.00%
From 31 to 44 years	1.00%	1.00%
Above 44 years	1.00%	1.00%
Retirement Age (in year)	60	60
Mortality	IALM (2012-14)	IALM (2012-14)

**(e) Sensitivity analysis of significant assumptions**

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(1.14)	1.14	(1.11)	1.11

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

(All amounts are in Rupees crores unless otherwise stated)

**(f) Expected maturity analysis of the defined benefit plans in future years**

	As at March 31, 2024	As at March 31, 2023
0 to 1 Year	2.67	2.59
1 to 2 Year	2.16	1.99
2 to 3 Year	2.17	2.00
3 to 4 Year	1.91	1.77
4 to 5 Year	2.05	1.89
5 to 6 Year	1.59	1.47
6 Year onwards	22.24	20.40
<b>Total</b>	<b>34.79</b>	<b>32.11</b>

As at 31 March 2024, the weighted-average duration of the defined benefit obligation was 7.87 years (31 March 2023: 7.83 years).

**(g) Discreption of risk exposures**

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follow -

**Medical Cost Increase** - increase in actual medical cost per retiree will increase the Plan's liability. Increase in medical Cost per Retiree rate assumption will also increase the liability.

**Investment Risk** : If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

**Discount Rate** : Reduction in discount rate in subsequent valuations can increase the plan's liability.

**Mortality & disability** : Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

**Withdrawals** : Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

**C. Provident Fund**

The Group has a defined benefit provident fund, governed by the IFCI Employees' Provident Fund Regulations. Monthly contributions to the Provident Fund is being charged against revenue. IFCI has been paying interest on the provident fund balance at the rate notified by the Employees' Provident Fund Organization (EPFO) for the relevant year. The Provident Fund is administered through duly constituted and approved administrators. The Committee of Administrators of IFCI Employees' Provident Fund has approved earmarking of specific investments against the PF liability in the current financial year. For the purpose, investments have been earmarked towards PF liability in line with the notification issued by Ministry of Labour & Employment notifying the pattern of investment for EPFO and EPF exempted establishments.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statements as at balance sheet date:

	As at March 31, 2024	As at March 31, 2023
Net defined benefit liability/ (asset)	2.77	(9.90)

**(a) Funding**

During the Financial year 2018-19, the Company has earmarked some of its investments in government securities, mutual funds against Provident fund liability.

Expected contributions to provident fund plan for the year ending 31 March 2024 is ₹ 0.88 crore.

**(b) Reconciliation of the net defined benefit (asset) / liability**

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

	As at March 31, 2024			As at March 31, 2023		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit(asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit(asset)/ liability
Balance at the beginning of the year	86.36	96.26	(9.90)	82.40	92.22	(9.81)
Current service cost	0.97	-	0.97	2.93	-	2.93
Interest cost (income)	1.10	-	1.10	1.03	-	1.03
	2.07	-	2.07	3.96	-	3.96
Remeasurements loss (gain)						
- Actuarial loss (gain) arising from:						
- demographic assumptions	-	-	-	-	-	-
- financial assumptions	-	-	-	-	-	-
- experience adjustment	-	-	-	-	-	-
- on plan assets	-	0.97	(0.97)	-	1.03	(1.03)
	-	0.97	(0.97)	-	1.03	(1.03)

(All amounts are in Rupees crores unless otherwise stated)

	As at March 31, 2024			As at March 31, 2023		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit(asset)/liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit(asset)/liability
<b>Other</b>						
Contributions paid by the employer	-	-	-	-	-	-
Benefits paid	-	-	-	-	-	-
Employer contribution	-	(11.57)	11.57	-	3.01	(3.01)
Settlements/transfers	-	-	-	-	-	-
	-	(11.57)	11.57	-	3.01	(3.01)
<b>Balance at the end of the year</b>	<b>88.43</b>	<b>85.66</b>	<b>2.77</b>	<b>86.36</b>	<b>96.26</b>	<b>(9.90)</b>

(c) **Plan assets**

	As at March 31, 2024	As at March 31, 2023
Investment in government securities	100%	100%

On an annual basis, an asset-liability matching study is done by the Group whereby the Group contributes the net increase in the actuarial liability to a trust which in turn make investments in order to manage the liability risk.

(d) **Actuarial assumptions**

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	As at March 31, 2024	As at March 31, 2023
Discount rate	7.21%	7.37%
Expected statutory interest rate on the ledger balance	8.25%	8.15%
Expected year/Current short fall in interest earnings on the fund	0.30%	0.30%
Mortality	IALM (2012-14)	IALM (2012-14)
Disability	None	None
Withdrawal Rate (Age related)		
Up to 30 Years	1.00%	1.00%
Between 31 - 44 Years	1.00%	1.00%
Above 44 Years	1.00%	1.00%
Normal Retirement Age	60	60

(e) **Sensitivity analysis of significant assumptions**

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(0.09)	0.10	(0.08)	0.09

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

(f) **Expected maturity analysis of the defined benefit plans in future years**

	As at March 31, 2024	As at March 31, 2023
1 year	23.76	11.72
Between 2-5 years	13.30	22.22
Between 6-10 years	16.45	14.21
Over 10 years	32.54	31.71
<b>Total</b>	<b>86.05</b>	<b>79.86</b>

As at 31 March 2024, the weighted-average duration of the defined benefit obligation was 12.74 years (31 March 2023: 12.69 years).

(g) **Discreption of risk exposures**

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follow -



(All amounts are in Rupees crores unless otherwise stated)

**Investment Risk** : If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

**Discount Rate** : Reduction in discount rate in subsequent valuations can increase the plan's liability.

**Mortality & disability** : Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

**Withdrawals** : Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

**iii. Other long-term employment benefits**

The Group provides leave encashment benefits and leave fair concession to the employees of the Group which can be carried forward to future years. Amount recognised in the Statement of Profit and Loss for compensated absences is as under-

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Amount recognised in Statement of Profit and Loss</b>		
Leave encashment	0.74	1.85
Leave fare concession	0.89	4.12
Medical benefits	1.90	1.97

**50 RELATED PARTY DISCLOSURE**

**i. Name of the related party and nature of relationship:-**

A. Nature of Relationship	Name of the Related Party
<b>Associates *</b>	IFCI Social Foundation Institute of leadership development Associates held for sale - Athena Chattisgarh Power Pvt. Ltd. - Gati Infrastructure Bhasmey Power Pvt. Ltd. - KITCO Ltd. - Nagai Power Pvt. Ltd. - Shiga Energy Private Ltd. - Vadraj Cements Ltd. - Vadraj Energy (Gujarat) Ltd.

\* The accounts of Associates have not been consolidated in the Consolidated Financial Statements for the year ending March 31, 2024. However, the names of the Associates have been disclosed in the related party for meeting the Ind AS requirements.

<b>Joint venture</b>	IFCI Sycamore Capital Advisors Pvt. Ltd. (under voluntary liquidation)
<b>Trust incorporated for CSR activity</b>	IFCI Social Foundation
<b>Key Managerial Personnel*</b>	Shri Manoj Mittal - Managing Director & Chief Executive Officer (w.e.f 12 June 2021) Shri Rahul Bhawe, Dy.Managing Director (w.e.f. November 28, 2023) Shri Prasoon - Chief Financial Officer (ceased to be CFO w.e.f. August 11, 2023) Shri Suneet Shukla - Chief Financial Officer (w.e.f. August 11, 2023) Ms. Priyanka Sharma - Company Secretary ( w.e.f. 16 Sep. 2021) Shri Mukesh Kumar Bansal (ceased to be Director w.e.f. March 27, 2024) Shri Kartikeya Misra (ceased to be Director w.e.f. March 27, 2024) Prof. Narayanaswamy Balakrishnan (w.e.f. 30 October 2017) Prof. Arvind Sahay (w.e.f. 30 October 2017) Shri Surendra Behera (w.e.f. 09 Nov 2022 ) Shri Arvind Kumar Jain (w.e.f 09 Nov 2022) Shri Umesh Kumar Garg (w.e.f. May 10, 2023)

<b>Entities under the control of same government</b>	The Group is a Central Public Sector Undertaking (CPSU) controlled directly or indirectly by Central Government. Pursuant to paragraph 25 and 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. The Group has applied the exemption available for government related entities and have made limited disclosures in the standalone financial statements.
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(All amounts are in Rupees crores unless otherwise stated)

**ii. Related party transactions during the year and balance receivable from and payable to related parties as at the balance sheet date:-**

Name of related party	Nature of transaction	For the year ended March 31, 2024	For the year ended March 31, 2023.
<b>A. Associates</b>			
KITCO	(i) Sitting Fees Received	<b>0.002</b>	0.01
IFCI Social Foundation Trust	(i) Contribution for CSR activities	-	-
	(ii) Salaries/ Other Estt. Exp. recovered/ recoverable for employees deputed by IFCI	-	-
<b>B. Entities under the control of same government</b>			
CEGSSC, GOI	Agency Commission - Credit Guarantee Fund For SC/ST	<b>0.34</b>	0.38
Ministry Of Electronics & Information Technology, GOI	Commission - M Sips	<b>3.45</b>	5.05
Ministry Of Electronics & Information Technology, GOI	Scheme Management Fees -PLI Electronics	<b>3.77</b>	3.19
Ministry Of Electronics & Information Technology, GOI	Agency Fees SPECS	<b>5.37</b>	1.98
Ministry of Chemical & Fertilizer - Department of Pharmaceuticals, GOI	Scheme Management Fee-PLI-Bulk Drugs	<b>1.23</b>	1.39
Ministry of Chemical & Fertilizer - Department of Pharmaceuticals, GOI	Scheme Management Fee-PLI-Medical Devices	<b>0.40</b>	2.20
Ministry of Chemical & Fertilizer - Department of Pharmaceuticals, GOI	Scheme Management Fee-PLI-Bulk Drugs Parks	<b>1.90</b>	1.90
Ministry of Chemical & Fertilizer - Department of Pharmaceuticals, GOI	Scheme Management Fee-PLI-Medical Devices Parks	<b>0.76</b>	0.76
Ministry of Food Processing Industries, GOI	Monitoring Agency Fees	<b>3.02</b>	3.39
Ministry Of Electronics & Information Technology, GOI	Scheme Management Fees -IT Hardware	<b>3.55</b>	0.55
Ministry Of Electronics & Information Technology, GOI	Scheme Management Fees -PLI White Goods	<b>3.00</b>	3.00
Ministry Of Electronics & Information Technology, GOI	Scheme Management Fees -PLI Auto Scheme	<b>2.00</b>	2.00
Ministry Of Electronics & Information Technology, GOI	Scheme Management Fees -PLI ACC Scheme	<b>1.28</b>	1.10
Ministry Of Electronics & Information Technology, GOI	Scheme Management Fees -PLI Textile	<b>3.50</b>	5.58
India Semiconductor Mission	Scheme Management Fees - Semiconductor Fabs Scheme	<b>2.75</b>	3.25
India Semiconductor Mission	Scheme Management Fees - Display Fabs Scheme	<b>3.00</b>	1.00
India Semiconductor Mission	Scheme Management Fees - Compound Semiconductor/ ATMP/OSAT Scheme	<b>2.91</b>	1.38
Ministry of Civil Aviation (MOCA)	Scheme Management Fee - Drones and Drone Components	<b>1.16</b>	1.40
Ministry of Heavy Industries	Scheme Management Fee - FAME II	<b>15.93</b>	4.22
Deptt for Promotion of Industry & Internal Trade	Scheme Management Fee - PLI Toys	-	1.00
SDF, Ministry Of Consumer Affairs, Food & Public Distribution, GOI	Agency Commission - Sugar Development Fund	<b>5.87</b>	9.64
Steel Authority of India Ltd.	Advisory & Appraisal Fee received	<b>0.06</b>	0.06
Central Government	Interest Income on G Sec	<b>18.98</b>	33.13
State Bank Of India	Rental Income	<b>3.37</b>	3.37
Registrar Of Companies	Rental Income	<b>4.46</b>	-
Grid Controller of India Ltd. (earlier POSCO)	Rental Income	<b>7.06</b>	-
SBI Life Insurance	Rental Income	<b>0.29</b>	-
United India Insurance	Rental Income	<b>0.24</b>	-
Canara Bank	Rental Income	<b>0.38</b>	0.41
National Pension System Trust	Rental Income	<b>2.88</b>	3.44
India Semiconduction mission (Digital India Corporation)		<b>0.72</b>	-
<b>C. Compensation of key managerial personnel</b>			
Short-term employee benefits		<b>9.74</b>	5.92
Post-employment defined benefit		<b>0.05</b>	-
Compensated absences		-	0.08
Share-based payments		-	-
Termination benefits		<b>0.05</b>	0.02
Sitting fees		<b>0.60</b>	0.20

**Terms and conditions**

All transactions with these related parties are priced on an arm's length basis.

(All amounts are in Rupees crores unless otherwise stated)

## 51 LEASES

### A. Lease as lessee

The leases typically run for a period of 11 months, with an option to renew the lease after that period. Lease payments are renegotiated on regular intervals to reflect market rentals.

	<u>For the year ended March 31, 2024</u>	<u>For the year ended March 31, 2023</u>
<b>i. Future minimum lease payments</b>		
At year end, the future minimum lease payments to be made under non-cancellable operating leases are as follows:		
(a) Not later than one year	0.23	0.23
(b) Later than one year but not later than five years	0.29	-
(c) Later than five years	-	-
<b>ii. Amounts recognised in profit or loss</b>	<b>4.84</b>	<b>6.04</b>

### B. Lease as lessor

The Group leases out its building (classified as investment property) on operating lease basis. The leases typically run for a period of 11 months-7 years, with an option to renew the lease after that period. Lease payments are renegotiated on regular intervals to reflect market rentals.

	<u>For the year ended March 31, 2024</u>	<u>For the year ended March 31, 2023</u>
<b>i. Future minimum lease payments</b>		
At year end, the future minimum lease payments to be made under non-cancellable operating leases are as follows:		
(a) Not later than one year	35.15	36.22
(b) Later than one year but not later than five years	55.68	69.97
(c) Later than five years	8.17	22.17
<b>ii. Amounts recognised in profit or loss</b>	<b>42.74</b>	<b>38.28</b>

## 52 EARNINGS PER SHARE (EPS)

	<u>Units</u>	<u>As at March 31, 2024</u>	<u>As at March 31, 2023</u>
<b>i (a) Profit Computation for Equity shareholders</b>			
Net profit as per Statement of Profit & Loss	₹ in crores	103.66	(207.80)
Net profit for Equity Shareholders	₹ in crores	103.66	(207.80)
(b) Weighted Average Number of Equity Shares outstanding	Nos	2,489,613,863	2,195,928,107
<b>ii (a) Profit Computation for Equity shareholders (including potential shareholders)</b>			
Net profit as per Statement of Profit & Loss	₹ in crores	103.66	(207.80)
Net profit for equity shareholders (including potential shareholders)	₹ in crores	103.66	(207.80)
(b) Weighted Average Number of Equity Shares outstanding	Nos	2,489,613,863	2,195,928,107
Earnings Per Share (Weighted Average)			
<b>Basic</b>	₹	0.42	(0.95)
<b>Diluted</b>	₹	0.42	(0.95)

## 53 OPERATING SEGMENTS

The Board has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments." The Group's operating segments are established in the manner consistent with the components of the Group that are evaluated regularly by the Chief Operating Decision Maker as defined in 'Ind AS 108 - Operating Segments.' The Group is engaged primarily in the business of financing and there are no separate reportable segments as per Ind AS 108.

### a. Information about products and services:

The Group deals in only one product i.e. granted loans to corporate customers. Hence, no separate disclosure is required.

### b. Information about geographical areas:

The entire sales of the Group are made to customers which are domiciled in India. Also, all the assets of the Group are located in India.

### c. Information about major customers (from external customers):

The Group does not earn revenues from the customers which amount to 10 per cent or more of Group's revenues

## 54 TRANSFERS OF FINANCIAL ASSETS

In the ordinary course of business, the Group enters into transactions that result in the transfer of loans and advances given to customers. In accordance with the accounting policy set out in Note 2, the transferred financial assets continue to be recognised in their entirety or to the extent of the Group's continuing involvement, or are derecognised in their entirety.

The Group transfers financial assets that are not derecognised in their entirety are primarily through the sale of NPA loans to asset reconstruction companies (ARCs)

(All amounts are in Rupees crores unless otherwise stated)

**A. Transferred financial assets that are not derecognised in their entirety**

**Sale of NPA loans to asset reconstruction companies (ARCs)**

Sale of NPA loans to asset reconstruction companies (ARCs) are transactions in which the Group sells loan and advances to an unconsolidated special vehicle and simultaneously purchases the majority portion of security receipts issued by said vehicle. The security receipts are collateralised by the loans purchased by the vehicle and hence the cash flow of the security receipts is dependent on the recovery of purchased loans.

The Group continues to recognise that part of the loans in their entirety against which security receipts have been subscribed by the Group because it retains substantially all of the risks and rewards of ownership w.r.t that part of the transferred loan. The part of loan transferred against which cash consideration is received is derecognised.

The following table sets out the carrying amounts and fair values of one financial asset transferred that is not derecognised in entirety and associated liabilities.

	Carrying amount		Fair value		Net position
	Assets - Loans	Liabilities - Borrowings	Assets - Loans	Liabilities - Borrowings	
<b>Sale of NPA loans to asset reconstruction companies (ARCs)</b>					
As at 31 March 2024	65.52	-	245.59	-	245.59
As at 31 March 2023	61.30	-	217.40	-	217.40

**B. Transferred financial assets that are derecognised in their entirety**

**Sale of NPA loans to asset reconstruction companies (ARCs)**

The Group has taken derecognition exemption and de-recognise the loans in their entirety against which security receipts have been subscribed by the Group. The Group has classified said investment in security receipts subsequently measured at fair value through profit and loss.

During the year the Company has recognised a fair value gain/(loss) of ₹ 186.54 crore (₹ 89.77 crore in 2022-23). The fair value gain/(loss) on the security receipts as on 31 March 2024 is ₹ (-)40.59 crore (31 March 2023 - ₹ (-)2.43 crore)

The following table sets out the details of the assets that represents the Group's continuing involvement with the transferred assets that are derecognised in their entirety.

	Carrying amount	Fair value	
	Assets - Investment in security receipts	Assets - Investment in security receipts	Liabilities
<b>Sale of NPA loans to asset reconstruction companies (ARCs)</b>			
As at 31 March 2024	60.98	60.98	-
As at 31 March 2023	118.60	118.60	-

The amount that best represents the Group's maximum exposure to loss from its continuing involvement in the form of security receipts issued by ARCs is their carrying amount.

**55 FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT**

**A. Financial instruments by category**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

Particulars	As at 31 March 2024		
	FVTPL	FVTOCI	Amortised cost
<b>Financial assets:</b>			
Cash and cash equivalents	-	-	1,298.10
Bank balance other than above	-	-	3,748.28
Derivative financial instruments	-	-	-
Receivables	-	-	306.33
Loans	-	-	1,363.15
Investments	1,150.40	7,458.75	68.78
Other financial assets	-	-	1,410.28
	<u>1,150.40</u>	<u>7,458.75</u>	<u>8,194.93</u>
<b>Financial liabilities:</b>			
Derivative Financial Instrument	13.94	-	-
Trade payables	-	-	462.95
Other payables	-	-	-
Debt securities	-	-	4,276.21
Borrowings (other than debt securities)	-	-	346.10
Subordinated liabilities	-	-	744.67
Other financial liabilities	-	-	5,039.25
	<u>13.94</u>	<u>-</u>	<u>10,869.18</u>

(All amounts are in Rupees crores unless otherwise stated)

Particulars	As at 31 March 2023		
	FVTPL	FVTOCI	Amortised cost
<b>Financial assets:</b>			
Cash and cash equivalents	-	-	1,036.77
Bank balance other than above	-	-	2,720.15
Derivative financial instruments	-	-	14.83
Receivables	-	-	239.05
Loans	-	-	1,907.98
Investments	1,007.71	6,473.37	219.00
Other financial assets	-	-	786.06
	<u>1,007.71</u>	<u>6,473.37</u>	<u>6,923.83</u>
<b>Financial liabilities:</b>			
Derivative Financial Instrument	-	-	
Trade payables	-	-	275.02
Other payables	-	-	-
Debt securities	-	-	4,733.59
Borrowings (other than debt securities)	-	-	511.55
Subordinated liabilities	-	-	774.67
Other financial liabilities	-	-	3,756.33
	<u>-</u>	<u>-</u>	<u>10,051.16</u>

#### B. Valuation framework

The respective operational department performs the valuation of financial assets and liabilities required for financial reporting purposes, either externally or internally for every quarterly reporting period. Specific controls for valuation includes verification of observable pricing, review of significant unobservable inputs and valuation adjustments.

The Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

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

Level 2 : The fair value of financial instruments that are not traded in active markets is determined using valuation techniques which maximize the use of observable market data either directly or indirectly, such as quoted prices for similar assets and liabilities in active markets, for substantially the full term of the financial instrument but do not qualify as Level 1 inputs. If all significant inputs required to fair value an instrument are observable the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based in observable market data, the instruments is included in level 3. That is, Level 3 inputs incorporate market participants' assumptions about risk and the risk premium required by market participants in order to bear that risk. It develops Level 3 inputs based on the best information available in the circumstances.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used.

#### Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

- (a) recognised and measured at fair value and
- (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

#### Financial assets and liabilities measured at fair value - recurring fair value measurements

As at 31 March 2024	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>				
Derivative financial instruments	-	-	-	-
Investments	791.81	170.59	7,715.53	8,677.93
	<u>791.81</u>	<u>170.59</u>	<u>7,715.53</u>	<u>8,677.93</u>
<b>Financial liabilities:</b>				
Derivative financial instruments	-	13.94	-	13.94
	<u>-</u>	<u>13.94</u>	<u>-</u>	<u>13.94</u>

(All amounts are in Rupees crores unless otherwise stated)

**Assets and liabilities which are measured at amortised cost for which fair values are disclosed**

As at 31 March 2024	Amortised cost	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>					
Loans	1,363.15	-	-	1,363.15	1,363.15
	<u>1,363.15</u>	<u>-</u>	<u>-</u>	<u>1,363.15</u>	<u>1,363.15</u>
<b>Financial liabilities:</b>					
Debt securities	4,276.21	-	-	4,276.21	4,276.21
Borrowings (other than debt securities)	346.10	-	346.10	-	346.10
Subordinated liabilities	744.67	-	-	744.67	744.67
	<u>5,366.98</u>	<u>-</u>	<u>346.10</u>	<u>5,020.88</u>	<u>5,366.98</u>

**Financial assets and liabilities measured at fair value - recurring fair value measurements**

As at 31 March 2023	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>				
Derivative financial instruments	-	14.83	-	14.83
Investments	194.38	228.31	7,277.38	7,700.07
	<u>194.38</u>	<u>243.14</u>	<u>7,277.38</u>	<u>7,714.90</u>
<b>Financial liabilities:</b>				
Derivative financial instruments	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Assets and liabilities which are measured at amortised cost for which fair values are disclosed**

As at 31 March 2023	Amortised cost	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>					
Loans	1,907.98	-	-	1,907.98	1,907.98
	<u>1,907.98</u>	<u>-</u>	<u>-</u>	<u>1,907.98</u>	<u>1,907.98</u>
<b>Financial liabilities:</b>					
Debt securities	4,733.59	-	-	4,733.59	4,733.59
Borrowings (other than debt securities)	511.55	-	511.55	-	511.55
Subordinated liabilities	774.67	-	-	774.67	774.67
	<u>6,019.81</u>	<u>-</u>	<u>511.55</u>	<u>5,508.26</u>	<u>6,019.81</u>

**Financial instruments valued at carrying value**

The respective carrying values of certain on-balance sheet financial instruments approximated their fair value. These financial instruments include cash in hand, balances with other banks, trade receivables, trade payables and certain other financial assets and liabilities. Carrying values were assumed to approximate fair values for these financial instruments as they are short-term in nature and their recorded amounts approximate fair values or are receivable or payable on demand.

**Financial instruments measured at fair value and fair value of financial instruments carried at amortised cost**

Type	Valuation technique	Significant unobservable input
Unquoted equity securities	Net asset value/Company comparable method/ Discounted cash flow	Weighted average cost of capital/Discount rate
Preference shares	Net asset value/Company comparable method/ Discounted cash flow	Weighted average cost of capital/Discount rate
Loans	Discounted cash flow	Future cash flows, discount rates
Debt securities	Discounted cash flow	Future cash flows, discount rates
Borrowings (other than debt securities)	Discounted cash flow	Future cash flows, discount rates
Subordinated liabilities	Discounted cash flow	Future cash flows, discount rates

(All amounts are in Rupees crores unless otherwise stated)

ii) **Level 3 fair values**

**Reconciliation of Level 3 fair values**

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

Particulars	Investment in preference shares	Equity shares at fair value through other comprehensive income	Investment in unquoted equity instrument
Balance as at 31 March 2023	3.95	-	7,273.43
Total gain or losses:	-	-	-
- in profit or loss	21.10	-	389.25
- in OCI	-	-	-
Purchases	-	-	-
Settlement	-	-	27.79
Transfers into Level 3	-	-	-
<b>Balance as at 31 March 2024</b>	<b>25.05</b>	<b>-</b>	<b>7,690.48</b>

Total gain or losses for the year in the above table are presented in the statement of profit or loss and OCI as follows :

Particulars	Investment in preference shares	Equity shares at fair value through other comprehensive income	Investment in unquoted equity instrument
<b>Total gain or losses recognised in profit or loss :</b>			
- Net fair value change from financial instruments carried at fair value	21.10	-	389.25
Other revenue			
<b>Total gain or losses recognised in OCI :</b>			
- Fair value reserve (equity instruments) - net change in fair value	-	-	-
<b>Profit or loss - attributable to the change in unrealised gain and losses relating to assets and liabilities held at the end of the year:</b>			
- Net fair value change from financial instruments carried at fair value	21.10	-	361.46

Particulars	Investment in preference shares	Equity shares at fair value through other comprehensive income	Investment in unquoted equity instrument
Balance as at 31 March 2022	4.86	-	5,449.83
Total gain or losses:	-	-	-
- in profit or loss	-	-	1,719.24
- in OCI	-	-	-
Purchases	-	-	-
Settlement	(0.91)	-	104.36
Transfers into Level 3	-	-	-
Balance as at 31 March 2023	3.95	-	7,273.43

Total gain or losses for the year in the above table are presented in the statement of profit or loss and OCI as follows :

Particulars	Investment in preference shares	Equity shares at fair value through other comprehensive income	Investment in unquoted equity instrument
<b>Total gain or losses recognised in profit or loss :</b>			
- Net fair value change from financial instruments carried at fair value	-	-	1,719.24
Other revenue			
<b>Total gain or losses recognised in OCI :</b>			
- Fair value reserve (equity instruments) - net change in fair value	-	-	-
<b>Profit or loss - attributable to the change in unrealised gain and losses relating to assets and liabilities held at the end of the year:</b>			
- Net fair value change from financial instruments carried at fair value	0.91	-	1,614.88



(All amounts are in Rupees crores unless otherwise stated)

## 56 Financial risk management

The group's activities are primarily subjected to credit risk, market risk and operational risk for managing risk management committee exists. The function of the committee is to identify, monitor, manage and mitigate these risks. The group also makes sure that it adheres to internal policies and procedures, complies with the regulatory guidelines and maintains sufficient loan documentation.

With regards to its lending activity, the group has established various limits and restrictions to manage the risks. There are various reports which are prepared and presented to senior management by the risk management committee at regular intervals and on ad-hoc basis which helps in risk monitoring. The group has also set-up procedures to mitigate the risks in case of any breach.

### A. Risk management framework

The group's Board of Directors have overall responsibility for the establishment and oversight of the risk management framework. The board of directors have established the Risk Management and Asset Liability Management Committee of the Directors (RALMCD) which is responsible for developing and monitoring the group's integrated risk management policies. The RALMCD is assisted in its oversight role by the Risk and Asset Liability Management Committee of Executives (RALMCE). The Integrated Risk Management Department undertakes regular reviews of risk management controls and procedures, the results of which are reported to the RALMCE on monthly basis.

### B. Credit risk

Credit risk arises from loans and advances, cash and cash equivalents, investment in debt securities and deposits with banks and financial institutions and any other financial assets.

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's loans and advances to customers, trade receivables from customers; loans and investments in debt securities.

#### a) Credit risk management

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer/obligor. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry, business specific risk, management risk, transition specific risk and project related risks.

A financial asset is considered 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the issuer or the borrower.
- A breach of contract, such as default.
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower concession(s) that the lender(s) would not otherwise consider.
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.
- The disappearance of the active market for that financial asset because of financial difficulties.
- Purchase or origination of a financial asset at a deep discount that reflects the incurred credit loss.

The risk management committee has established a credit policy under which each new customer is analyzed individually for credit worthiness before the group's standard payment and delivery terms and conditions are offered. The group's review includes minimum finalised internal rating, external ratings, if they are available, background verification, financial statements, income tax returns, credit agency information, industry information, etc. Credit limits have been established for each customer and reviewed periodically and modifications are done, as and when required. Any loan exceeding prescribed limits require approval from the respective competent authority.

#### b) Probability of default (PD)

The Probability of Default (PD) defines the probability that the borrower will default on its obligations in the future. Ind AS 109 requires the use of separate PD for a 12 month duration and lifetime duration based on the stage allocation of the borrower. A PD used for Ind AS 109 should reflect the institution's view of the future and should be unbiased (i.e. it should not include any conservatism or optimism).

To arrive at historical probability of default, transition matrix approach has been applied using IFCI internal obligor ratings.

#### c) Definition of default

Default' has not been defined under Ind AS. An entity shall apply a default definition that is consistent with the definition used for internal credit risk management purposes and consider qualitative indicators when appropriate. A loan is considered as defaulted and therefore Stage-3 (credit impaired) for ECL calculations in the following cases:

- On deterioration of the IFCI internal combined ratings of the borrower to CR-9 or CR-10 (Comparison to be done between origination rating and current rating).
- On asset being classified as NPA as per RBI prudential norms
- On restructuring of assets with impairment in loan value
- On asset being more than 90 days past dues.

#### d) Exposure at default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments which is subject to the impairment calculation.

#### e) Loss given default (LGD)

LGD is an estimate of the loss from the transaction given that a default occurs. The LGD component of ECL is independent of deterioration of asset quality, and thus applied uniformly across various stages. With respect to loan portfolio, NPA accounts which have originated in past 7 years and have been closed, along with NPA accounts ageing more than 5 years (assumed as closed), have been considered for LGD computation.

#### f) Significant increase in credit risk

At each reporting date, an entity shall assess whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, an entity shall use the change in the risk of the default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit loss. To make that assessment, an entity shall compare the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. An entity may assume that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

(All amounts are in Rupees crores unless otherwise stated)

For the assessment of the SICR for the loans and advances, the following conditions have been considered:

- Deterioration of the IFCI internal combined ratings of the borrowers by 3 rating grades. (Comparison to be done between origination rating and current rating).
- Deterioration of the ratings of the borrowers from the investment grade to the sub-investment grade.
- On restructuring of assets without impairment in loan value.
- On asset overdue beyond 60 days past dues.

**g) Provision for expected credit losses**

The following tables sets out information about the overdue status of loans and advances, loan commitments, financial guarantees, trades receivables and other financial assets to customers in Stages 1, 2 and 3.

As at March 31, 2024					
	Stage 1	Stage 2	Stage 3	POCI	Total
<b><u>Loans and advances at amortised cost</u></b>					
Grade 1-6 : Low-fair risk	4.45	-	-	-	4.45
Grade 7-8 : higher risk	-	85.75	-	-	85.75
Grade 9-10 : Loss	-	-	3,305.53	-	3,305.53
Others	-	-	-	-	-
	<u>4.45</u>	<u>85.75</u>	<u>3,305.53</u>	<u>-</u>	<u>3,395.73</u>
Loss allowance	-	(17.84)	(2,554.25)	-	(2,572.09)
<b>Carrying value</b>	<u>4.45</u>	<u>67.91</u>	<u>751.28</u>	<u>-</u>	<u>823.64</u>

As at March 31, 2024					
	Stage 1	Stage 2	Stage 3	POCI	Total
<b><u>Loans and advances at amortised cost-Greenfield</u></b>					
Rating -1 to 6	15.00	-	-	-	15.00
Rating - 7 to 8	-	-	-	-	-
Rating - 9 to 10	-	-	1,399.72	-	1,399.72
	<u>15.00</u>	<u>-</u>	<u>1,399.72</u>	<u>-</u>	<u>1,414.72</u>
Loss allowance	(0.15)	-	(1,002.20)	-	(1,002.35)
<b>Carrying value</b>	<u>14.85</u>	<u>-</u>	<u>397.52</u>	<u>-</u>	<u>412.37</u>

<b><u>Trade receivables at amortised cost</u></b>			
	Lifetime	Credit Impaired	Total
Less than 6 months	76.68	-0.00	76.68
More than 6 months less than 1 year	14.53	0.77	15.30
More than 1 year less than 2years	10.61	0.56	11.17
More Than 2 years less than 3 years	1.82	0.10	1.92
Above 3 years	0.00	2.16	2.16
Others	-	-	-
	<u>103.64</u>	<u>3.59</u>	<u>107.23</u>
Loss allowance	-	-3.59	(3.59)
<b>Carrying value</b>	<u>103.64</u>	<u>-</u>	<u>103.64</u>

<b><u>Other financial assets at amortised cost</u></b>			
	Lifetime	Credit Impaired	Total
Less than 6 months	39.21	-	39.21
More than 6 months less than 1 year	0.22	-	0.22
More than 1 year less than 2years	0.03	-	0.03
More Than 2 years less than 3 years	2.25	-	2.25
Above 3 years	-	69.72	69.72
Others	-	-	-
	<u>41.72</u>	<u>69.72</u>	<u>111.44</u>
Loss allowance	-	(69.72)	(69.72)
<b>Carrying value</b>	<u>41.72</u>	<u>-</u>	<u>41.72</u>

(All amounts are in Rupees crores unless otherwise stated)

**Investment in debt securities at FVTOCI**

	Stage-1	Stage-2	Stage-3	Total
BBB - to AAA	561.71	-	-	561.71
BB- to BB+	-	-	-	-
B- to B+	-	-	-	-
C to CCC+	-	-	-	-
D	-	-	-	-
	561.71	-	-	561.71
Loss allowance	-	-	-	-
<b>Amortised cost</b>	<b>561.71</b>	<b>-</b>	<b>-</b>	<b>561.71</b>
<b>Fair value</b>	<b>570.54</b>	<b>-</b>	<b>-</b>	<b>570.54</b>

**As at March 31, 2024**

	Stage 1	Stage 2	Stage 3	POCI	Total
<b>Loan commitments &amp; Financial Guarantee Contracts-Greenfield</b>					
Grade 1-6 : Low-fair risk	5.71	-	-	-	5.71
Grade 7-8 : higher risk	-	-	-	-	-
Grade 9-10 : Loss	-	-	-	-	-
	5.71	-	-	-	5.71
Loss allowance	(0.15)	-	-	-	(0.15)
<b>Carrying value</b>	<b>5.56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5.56</b>
<b>Loan commitments &amp; Financial Guarantee Contracts-Others</b>					
Grade 1-6 : Low-fair risk	-	-	-	-	-
Grade 7-8 : higher risk	-	-	-	-	-
Grade 9-10 : Loss	45.81	-	-	-	45.81
	45.81	-	-	-	45.81
Loss allowance	(32.80)	-	-	-	(32.80)
<b>Carrying value</b>	<b>13.01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.01</b>

**As at March 31, 2023**

	Stage 1	Stage 2	Stage 3	POCI	Total
<b>Loans and advances at amortised cost</b>					
Grade 1-6 : Low-fair risk	79.36	-	-	-	79.36
Grade 7-8 : higher risk	-	100.46	-	-	100.46
Grade 9-10 : Loss	-	-	4,490.79	-	4,490.79
Others	14.87	-	369.65	-	384.52
	94.23	100.46	4,860.44	-	5,055.13
Loss allowance	(7.07)	(17.62)	(3,806.37)	-	(3,831.06)
<b>Carrying value</b>	<b>87.16</b>	<b>82.84</b>	<b>1,054.07</b>	<b>-</b>	<b>1,224.07</b>

**As at March 31, 2023**

	Stage 1	Stage 2	Stage 3	POCI	Total
<b>Loans and advances at amortised cost-Greenfield</b>					
Rating -1 to 6	209.32	-	-	-	209.32
Rating - 7 to 8	-	-	-	-	-
Rating - 9 to 10	-	-	1,561.74	-	1,561.74
	209.32	-	1,561.74	-	1,771.06
Loss allowance	(11.92)	-	(1,122.34)	-	(1,191.20)
<b>Carrying value</b>	<b>197.40</b>	<b>-</b>	<b>439.40</b>	<b>-</b>	<b>579.86</b>

(All amounts are in Rupees crores unless otherwise stated)

**Trade receivables at amortised cost**

	Lifetime	Credit Impaired	Total
Less than 6 months	30.81	-	30.81
More than 6 months less than 1 year	4.07	0.20	4.27
More than 1 year less than 2years	2.41	0.12	2.53
More Than 2 years less than 3 years	1.03	0.05	1.08
Above 3 years	-	1.50	1.50
Others	-	-	-
	38.32	1.87	40.19
Loss allowance	-	(1.87)	(1.87)
<b>Carrying value</b>	<b>38.32</b>	<b>-</b>	<b>38.32</b>

**Other financial assets at amortised cost**

	Lifetime	Credit Impaired	Total
Less than 6 months	33.15	-	33.15
More than 6 months less than 1 year	0.67	-	0.67
More than 1 year less than 2years	0.01	-	0.01
More Than 2 years less than 3 years	0.04	0.04	0.08
Above 3 years	-	70.33	70.33
Others	-	-	-
	33.87	70.37	104.24
Loss allowance	-	(70.37)	(70.37)
<b>Carrying value</b>	<b>33.87</b>	<b>-</b>	<b>33.87</b>

**Investment in debt securities at FVTOCI**

	Stage-1	Stage-2	Stage-3	Total
BBB - to AAA	23.59	-	-	23.59
BB- to BB+	-	-	-	-
B- to B+	-	-	-	-
C to CCC+	-	-	-	-
D	-	-	-	-
	23.59	-	-	23.59
Loss allowance	(0.02)	-	-	(0.02)
<b>Amortised cost</b>	<b>23.57</b>	<b>-</b>	<b>-</b>	<b>23.57</b>
<b>Fair value</b>	<b>20.68</b>	<b>-</b>	<b>-</b>	<b>20.68</b>

As at March 31, 2023

	Stage 1	Stage 2	Stage 3	POCI	Total
<b>Loan commitments &amp; Financial Guarantee Contracts-Greenfield</b>					
Grade 1-6 : Low-fair risk	5.71	-	-	-	5.71
Grade 7-8 : higher risk	7.57	-	-	-	7.57
Grade 9-10 : Loss	-	-	-	-	-
	13.28	-	-	-	13.28
Loss allowance	(0.59)	-	-	-	(0.59)
<b>Carrying value</b>	<b>12.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12.69</b>
<b>Loan commitments &amp; Financial Guarantee Contracts-Others</b>					
Grade 1-6 : Low-fair risk	-	-	-	-	-
Grade 7-8 : higher risk	-	-	-	-	-
Grade 9-10 : Loss	45.81	-	-	-	45.81
	45.81	-	-	-	45.81
Loss allowance	(31.16)	-	-	-	(31.16)
<b>Carrying value</b>	<b>14.65</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.65</b>

(All amounts are in Rupees crores unless otherwise stated)

- h) **Movements in the allowance for impairment in respect of loans, Investment in debt securities, trade receivables and other financial assets**  
The movement in the allowance for impairment in respect of asset on finance, trade receivables and other financial assets is as follows:

**Loans and advances at amortised cost**

Reconciliation of loss allowance	Loss allowance measured at life-time expected losses			Total
	Loss allowance measured at 12 month expected losses	Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets for which credit risk has increased significantly and credit-impaired	
<b>Loss allowance on 1 April 2022</b>	<b>40.05</b>	<b>39.75</b>	<b>4,166.79</b>	<b>4,246.59</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	(9.79)	(9.79)
Transfer to Stage 3	-	-	-	-
Net remeasurement of loss allowance	0.98	(6.41)	199.65	194.22
New financial assets originated or purchased	-	-	-	-
Financial assets that have been derecognised	(0.32)	(15.70)	(172.39)	(188.41)
Write offs	-	-	(263.56)	(263.56)
Unwind of discount	-	-	-	-
Changes in risk parameters	-	-	(1.22)	(1.22)
<b>Loss allowance on 31 March 2023</b>	<b>40.71</b>	<b>17.64</b>	<b>3,919.48</b>	<b>3,977.83</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net remeasurement of loss allowance	(36.12)	0.59	(199.43)	(234.96)
New financial assets originated or purchased	-	-	-	-
Financial assets that have been derecognised	-	-	(522.84)	(522.84)
Write offs	-	-	(211.72)	(211.72)
Unwind of discount	-	-	-	-
Changes in risk parameters	-	-	-	-
<b>Loss allowance on 31 March 2024</b>	<b>4.59</b>	<b>18.23</b>	<b>2,985.49</b>	<b>3,008.31</b>

**Loans and advances at amortised cost- Greenfield**

Reconciliation of loss allowance	Loss allowance measured at life-time expected losses			Total
	Loss allowance measured at 12 month expected losses	Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets for which credit risk has increased significantly and credit-impaired	
<b>Loss allowance on 1 April 2022</b>	<b>1.80</b>	<b>70.55</b>	<b>1,119.87</b>	<b>1,192.22</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	10.92	(70.55)	-	(59.63)
Transfer to Stage 3	-	-	-	-
Net remeasurement of loss allowance	-	-	-	-
New financial assets originated or purchased	(0.78)	-	13.52	12.74
Financial assets that have been derecognised	-	-	-	-
Write offs	-	-	(11.05)	(11.05)
Unwind of discount	-	-	-	-
Changes in risk parameters	-	-	-	-
<b>Loss allowance on 31 March 2023</b>	<b>11.94</b>	<b>(0.00)</b>	<b>1,122.34</b>	<b>1,134.28</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net remeasurement of loss allowance	(11.79)	-	(120.14)	(131.93)
New financial assets originated or purchased	-	-	-	-
Financial assets that have been derecognised	-	-	-	-
Write offs	-	-	-	-
Unwind of discount	-	-	-	-
Changes in risk parameters	-	-	-	-
<b>Loss allowance on 31 March 2024</b>	<b>0.15</b>	<b>(0.00)</b>	<b>1,002.20</b>	<b>1,002.35</b>

(All amounts are in Rupees crores unless otherwise stated)

**Investment in Debt securities at FVTOCI**

**Reconciliation of loss allowance**

	Loss allowance measured at 12 month expected losses	Loss allowance measured at life-time expected losses		Total
		Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets for which credit risk has increased significantly and credit-impaired	
<b>Loss allowance on 1 April 2022</b>	<b>0.10</b>	-	0.01	<b>0.11</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net remeasurement of loss allowance	(0.03)	-	-	(0.03)
New financial assets originated or purchased	-	-	-	-
Financial assets that have been derecognised	-	-	-	-
Write offs	-	-	-	-
Unwind of discount	-	-	-	-
Changes in risk parameters	-	-	-	-
<b>Loss allowance on 31 March 2023</b>	<b>0.07</b>	-	<b>0.01</b>	<b>0.08</b>
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net remeasurement of loss allowance	(0.07)	-	(0.01)	<b>(0.08)</b>
New financial assets originated or purchased	-	-	-	-
Financial assets that have been derecognised	-	-	-	-
Write offs	-	-	-	-
Unwind of discount	-	-	-	-
Changes in risk parameters	-	-	-	-
<b>Loss allowance on 31 March 2024</b>	<b>(0.00)</b>	-	<b>(0.00)</b>	-

In case of IFCI Factors Limited. As required by the RBI Notification no. "DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020 in respect of Implementation of Indian Accounting Standard(IndAS) in NBFC, the company has appropriated the difference between the impairment allowance under Ind AS 109 and the provisioning required under RBI Prudential (IRACP) Norms (including standard assets provisioning), a sum of ₹ 105.03 crore has been taken to "Impairment Reserve".

**i) Collateral held and other credit enhancements**

Collateral securing each individual loan may not be adequate in relation to the value of the loan. All borrowers must meet the Company's internal credit assessment procedures, regardless of whether the loan is secured. In addition to the collateral stated above, the Company holds other types of collateral such as second charges and floating charges for which specific values are generally not available. The company has internal policies on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

- 1 Mortgage of Immovable properties
- 2 Hypothecation of Movable property
- 3 Bank and Government Guarantees
- 4 Pledge of instruments through which promoter's contribution is infused in the project
- 5 Pledge of Promoter Shareholding
- 6 Corporate and Personal Guarantees of Promoters

**j) Modified / Restructured loans**

When the Group grants concession, for economic or legal reasons related to a borrower's financial difficulties, for other than an insignificant period of time, the related loan is classified as a Troubled Debt Restructuring (TDR). Concessions could include a reduction in the interest rate below current market rates, payment extensions, forgiveness of principal, forbearance or other actions intended to maximize collection. Loans, for which the terms have been modified, and for which the borrower is experiencing financial difficulties, are considered TDRs.

From a risk management point of view, once an asset is forborne or modified, the Group's special department for distressed assets continues to monitor the exposure until it is completely and ultimately derecognised.

A loan that is renegotiated is derecognised if the existing agreement is cancelled and a new agreement is made on substantially different terms or if the terms of the existing agreement are modified such that the renegotiated loan is a substantially different instrument.

Where the renegotiation of such loans are not derecognised, impairment continues to be assessed for significant increases in credit risk compared to the initial origination credit risk rating.

There were no modified assets which were forborne during the period and accordingly no loss were suffered by the Group.

**l) Governance Framework**

As required by the RBI Notification no. "DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020, where provision requirement as per extant RBI norms is higher than ECL as computed under IndAS, the provision as per RBI norms shall be adopted, on portfolio basis. Further, in accordance with RBI Guidelines, where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), the difference shall be appropriated from the net profit or loss after tax to a separate 'Impairment Reserve'.

(All amounts are in Rupees crores unless otherwise stated)

### C. Liquidity risk

Liquidity risk is the potential inability to meet the institution's liabilities as they become due. From Group perspective, it basically originates from the mismatches in the maturity pattern of assets and liabilities. Analysis of liquidity risk involves the measurement of not only the liquidity position of the institution on an ongoing basis but also examining how funding requirements are likely to be affected under severe but plausible scenarios. Net funding requirements are determined by analysing the institution's future cash flows based on assumptions of the future behaviour of assets and liabilities that are classified into specified time buckets, utilizing the maturity ladder approach and then calculating the cumulative net flows over the time frame for liquidity assessment.

For the present, for measuring and managing net funding requirements, the use of maturity ladder and calculation of cumulative surplus or deficit of funds at selected maturity dates is being utilized as a standard tool.

The ALM format prescribed by RBI in this regard is being utilized for measuring cash flow mismatches in different time bands. The cash flows are placed in different time bands based on projected future behaviour of assets, liabilities and off-balance sheet items. Apart from the above cash flows, the institution would also track the impact of prepayments of loans, premature closure of liabilities and exercise of options built in certain instruments which offer put/call options after specified times. Thus, cash outflows can be ranked by the date on which liabilities fall due, the earliest date a liability holder could exercise an early repayment option or the earliest date contingencies could be crystallized.

In addition, the Company maintains the following lines of credit:-

IDBI Bank: ₹ 110 Crore which is secured against FD with ROI 7.66% p.a.-

HDFC Bank : ₹ 16 Crore which is secured against MF with ROI MCLR of the month.

#### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amount are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

As at 31 March 2024	Contractual cash flows						
	Carrying amount	Gross nominal inflow/ (outflow)	6 month or less	6-12 months	1-3 years	3-5 years	More than 5 years
<b>Non - derivative financial liabilities</b>							
Borrowings	346.10	346.10	15.89	15.89	63.57	60.13	190.63
Debt securities issued	4,276.21	4,275.83	-	1,375.56	298.42	481.62	2,120.23
Subordinated liabilities	744.67	744.67	-	-	694.67	-	50.00
<b>Derivative financial liabilities</b>							
Forwards and spots	13.94	13.94	13.94	-	-	-	0
<b>Non-derivative financial assets</b>							
Loans and advances	1,363.15	4,857.68	12.50	12.10	32.97	39.94	4,760.18
Investment securities	8,677.93	3,976.35	929.02	23.36	13.78	29.65	2,980.53

As at 31 March 2023	Contractual cash flows						
	Carrying amount	Gross nominal inflow/ (outflow)	6 month or less	6-12 months	1-3 years	3-5 years	More than 5 years
Non - derivative financial liabilities							
Borrowings	511.55	580.34	206.89	40.81	63.26	61.55	207.83
Debt securities issued	4,733.59	4,053.54	-	250.34	938.19	900.09	1,964.93
Subordinated liabilities	774.67	1,313.30	-	-	662.27	-	651.04
Derivative financial assets							
Forwards and spots	14.83	14.83	14.83	-	-	-	-
Non-derivative financial assets							
Loans and advances	1,907.98	6,326.01	41.61	25.08	90.34	87.03	6,081.95
Investment securities	7,700.07	3,699.85	398.64	8.56	34.54	7.29	3,250.82

#### Non-derivative financial assets

Contractual cash flows	As at March 31, 2024	As at March 31, 2023
<b>Other financial assets</b>		
- within 12 months	1,189.98	638.85
- after 12 months	447.71	243.51
Gross nominal inflow/(outflow)	1,637.69	882.36
<b>Other financial liabilities</b>		
- within 12 months	3,389.33	2,054.93
- after 12 months	1,017.58	1,126.46
Gross nominal inflow/(outflow)	(4,406.91)	(3,181.39)



(All amounts are in Rupees crores unless otherwise stated)

The inflows/(outflows) disclosed in the above table represents contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contract maturity. The disclosure shows net cash flow amounts for derivatives that are net cash settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross settlement.

The interest payments on variable interest rate loans in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change. The future cash flows on contingent consideration and derivative instruments may be different from the amount in the above table as interest rates and exchange rates or the relevant conditions underlying the contingency change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

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

	On demand	6 month or less	6-12 months	1-2 years	2-5 years	More than 5 years	Total
<b>As at 31 March 2024</b>							
Other undrawn commitments to lend	7.17	-	-	-	-	-	7.17
<b>As at 31 March 2023</b>							
Other undrawn commitments to lend	26.39	-	-	-	-	-	26.39

#### D. Market risk

Market the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Group classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately. Such risks the market risk for the trading portfolio is managed and monitored based on a VaR methodology that reflects the interdependency between risk variables. Non-trading positions are managed and monitored using other sensitivity analyses. All such transactions are carried out within the guidelines set by the Risk Management Committee.

##### a. Market risk - trading portfolios

###### Objectives and limitations of the VaR methodology

The Group uses simulation models to assess possible changes in the market value of the trading portfolio based on historical data from the past five years. The VaR models are designed to measure market risk in a normal market environment. The models assume that any changes occurring in the risk factors affecting the normal market environment will follow a normal distribution. The distribution is calculated by using exponentially weighted historical data. Due to the fact that VaR relies heavily on historical data to provide information and does not clearly predict the future changes and modifications of the risk factors, the probability of large market moves may be underestimated if changes in risk factors fail to align with the normal distribution assumption.

VaR may also be under- or over-estimated due to the assumptions placed on risk factors and the relationship between such factors for specific instruments. Even though positions may change throughout the day, the VaR only represents the risk of the portfolios at the close of each business day, and it does not account for any losses that may occur beyond the 99% confidence level.

In practice, the actual trading results will differ from the VaR calculation. In particular, the calculation does not provide a meaningful indication of profits and losses in stressed market conditions. To determine the reliability of the VaR models, actual outcomes are monitored regularly to test the validity of the assumptions and the parameters used in the VaR calculation.

###### VaR assumptions

The VaR that the Group measures is an estimate, using a confidence level of 99%, of the potential loss that is not expected to be exceeded if the current market risk positions were to be held unchanged for one day. The use of a 99% confidence level means that, within a one-day horizon, losses exceeding the VaR figure should occur, on average under normal market conditions, not more than once every hundred days.

Since VaR is an integral part of the Group's market risk management, VaR limits have been established for all trading operations and exposures are required to be reviewed daily against the limits by management.

##### b. Market risk - Non-trading portfolios

###### (i) Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which borrowings are denominated and the respective functional currencies of Group. The functional currency for the Group is INR. The currency in which these transactions are primarily denominated is EURO.

Currency risks related to the principal amounts of the Group's EURO bank loans, have been fully hedged using forward contracts that mature on the same dates as the loans are due for repayment.

Generally, borrowings are denominated in currencies that match the cash flows generated by the underlying operations of the Group – primarily INR. In addition, interest on borrowings is denominated in the currency of the borrowing. This provides an economic hedge without derivatives being entered into and therefore hedge accounting is not applied in these circumstances.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

###### Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management is as follows:

Particulars	March 31, 2024		March 31, 2023	
	INR	EURO	INR	EURO
Borrowings	334.25	3.72	364.25	4.07
<b>Net exposure in respect of recognised assets and liabilities</b>	<b>334.25</b>	<b>3.72</b>	<b>364.25</b>	<b>4.07</b>

(All amounts are in Rupees crores unless otherwise stated)

#### **Sensitivity analysis**

A reasonably possible strengthening (weakening) of INR and EURO against all currencies at 31 March would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>31 March 2024</b>	<b>33.43</b>	<b>(33.43)</b>	<b>21.75</b>	<b>(21.75)</b>
EURO (10% movement)				
31 March 2023	36.43	(37.28)	23.70	(24.25)
EURO (10% movement)				

#### **(ii) Interest rate risk**

The Group makes attempts to minimize the gap between floating rate liabilities and floating rate assets, in order to minimize interest rate risk. This is achieved by way of borrowings at a floating rate and lending at rates linked to Group benchmark rate, which in turn is linked to, among others, its cost of borrowings. Further, analysis of impact of change in market rates of interest is carried out on a periodic basis, to understand impact on Net Interest Income of Group and Market Value of Equity of Group. In line with extant regulatory guidelines, Interest rate Sensitivity statement is prepared on a monthly basis and analysed to understand gaps in various time buckets.

##### *Exposure to interest rate risk*

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management is as follows:

Particulars	March 31, 2024	March 31, 2023
<b>Fixed rate instruments</b>		
Financial assets	79.46	131.72
Financial liabilities	5,118.62	5,508.27
<b>Variable rate instruments</b>		
Financial assets	1,306.39	1,799.19
Financial liabilities	334.25	443.09

##### *Fair value sensitivity analysis for fixed rate instruments*

A reasonably possible change of 100 basis points in interest rate at the reporting date would have no impact in statement of profit and loss. This would have an impact on the fair value at the reporting daytes This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

##### *Cash flow sensitivity analysis for variable rate instruments*

A reasonably possible change of 100 basis points in interest rate at the reporting date would have increased or decreased equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
<b>31 March 2024</b>				
Variable rate instruments	3.34	(3.34)	2.17	(2.17)
<b>Cash flow sensitivity (net)</b>				
<b>31 March 2023</b>				
Variable rate instruments	4.43	(4.43)	2.88	(2.88)
<b>Cash flow sensitivity (net)</b>				

#### **(iii) Equity price risk**

Equity price risk is the risk that the fair value of equities declines as a result of changes in the level of equity indices and market price of individual stocks. The non-trading equity price risk exposure arises from equity securities classified at Fair Value. The equity price risk same is more applicable to securities held for the purpose of trading. As the Group focuses on long term investments and curent investments are kept low (investments held for tradng purposes), Group may not be exposed to significant equity price risk.

## **57 INTEREST IN OTHER ENTITIES**

### **a) Interest in subsidiaries**

- The group's subsidiaries at 31 March 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

(All amounts are in Rupees crores unless otherwise stated)

Name of entity	Country of incorporation	Ownership held by the group		Ownership interest held by non-controlling interests		Principle activities
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	
Direct subsidiaries						
IFCI Venture Capital funds Ltd (IVCF)	India	98.59%	98.59%	1.41%	1.41%	Promoting entrepreneurship by providing instituional support
IFCI Infrastructure Development Ltd (IIDL)	India	100.00%	100.00%	0.00%	0.00%	Infrastructure and real estate sector
IFCI Factors Ltd (IFL)	sIndia	99.90%	99.90%	0.10%	0.10%	Factoring services, allied products, general purpose loan
IFCI Financial Services Ltd (IFIN)	India	94.78%	94.78%	5.22%	5.22%	Merchant banking business
Stock Holding Corporation of India Ltd (SHCIL)	India	52.86%	52.86%	47.14%	47.14%	Custodian and depository participant
MPCON Ltd	India	79.72%	79.72%	20.28%	20.28%	Consultancy services
Step down subsidiaries						
Subsidiary of IFIN						
IFIN Commodities Limited - Wholly owned subsidiary of IFIN	India	94.78%	94.78%	5.22%	5.22%	Exchanged based Commodity Trading
IFIN Credit Limited - Wholly owned subsidiary of IFIN	India	94.78%	94.78%	5.22%	5.22%	No business activity
IFIN Securities Finance Limited - Wholly owned subsidiary of IFIN	India	94.78%	94.78%	5.22%	5.22%	Marging funding,loan against shares and property and promoter funding
Subsidiary of IIDL						
IIDL Realtors Pvt. Limited - Wholly owned subsidiary of IIDL.	India	100.00%	100.00%	0.00%	0.00%	Real Estate
Subsidiary of SHCIL						
SHCIL Services Limited - wholly owned subsidiary of SHCIL	India	52.86%	52.86%	47.14%	47.14%	Broking Advisory Services
Stockholding Document Management Services Ltd- Wholly owned subsidiary of SHCIL	India	52.86%	52.86%	47.14%	47.14%	Physical Custody Services,digitization and sale of software, product and services.
Stockhoding Securities IFSC Ltd. - wholly owned subsidiary of SHCIL	India	52.86%	52.86%	47.14%	47.14%	Services Solutions to investors at IFSC, Gift City, Gandhinagar

- ii. Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

**Summarised balance sheet**

Particulars	Stock Holding Corporation of India Ltd (Consolidated)		MPCON Ltd	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Current Assets	2,644.48	2,243.61	16.03	11.83
Current liabilities	2,144.72	1,637.61	9.03	4.13
<b>Net current assets</b>	<b>499.76</b>	<b>606.00</b>	<b>7.00</b>	<b>7.70</b>
Non current assets	7,669.40	6,948.80	14.03	8.87
Non current liabilities	1,650.12	1,549.21	5.55	5.54
<b>Net non current assets</b>	<b>6,019.28</b>	<b>5,399.59</b>	<b>8.48</b>	<b>3.33</b>
<b>Net Assets</b>	<b>6,519.03</b>	<b>6,005.58</b>	<b>15.48</b>	<b>11.03</b>

**Summarised statement of profit and loss**

Particulars	Stock Holding Corporation of India Ltd (Consolidated)		MPCON Ltd	
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from operation	661.48	593.99	236.59	178.83
Profit for the year	289.14	184.77	5.90	4.41
Other Comprehensive income	375.90	1,298.41	(0.05)	0.09
Total Comprehensive income	665.04	1,484.48	5.85	4.50
Total Comprehensive income attributable to non controlling interest	313.50	699.78	1.19	0.91

(All amounts are in Rupees crores unless otherwise stated)

**b) Interest in associates and joint venture**

- i. Set out below are the associates and joint ventures of the group as at 31 March 2024 which, in the opinion of the directors, are material to the group.

Name of entity	Place of business	% of ownership	Relationship	Principle activities	Accounting	As at March 31, 2024		As at March 31, 2023	
						Carrying value	Fair value (if quoted)	Carrying value	Fair value (if quoted)
Institute of Leadership Document	India	Nil	Associate	Providing skill development	Equity accounting	Nil	Unquoted	Nil	Unquoted
IFCI Social foundation	India	Nil	Associate	Trust under income tax act for CSR activities	Equity accounting	Nil	Unquoted	Nil	Unquoted

- ii. The tables below provide summarized financial information of associate companies of the group. The information disclosed reflects the amounts presented in the financial statements of the relevant associate companies and not the group's share of those amounts.

The summarised financial information for the below associates is not available for FY 2023-24. However, information for FY 2022-23 and FY 2021-22 are available with the management and has been represented below.

	Institute of Leadership Development		IFCI Social Foundation	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Liabilities</b>				
Corpus Fund	1.25	1.25	0.11	0.11
Surplus Fund	(7.43)	(7.53)	-	-
Earmarked Funds	-	-	-	-
General fund	-	-	2.31	2.67
Special fund u/s 11(2) of Income Tax	-	-	-	-
Campus and fixed assets fund	11.00	11.98	-	-
Gratuity Reserve Fund	-	-	-	-
Cumulative leave fund	-	-	-	-
Other funds	-	-	-	-
Current liabilities and provisions	1.56	1.30	0.01	0.01
	<u>6.38</u>	<u>7.00</u>	<u>2.43</u>	<u>2.79</u>
<b>Assets</b>				
Assets funded by grants from IFCI and other agencies	-	-	-	-
Assets other than those funded from grants	-	-	-	-
Investments	1.98	2.35	1.76	1.49
Non- Current Assets	2.69	2.93	-	-
Current assets, loans and advances	1.71	1.72	0.67	1.30
MDI-Murshidabad	-	-	-	-
	<u>6.38</u>	<u>7.00</u>	<u>2.43</u>	<u>2.79</u>

**Statement of profit and loss**

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Revenue	2.23	1.09	1.32	0.58
Profit after tax	0.11	(0.90)	-	-
Other Comprehensive income	-	-	-	-
Total Comprehensive income	0.11	(0.90)	-	-
Dividends received	-	-	-	-

**c) List of associates / joint venture not consolidated**

Entity	Reason for non-consolidation
<b>Associates</b>	
Athena Chattisgarh Power Pvt. Ltd.	Investment classified as asset held for sale
Gati Infrastructure Bhasmey Power Pvt. Ltd.	Investment classified as asset held for sale
KITCO Ltd.	Investment classified as asset held for sale
Nagai Power Pvt. Ltd.	Investment classified as asset held for sale
Shiga Energy Private Ltd.	Investment classified as asset held for sale
Vadraj Cements Ltd.	Investment classified as asset held for sale
Vadraj Energy (Gujarat) Ltd.	Investment classified as asset held for sale
<b>Joint ventures</b>	
IFCI Sycamore Capital Advisors Pvt. Ltd.	Under voluntary liquidation

(All amounts are in Rupees crores unless otherwise stated)

**d) Additional disclosure under Schedule III of Companies Act 2013.**

Name of the Entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	% of consolidated net assets	Amount (in crore)	% of consolidated profit or loss	Amount (in crore)	% of consolidated other comprehensive income	Amount (in crore)	% of consolidated total comprehensive income	Amount (in crore)
<b>Parent Company</b>								
<b>IFCI Ltd</b>								
31-Mar-24	15.81%	1,214.20	53.20%	128.24	-12.01%	(40.14)	15.31%	88.10
31-Mar-23	9.39%	626.09	240.09%	(287.58)	-2.50%	(31.77)	-27.79%	(319.35)
<b>Subsidiary Companies (Indian)</b>								
<b>IFCI Venture Capital Funds Ltd.</b>								
31-Mar-24	2.26%	173.45	0.43%	1.03	0.06%	0.18	0.21%	1.22
31-Mar-23	2.58%	172.23	-4.52%	5.42	-0.04%	(0.52)	0.43%	4.90
<b>IFCI Factors Ltd</b>								
31-Mar-24	0.18%	13.92	-36.48%	(87.94)	-0.52%	(1.73)	-15.58%	(89.67)
31-Mar-23	1.55%	103.59	3.52%	(4.22)	0.11%	1.37	-0.25%	(2.85)
<b>MPCON Ltd</b>								
31-Mar-24	0.20%	15.48	2.45%	5.90	-0.01%	(0.04)	1.02%	5.85
31-Mar-23	0.17%	11.02	-3.69%	4.42	0.01%	0.09	0.39%	4.51
<b>IFCI Infrastructure Development Ltd. (including step down subsidiary)</b>								
31-Mar-24	6.66%	511.28	4.71%	11.35	0.01%	0.03	1.98%	11.38
31-Mar-23	7.87%	524.88	-14.56%	17.43	0.00%	(0.04)	1.51%	17.39
<b>Stock Holding Corporation of India Ltd. (including step down subsidiary)</b>								
31-Mar-24	84.89%	6,519.04	119.95%	289.14	112.43%	375.90	115.58%	665.04
31-Mar-23	90.05%	6,005.59	-154.26%	184.77	102.43%	1,299.71	129.18%	1,484.48
<b>IFCI Financial Services Ltd. (including step down-subsiary)</b>								
31-Mar-24	0.97%	64.26	1.42%	(0.76)	-0.04%	0.12	-0.19%	(0.64)
31-Mar-23	0.97%	64.90	1.42%	(1.71)	-0.04%	(0.52)	-0.19%	(2.22)
<b>Non-controlling interest</b>								
31-Mar-24	40.96%	3,145.07	57.00%	137.40	53.00%	177.21	54.68%	314.61
31-Mar-23	43.52%	2,902.12	-73.45%	87.98	48.28%	612.68	60.97%	700.66
<b>Consolidation adjustment</b>								
31-Mar-24	-51.79%	(3,977.38)	-100.94%	(243.31)	-53.00%	(177.20)	-73.08%	(420.51)
31-Mar-23	-56.11%	(3,741.59)	105.44%	(126.29)	-48.24%	(612.09)	-64.26%	(738.38)
<b>Total</b>								
31-Mar-24	100.00%	7,679.31	100.00%	241.05	100.00%	334.33	100.00%	575.38
31-Mar-23	100.00%	6,668.84	100.00%	(119.78)	100.00%	1,268.91	100.00%	1,149.13

57.1 The figures for the previous period have been regrouped/ rearranged wherever necessary to conform to the current period presentation

**58 CAPITAL MANAGEMENT**

The basic approach of capital adequacy framework is that, a financial institution should have sufficient capital to absorb shocks on account of any unexpected losses arising from the risks in its business.

As per RBI guidelines, IFCI as a Government owned NBFC-ND-SI is required to maintain a minimum capital to risk weighted asset ratio. Capital management entails optimal utilization of scarce capital to meet extant regulatory capital requirements. IFCI has put in place an appropriate Risk Appetite framework and computes its capital requirements and adequacy as per extant regulatory guidelines.

- The Group maintains minimum capital to risk weighted asset ratio entity wise for all the entities forming part of the group and accordingly manage the capital requirements among all the entities in the group.

(All amounts are in Rupees crores unless otherwise stated)

**ii. Capital allocation**

The amount of capital allocated to each operation or activity is undertaken with the objective of minimisation of return on the risk adjusted capital. Allocation of capital is to various lines of business basis annual business plan drawn at the beginning of the year. Various consideration for allocating capital include synergies with existing operations and activities, availability of management and other resources, and benefit of the activity with the company's long term strategic objectives.

In terms of our Report of even date

As per our report of even date attached

For **S MANN AND COMPANY**  
Chartered Accountants  
ICAI Firm registration No.: 000075N

**CA SUBHASH CHANDER MANN**  
Partner  
Membership No.: 080500

**Place:** New Delhi  
**Dated:** 30 April 2024

For and on behalf of the Board of Directors of **IFCI Limited**

**MANOJ MITTAL**  
Managing Director &  
Chief Executive Officer  
DIN 01400076

**SUNEET SHUKLA**  
Chief General Manager &  
Chief Financial Officer

**RAHUL BHAVE**  
Deputy Managing  
Director  
DIN 09077979

**PRIYANKA SHARMA**  
Company Secretary

**UMESH KUMAR GARG**  
Independent Director  
DIN 00599426

## NOTES

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## This image shows a full page of white paper with horizontal dotted lines, resembling notebook paper. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.

## OFFICES OF IFCI

### Registered Office IFCI Limited

IFCI Tower, 61 Nehru Place, New Delhi-110019  
Tel: +91-11-4179 2800, 4173 2000  
Website : www.ifcilttd.com  
CIN: L74899DL1993GOI053677

As on 31<sup>st</sup> March, 2024

### REGIONAL OFFICES

#### KOLKATA

DB-3, Sector-1  
Salt Lake  
Kolkata - 700064

#### HYDERABAD

Taramandal Complex  
(8<sup>th</sup> Floor), 5-9-13 Saifabad  
PIN-500 004

#### MUMBAI

307/314, Trade World,  
C-Wing, Kamala Mills Compound,  
Lower Parel West,  
Mumbai - 400013

### REGISTRAR & TRANSFER AGENTS

#### For Equity Shares & Family Bonds:

**MCS Share Transfer Agent Ltd**  
F-65, 1<sup>st</sup> Floor, Okhla Industrial Area,  
Phase-I, New Delhi-110 020  
website: www.mcsregistrars.com  
E-mail: helpdeskdelhi@mcsregistrars.com  
admin@mcsregistrars.com  
Tel: +91-11-4140 6149/50/51/52  
Fax: +91-11-4170 9881

#### For Infrastructure Bonds (Series I & II):

**Beetal Financial & Computer Services (P) Ltd**  
Beetal House, 3<sup>rd</sup> Floor, 99 Madangir  
Behind Local Shopping Centre  
Near Dada Harsukhdas Mandir  
New Delhi -110 062  
Tel: +91-11-2996 1281-83  
Fax: +91-11-2996 1284  
E-mail: ifci@beetalfinancial.com

#### For Infrastructure Bonds (Series III, IV & V) & IFCI NCD (Tranche I & II)

**KFin Technologies Limited**  
Corporate & Registered Office:  
"KFin Technologies Limited",  
Selenium Tower B, Plot No. 31 & 32, Gachibowli,  
Financial District, Nanakramguda, Serilingampally,  
Hyderabad - 500 032  
E-mail : einward.ris@kfintech.com  
Phone : 040-67161589 / 1672 / 1678 Fax: +91-040-23001153  
Toll Free No. 1800-309-4001  
CIN NO.U67200TG2017PTC117649

#### For Subordinate Bonds (Series I & III) :

**Link Intime India Pvt Ltd**  
C-101, 247 Park,  
L.B.S Marg, Vikhroli West,  
Mumbai - 400 083  
Tel No.: +91 22 4918 6270  
Fax No.: +91 22 4918 6060  
Email: bonds.helpdesk@linkintime.co.in

#### DEBENTURE TRUSTEE FOR - INFRASTRUCTURE BONDS SERIES I, II, SUBORDINATE BONDS, TAX FREE BONDS, OTHER REGULAR RETURN BONDS

##### Registered Address:

**Axis Trustee Services Limited**  
Axis House,  
Bombay Dyeing Mills Compound,  
Pandhurang Budhkar Marg,  
Worli, Mumbai - 400025

##### Communication Address:

Chief Operating Officer  
**Address:**  
The Ruby, 2nd Floor,  
SW, 29 Senapati Bapat Marg,  
Dadar West, Mumbai - 400028  
Tel No.: +91-22-62300451  
Fax No.: 022-43253000  
Email: debenturetrustee@axistrustee.in  
compliance@axistrustee.in  
Web : www.axistrustee.in

##### Desk Office:

2<sup>nd</sup> Floor, 25-Pusa Road,  
Near Karol Bagh Metro Station,  
New Delhi-110005

#### DEBENTURE TRUSTEE FOR - INFRASTRUCTURE

##### BONDS SERIES III, IV & V IDBI Trusteeship Services Ltd

Universal Insurance Building,  
Ground Floor, Sir P. M. Road,  
Fort, Mumbai - 400001  
Tel No. : 022-4080 7000  
Fax No. : 022-6631 1776  
Email: itsl@idbitrustee.com  
Web : http://www.idbitrustee.com

#### DEBENTURE TRUSTEE FOR - REGULAR BONDS

##### SERIES NO. 47, 50 & 51 Centbank Financial Services Ltd

Regd. Office:  
3<sup>rd</sup> Floor (East Wing)  
Central Bank of India, MMO Building  
55 M G Road, Mumbai - 400 001  
Tel: +91-22-2261 6217  
Fax: +91-22-2261 6208  
Website: www.cfsl.in  
E-mail: info@cfsl.in

If undelivered, please return to:

**MCS Share Transfer Agent Ltd**

F-65, Okhla Industrial Area

Phase-I, New Delhi - 110 020