



इंडियन रेलवे फाइनेंस कॉर्पोरेशन लिमिटेड

(भारत सरकार का उद्यम) (सीआईएन L65910DL1986GOI026363)

पंजीकृत कार्यालय: यूजी प्लोर, ईस्ट टॉवर, एनबीसीसी प्लेस, भोष्म पितामह मार्ग, प्रगति विहार, लोधी रोड, नई दिल्ली - 110003

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INDIAN RAILWAY FINANCE CORPORATION LTD.

(A Government of India Enterprise) (CIN: L65910DL1986GOI026363)

Regd. Office: UG Floor, East Tower, NBCC Place, Bhisham Pitamah Marg, Pragati Vihar, Lodhi Road, New Delhi - 110003

Phone: +91-011- 24361480 E-mail: info@irfc.co.in, Website: <https://irfc.co.in/>

No: IRFC/SE/2024-25/28

6th August 2024

| | |
|---|--|
| National Stock Exchange of India Limited Listing department, Exchange Plaza, Bandra- Kurla Complex, Bandra (E) Mumbai- 400 051 Scrip Symbol: IRFC | BSE Limited Listing Dept / Dept of Corporate Services, PJ Towers, Dalal Street, Mumbai -400 001 Scrip Code: 543257 |
|---|--|

Sub: Intimation regarding convening of 37th AGM, submission of 37th Annual report for the financial year 2023-24 along with Notice of AGM, Closure of Register of Members & Share Transfer Books, information regarding Remote e- voting and Record date for payment of Final Dividend

Sir/ Madam,

This is to inform that pursuant to regulation 30, 34, 50, 51 and 53 of SEBI (LODR) Regulations, 2015, as amended from time to time and other applicable Regulations, **37th Annual General Meeting (AGM)** of Indian Railway Finance Corporation Limited (IRFC) will be held on **Thursday, 29th August 2024 at 3:00 P.M.(IST)** through **Video Conferencing/Other Audio-Visual Means** in accordance with the provisions of the Companies Act, 2013 read with circulars issued by Ministry of Corporate Affairs and SEBI, from time to time. Notice of 37th AGM and Annual Report containing the financial statements for the financial year 2023-24, Auditors' Report thereon, Board's Report and other documents required to be attached thereto including Business Responsibility & Sustainability Report (BRSR), will be sent to members of the Company, holding shares either in physical form or in dematerialized form, as on 26th July 2024, at their email address registered with the Company / Depository Participants(s). Further, details about the manner of participation in the AGM and casting of votes electronically by shareholders are set out in the Notice of the AGM.

Soft copy of Annual Report of the Company for the Financial Year 2023-24 containing therein Notice of AGM is hosted on the Company's website. The website link is: <https://irfc.co.in/sites/default/files/inline-files/Annual%20Report%202023-24.pdf>

Further, Pursuant to the provisions of Companies Act, 2013, rules made thereunder and SEBI (LODR) Regulations, 2015, it is informed that the Company has fixed the following dates in connection with the 37th AGM & payment of Final Dividend: -

| S. No | Particulars | Details |
|-------|---|--|
| 1. | Cut-off date for determining the eligibility of shareholders for remote e- voting or voting during the general meeting | Thursday, 22 nd August 2024 |
| 2. | Closure of Register of Members & Share Transfer Books | Sunday, 25 th August, 2024 to Wednesday, 28 th August, 2024 (both days inclusive). |
| 3. | Period of Remote e-voting Period to enable the shareholders as on the cut-off date i.e., Thursday, 22 nd August, 2024 to cast their votes on proposed resolutions electronically | The remote e-voting period begins on Monday, 26 th August 2024 at 9:00 AM and ends on Wednesday, 28 th August 2024 at 5:00 PM. |
| 4. | Record Date and Dividend payment | Thursday, 22 nd August 2024 has been fixed as the "Record Date" for the purpose of determining the members entitle to receive final dividend for the financial year 2023-24. The final dividend, if declared at the AGM, will be paid within a period of 30 (thirty) days from the conclusion of the AGM. |

This is submitted for your information and record.

Thanking You,

For Indian Railway Finance Corporation Limited

VIJAY BABULAL SHIRODE Digitally signed by VIJAY BABULAL SHIRODE
Date: 2024.08.06 10:38:11 +05'30'

(Vijay Babulal Shirode)

Company Secretary & Compliance Officer

Enclosure: As Above



**INDIAN
RAILWAY
FINANCE
CORPORATION**

Moving
ahead with
strength
and
stability

37th Annual Report 2023-24



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Forward looking statement

Some information in this report may contain forward-looking statements. We have based these forward looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forward looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward looking statements and assumed facts or bases almost always vary from actual results, and the differences between the results implied by the forward looking statements and assumed facts or bases and actual results can be material, depending on the circumstances.

Moving
ahead with
**Strength
and
Stability**

Over the years, the Indian government has been consistently increasing the railway capex, with a focus on infrastructure development, capacity enhancement, the decongestion of high-density networks, passenger experience, safety requirements and more.

With the objective of mitigating air and road pollution, reducing logistics costs, providing seamless connectivity to ports through railways and alleviating the burden on high-density traffic routes, the Government intends to lay 40,000 kilometres of new track through energy, metal, cement, port connectivity and Amrit Chaturbhuj corridors in the next six to eight years. These economic corridors will boost railway capacity and reinforce the railways commitment to sustainable growth by minimising carbon emissions, while also presenting significant opportunities for us.

As the dedicated market borrowing arm of Indian Railways, we at IRFC are geared to consistently fulfil the extra budgetary resource requirements essential for fulfilling the Railways' capital expenditure. Company is exploring to diversify its lending portfolio to finance the project having forward & backward linkage to railways.

Moving ahead, we will continue to leverage our low-risk, cost-plus lease model to support the expansion and modernisation of Indian Railways—thereby contributing to the vision of Viksit Bharat.

Key Financials FY 23-24

₹ **26,644** Crores

Revenue from operations

₹ **6,412** Crores

PAT

₹ **49,178** Crores

Net worth

₹ **4,64,641** Crores

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Corporate Information

Board of Directors*

Smt. Usha Venugopal

Chairman & Managing Director
(Addl. Charge)

Ms. Shelly Verma

Director (Finance)

Shri Baldeo Purushartha

Government Nominee Director

Shri Abhishek Kumar

Government Nominee Director

Shri Vallabhbai Maneklal Patel

Non- Official /Independent Director

Smt. Sheela Pandit

Non- Official /Independent Director

Shri Pranav Kumar Mallick

Chief Vigilance Officer

Shri Sunil Kumar Goel

Chief Financial Officer

Shri Vijay Babulal Shirode

Company Secretary & Compliance Officer

Registered Office

UG-Floor, East Tower, NBCC Place,
Bhisham Pitamah Marg, Pragati Vihar,
Lodhi Road, New Delhi-110003

Corporate Identification Number

L65910DL1986GOI026363

Equity Shares listed on

National Stock Exchange of
India Limited (NSE)
BSE Limited (BSE)

Scrip Code

National Stock Exchange of
India Limited – IRFC
BSE – 543257

ISIN

INE053F01010

Depositories

National Securities Depository Limited
Central Depository Services (India) Limited

Statutory Auditors

M/s O.P. Totla & Co.

Chartered Accountants

Secretarial Auditors

M/s Akhil Rohatgi & Company

Company Secretaries

Bankers

Union Bank of India

State Bank of India

ICICI Bank

HDFC Bank

Bank of Baroda

Registrar & Transfer Agents

Equity Shares

M/s. Beetal Financial & Computer Services
(P) Ltd. 3rd Floor 99 Madangir,
Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir,
New Delhi- 110062
Email id: irfcinvestors@beetalmail.com
Ph. No : 91-11-2996 1281-83
Website: www.beetalfinancial.com

Bonds

M/s KFin Technologies Private Limited
Selenium Tower B, Plot Nos. 31 &
32, Financial District Nanakramguda,
Serilingampally Mandal,
Hyderabad – 500032 India
Ph. No. : +91 040 6716 1598
Toll Free No: 1800-345-4001
Email id: brahma.k@kfintech.com
Website: www.kfintech.com

Website

<https://irfc.co.in/>

Email ID

investors@irfc.co.in

* As on 01.08.2024

Profile of Board of Directors



Smt. Usha Venugopal

Chairman & Managing Director
(Addl. Charge) from 01.08. 2024
DIN: 10725298



Ms. Uma Ranade

CMD (Addl charge)
from 27.03.2024 to 31.07.2024
DIN: 10565537



Ms. Shelly Verma

Director (Finance)
CMD (Addl charge)
from 15.10.2022 to 26.03.2024
DIN: 07935630



Shri Baldeo Purushartha

Government Nominee Director
DIN: 07570116



Shri Abhishek Kumar

Government Nominee Director
DIN: 10644411



Shri Vallabhbhai Maneklal Patel

Non-Official / Independent Director
DIN: 07713055



Smt. Sheela Pandit

Non-Official / Independent Director
DIN: 09403193

Profile of Board of Directors

Smt. Usha Venugopal

Chairman and Managing
Director (Addl. Charge)
w.e.f 01.08.2024
DIN: 10725298

Smt. Usha Venugopal is an IRAS (Indian Railways Accounts Service) officer of 1987 batch. She has over 35 years of experience in Indian Railways and is currently holding the charge of Additional Member (Finance) in the Ministry of Railways. During her distinguished career she has successfully discharged the duties of important posts of Accounts Department and held key posts of Additional Divisional Railway Manager/SR, Financial Advisor (Construction)/SR, Financial Advisor & Chief Accounts Officer/East Coast Railway, Principal Financial Adviser at Integral Coach Factory/Chennai, Rail Wheel Factory/Yelehanka and Southern Railway. She did her Post Graduation in Mathematical Statistics from Delhi University.

Ms. Uma Ranade

Chairman & Managing
Director (Addl. Charge)
from 27.03.2024 to
31.07.2024
DIN: 10565537

Ms. Uma Ranade is an IRAS officer (batch of 1986). She has over 35 years of experience in Indian Railways and is currently the Additional Member (Budget) in Ministry of Railway and is also holding the Charge of Additional Member (Finance). She has held many important charges over the span of her career, including Financial Advisor (Construction & Projects) to Western Railway, Central Railway, and South Central Railways; as well as Principal Financial Advisor to both Western and Central Railways. As graduate of St. Stephen's College, Delhi (BA(Hons) History), she has also undergone the advanced Leadership and Management programmes at INSEAD Singapore, the Tepper School of Business, Carnegie Mellon University, and Indian School of Business, Hyderabad.

Ms. Shelly Verma

Director (Finance)
DIN: 07935630

Ms. Shelly Verma is the Director (Finance) of our Company. She holds a Bachelor's degree in Commerce from Shri Ram College of Commerce, University of Delhi and is also a fellow member of the Institute of Chartered Accountants of India. She has more than 30 years' experience in Power Sector Financing. Prior to her appointment to the Board of our Company, She has served in various capacities, including, most recently, as Executive Director (Finance) with the Power Finance Corporation Limited.

Shri Baldeo Purushartha

Government
Nominee Director
DIN: 07570116

Shri Baldeo Purushartha has been inducted to the IRFC Board on 3rd June, 2020. He Joined the Indian Administrative Service (IAS) in 2002. Before joining as Joint Secretary, Department of Economic Affairs, Ministry of Finance, Government of India, he served as Secretary, Lokpal and Divisional Commissioner, Jalandhar, Punjab. He also served in various field and secretariat positions in the Government of Punjab and Government of India. Among the posts, he held the post of Private Secretary to Union Minister of State (Independent Charge) in the Ministry of Housing and Urban Affairs; Director, Industries and Commerce Department, Punjab; Director, Technical Education and Industrial Training, Punjab, Commissioner, NRI, Punjab and Special Secretary, Expenditure, Punjab. He represents the Government of India on the Board of Indian Railway Stations Development Corporation Ltd, National Investment and Infrastructure Fund Trustee Limited and National Land Monetisation Corporation Limited. Shri Baldeo Purushartha holds a Post Graduate degree in History from University of Delhi.

Shri Abhishek Kumar

Government Nominee Director
DIN: 10644411

Shri Abhishek Kumar is an Indian Railway Accounts Service (IRAS) Officer of 2001 examination batch, holding the post of Executive Director Finance (Budget) at Railway Board. He holds a degree in Bachelor of Technology in civil engineering from the Regional Engineering College, Calicut, (now, NIT Calicut). He also has PGDM (Exec.) in finance from IMT Ghaziabad (CDL). He has experience of more than 20 years in Railways as Financial Advisor dealing with expenditure and earnings proposals for Railways, Government accounting, budgeting, internal check etc. He has worked in these areas at all levels i.e. division, head quarter and at Ministry. At Railway Board he has worked in the Budget Directorate at Director level dealing with the preparation and presentation of the Railway Budget and coordinating with Ministry of Finance in this regard. He has also been associated with the pioneering project of accrual- based accounting for Indian Railways as its Chief Project Manager. Prior to his current assignment as Executive Director (Budget) at Railway Board, he was on deputation to centre for Railway Information Systems (CRIS) as General Manager (Finance) and also looking after accounting it applications i.e IPAS and GST module.

Shri Vallabhbhai Maneklal Patel

Non-Official / Independent Director
DIN: 07713055

Shri Vallabhbhai Maneklal Patel holds a bachelor's degree of Commerce (B. Com) from Gujarat University. He has been associated with Shri Ganesh Ginning & Pressing Factory since 1998 and having a vast experience in managing the affairs of the organisation and knowledge of industry. He also represents on various forums like FICCI, Cotton Ginning and Pressing Association etc. He has also been the Vice Chairman of Kadi Nagrik Sahakari Bank Limited from year 2002 to 2005. Further, he is also a Member of Advisory Board of The Kalupur Commercial Cooperative Bank Limited, Gandhinagar. He is also engaged into various educational and Philanthropic activities and is Chairman of Sarva Vidyalaya Kelvani Mandal. Presently, he is also President of Kadi Sarva Vishwavidyalaya, Gandhinagar, Chairman of Kava Patidar Kelvani Uttejak Mandal, and a Director of Sarva Vidyalaya Innovation Foundation a Section 8 Company.

Smt. Sheela Pandit

Non-Official / Independent Director
DIN: 09403193

Smt. Sheela Pandit has done Master's in Business Administration in Human Resource (MBA), also holds Bachelor's Degree of Arts (History) and Bachelor's Degree of Education (B.ED). She possesses specialization in the field of Management & Information Technology. Further, she has also been into the education profession and worked in various institutes such as Sunrise Convent School, Vishakahapatnam; ZB Zakaria English high school, Maharashtra; Ishan International School, Patna and Kendriya Vidyalaya, Danapur. She has served as a dedicated and highly competent IT Educator in the Computer Department of Ishan International Girls School, Danapur, Patna, for more than seven years and managed multiple responsibilities with unwavering commitment to the school's technological advancement such as Security Systems, IT Systems, digital environment for both staff and students, network management, Cybersecurity, overall IT Maintenance of Software, IT Infrastructure & Hardware. She is a social activist and active in social and philanthropic activities.

Chairperson's Message



Smt. Usha Venugopal
Chairman and Managing Director
(Addl. Charge)



Notwithstanding global challenges, the Indian economy has sustained its position as one of the fastest-growing major economies in FY 2023-24. According to estimates by the National Statistical Office, the real GDP growth for the Indian economy stood at 7.6% during FY 2023-24.



Dear Shareholders,

During FY 2023-24, the global economy is exhibiting resilience and fortitude. There are, however, multiple challenges emanating from still elevated inflation, tight monetary and financial conditions, escalating geopolitical tensions, rising geoeconomic fragmentation, disruptions in key global shipping routes, high public debt burdens and financial stability risks. Global financial markets are on edge, with recurrent bouts of volatility as every incoming data increases uncertainty around monetary policy trajectories of major central banks. Amidst this challenging global economic environment, the Indian economy is exhibiting strength and stability with robust macroeconomic fundamentals and financial stability. India has emerged as one of the fastest growing major economy in the world and a leading contributor to global growth.

Economic Overview

According to estimates by the National Statistical Office, the real GDP growth for the Indian economy stood at 7.6% during FY 2023-24. This surge in economic growth can be attributed to India's sound macroeconomic fundamentals, burgeoning domestic demand and prudent fiscal policies implemented by the Reserve Bank of India.

Other contributors to this growth have been the remarkable performances of key sectors such as construction and manufacturing. The construction sector has been a standout performer, registering a double-digit growth rate of 10.7% in the fiscal year 2023-24. This robust growth can be attributed to the government's sustained focus on infrastructure development, urban renewal projects and the implementation of flagship schemes such as the Pradhan Mantri Awas Yojana (PMAY) and the Smart Cities Mission.



In the fiscal year 2023-24, Indian Railways continued its relentless march in the freight sector, underscoring its pivotal role as the prime mover of India's logistics sector. With a freight loading of 1591 Million Tonnes, witnessing a commendable 5.2%. Increase over the previous fiscal year, Indian Railways reaffirmed its position as a formidable force in freight transportation.



The manufacturing sector has recorded an impressive 8.5% growth rate during the reporting year. Government's initiatives to promote the 'Make in India' campaign, the implementation of the Production-Linked Incentive (PLI) schemes and the sustained recovery in domestic and global demand for Indian manufactured goods have fuelled this growth.

Indian Railways Sector

Indian Railways (IR) aims to create a world class infrastructure at a sustainable cost, built with the latest technologies. Marching further ahead in nation's Amrit Kal period IR vision towards 2047 entails development of 7000 km of High speed Rail Network by 2047 carrying a multitude of 10 billion passengers, expansion of Freight Corridors to 7800 km, Elevated Corridors (with speed 200+ kmph) of 10,000 km, Vande Bharat trains connecting all major cities, 1500+ Gati Shakti Cargo Terminals, Reduction in Operating Ratio to less than 70%, 100% Electrification of network, enhancing electric traction capacity (2 & 25 kVA) over 30,000 RKm, Elimination of all remaining level Crossings, Hyperloop transportation on 2200 km, Station Development of more than 1200 stations, revamp of

Ease of handling and divisibility of cargo units capturing the growing container segment, Manufacturing/deployment of freight EMU for parcel/ e-commerce, coverage of entire network with Kavach and enhanced usage of solar technology for energy needs. The Indian Railways has set ambitious targets to contribute approximately 1.5% to the country's GDP by developing infrastructure that can support 45% of the modal freight share of the economy.

In the fiscal year 2023-24, Indian Railways continued its relentless march in the freight sector, underscoring its pivotal role as the prime mover of India's logistics sector. With a freight loading of 1591 Million Tonnes, witnessing a commendable 5.2%. Increase over the previous fiscal year, Indian Railways reaffirmed its position as a formidable force in freight transportation. This total increase in loading translated into freight revenue of ₹ 1.72 lakh crore (provisional) which was 4.5% higher than that in the previous year. Indian Railways is thus moving steadily towards the 1 trillion mark for NTKMs carried which will mark a milestone for an energy efficient mode of transportation in India.

Indian Railways has been focusing on effectively channelling its resources to meet the goal of making India 'Viksit Bharat by 2047'. It is slowly inching up in its modal share in the logistics sector, with the goal of loading 3000 MT by the year 2030, which is just a few years away. This goal is being met by making targeted expenditure in both capacity augmentation, bottleneck removal and paying attention to last mile connectivity. Marking the confidence in the Railways, the Government's budgetary support to the Railways has been growing steadily. It touched the highest ever figures at ₹ 2.40 lakh crore in FY 2023-24. This has been ploughed back in entirety by the Railways into various projects of network expansion, capacity building, safety works and improvement of facilities.

Operational Highlights

We have consistently exhibited robust financial performance on the back of raising funds at competitive rates. This has helped us keep our cost of borrowings low. Strategic relationship with the Ministry of Railways enables us to maintain a low risk profile. The FY2023-24 has been another year of strong financials. Revenue from operations of Company has increased by ₹ 2,923.16 crores from ₹ 23,721.42 crores in 2022- 23 to ₹ 26,644.58 crores in 2023- 24, showing a growth of 12.32 %. Profit before Tax (PBT) of Company for the year ended 31st March 2024 was ₹ 6,412.10 crores as compared to ₹ 6,167.16 crores for the previous year, registering a growth of 3.97 %.

During the FY 2023-24 no target was assigned to the company in the budget.

For leasing of Project Assets, there is an initial Moratorium period of 5 years and MoR is not required to pay the lease rent in moratorium period. During the moratorium period company recognises on annual basis the finance cost as disbursement which gets added to the AUM of the company. For the FY 2023-24, the company has accordingly considered ₹ 16,705.20 crores as disbursement.

Borrowings during the year include Taxable Bonds worth ₹ 22,940 crores (Previous year ₹ 21,558.70 crores), Rupee Term Loans of ₹ 5,980 crores (previous year ₹ 22,274.46 crores) and 54EC bonds of ₹ 2,064.34 crores (previous year ₹ 1,729.61 crores).

Company had received approval of Ministry of Finance for issue of 54EC Capital Gain Bonds in October 2017, since then, Company is making all endeavours to increase its market share in 54EC Bond



The FY2023-24 has been another year of strong financials. Revenue from operations of Company has increased by ₹ 2,923.16 crores from ₹ 23,721.42 crores in 2022- 23 to ₹ 26,644.58 crores in 2023-24, showing a growth of 12.32 %.



market. In 2023-24, Company mobilized ₹ 2,064.34 crores (previous year ₹ 1,729.61 crores), registering a growth of 19.35%.

Company had refinanced Higher rate long term loan of ₹ 18,200.00 Cr. with lower rate long Term loan and Bonds. The average cost of borrowing made during the year was approximately 7.27% p.a.

Company has not made any provision for tax in its books pursuant to its decision to exercise the option of lower tax rate

permitted u/s 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated 20th September, 2019. The Company's taxable income was nil and it did not have to pay Minimum Alternate Tax (MAT) with reference to its Book Profit as MAT payable u/s 115 JB was outside the ambit of the Section 115 BAA. Thus, on adoption of Section 115 BAA of the Income Tax Act, 1961, the Company was outside the scope and applicability of MAT provisions and there was a zero- tax liability in the financial year 2023-24.

During the FY 2023-24, Company had declared the Interim Dividend @ 8% i.e., ₹ 0.80/- per equity share having face value of ₹ 10/- each and has also recommended a Final Dividend for the FY 2023-24 @ 7% i.e., ₹ 0.70/- per equity share, which is subject to approval of the shareholders at the ensuing Annual General Meeting. Thus, the total dividend for the financial year 2023-24 would amount to ₹ 1.50/- per equity share of ₹ 10/- each.

Corporate Governance

Company considers good corporate governance practices a sine qua non for sustainable business that aims at generating long term value for its shareholders and all other stakeholders. Accordingly, it has been laying increasing emphasis upon development of best corporate governance practices amongst Central Public Sector Enterprises (CPSEs). In pursuance of this philosophy, your Company continues to comply with the 'Guidelines on Corporate Governance for Central Public Sector Enterprises' issued by Government of India, Department of Public Enterprises (DPE). Your Company's Equity as well as Non-Convertible Debt Securities are listed on the stock exchanges and Company has complied with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Pursuant to the DPE Guidelines on Corporate Governance, quarterly compliance report is being submitted to DPE within the stipulated time.

Corporate Social Responsibility

During the financial year 2023-24, the Company in accordance with the provisions of section 135 of the Companies Act, 2013 & rules made thereunder was required to spend ₹ 112.27 crores, being 2% of its average net profits for the last three financial years. The Company has approved a total of 16 projects with a total outlay of ₹ 80.94 crores and out of the remaining balance ₹ 22.33 crores was disbursed to PM CARES Fund, ₹ 4.5 crore each to Swachh Bharat Kosh and Clean Ganga Fund. Whereas the amount allocated towards 16 projects amounting to ₹ 80.94 crores would be disbursed on receipt of bills/claims from the implementing agencies in future and the same amount has been transferred to the 'CSR Unspent Account' maintained with Scheduled Bank in terms of section 135(6) of the Companies Act, 2013. The Company is committed to promoting Health and Nutrition as the theme for focused intervention as mandated by Department of Public Enterprises for the Financial Year 2024-25.

Road Ahead

The Board of Directors had approved borrowing limit of ₹ 50,000 crores for FY 2024-25 for meeting the funding requirement of Indian Railways, if any, new business activities, refinancing of existing loans and for other general corporate purposes.

With India's transforming railway landscape and evolving infrastructure to meet the goal of making India Viksit Bharat by 2047, I consider ourselves to be fortunate that Company is well positioned to seize the emerging opportunities. Further, I am confident that Company will be able to achieve strategic goals while delivering sustained and compelling results in the future.

IRFC's charter allows financing of project with forward and backward linkages. In this regard, company is exploring opportunities for investments in railway infrastructure projects such as

Dedicated freight lines, High-speed rail corridors, Multi-modal logistics parks, Non-conventional energy sources for the railway network, etc.

I express my gratitude to customers, shareholders, suppliers, employees, lending institutions, stakeholders and the Government of India for reposing their confidence and trust in the Company. The Company looks forward to their continued support for sustaining its excellent performance levels.

Regards,
Sd/-

Smt. Usha Venugopal

Chairman & Managing Director
(Addl. Charge)
DIN: 10725298



Introducing IRFC

Indian Railway Finance Corporation (NBFC-NDSI-IFC by RBI) is a schedule-'A' Miniratna CPSE under the administrative control of Ministry of Railways (MoR).

Since our inception in 1986, our primary focus has been on sourcing funds, both locally and internationally, at competitive rates. These funds are integral in facilitating the infrastructural development of the Indian Railways. Over the years, we have consistently diversified our borrowing

portfolio to meet the evolving needs of the Indian Railways.

With over three decades of expertise, we have been instrumental in contributing to the growth of the Indian Railways, as well as allied entities such as Rail Vikas Nigam Limited (RVNL) and IRCON.

Ratings

CRISIL AAA | CRISIL A1+
ICRA AAA | ICRA A1+
CARE AAA | CARE A1+





Vision

To be the pivotal and premier Financial Services Company for the development of Rail Transport Sector while maintaining its symbiotic relationship with the Ministry of Railways.



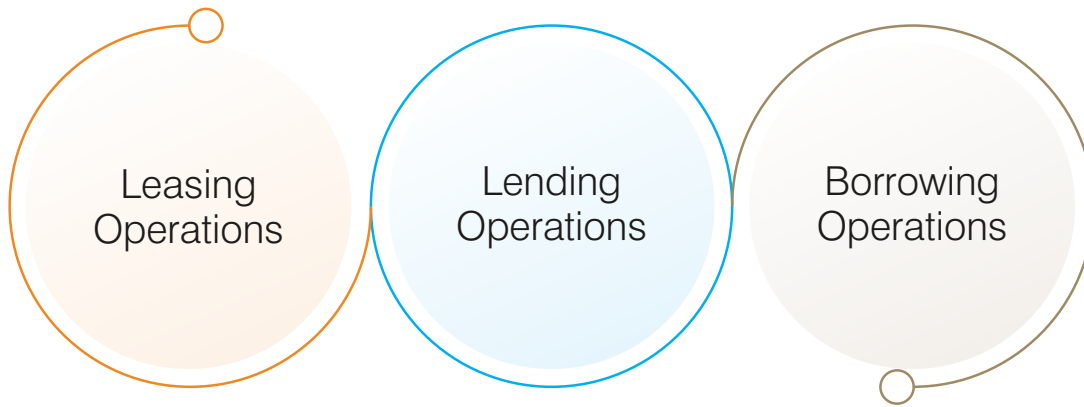
Mission

To make IRFC one of the leading Financial Service Companies in the country, for raising funds from the capital market at competitive cost for augmenting railway plan finances, duly ensuring that the Corporation makes optimum profits from its operations.

An Overview of Our Business

IRFC a Government of India undertaking under the Ministry of Railways, plays a significant role in funding the Indian Railways. Our main business is leasing of rolling stock assets, railway infrastructure assets and lending to other entities as per mandate.

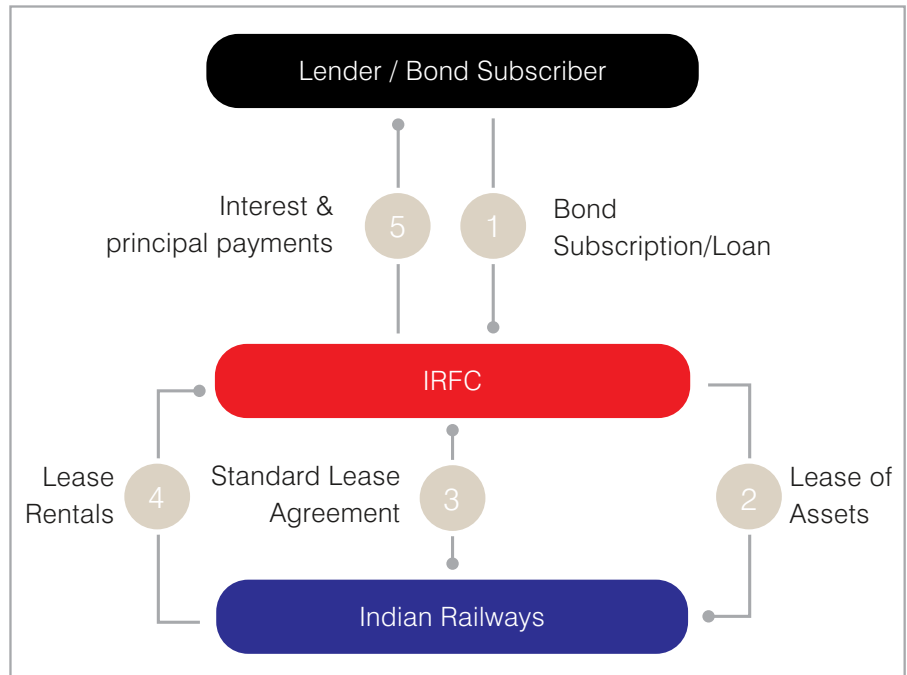
Our business functions



Leasing operations

At IRFC, we employ a leasing model to finance the acquisition of rolling stock and project assets for the Indian Railways. Typically, the lease duration spans 30 years, divided into a primary period and the secondary period. During the primary lease period, both the principal and interest components are recovered as part of the lease agreement. On completion of the secondary lease period, assets are handed over to the Ministry of Railways (MoR) for a nominal amount at the lease's conclusion. The agreement with MoR follows a cost-plus leasing structure, ensuring a consistent earnings and overall profitability.

Financing of Rolling Stock/ Project Assets



Lending operations

We have provided loans to various companies in Railway sector, such as Rail Vikas Nigam Limited (RVNL), Konkan Railway Corporation Limited, IRCON, Railtel Corporation of India and Pipavav Railway Corporation Limited.

₹ 4,64,641 Crores

Total AUM

Borrowing Operations

We strive to meet our funding needs through diverse channels while seeking to secure the most competitive rates available in the market. To this end, we acquire funds through avenues such as issuing taxable and tax-exempt bonds, 54EC bonds obtaining term loans from banks and financial institutions, utilising commercial papers and accessing external commercial borrowings.

₹ 4,12,032.10 Crores

Total Borrowings

Targeted Strategies

IRFC is committed to maintain competitive cost of funding for sustainable operations. We will continue to play a pivotal role in the expansion of Indian Railways, by broadening our horizons and increasing funding capacity.

Diversifying lending portfolio

IRFC, in line with its mandate plans to expand its horizons and venture further into financing the railway eco-system. By diversifying its lending portfolio, IRFC aims to leverage its financial expertise, mitigate concentration risks and contribute significantly to the nation's infrastructure development. This strategic approach will not only strengthen IRFC's position as a leading financial institution but also pave the way for greater economic impact and increased investment opportunities in various sectors having forward and backward linkages with Railways.

Diversifying borrowing portfolio

Since inception, we have focused on diversifying our borrowing portfolio by including different financial instruments at competitive rates and pioneering newer markets and investors. Different financial instruments such as green bonds / loans form a part of our borrowing portfolio. We are also eyeing on opportunities on getting funds from sovereign wealth funds and pension funds as well as multilateral agencies. Diverse source of funding and

issuance of varied financial instrument enable us to raise and offer funds at lowest possible cost.



Maintaining competitive cost of borrowings

At IRFC, we focus on raising borrowings at minimum cost which in turn enables us to provide funds to Indian Railways at competitive rate. We raise funds from various sources including term loans and bonds from domestic and international market. We have strong credit ratings and our strategic relationship with the MoR helps us in raising funds at low cost.

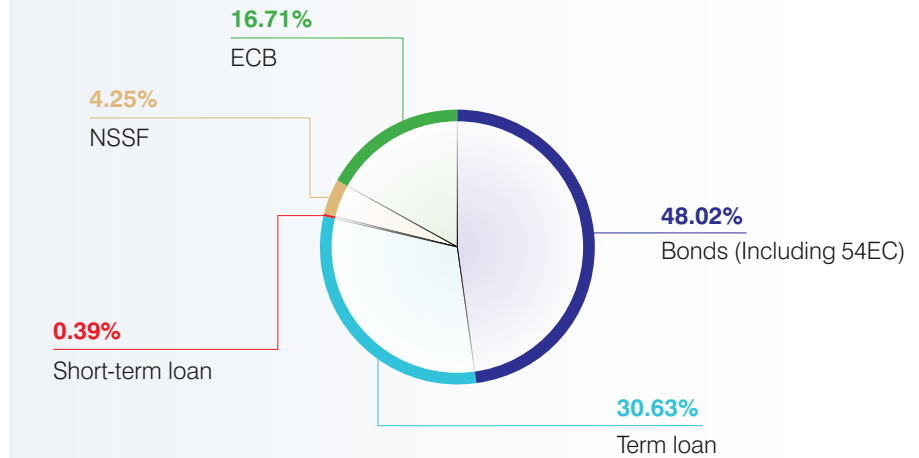
Prudent financial management

Our robust business model and optimum funding mix enables us to maintain healthy balance sheet and ALM position. Additionally, our existing cost plus leasing business model enables us to register sustained growth in income year on year and maintain profitability.

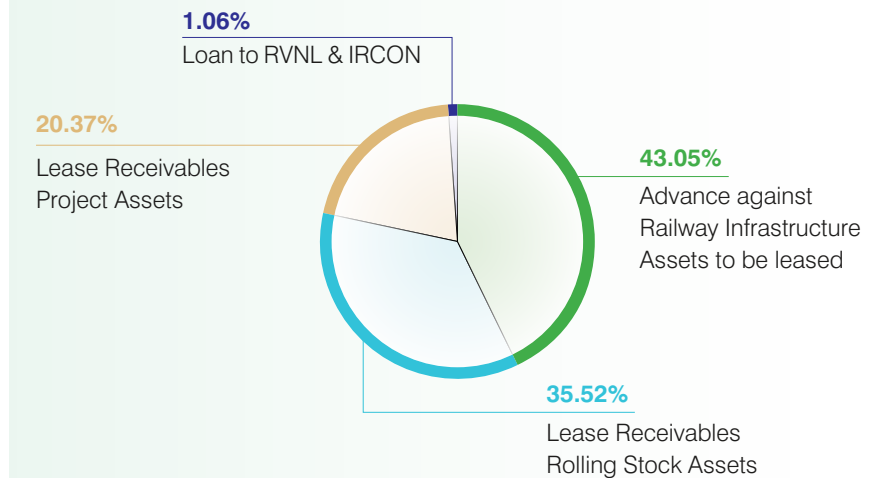
Asset-liability management

We have framed an asset-liability management framework that enable us to minimise the risks associated with liquidity and interest rate. We undertake periodic analysis of long-term liquidity profile of assets, liabilities, receipts and

Borrowing mix as on 31st March, 2024



AUM break-up FY24



debt-service obligations. This enables us to take timely decision regarding the volume and maturity profile of borrowings and a creation of a mix of assets and liabilities in terms of tenure and interest rate (fixed or floating). We

also emphasis on maintaining a sharp focus on locating funding sources with long term repayment schedules and matching them with the lease terms of Rolling Stock Assets and Project Assets that we fund.

Corporate Social Responsibility

We aim to empower and aid underserved sections of society, as well as address their needs and problems. Our efforts are focused on making a positive impact on communities, and we seek to achieve this through our corporate social responsibility activities. We collaborate with government agencies and other organisations to impact people's lives in tangible ways.

₹ **112.27** Crores

Required CSR spending in FY24

₹ **22.33** Crores

Contribution
to PM Cares Fund

₹ **4.5** Crores

Swachh Bharat Kosh

₹ **112.27** Crores

Total approved projects

₹ **4.5** Crores

Clean Ganga Fund

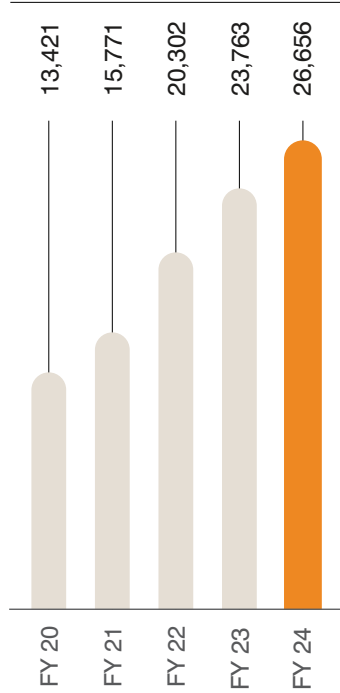
80.94 Crores

Other Approved Projects

Financial Metrics

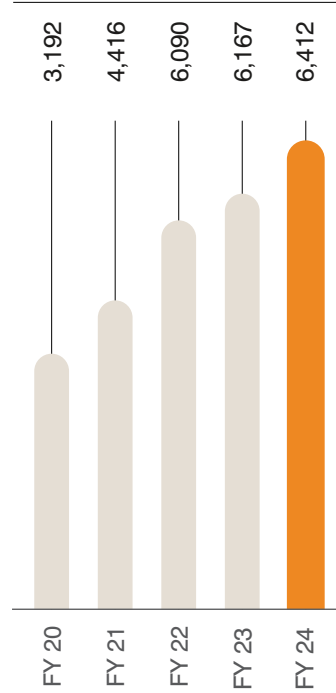
Total Income

(₹ in Crores)



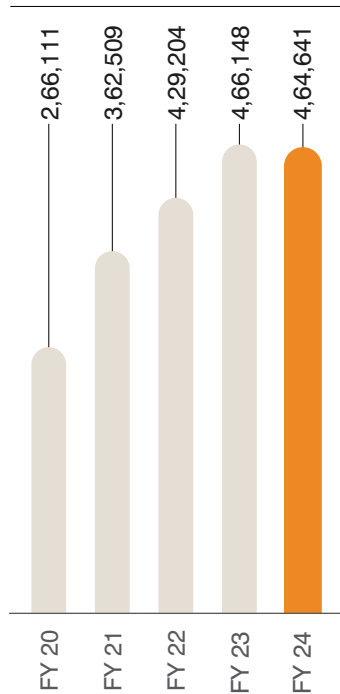
PAT

(₹ in Crores)



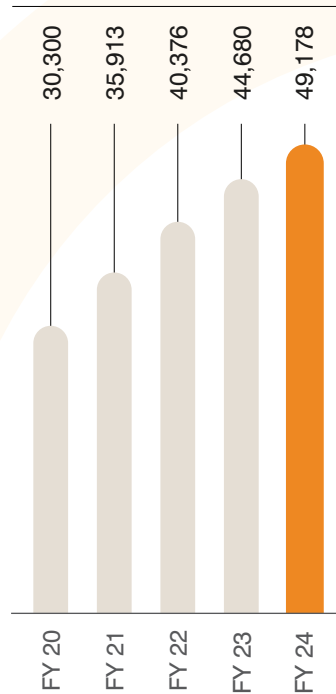
AUM

(₹ in Crores)



Net Worth

(₹ in Crores)



Indian Railway Finance Corporation Limited

(A Government of India Enterprise)

CIN: L65910DL1986GOI026363

Regd. Office: UG Floor, East Tower, NBCC Place, Bhisham Pitamah Marg,
Pragati Vihar, Lodhi Road, New Delhi - 110003

Phone No.: 011-24361480

Website: <https://irfc.co.in> Email Id: investors@irfc.co.in

NOTICE

Notice is hereby given that the **Thirty Seventh Annual General Meeting (37th AGM)** of **Indian Railway Finance Corporation Limited (IRFC)** will be held on **Thursday, 29th August, 2024** at **03:00 p.m.** through Video Conferencing/Other Audio- Visual Means (VC/OAVM) at registered office of the Company at UG - Floor, East Tower, NBCC Place, Bhisham Pitamah Marg, Pragati Vihar, Lodhi Road, New Delhi- 110003 to transact the following businesses: -

ORDINARY BUSINESS

Item No. 1

To receive, consider, approve and adopt the audited financial statements of the Company for the financial year ended 31st March 2024, along with the Reports of the Board of Directors and Auditors thereon and Comments of the Comptroller and Auditor General of India (CAG) by passing the following resolution as an Ordinary Resolution:

“RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended on 31st March 2024 together with the Board’s Report and the Auditors’ Report thereon and Comments of the Comptroller and Auditor General of India, be and are hereby received, considered and adopted.”

Item No. 2

Confirmation of payment of interim dividend and declaration of final dividend on equity shares by passing the following resolution as an Ordinary Resolution:

“RESOLVED THAT the interim dividend @ 8% i.e., ₹ 0.80/- per share on 13,06,85,06,000 Equity Shares of ₹ 10/- each fully paid up, paid to the shareholders for the financial year 2023-24, as per the resolution passed by the Board of Directors at their meeting held on 2nd November 2023 be and is hereby noted and confirmed.

RESOLVED FURTHER THAT in terms of the recommendation of the Board of Directors of the Company at their meeting held on 20th May 2024, the approval of the Members of the Company be and is hereby accorded for payment of final dividend @ 7% (i.e., ₹ 0.70/- per share) on 13,06,85,06,000 Equity Shares of ₹ 10/- each fully paid up for the financial year ended 31st March 2024.”

Item No. 3

Re-appointment of Shri. Baldeo Purushartha as a Nominee Director by passing the following resolution as an Ordinary Resolution:

“RESOLVED THAT Shri. Baldeo Purushartha, (DIN:07570116), who retires by rotation and being eligible be and is hereby re- appointed as a Nominee Director of the Company.”

SPECIAL BUSINESS

Item No. 4

Appointment of Smt. Usha Venugopal (DIN: 10725298) as Chairman & Managing Director (Addl. Charge) on the Board.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to provisions of Section 149, 152, 160 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, applicable regulation(s) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company, recommendations of the Nomination & Remuneration Committee, Smt. Usha Venugopal (DIN:10725298) who was appointed as Chairman and Managing Director (Additional Charge), by the President of India vide Ministry of Railways Letter No. 2018/ E(O)II/ 40 /19 Pt.2 and subsequently, in terms of Section 161 of the Companies Act, 2013, appointed as an Additional Director, designated as Chairman and Managing Director (CMD) by the Board of Directors with effect from 01.08.2024 to hold office upto the date of this Annual General Meeting or till the appointment of regular incumbent, whichever is earlier, and in respect of whom the Company has received a notice in writing from her signifying her intention to propose herself as a candidate for the office of a director of the Company, be and is hereby appointed as Chairman and Managing Director (Addl. Charge) on the terms & conditions as may be fixed by the Government of India, not liable to retire by rotation.

RESOLVED FURTHER THAT any Director or Company Secretary be and is hereby authorized to sign and file required e-forms with Registrar of Companies, NCT of Delhi & Haryana, Ministry of Corporate Affairs and to do all acts, deeds, matters and things may be deemed necessary, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”

For **Indian Railway Finance Corporation Limited**

Date: 01.08.2024
Place: New Delhi

Sd/-
(Vijay Babulal Shirode)
Company Secretary

NOTES: -

1. Pursuant to Circular Nos. 09/2023, 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021, 2/2022 & 10/2022 dated 25th September 2023, 8th April 2020, 13th April 2020, 5th May, 2020, 13th January, 2021, 8th December, 2021, 14th December, 2021, 5th May 2022 and 28th December 2022 respectively issued by the Ministry of Corporate Affairs (hereinafter collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. Circular No. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated 7th October 2023 and SEBI/HO/CFD/PoD-2/ P/CIR/2023/4 dated January 05, 2023 in relation to "Relaxation from compliance with certain provisions of the SEBI (LODR) Regulations, 2015" it has been permitted to hold the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act 2013("Act"), SEBI Listing Regulations and MCA & SEBI Circulars the 37th AGM of the Company is being conducted through VC/OAVM facility, without physical presence of members at a common venue. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue for the 37th AGM shall be the Registered Office of the Company.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts concerning the business under Item No. 4 of the accompanying Notice, is annexed hereto. Additional information, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') and Secretarial Standard-2 on General Meetings, issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking appointment/ re-appointment at this Annual General Meeting ('Meeting' or 'AGM') is annexed to this Notice.
3. Pursuant to the provisions of the Companies Act, 2013 a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since the 37th AGM of the Company is being held pursuant to the MCA Circulars and SEBI Circulars 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, Attendance Slip and route map of the AGM are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members such as the President of India or the Governor of a State or body corporate may be appointed for the purpose of casting vote through remote e-Voting prior to the AGM, participation in the 37th AGM through VC/OAVM facility and for electronic voting during the AGM.
4. Attendance of the Members participating in the 37th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. In line with the MCA Circulars and SEBI Circulars referred above, the Notice of the 37th AGM along with Annual Report of the Company is being sent by e-mail to all members whose e-mail IDs are registered with the Company / Depository Participants ("DPs"). The Company shall send the physical copy of the Annual Report for FY 2023-24 only to those members who specifically request for the same at investors@irfc.co.in or irfcinvestors@beetalmail.com mentioning their Folio No/DP ID and Client ID. The Notice convening the AGM and the Annual Report for FY 2023-24 are available on the website of the Company at <https://irfc.co.in> and on the website of National Stock Exchange of India Limited at www.nseindia.com and BSE Limited at www.bseindia.com and also on the website of National Securities Depository Limited (NSDL) at www.evoting.nsdl.com. The Company had published advertisements in newspapers to encourage shareholders holding shares in physical and electronic form, to register/update their email IDs for receiving the Annual Report of the Company for the financial year 2023-24.

Those shareholders who have still not been able to update their e-mail IDs, may follow the below process for registration of e-mail IDs with the Company:
 - In case of shares held in Demat mode, please send an e-mail to irfcinvestors@beetalmail.com or investors@irfc.co.in quoting DP ID Client ID (16-digit DP ID + Client ID or 16-digit beneficiary ID), Name of holder(s), scanned copy of client master list/demat account statement, PAN Card and Aadhaar Card.
 - In case of shares held in physical mode, please send an e-mail to irfcinvestors@beetalmail.com or investors@irfc.co.in quoting Folio No., Name, scanned copy of Share certificate (front & back), PAN Card and Aadhaar Card.
6. All Members of the Company including Institutional/ Corporate Investors are encouraged to attend the AGM and vote on items to be transacted at the AGM. All Institutional /Corporate shareholders (i.e., other than individuals, HUF, NRI, etc.) are requested to send a certified copy of the Board or governing body resolution / authorization letter authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-Voting. The said resolution/ authorization shall be sent to the Scrutinizer through e-mail at csdelhi84@gmail.com with a copy marked to evoting@nsdl.com.

7. The Company has fixed **Thursday, 22nd August, 2024** as the Cut-off date for determining the eligibility to vote in respect of items of business to be transacted at the 37th AGM.

Any person holding shares in physical form and non-individual shareholders who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and is holding shares as on the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.com. However, if he / she is already registered with NSDL for remote e-voting, then he / she can use his / her existing user ID and password for casting the vote. Any shareholder who disposes off his shareholding such that he/she is not a member as on the cut-off date should treat this Notice for information purposes only.

The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

8. The Register of Members and Share Transfer Books of the Company will remain closed from **Sunday, 25th August, 2024 to Wednesday, 28th August, 2024** (both days inclusive).
9. M/s Akhil Rohatgi & Company, Company Secretaries, New Delhi has been re-appointed as the Scrutinizer to scrutinize the votes cast through e-voting by the shareholders in respect of items of business to be transacted at the 37th AGM, in a fair and transparent manner.
10. The Company's Registrar and Transfer Agents for its share registry work (Physical and Electronic) is M/s. Beetal Financial & Computer Services (P) Ltd. (herein after referred to as "R &TA"). All documents, transfers, dematerialization requests and other communications in relation thereto should be addressed directly to the Company's Registrar & Share Transfer Agents, at the address mentioned below:

M/s. Beetal Financial & Computer Services (P) Ltd.
(Unit: Indian Railway Finance Corporation Limited)
Beetal House, 3rd Floor, 99 Madangir,
Behind local Shopping Centre,
Near Dada Harsukhdas Mandir,
New Delhi- 110062
Phone- 91-11-2996 1281-83
Fax- 91-11-2996 1284
Email: irfcinvestors@beetalmail.com
Website: www.beetalfinancial.com

11. In compliance with provisions of MCA Circulars and SEBI Circular referred above, Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings issued by ICSI, the Company is offering e-voting

facility to the shareholders to enable them to cast their votes electronically on the items mentioned in the Notice. Those Shareholders who do not opt to cast their vote through remote e-voting, may cast their vote through electronic voting system during the AGM. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting for 15 minutes, by use of remote e-Voting system for all those Members who are present during the AGM but have not cast their votes by availing the remote e-Voting facility.

NSDL will be providing a facility for remote e-voting, participation in the 37th AGM through VC/OAVM and voting during the 37th AGM through electronic voting system. The remote e-voting period begins on **Monday, 26th August, 2024 at 9:00 AM (IST)** and ends on **Wednesday, 28th August, 2024 at 5:00 PM (IST)**. The remote e-voting module shall be disabled by NSDL for voting thereafter.

Members may join the 37th AGM through VC/OAVM, which shall be kept open for the Members on **Thursday, 29th August, 2024** i.e., 15 minutes before the scheduled start time and the Company may close the window for joining the VC/OAVM facility 15 minutes after the scheduled start time on date of AGM.

Please refer to detailed instructions for remote e-voting, attending the 37th AGM through VC/OAVM and electronic voting during the AGM as mentioned in point No 27. of Notes. The facility of participation at AGM through VC/OAVM will be made available for 1000 members on first come first serve basis. This will 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 Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

12. In pursuance of Article 114 of the Articles of Association of the Company read with Section 123 of the Companies Act, 2013 and Companies (Declaration and Payment of Dividend) Rules, 2014, as amended from time to time, Board of Directors, in their meeting held on 2nd November, 2023, had declared the Interim Dividend @ 8% i.e., ₹ 0.8/- per equity share having face value of ₹ 10/- each for F.Y. 2023-24, which was paid on 23rd November, 2023. Members who have not received/encashed their dividend warrants within its validity period may write to the Company at its Registered Office or to the R&TA of the Company, for revalidating the warrants or payment in lieu of such warrants in the form of demand draft or direct credit to bank by furnishing documents to RTA Agent at their email id: irfcinvestors@beetalmail.com.

Further, the final dividend, as recommended by the Board of Directors in their meeting held on 20th May, 2024, if approved at the AGM, the payment of such dividend, subject to deduction of tax at source (TDS), will be made within 30 days of the AGM as under:

- i. To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as at the end of business hours on **Thursday, 22nd August, 2024.**
- ii. To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company, if any on or before close of business hours on **Thursday, 22nd August, 2024.**

Pursuant to Finance Act, 2020, dividend income is taxable in the hands of the shareholders w.e.f. April 1, 2020, and the Company will be required to deduct TDS from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In order to enable compliance with TDS requirements in respect of dividends declared by the Company in future, members are requested to submit Form 15G/15H on annual basis and update details about their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in the case of shares held in physical form, with the Company / R&TA, so that tax at source, if any as per applicable rates and residential status, may be deducted in respect of dividend payments made by the Company in future. Shareholders are requested to note that if their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e., No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits.

13. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form who have not done so are requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA.

14. As directed by SEBI, Members are requested to:
 - I. Intimate to the DP, changes if any, in their registered addresses and/or changes in their bank account details, if the shares are held in dematerialized form.
 - II. Intimate to the Company's RTA, changes if any, in their registered addresses, in their bank account details, if the shares are held in physical form (share certificates).
 - III. Consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.
15. As SEBI has made usage of electronic payment modes for making cash payments to the investors mandatory, therefore members are advised to submit their National Electronic Clearing System (NECS)/National Electronic Fund Transfer (NEFT)/ Direct Credit mandates or changes therein, to enable the Company to make payment of dividend by means of NECS/ NEFT/ Direct Credit/Warrants.

Members holding shares in physical form are requested to send the following details/ documents to the Company's R&TA at the address i.e., M/s. Beetal Financial & Computer Services (P) Ltd. Beetal House, 3rd Floor, 99 Madangir, Behind local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi- 110062 and to their email id:

- a) Form ISR-1 along with supporting documents. The said form is available on the website of the Company at <https://irfc.co.in/>.
- b) Cancelled cheque in original, bearing the name of the Member or first holder, in case shares are held jointly. In case name of the holder is not available on the cheque, kindly submit the following documents:
 - i) Cancelled cheque in original;
 - ii) Bank attested legible copy of the first page of the Bank Passbook/Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and full address of the bank branch.
- c) Self-attested copy of the PAN Card of all the holders; and
- d) Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company.

Members holding shares in electronic form may please note that their bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the DPs and the Company will not be able to accede to any direct request from such Members for change/addition/deletion in such bank details. Accordingly, ensure that their Electronic Bank Mandate is updated with Their Respective DPs.

Those who have already furnished the NECS/NEFT/ Direct Credit Mandate Form to the Company / R&TA / DP with complete details need not send it again.

16. Members who have not received/encashed their dividend warrants within its validity period may write to the Company at its Registered Office or to the R&TA of the Company, for revalidating the warrants or payment in lieu of such warrants in the form of demand draft or direct credit to bank by furnishing documents to RTA Agent at their email id irfcinvestors@beetalmail.com.
17. Members are requested to note that, dividends if not encashed for a consecutive period of seven (7) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. Members may please note that in the event of transfer of such shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF authorities by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF- 5. Members who have not claimed the Unpaid Interim Dividend so far, are requested to make their claim to the Company's Registrar & Transfer Agents (R & T Agents).

The details of due date of transfer of unpaid/ unclaimed Dividend of the Company to IEPF is as follows:

| Financial Year | Type of Dividend | Due date of Transfer to IEPF |
|----------------|------------------|---------------------------------|
| 2020-21 | Interim Dividend | 19 th April, 2028 |
| 2021-22 | Interim Dividend | 05 th January, 2029 |
| | Final Dividend | 27 th November 2029 |
| 2022-23 | Interim Dividend | 14 th January, 2030 |
| | Final Dividend | 26 th November, 2030 |
| 2023-24 | Interim Dividend | 6 th January, 2031 |

Further, pursuant to the provisions of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the requisite details of unpaid and unclaimed amounts lying with the Company has been uploaded on Company's website (<https://irfc.co.in/>).

18. Pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, the brief resume of Shri. Baldeo Purushartha (DIN: 07570116), Nominee Director retiring by rotation and seeking re-appointment under aforesaid Item No. 3 in accordance with applicable provisions of the Articles of Association of the Company is annexed hereto and forms part of this Notice.
19. Pursuant to Section 143(5) of the Act, the Auditors of a Government Company shall be appointed or re-appointed by the Comptroller and Auditor General of India (C&AG) and in terms of Sub-section (1) of Section 142 of the Act, their remuneration has to be fixed by the Company in the meeting or in such manner as the Company in General Meeting may determine. The Members of your Company in its 33rd meeting held on 30th September 2020 had authorised the Board of Directors to fix remuneration of Statutory Auditors. Accordingly, the Board of Directors fix the remuneration of the Statutory Auditors every year.
20. SEBI encourages all shareholders to hold their shares in dematerialized form as this eliminates the possibility of damage/loss of physical share certificate(s) & cases of forgery and facilitates the ease and convenience of paperless trading of shares.

In terms of Regulation 40(1) of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019. Members may please note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the weblink at <https://irfc.co.in>. It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI, vide its notification dated January 24, 2022, has mandated that all requests for transmission and transposition shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

21. Pursuant to SEBI Circular no. SEBI/HO/MIRSD/MIRSDPoD-1/P/CIR/2023/37 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/

MIRSD/MIRSD RTAMB /P/CIR/2021/655 and SEBI/HO/MIRSD/MIRSD RTAMB/ P/CIR/2021/687 dated November 3, 2021 and December 14, 2021, respectively, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities. The folios wherein any one of the cited documents/details is not available on or after October 1, 2023, shall be frozen by the RTA.

The securities in the frozen folios shall be eligible:

- To lodge any grievance or avail of any service, only after furnishing the complete documents / details as mentioned above;
- To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements.

The forms for updation of PAN, KYC, bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available on our website at <https://irfc.co.in/>. In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs.

Further, Shareholders holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of folios. Such frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after December 31, 2025.

22. Members who hold shares in electronic mode are requested to send all correspondence concerning transmission, transposition, sub-division, consolidation of shares or any other related matter and/or change in address or bank account, to their respective Depository Participants.
23. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
24. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to write to the R&TA of the Company at irfcinvestors@beetamail.com in Form SH-13 as prescribed in the Companies (Share

Capital and Debentures) Rules, 2014. If a member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in form ISR-3 or form SH-14, as the case may be. The said forms can be downloaded from the Company's website. In case of shares held in dematerialized form, the nomination form has to be lodged directly with the respective DP.

25. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding maintained under Section 170 of the Companies Act, 2013, Register of contracts and arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice, will be available for inspection through electronic mode, without any fee, by the members from the date of circulation of this Notice, up to the date of AGM i.e., **Thursday, 29th August, 2024**. Members desiring for inspection of said documents are requested to send an e-mail to the Company at investors@irfc.co.in.
26. Members desirous of getting any information on any item(s) of business of this meeting are requested to send an e-mail mentioning their name, demat account number/folio number, email id, mobile number to investors@irfc.co.in at least seven (7) days prior to the date of the AGM and the same will be replied by the Company suitably.
27. The instructions for remote e-voting, attending the 37th AGM through VC/OAVM and electronic voting during the AGM are as under:

27.1 THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on **Monday, 26th August, 2024 at 09:00 A.M.** and ends on **Wednesday, 28th August, 2024 at 05:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Thursday, 22nd August, 2024** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Thursday, 22nd August, 2024**.

How do I vote electronically using NSDL e-Voting system?


The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 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.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ 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 hold with NSDL), Password/OTP and a Verification Code 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div data-bbox="542 1373 1029 1661" style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div> |

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> 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 Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting 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 & 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. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 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 www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 |

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your

mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

- (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

- a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat

account with NSDL or CDSL) option available on www.evoting.nsdl.com.

- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

27.2 General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csdelhi84@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
 2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
 3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on: 022 - 4886 7000 or send a request to **Ms. Pallavi Mhatre -Senior Manager** at evoting@nsdl.com.
- 28. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**
1. In case shares are held in physical mode please provide 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 investors@irfc.co.in.
 2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@irfc.co.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

29. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

30. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link

for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors@irfc.co.in. The same will be replied by the company suitably.
6. 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 (company email id). 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 investors@irfc.co.in. These queries will be replied by the company suitably by email. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

Annexure to the Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIE ACT, 2013

Item No. 4

Ministry of Railways, Government of India vide its order No. 2018/ E(O)II/ 40/ 19 Pt.2 dated 29.07.2024 entrusted additional charge of the post of Chairman & Managing Director, IRFC to Smt. Usha Venugopal w.e.f. 01.08.2024 and until further order. She assumed the charge of the post of Chairman & Managing Director (CMD) w.e.f. 01.08.2024.

Subsequently, the Board of Directors had approved the appointment of Smt. Usha Venugopal, [DIN: 10725298], Chairman and Managing Director (Additional Charge) of the Company as an Additional Director designated as Chairman and Managing Director (CMD) (Addl. Charge) w.e.f. 01.08.2024 in terms of Section 161 of the Companies Act, 2013 till the date of the next AGM.

As the tenure of Smt. Usha Venugopal as an Additional Director is due to expire at the AGM pursuant to Section 161(1) of the Act, approval of shareholders is being sought in order to approve her directorship and to appoint Smt. Usha Venugopal as Chairman and Managing Director (Addl. Charge) of the Company on the terms and conditions as determined by the Government of India.

The Company has received a notice in writing from Smt. Usha Venugopal, proposing her candidature for the office of director of the Company. Smt. Usha Venugopal is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

Her brief resume, inter-alia, giving nature of expertise in specific functional area, shareholding in the company, other directorships, memberships/chairmanship of committees and other particulars are provided elsewhere which forms part of this notice.

Save and except Smt. Usha Venugopal and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 4 of the Notice.

For **Indian Railway Finance Corporation Limited**

Date: 01.08.2024
Place: New Delhi

Sd/-
(Vijay Babulal Shirode)
Company Secretary

Annexure to the Notice

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36(3) OF THE SEBI LISTING REGULATIONS AND SECRETARIAL STANDARDS ON GENERAL MEETINGS]

| | | |
|---|---|--|
| Name of Director | Shri. Baldeo Purushartha | Smt. Usha Venugopal |
| DIN | 07570116 | 10725298 |
| Date of Birth/Age | 5 th January, 1974 | 15 th November 1965 |
| Date of Appointment | 3 rd June 2020 | 1 st August 2024 |
| Qualifications | B.A. (History) & M.A. (History) and Joined the Indian Administrative Service (IAS) in 2002 | Post Graduation in Mathematical Statistics, IRAS |
| Expertise in specific functional areas | He Joined the Indian Administrative Service (IAS) in 2002. Before joining as Joint Secretary, Department of Economic Affairs, Ministry of Finance, Government of India, served as Secretary, Lokpal and Divisional Commissioner, Jalandhar, Punjab. Also served in various field and secretariat positions in the Government of Punjab and Government of India. Among the posts, held the post of Private Secretary to Union Minister of State (Independent Charge) in the Ministry of Housing and Urban Affairs; Director, Industries and Commerce Department, Punjab; Director, Technical Education and Industrial Training, Punjab, Commissioner, NRI, Punjab and Special Secretary, Expenditure, Punjab. Represents the Government of India on the Board of India as nominated. | She is an IRAS (Indian Railways Accounts Service) officer of 1987 batch. She has over 35 years of experience in Indian Railways and is currently holding the charge of Additional Member (Finance) in the Ministry of Railways. During her distinguished career She has successfully discharged the duties of important posts of Accounts Department and held key posts of Additional Divisional Railway Manager/SR, Financial Advisor (Construction)/SR, Financial Advisor & Chief Accounts Officer/ East Coast Railway, Principal Financial Adviser at Integral Coach Factory/Chennai, Rail Wheel Factory Yelehanka and Southern Railway. She did her Post Graduation in Mathematical Statistics from Delhi University. |
| Directorship held in other Companies | 1. Indian Railway Stations Development Corporation Limited 2. National Investment and Infrastructure Fund Trustee Limited 3. National Land Monetization Corporation Limited | Nil |
| Membership/ Chairmanship of Committees across all Public Companies other than IRFC | Nil | Nil |
| Relationships between Directors inter-se | There is no inter-se relationship with any other Director of the Company. | There is no inter-se relationship with any other Director of the Company. |
| Number of equity shares held in the Company | Nil | Nil |

For details regarding the number of meetings of the Board/Committees attended by the above Director during the year and remuneration drawn/sitting fees received, please refer to the Boards' Report and the Corporate Governance Report forming part of the Annual Report.

Information at a Glance

| Particulars | Details |
|---|--|
| Day, date, and time of AGM | Thursday, 29 th August, 2024 at 03:00 p.m. |
| Mode | Video conference/other audio-visual means |
| Participation through video conference | www.evoting.nsdl.com |
| Final dividend record date | Thursday, 22 nd August, 2024 |
| Final dividend payment date | Within 30 days from the date of AGM |
| Cut-off date for e-Voting | Thursday, 22 nd August, 2024 |
| E-Voting start date and time | Monday, 26 th August, 2024 at 09:00 a.m. |
| E-Voting end date and time | Wednesday, 28 th August, 2024 at 05:00 p.m. |
| E-Voting website of NSDL | www.evoting.nsdl.com |
| Speaker registration last date and time | Thursday, 22 nd August, 2024 till 05:00 p.m. |
| Last date for sending questions | Thursday, 22 nd August, 2024 till 05:00 p.m. |
| Name, address, and contact details of e-Voting service provider | <p>National Securities Depository Limited</p> <p>Trade World, A wing, 4th Floor Kamala Mills Compound Lower Parel, Mumbai – 400 013</p> <p>Ms. Pallavi Mhatre Senior Manager – NSDL</p> <p>Contact Details: Email address: pallavid@nsdl.com evoting@nsdl.com Helpline No. for VC participation and e-Voting: (022) 4886 7000</p> |
| Name, address and contact details of Registrar and Share Transfer Agent | <p>M/s. Beetal Financial & Computer Services (P) Ltd.</p> <p>Beetal House, 3rd Floor, 99 Madangir, Behind local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi- 110062 Phone- 91-11-2996 1281-83 Fax- 91-11-2996 1284 Email: irfcinvestors@beetalmail.com Website: www.beetalfinancial.com</p> |

Directors' Report

Dear Shareholders,

Your directors have the pleasure in presenting the 37th Annual Report of the Company along with the Audited Financial Statements, Auditor's Report and review of the Accounts by the Comptroller & Auditor General of India for the financial year ended 31st March 2024.

1. Financial Highlights

The highlights of financial performance of your Company for the year ended 31st March 2024 in comparison to the year ended 31st March 2023 are summarized below:

(₹ in crores)

| Particulars | Year ended 31-03-2024 | Year ended 31-03-2023 |
|--|--------------------------|--------------------------|
| I. Revenue from operations | 26,644.58 | 23,721.42 |
| II. Dividend Income | 0.78 | 0.56 |
| III. Other income | 10.56 | 40.80 |
| IV. Total Revenue (I+II+III) | 26,655.92 | 23,762.77 |
| V. Expenses | | |
| Finance costs | 20,101.47 | 17,447.21 |
| Impairment on financial instruments | (3.93) | (2.91) |
| Employee benefit expense | 11.17 | 13.09 |
| Depreciation and amortization expense | 9.44 | 14.06 |
| Other expenses | 125.66 | 124.16 |
| Total Expenses | 20,243.81 | 17,595.62 |
| VI. Profit before tax (IV-V) | 6,412.10 | 6,167.16 |
| VII. Tax expense: | | |
| (1) Current tax | - | - |
| (2) Adjustment for Earlier Years | - | - |
| (3) Deferred tax | - | - |
| Total Taxes | | |
| VIII. Profit (Loss) for the current Year from continuing operations (VI-VII) | 6,412.10 | 6,167.16 |
| IX. Other Comprehensive Income | 40.38 | 4.56 |

Revenue from operations of your Company has increased by ₹ 2,923.16 crores from ₹ 23,721.42 crores in 2022- 23 to ₹ 26,644.58 crores in 2023-24, showing a growth of 12.32 %.

Profit before Tax (PBT) of your Company for the year ended 31st March 2024 was ₹ 6,412.10 crores as compared to ₹ 6,167.16 crores for the previous year, registering a growth of 3.97 %.

Company has not made any provision for tax in its books pursuant to its decision to exercise the option of lower tax rate permitted u/s 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated 20th September, 2019. The Company's taxable income was nil and it did not have to pay Minimum Alternate Tax (MAT) with reference to its Book Profit. MAT payable u/s 115 JB was outside the ambit of the Section 115 BAA.

Thus, on adoption of Section 115 BAA of the Income Tax Act, 1961, the Company was outside the scope and applicability of MAT provisions and there was a zero-tax liability in the financial year 2023-24.

Profit After Tax for the year ending 31st March 2024 was ₹ 6,412.10 crores as compared to ₹ 6,167.16 crores for the previous year, registering a growth of 3.97 %.

2. Dividend

Your Company seeks to strike a judicious balance between the return to the shareholders and retaining a reasonable portion of the profit to maintain a healthy financial leverage with a view to supporting and sustaining future borrowings and growth.

Board of Directors, in its meeting held on 2nd November 2023, has declared the Interim Dividend @ 8.0% i.e., ₹ 0.80/- per equity share having face value of ₹ 10/- each for F.Y. 2023-24, which was paid on 23rd November, 2023.

Further, the Board of Directors in its meeting held on 20th May 2024 has also recommended the Final Dividend @ 7% i.e., ₹ 0.70/- per equity share having a face value of ₹ 10/- each, which is subject to approval of the shareholders at the ensuing Annual General Meeting. If approved, the total dividend for the financial year 2023-24 would amount to ₹ 1.50/- per equity share of ₹ 10/- each. The total dividend pay-out for the financial year 2023-24 including the proposed Final Dividend, would amount to ₹ 1,960.28 crores.

As per regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), the top 500 listed companies shall formulate a Dividend Distribution Policy.

Accordingly, the policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retained profits earned by the Company. The policy is also available on the Company's website at <https://irfc.co.in/sites/default/files/inline-files/Dividend-Distribution-Policy.pdf>.

The details of unpaid/unclaimed amount of dividend as on 31st March 2024 is as follows:

| Financial Year | Type of Dividend | Amount (₹ in Crore) |
|----------------|------------------|---------------------|
| 2020-21 | Interim | 0.581 |
| 2021-22 | Interim | 0.377 |
| 2021-22 | Final | 0.278 |
| 2022-23 | Interim | 0.307 |
| 2022-23 | Final | 0.268 |
| 2023-24 | Interim | 0.298 |

Further, Members are requested to note that, dividends if not encashed for a consecutive period of seven (7) years from the date of transfer to Unpaid/Unclaimed Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF") authority. The shares in respect of such unpaid/unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

Details of Unpaid/Unclaimed Dividend is also available on Company's website at <https://irfc.co.in/investors/financial-information>.

3 Reserves

As per Section 45 – IC of the RBI Act, 1934, all NBFCs are required to create a Reserve equivalent to 20% of the net profit before payment of dividend.

Accordingly, 20% of the net profit of the Company amounting to ₹ 1,282.42 crores had been transferred to Reserve Fund u/s Section 45 – IC of RBI Act, 1934.

4 Share Capital

As on 31st March 2024, the Authorized Share Capital of the Company was ₹ 25,000 crores, consisting of 25,000,000,000 Equity Shares of ₹ 10/- each. The issued and paid-up share capital of the Company was ₹ 13,068.506 crores, consisting of 13,068,506,000 Equity Shares of ₹ 10/- each.

As on 31st March 2024, 86.36% of the paid-up equity share capital of the Company comprising of 11,286,437,000 Equity Shares of ₹ 10/- each were held by President of India acting through administrative ministry i.e., Ministry of Railways (MoR). The balance 13.64% of paid-up equity share capital was held by public. During the period under review there is no change in authorized and paid-up share capital of the Company.

Based on market capitalization Company is in the list of top 100 listed companies on both stock exchanges i.e., NSE and BSE as on 31st March 2024.

5 Independent Evaluators' Assessment

5.1 Credit Ratings

5.1.1 Domestic:

During the financial year 2023-24, the Company's long-term domestic borrowing programme was awarded the highest credit rating of "CARE AAA/Stable", "CRISIL AAA/ Stable" and "ICRAAAA/Stable". "The Company also got its short-term borrowing programme rated, obtaining the highest rating of "CARE A1+" and "ICRA A1+".

5.1.2 International:

During the financial year 2023-24, three international credit rating agencies – Standard & Poor's, Moody's and Fitch - have awarded "BBB- with Stable Outlook", "Baa3 with Stable Outlook" and "BBB- with Stable Outlook" ratings respectively to your Company. Besides, the Company obtained an issuer specific credit rating of "BBB+ with Stable Outlook" from the Japanese Credit Rating Agency. Each of the four credit ratings is equivalent to India's sovereign rating and is of investment grade.

5.2. Memorandum of Understanding (MOU) with Ministry of Railways, Government of India

The Company enters Memorandum of Understanding (MoU) with Ministry of Railways (MoR) every year wherein Company is evaluated on various financial and non-financial parameters. Based on its performance, the Company has been rated 'Excellent' by the Department of Public Enterprises (DPE) for the year 2022-23.

The company has executed MoU for Financial Year 2023-24 with MoR on 14th September, 2023. For leasing of Project Assets, there is an initial Moratorium period of 5 years and MoR is not required to pay the lease rent in moratorium period. Further, during the moratorium period company recognises on annual basis the finance cost as disbursement which gets added to the AUM of the company.

During the year 2023-24, the company has accordingly considered Rs. 16,705.20 crores as disbursement. Basis above, company has achieved 99.99% in respect of parameter Loans Disbursed to Total Funds Available. Further, there were no Overdue loans to Total Loans and NPA to Total Loans. Also, Cost of raising funds through Bonds as compared to similarly rated CPSEs/ entities is 12 bps lower.

6 Market Borrowings during 2023-24

The Board of Directors had approved borrowing limit of ₹ 50,000 crores for FY 2023-24 for meeting the funding requirement of Indian Railways, if any, new business activities, refinancing of existing loans and for other general corporate purposes.

Borrowings during the year include Taxable Bonds worth ₹ 22,940 crores (Previous year ₹ 21,558.70 crores), Rupee Term Loans of ₹ 5,980 crores (previous year ₹ 22,274.46 crores) and 54EC bonds of ₹ 2,064.34 crores (previous year ₹ 1,729.61 crores).

Company had received approval of Ministry of Finance for issue of 54EC Capital Gain Bonds in October 2017, since then, Company is making all endeavors to increase its market share in 54EC Bond market. In 2023-24, Company mobilized around ₹ 2064.34 crores through 54EC Bond as against ₹ 1,729.61 crores, registering a growth of 19.35%.

The company had refinanced Higher rate long term loan of ₹ 18,200.00 Cr. with lower rate long Term loan and Bonds. The average cost of borrowing made during the year was approximately 7.27% p.a.

7 Redemption of Bonds / Repayment of Loans

During the year, the Company redeemed Bonds amounting to ₹ 16,174.46 crores. The Company also repaid long term

loans from Banks of ₹ 18,200 crores during the year. The Company continues to maintain its impeccable track record of servicing its debt in time.

8 Internal Control Systems & their adequacy

The details are given in Management Discussion and Analysis.

9 RBI Prudential Norms

Your Company is registered as a Systemically Important Non-Deposit Taking Non- Banking Finance Company with the Reserve Bank of India. Being a Government NBFC, your Company was exempted from the prudential norms prescribed by Reserve Bank of India for NBFC-ND-SI, as contained in the Master Directions issued vide Notification No. DNBR.008/CGM(CDS)-2015, dated 27th March, 2015. The exemption was withdrawn by Reserve Bank of India from 31st May, 2018. However, the Company has obtained exemption from Reserve Bank of India from the asset classification, income recognition, credit concentration and provisioning norms on the direct exposure to Ministry of Railways, Govt. of India vide RBI letter dated 21st December, 2018. The Company has also obtained relaxation in respect of lending limit applicable to Railway CPSEs from 20% of its owned funds to 100% of its owned funds. As such, the Company has complied with the applicable prudential norms.

Liquidity Coverage Ratio (LCR) Exemption:

RBI vide circular dated 4.11.2019 issued the guidelines covering liquidity risk management for NBFCs, wherein RBI introduced Liquidity Coverage Ratio (LCR) applicable on all non- deposits taking NBFCs with asset size of more than ₹ 5,000 crores. The company has got an exemption from RBI from applicability of Liquidity Coverage Ratio (LCR) norms.

Applicability of approvals/acknowledgements previously given by RBI post issue of RBI Scale Based Master Directions.

RBI has issued new Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 on 19.10.2023 (referred as RBI Master Directions dated 19.10.2023).

RBI has clarified all approvals/acknowledgements given under Circulars/Directions mentioned in the repealed list as provided in section XI of 'the new Directions' shall be deemed as given under 'the new Directions'. Notwithstanding such repeal, any action taken/purported to have been taken or initiated under the instructions/guidelines having repealed shall continue to be guided by the provisions of said instructions/guidelines.

10 Lease Arrangement with the Ministry of Railways

As you are aware, the financial relationship of the Company with the Ministry of Railways is based on a Financial Lease arrangement which is regulated by a standard lease agreement.

During the year, Company has executed the Lease Agreements for rolling stock assets leased for the FY 2022-23 and for the Project Assets funded during FY 2017- 18 (EBR-IF) after completion of moratorium period.

11 Resource Mobilization for 2024-25

Board has authorized the Company to borrow funds amounting to ₹ 50,000 Crores as may be required during FY 2024-25 for meeting the funding requirement of Indian Railways, if any, new business activities, Committed Liabilities refinancing of existing loans and for other general corporate purposes.

12 Management Discussion and Analysis and Company's Outlook for the future

Management Discussion and Analysis, forming part of the Directors' Report given at **ANNEXURE- I**.

13 Report on Corporate Governance

The Government considers good corporate governance practices a sine qua non for sustainable business that aims at generating long term value for its shareholders and all other stakeholders. Accordingly, it has been laying increasing emphasis upon development of best corporate governance practices amongst Central Public Sector Enterprises (CPSEs). In pursuance of this philosophy, your Company continues to comply with the 'Guidelines on Corporate Governance for Central Public Sector Enterprises' issued by Government of India, Department of Public Enterprises (DPE). Your Company's Equity as well as Non-Convertible Debt Securities are listed on the stock exchanges and Company has complied with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March 2024, there were 6 (Six) Directors on the Board of the Company. The Board comprises of a Chairman & Managing Director (Addl. Charge), Director (Finance), Two Non-Official/ Independent Director(s) and Two Government Nominee Director(s). As on the date of this Report, the Board of Directors comprised of Six (6) Directors, with Two Executive Director, Two Non-Executive Directors (Govt. Nominees) and Two Non- Official/ Independent Directors. The Company does not have the prescribed number of Independent Directors on its Board in compliance of the Regulation 17(1) (a) of SEBI (LODR) Regulations 2015, specifying the composition of Board of Directors. Being CPSE, the power to appoint Directors

vests with Government of India through Ministry of Railways (MoR) and Company has no role to play in it. The Company has already requested MoR for appointment of requisite number of Independent Directors. Report on Corporate Governance is enclosed as **ANNEXURE- II** forming part of this report.

14 Business Responsibility & Sustainability Report (BRSR)

The Business Responsibility & Sustainability Report, as stipulated under Regulation 34 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is given in **ANNEXURE-III** and forms part of this Report.

15 Corporate Social Responsibility

Activities relating to Corporate Social Responsibility (CSR) have become an integral part of Company's operations.

In terms of Section 135 of the Companies Act, 2013 (the Act), read with Schedule VII thereof and Companies (Corporate Social responsibility Policy) Rules, 2014, the Company has constituted a CSR Committee (the "Committee") comprising of two (2) Independent Director(s) and Director (Finance) with the Independent Director as the Chairman of the Committee as on 31st March 2024. As per the Act, Company is required to spend at least two (2) percent of the average of its net profits of the immediately three preceding financial years on CSR activities. The Department of Public Enterprises (DPE) has also issued guidelines in this regard which, inter alia, require the Central Public Sector Enterprises (CPSEs) to frame a 'CSR and Sustainability Policy'.

The 'CSR and Sustainability Policy' of the Company is in place and the same has also been hosted on the website at <https://irfc.co.in/sites/default/files/inline-files/CSR-Policy.pdf>. The Company, like in the past, has undertaken activities for CSR and Sustainable Development, details of which, are given hereunder: -

During the financial year 2023-24, the Company was required to spend ₹ 112.27 crores, being 2% of its average net profits for the last three financial years. The Company has approved a total of 16 projects with a total outlay of ₹ 80.94 crores and the remaining balance disbursed against ₹ 22.33 crores to PM CARES Fund, ₹ 4.5 crores each towards Swachh Bharat Kosh and Clean Ganga Fund. Whereas the amount allocated towards 16 projects amounting to ₹ 80.94 crores would be disbursed on receipt of bills/claims from the implementing agencies in future and the same amount has been transferred to the 'CSR Unspent Account' maintained with Scheduled Bank in terms of section 135(6) of the Companies Act, 2013. The details of CSR activities as required under the Companies Act for the financial year 2023-24 is annexed at **ANNEXURE – IV**.

CSR Activities proposed for the FY 2024-25

For the financial year 2024-25, the Company would be required to spend approx. ₹ 125.58 crores. The details of all the projects/ activities will be provided in the next Annual Report.

16 Directors' Responsibility Statement

As required under Section 134(3)(c) of the Companies Act, 2013, it is confirmed that:

- In the preparation of the annual accounts for the year ended 31st March 2024, the applicable Indian Accounting Standards have been followed and there are no material departures;
- such accounting policies have been re-drafted taking into account the Ind-AS, judgments and estimates made 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 or loss of the Company for that period;
- Proper and sufficient care has been taken for maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud or other irregularities; and
- the Annual accounts have been prepared on 'going concern' basis;
- The laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17 Human Resource Management

At IRFC we believe in a strong value system and best HR practices to enhance and improve our capabilities and achieve the organizational objectives.

As on 31st March 2024, total Manpower of the Company stood at 42. To infuse fresh Manpower in the existing Manpower pool of the Company, 4 Executives was inducted in the Company during FY-2023-24 through Campus Recruitment. Women constituted 21.43% of its total workforce as on 31st March, 2024.

The Company continues to maintain high level of employee productivity and efficiency as reflected in its low overhead to turnover ratio of less than 0.09%.

17.1 Women Employees

Your Company provides equal growth opportunities for the women in line with Govt. of India philosophy on the subject. Being a lean organization, where Company has 42 employees, women representation has grown across hierarchical levels. Thus, Women constituted 21.43% of its total workforce as on 31st March 2024. As per Govt. of India directives and guidelines from time-to-time, IRFC ensures the welfare of women employees.

17.2 Information under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has an Internal Complaints Committee (ICC) to examine the case related to Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The complaints received by the committee are being dealt in line with the provisions of the Act. During the FY 2023-24, no complaint has been received.

17.3 Training & Human Resource Development

In order to enhance the skills, capabilities and knowledge of employees, a well-defined Training and Development Policy for below board level executives and non-executives is in place. Employee training and development is an essential element of the Company's strategy. During the year 2023-24, the Company imparted training to 41 of its employees to various training programmes and workshops including inhouse trainings. These initiatives enabled the Company to achieve 87 training man days/ 694 Hrs.

17.4 Employee Welfare

The Company takes care of health and well-being of its employees by reimbursing in-patient and out-patient medical costs, provision for leaves on medical grounds, rehabilitation policy in case of death or permanent disability, which are applicable for all employees.

17.5 Grievance Redressal

To promote fair and equitable employment relationship, a scheme for Grievance Redressal of employees is also in place which ensures a time bound redressal of grievances.

18 Auditors

M/s O.P. Totla & Company, Chartered Accountants, have been appointed as Statutory Auditors by Comptroller & Auditor General of India to audit the accounts of the Company for the financial year 2023-24.

The Comptroller & Auditor General of India has undertaken supplementary audit on accounts of the Company for the year ended 31st March 2024. The comments of C&AG have been received and management reply there to is placed as

Annexure to comments of C&AG in the Annual Report for the year 2023-24.

Secretarial Audit for the financial year 2023-24 under Section 204 of the Act has been conducted by M/s Akhil Rohatgi and Company, Practicing Company Secretaries.

19 Debenture Trustees

In compliance with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the details of Debenture Trustees appointed by the Company for different series of its bonds / debentures issued from time to time, are given in Corporate Governance Report which is enclosed as **ANNEXURE-II**.

20 Other Disclosures under the applicable provisions of the Companies Act, 2013

20.1 Number of Meetings of the Board

The details of number of meetings of the Board are given in Corporate Governance Report which is enclosed as **ANNEXURE-II**.

20.2 Certificate of Independence by Independent Director

Independent Directors of the Company have given a declaration that they meet the criteria of Independence, as laid down under Section 149 (6) of the Act, SEBI (LODR) Regulations, 2015 and DPE Guidelines on Corporate Governance for CPSEs.

Further, the Independent Directors of the Company are nominated / appointed by the President of India acting through the administrative ministry, i.e., Ministry of Railways (MoR). Accordingly, the appointing authority considers the integrity, expertise and experience of the individual to be nominated / appointed.

20.3 Material changes, if any, that may affect financial position of the Company

There are no material changes which will affect financial position of the Company.

20.4 Information in Corporate Governance Report

Information on composition, terms of reference and number of meetings of the Board and its Committees held during the year, establishment of Vigil Mechanism/ Whistle Blower Policy and weblinks for familiarization Programmes of Directors, Policy on Related Party Transactions, Policy for determining Material Subsidiaries, compensation to Key Managerial Personnel, sitting fees to Directors and details regarding IEPF etc. have been provided in the 'Report on Corporate Governance', prepared in compliance with the provisions of SEBI (Listing Obligations & Disclosure

Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance, 2010, as amended from time to time, which forms part of this Annual Report.

20.5 Internal financial control systems and their adequacy

The details are given in Management Discussion and Analysis.

20.6 Audit Committee

The details pertaining to the Audit Committee are included in the Corporate Governance Report, which is enclosed as **ANNEXURE-II**.

20.7 Secretarial Auditors' Report

M/s Akhil Rohatgi and Company, Practicing Company Secretaries was appointed as the Secretarial Auditors of the Company for the FY 2023-24 by the Board of Directors of the Company. Secretarial Audit Report is placed at **ANNEXURE-V**.

20.8 Secretarial Standards

Your Company complies with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

20.9 Certificate on Corporate Governance

M/s Akhil Rohatgi and Company, Practicing Company Secretaries has issued certificate on Corporate Governance, placed at **ANNEXURE-VI**.

20.10 Risk Management

The details are given in Management Discussion and Analysis. Further, the Company is having a Risk Management Committee ("RMC") of its directors in place, for monitoring the integrated risks of the Company. The details pertaining to RMC Committee are included in the Corporate Governance Report, which is enclosed as **ANNEXURE-II**.

20.11 Risk Based Internal Audit

RBI vide its circular February 3, 2021, had mandated the Risk Based Internal Audit (RBIA) framework for all non-deposit taking NBFCs with asset size of ₹ 5000 crores and above. In line with the RBI notification, Risk Based Internal Audit (RBIA) policy has been formulated and approved by the Board of Directors. RBIA will help the organization to identify the risks and address them based on the risk priority and direction provided by the Board. A firm of Chartered Accountant has been appointed as an expert to assist the Risk Based Internal Audit. The scope of RBIA is well defined and is very exhaustive to take care of all functions and business of the Company depending upon the risk assessment and control environment. Based on RBIA report, steps are taken at regular intervals to further strengthen the existing systems and procedures.

20.12 Particulars of loans, guarantees and investments

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

20.13 Transactions with related parties

The particulars of the transactions with related parties have been disclosed in the financial statements.

20.14 Stock Options

The Company has not issued any stock options to the Directors or any employee of the Company.

20.15 Significant and Material Orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company

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

20.16 Disclosure under Foreign Exchange Management Act, 1999

The Company is in compliance with the relevant provisions of the Foreign Exchange Management Act, 1999 pertaining to external commercial borrowing and derivatives.

20.17 Extract of Annual Return

The extract of Annual Return is given in **ANNEXURE-VII** which forms part of this report. After filing of the annual return for FY 2023-24 with MCA, the same will be uploaded on website of the Company at <https://irfc.co.in/>.

20.18 Code of Business Conduct-Declaration by CEO

Declaration by CEO on compliance of the "Code of Business Conduct and Ethics for Board Members and Senior Management" for the year 2023-24 is placed at **ANNEXURE-VIII**.

20.19 CEO/CFO Certification

As required by Regulation 17 (8) of the SEBI (LODR) Regulations, 2015, the Compliance Certificate as specified in Part B of Schedule II of the said Regulation duly signed by Ms. Uma Ranade, Chairman & Managing Director (Addl. Charge), CEO and Shri Sunil Kumar Goel, Chief Financial Officer (CFO) was placed before the Board of Directors in their Meeting held on 20th May 2024. The same is enclosed as **ANNEXURE-IX**.

20.20 Particulars of Employees receiving high remuneration & other particulars of employees

Since IRFC is a Government Company, provisions of Section 197 are not applicable to it. Hence, the details have not been given.

20.21 Deposits from public

The Company has not accepted any fixed deposits during the period under review and the Board of Directors has passed requisite resolution in this regard, in compliance of RBI guidelines.

20.22 Cost Records

The Central Government has not prescribed the maintenance of cost records for the products/services of the Company under the Companies (Cost Records and Audit) Rules, 2014 read with the Companies (Cost Records and Audit) Amendment Rules, 2014 prescribed by the Central Government under Section 148 of the Companies Act, 2013. Accordingly, cost accounts and records are not required to be maintained by the Company.

20.23 Conservation of Energy, Technology Absorption

Pursuant to the Provision of Section 134(3)(m) of the Companies Act, 2013, in respect of Conservation of Energy and Technology absorption, following steps have been taken by your Company: -

To save power, the Company purchases LED/ LCD monitors while replacing the old monitors. Employees are encouraged to keep their gadgets in power saving mode, wherever possible. The Company now replaces its old electrical items, gadgets, etc. with power efficient units. The internal lighting of office by energy-efficient LED lights has helped to conserve electricity.

20.24 Foreign exchange earnings & outgo

Your Company has put in place Comprehensive Risk Management policy to manage risks associated with foreign currency borrowings. The Company enters into hedging transactions to cover exchange rate and interest rate risk through various instruments like forwards and swaps. Details of Foreign exchange earnings & outgo have been given in the Notes to Accounts.

20.25 Expenditure on R&D

This is not applicable, as IRFC is engaged only in financing activities.

20.26 Reporting of Frauds by Auditors

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143(12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, the details of which need to be mentioned in the Board's Report.

20.27 Change in nature of Business

There was no change in the nature of business of the Company during the financial year 2023-24.

20.28 The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies

There are no Subsidiaries, joint ventures, or associate companies during the year 2023-24.

20.29 The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year

There was no application made nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) against the Company.

21 Compliance of MSME Guidelines

Your Company has in place, a Manual for Procurement of Goods, Services and Works, which provides guidelines to expedite decision making process by way of consolidating, simplifying and streamlining the various steps to be followed in the process of award of contracts from the procurement of goods, works & services as well as during its implementation on the ground.

The procurement from MSEs complies to Public Procurement Policy during the financial year 2023-24 as placed below:

| (₹ in crores) | | |
|---------------|---|--------|
| 1 | Total annual procurement | 8.19 |
| 2 | Target % age of annual procurement | 25% |
| 3 | Total value of goods and services procured from MSEs (including MSEs owned by SC/ ST entrepreneurs) | 6.35 |
| 4 | Total value of goods and services procured from only MSEs owned by SC/ ST entrepreneurs | 1.99 |
| 5 | % age of procurement from MSMEs (including MSEs owned by SC/ ST entrepreneurs) out of total procurement | 77.52% |
| 6 | % age of procurement from only MSEs owned by SC/ ST entrepreneurs out of total procurement | 24.31% |
| 7 | % age of procurement from Women MSEs | 22.09% |

22 Vigilance Activities

Ministry of Railways have nominated a part time Chief Vigilance Officer (CVO). The CVO carries out internal scrutiny of the activities on random basis to ensure compliance with the laid down CVC guidelines and procedures. During the vigilance awareness week preventive vigilance workshops were also conducted for the benefit of employees of IRFC. These workshops inter-alia cover contract management, provision of CDA Rules, compliances of rules and policies,

deliberations of case studies etc., such workshops have ensured that best ethical practices are followed in the organization.

The Company has observed Vigilance Awareness Week in 2023-24 from 30th October, 2023 to 5th November, 2023, on the theme "Say No to Corruption, Commit to the Nation", in line with the circular issued in this regard by the Central Vigilance Commission. All employees were administered an Integrity Pledge, to spread awareness about vigilance amongst the employees, as well as public at large.

23 Official Language

The official language implementation committee of the Company meets every quarter to monitor and review the progress made for achieving the targets fixed in Annual Program issued by the official language department Ministry of Home Affairs, Government of India. Effective measures were taken to bring out progressively higher use of Hindi in day-to-day working of the Company. Hindi workshops / trainings are regularly organized and for these employees are sponsored for the trainings/workshops.

Hindi week was observed in your Company from 18th September 2023 to 22nd September, 2023 to motivate the employees for the progressive use of Hindi in their day to- day work. Several competitions / programmes were organized to encourage the employees to work in Hindi and create a conducive atmosphere. The participants were accordingly awarded. Further, cash award was also given to employees making most extensive use of Hindi in their day-to-day official work under the Government scheme.

The official website of your Company exists in bilingual form and contains all information of interest to its stakeholders.

24 Presidential Directive

Company has not received any Presidential Directive during the year.

25 Right to Information Act, 2005

The Government of India's instructions on Right to Information Act, 2005 is being complied with. All relevant information has been hosted on the Company's website.

26 Board of Directors and Key Managerial Personnel

Being a Government Company, the power to appoint Directors on the Board of the Company is vested with the President of India acting through the Ministry of Railways (MoR), Government of India. The remuneration of Directors and employees of the Company is fixed as per the extant Guidelines issued by Department of Public Enterprises

(DPE), from time to time. The sitting fee paid to Non- Official/ Independent Directors for attending the meetings of Board and Committees thereof, are within the limits prescribed under the Companies Act, 2013. The Government Nominee Director is not entitled to receive any remuneration or sitting fee from the Company, as per the norms of Government of India. Details of remuneration and sitting fees paid to Directors are appearing in the 'Report on Corporate Governance' annexed to this Report.

Further, being a CPSE, the remuneration of Functional Directors, Key Managerial Personnel and other employees of the Company, including Senior Management Personnel, is determined as per the extant guidelines on pay, perquisites, allowances etc. issued by the Department of Public Enterprises (DPE) and/or Government of India from time to time.

Pursuant to Section 203 of the Companies Act, 2013, the Board of Directors of the Company has designated the Chairman and Managing Director as CEO, Director (Finance), Group General Manager (Finance) as CFO, and Company Secretary (CS) as Key Managerial Personnel (KMPs) of the Company. Being a Government Company, the role of CEO is being performed by Chairman and Managing Director (CMD) and the role of CFO is performed by Group General Manager (Finance) of the Company.

The following changes have taken place in the composition of the Key Managerial Personnel: -

1. Ms. Uma Ranade, IRAS, AM (Budget), Railway Board has been entrusted with the additional charge of post of Chairman and Managing Director w.e.f. the date of assumption of charge of the post till the date of her superannuation i.e. 31.07.2024, or till a regularly selected incumbent joins the post, or until further orders, whichever is the earliest and accordingly she has been designated as Chairman and Managing Director (Addl. Charge), CEO of the Company.
2. Ministry of Railways (MoR), Government of India vide order no 2018/E(0)II/40/19 dated 26.03.2024 has communicated the Pre-mature termination of the additional charge arrangement for the post of CMD/IRFC made in favour of Ms. Shelly Verma, Director (Finance), IRFC.
3. Shri Bhaskar Choradia (DIN:08975719) has relinquished the charge of post of EDF/B, Railway Board on 15.04.2024. Accordingly, he has ceased to hold the office of Part-time Government Director on the Board of IRFC w.e.f. forenoon of 15.04.2024.
4. Ministry of Railways, Government of India vide its order No. 2022/PL/57/10 dated 20.05.2024 has

communicated the appointment of Shri. Abhishek Kumar, Executive Director Finance (Budget), Railway Board, as Part- time Government Director on the Board of the IRFC/Company with immediate effect, till he holds the post of Executive Director Finance (Budget), Railway Board or further orders whichever is earlier.

Director(s) retiring & seeking appointment/reappointment in the ensuing AGM

In accordance with the provisions of the Companies Act, 2013 and Article 210 of the Articles of Association of the Company, Shri Baldeo Purushartha (DIN:07570116), Govt. Nominee Director shall retire by rotation at the ensuing 37th Annual General Meeting of the Company and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment. Brief resume and other particulars of Shri Baldeo Purushartha is annexed to the Notice of AGM.

27 Evaluation of Board of Directors/ Independent Directors

As per the statutory provisions, a listed company is required to disclose in its Board's Report, a statement indicating the manner in which formal annual evaluation of the performance of the Board, its committees and individual Directors has been made and the criteria for performance evaluation of its Independent Directors, as laid down by the Nomination & Remuneration Committee.

However, the Ministry of Corporate Affairs ("MCA") vide its notification dated June 5, 2015, has, inter-alia, exempted Government companies from the above requirement. Directors are evaluated by the Ministry or Department of the Central Government, which is administratively in charge of the company, as per its own evaluation methodology. Further, MCA vide notification dated July 5, 2017, also prescribed that the provisions relating to review of performance of Independent Directors and evaluation mechanism prescribed in Schedule IV of the Companies Act, 2013, is not applicable to Government companies.

Accordingly, being a government company, IRFC is, inter-alia, exempted in terms of the above notifications, as the evaluation of performance of all members of the Board of the Company is being done by the administrative ministry i.e., the Ministry of Railways and/or by the Department of Public Enterprises (DPE).

28 'Think Green, Go Green' Initiative

The Companies Act, 2013 permits companies to send documents like Notice of Annual General Meeting, Annual Report etc. through electronic means to its members at their registered email addresses. As a responsible corporate citizen, the Company has actively supported the implementation of 'Green Initiative' of the Ministry of Corporate Affairs (MCA) and

effected electronic delivery of Notices and Annual Reports to shareholders, whose email ids are registered. The intimation of dividend (interim/ final) is also being sent electronically to such shareholders. Further, pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing e-voting facility to all members to enable them to cast their votes electronically in respect of resolutions set forth in postal ballot and Annual General Meeting (AGM). The Company will also be conducting the AGM this year through video conferencing / other audio-visual means. Members can refer to the detailed instructions for e-voting and electronic participation in the AGM, as provided in the Notice of AGM. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail addresses with the Registrar and Share Transfer Agent (R&TA) of the Company or their respective Depository Participant (DP) and take part in the green initiative.

29 Acknowledgements

Your Company is grateful to the Ministry of Railways, Ministry of Finance, Ministry of Corporate Affairs, Public Enterprises Selection Board, Department of Public Enterprises, National Informatics Centre, other Departments of the Government, Securities and Exchange Board of India and the Reserve Bank of India, for their co-operation, assistance, active

and timely support, and guidance rendered from time to time. The Company is also thankful to all its Shareholders, Bondholders, Banks, Financial Institutions, Arrangers, Registrar and Transfer Agents, Bond Holders Trustees, National Stock Exchange of India Limited, BSE Limited, Life Insurance Corporation of India and other stakeholders for reposing their confidence and trust in the Company. The Company looks forward to their continued support for sustaining its excellent performance levels. The Company expresses gratitude to the Comptroller & Auditor General of India, the Statutory Auditors, Secretarial Auditors and the Internal Auditors for their valuable support and guidance. The Board of Directors express their deep appreciation in recognition of the valuable contribution made by the Company's small team of officers and employees, which has enabled the Company to successfully meet the funding targets set by the Ministry of Railways, while consolidating its position as one of the most vibrant public financial institutions in the country.

For and on behalf of the Board of Directors

Place: New Delhi
Date: 29.07.2024

Sd/-
(Uma Ranade)
Chairman & Managing Director
(Addl. Charge)
(DIN: 10565537)

Management Discussion and Analysis

Indian Economic Overview

According to estimates by the National Statistical Office, the real GDP growth for the Indian economy stood at 7.6% during FY 2023-24¹. This surge in economic growth can be attributed to India's sound macroeconomic fundamentals, burgeoning domestic demand and prudent fiscal policies implemented by the Reserve Bank of India.

Other contributors to this growth have been the remarkable performances of key sectors such as construction and manufacturing. The construction sector has been a standout performer, registering a double-digit growth rate of 10.7% in the fiscal year 2023-24. This robust growth can be attributed to the government's sustained focus on infrastructure development, urban renewal projects and the implementation of flagship schemes such as the Pradhan Mantri Awas Yojana (PMAY) and the Smart Cities Mission.

The manufacturing sector has recorded an impressive 8.5% growth rate during the reporting year. Government's initiatives to promote the 'Make in India' campaign, the implementation of the Production-Linked Incentive (PLI) schemes and the sustained recovery in domestic and global demand for Indian manufactured goods have fuelled this growth.

Outlook

India is expected to emerge as the third-largest economy by the end of this decade.² The country's growth will be driven by its unprecedented infrastructure expansion, policies directed to emerge as the factory of the world, increasing incomes and growing aspirations. Also, a Viksit Bharat will have enhanced connectivity as is evidenced in the government's efforts towards building a road network and expanding rail and air networks at a record pace.

While the economic outlook for India remains broadly positive, there are certain challenges that need to be addressed. Inflationary pressures, driven by global supply chain disruptions and rising commodity prices, have been a cause for concern. However, the government's proactive measures, such as maintaining a watchful eye on food prices and implementing targeted interventions, are expected to help mitigate these risks.

Additionally, the global economic uncertainties arising from geopolitical tensions and tightening monetary policies in major

economies pose potential risks to India's export performance. However, a diversified export basket and a growing integration into global value chains, is expected to provide a cushion to the domestic economy against these external shocks.

Overall, the Indian economy is well-positioned to sustain its growth momentum in the coming years. The combination of robust domestic demand, a conducive policy environment, and the ongoing structural reforms is expected to drive economic growth, attract investments, and create employment opportunities. However, continued vigilance and proactive policy measures will be crucial in addressing emerging challenges and ensuring that the benefits of economic growth are shared equally across all sections of society.

Industry Scenario

Indian Railways (IR) with its 4th largest network in the world, has been the backbone of the transportation sector in India, carrying millions of passengers and cargo from one part of the country to the other. Indian Railways is targeting high benchmarks in its aim to provide easy and comfortable mobility for passengers and a fast and eco-friendly freight network.

Indian Railways is challenging its limits and the focus on transformation is about forging a sustainable path for India's future. Trains and stations are being revolutionized, transformed into gleaming symbols of efficiency. Freight movement, the backbone of commerce, is becoming faster and more dependable than ever before. Indian Railways aspires to be the catalyst for an environmental friendly transport system, one that prioritizes fuel efficiency and cost-effectiveness. This transformation isn't a mere change, it's a monumental leap towards a greener, more efficient tomorrow for the whole of India.

IR aims to create a world class infrastructure at a sustainable cost, built with the latest technologies. Marching further ahead in nation's Amrit Kal period IR vision towards 2047 entails development of 7000 km of High speed Rail Network by 2047 carrying a multitude of 10 billion passengers, expansion of Freight Corridors to 7800 km, Elevated Corridors (with speed 200+ kmph) of 10,000 km, Vande Bharat trains connecting all major cities, 1500+ Gati Shakti Cargo Terminals, Reduction in Operating Ratio to less than 70%, 100% Electrification of network, enhancing electric traction capacity (2 & 25 kVA) over 30,000 RKm, Elimination of all remaining level Crossings, Hyperloop

¹ pib.gov.in/PressReleaseIframePage.aspx?PRID=2010223

² pib.gov.in/PressReleaseIframePage.aspx?PRID=2001124

transportation on 2200 km, Station Development of more than 1200 stations, revamp of Ease of handling and divisibility of cargo units capturing the growing container segment, Manufacturing/ deployment of freight EMU for parcel/ e-commerce, coverage of entire network with Kavach and enhanced usage of solar technology for energy needs. The Indian Railways has set ambitious targets to contribute approximately 1.5% to the country's GDP by developing infrastructure that can support 45% of the modal freight share of the economy.

The resumption of normalcy in passenger movement in the wake of COVID pandemic, as reflected by the increase in Passenger Kilometres (PKM) index, signals a renewed confidence in rail travel. Passenger revenue soared to a new high by crossing ₹ 70,000 crore mark witnessing a significant uptick. At present, 102 world class, semi-high-speed Vande Bharat train services are operational across the nation. Indian Railways plans to induct more Vande Bharat Trains which will significantly improve travel options for passengers, increase connectivity and enhance comfort and convenience to travellers across the nation. Passenger Kilometres crossed the 1 trillion mark by recording approximately 1.07 trillion passenger kilometres, a growth of around 12% from the last year.

In the fiscal year 2023-24, Indian Railways continued its relentless march in the freight sector, underscoring its pivotal role as the prime mover of India's logistics sector. With a freight loading of 1591 Million Tonnes, witnessing a commendable 5.2% increase over the previous fiscal year, Indian Railways reaffirmed its position as a formidable force in freight transportation. This total increase in loading translated into freight revenue of ₹ 1.72 lakh crore (provisional) which was 4.5% higher than that in the previous year. Indian Railways is thus moving steadily towards the 1 trillion mark for NTKMs carried which will mark a milestone for an energy efficient mode of transportation in India.

Indian Railways' initiative to establish more than 75 Gati Shakti Cargo terminals highlights its dedication to transforming freight operations. These terminals serve as crucial nodes in facilitating the seamless transportation of goods, ultimately enhancing trade and commercial activities across the nation. Through the strategic placement of these cargo hubs, the Indian Railways seeks to maximize the efficiency of freight movement, thereby making a substantial contribution to India's economic growth and development.

Indian Railways expects to achieve its objective of electrifying its entire Broad Gauge (BG) rail network in fast pace with a view to reduce the Nation's dependence on imported petroleum-based energy and to enhance the country's energy security, with a vision of providing eco-friendly, faster and energy efficient mode of transportation. A lot of emphasis has been given to Railway Electrification in recent years and IR has made remarkable

strides over the past decade, under the Mission 100% Electrification programme. Major highlights of achievements of recent past are as follow:

- Electrified Network of IR has been extended to 63,456 km (96.35%).
- 41655 Rkm have been electrified during past ten years period of 2014-24 against electrification of 4,698 Rkm
- Indian Railways about to complete electrification of entire Broad-Gauge network.

One Station One Product (OSOP) Scheme : With 1630 OSOP outlets dedicated nationwide, this scheme epitomizes the 'Vocal for Local' vision. By showcasing indigenous product at railway stations, OSOP creates markets for local artisans, potters, weavers, and craftsmen, empowering them economically while preserving traditional craftsmanship and heritage. These initiatives not only promote tourism but also contribute to the socio-economic development of local communities, fostering cultural pride and creating sustainable livelihoods.

Indian Railways has been focusing on effectively channelling its resources to meet the goal of making India 'Viksit Bharat by 2047'. It is slowly inching up in its modal share in the logistics sector, with the goal of loading 3000 MT by the year 2030, which is just a few years away. This goal is being met by making targeted expenditure in both capacity augmentation bottleneck removal and paying attention to last mile connectivity. Marking the confidence in the Railways, the Government's budgetary support to the Railways has been growing steadily. It touched the highest ever figures at ₹ 2.40 lakh crore in FY 2023-24. This has been ploughed back in entirety by the Railways into various projects of network expansion, capacity building, safety works and improvement of facilities.

Company Overview

Indian Railway Finance Corporation (IRFC) was set up on 12th December 1986 as the dedicated funding arm of the Indian Railways for mobilizing funds from domestic as well as overseas Capital Markets. IRFC is a Miniratna I and Schedule 'A' Public Sector Enterprise under the administrative control of the Ministry of Railways, Govt. of India. It is also registered as Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC – ND-SI) and Infrastructure Finance Company (NBFC-IFC) with Reserve Bank of India (RBI).

IRFC has played a significant role in its more than 35 years of existence in supporting the expansion of the Indian Railways and related entities by financing a significant proportion of its annual plan outlay.

The main objective of the company is to meet the predominant portion of 'Extra Budgetary Resources' (EBR) requirement of the Indian Railways through market borrowings at the most competitive rates and terms. The Company's principal business therefore is to borrow funds from the financial markets to finance the acquisition / creation of assets which are then leased out to the Indian Railways. IRFC's constant endeavour has been to diversify its borrowing portfolio in terms of instruments, markets and investors which has led to the Company meeting the targeted borrowings year after year, through issue of both taxable and tax-free bonds, term loan from banks/financial institutions besides offshore borrowings, at competitive market rate. Its aim is to be one of the leading Financial Service Companies in the country, for raising funds from the capital market at competitive cost for Railway infrastructure augmentation, duly ensuring that the Corporation makes optimum profits from its operations.

Operational Highlights

The Board of Directors had approved borrowing limit of ₹ 50,000 crores for FY 2023-24 for meeting the funding requirement of Indian Railways, if any, new business activities, refinancing of existing loans and for other general corporate purposes.

For leasing of Project Assets, there is an initial Moratorium period of 5 years and MoR is not required to pay the lease rent in moratorium period. Further, during the moratorium period company recognises on annual basis the finance cost as disbursement which gets added to the AUM of the company.

During the year 2023-24, the company has accordingly considered ₹ 16,705.20 crores as disbursement.

Borrowings during the year include Taxable Bonds worth ₹ 22,940 crores (Previous year 21,558.70 crores), Rupee Term Loans of ₹ 5,980 crores (previous year ₹ 22,274.46 crores) and 54EC bonds of ₹ 2,064.34 crores (previous year ₹ 1,729.61 crores).

The company had refinanced Higher rate long term loan of ₹ 18,200.00 Cr. with lower rate long Term loan and Bonds. The average cost of borrowing made during the year was approximately 7.27% p.a.

Revenue from operations of Company has increased by ₹ 2,923.16 crores from ₹ 23,721.42 crores in 2022- 23 to ₹ 26,644.58 crores in 2023-24, showing a growth of 12.32 %. Profit before Tax (PBT) of Company for the year ended 31st March 2024 was ₹ 6,412.10 crores as compared to ₹ 6,167.16 crores for the previous year, registering a growth of 3.97 %. Company has not made any provision for tax in its books pursuant to its decision to exercise the option of lower tax rate permitted u/s 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated 20th September, 2019. The Company's taxable income was nil and it did not have to pay Minimum Alternate Tax (MAT) with reference to its Book Profit as MAT payable u/s 115 JB was outside the ambit of the Section 115

BAA. Thus, on adoption of Section 115 BAA of the Income Tax Act, 1961, the Company was outside the scope and applicability of MAT provisions and there was a zero-tax liability in the financial year 2023-24. Profit After Tax for the year ending 31st March 2024 was ₹ 6,412.10 crores as compared to 6,167.16 crores for the previous year, registering a growth of 3.97 %.

Financial Highlights

(₹ in crores)

| Particulars | FY 2023-24 | FY 2022-23 | YoY Change |
|-------------------------|------------|------------|------------|
| (in %) | | | |
| Revenue from Operations | 26,644.58 | 23,721.42 | 12.32% |
| EBITDA | 26,519.08 | 23,625.52 | 12.24% |
| PBT | 6,412.10 | 6,167.16 | 3.97% |
| PAT | 6,412.10 | 6,167.16 | 3.97% |
| Net Worth | 49,178.57 | 44,680.18 | 10.07% |

Key Ratios

The details of key financial ratios applicable and specific to the Company are given below:

| Particulars | FY 2023-24 | FY 2022-23 |
|------------------------------|------------|------------|
| Debt Equity Ratio (in times) | 8.38 | 9.38 |
| Operating Profit (in %) | 24.02% | 25.82% |
| PAT (in %) | 24.06% | 25.95% |
| Return on Net Worth (in %) | 13.04% | 13.80% |

Human Resources

At IRFC we believe in a strong value system and best HR practices to enhance and improve our capabilities and achieve organizational objectives.

As on 31st March 2024 total Manpower of the Company stood at 42. To infuse fresh Manpower in the existing Manpower pool of the Company, 4 Executives were inducted in the Company during FY-2023-24 through Campus Recruitment.

Effective grievance redressal processes are also structured to keep the trust, respect and confidence of our team intact. Company has put in place effective Human Resource acquisition and maintenance function, which is benchmarked with best corporate practices to meet the organizational need.

Company implements all directives and guidelines with regard to reservation policy issued by Govt. of India. Liaison Officer has been appointed to look into the matter of reservations and also the welfare and safeguard of SCs/STs/OBCs/ PwBD/ EWS employees. Liaison Officer also ensures that there is no discrimination on the basis of Cast, Religion and disabilities amongst the employees. IRFC being a Lean Organization has adopted "Open Door Policy" and every employee has been given sufficient opportunity to meet and discuss his/her problem

or grievance with the Management. SC/ST constituted 21.43% of its total workforce as on 31st March, 2024.

In order to enhance the skills, capabilities and knowledge of employees, a well-defined Training and Development Policy for below board level executives and non-executives is in place. Employee training and development is an essential element of the Company's strategy. During the year 2023-24, the Company imparted training to 41 of its employees to various training programmes and workshops including inhouse trainings.

Company's Board of Directors consist of professionals with vast experience and high level of expertise in their respective field and industry. It will be endeavour of the Company that the whole time Directors and Non-Executive Directors attend training programmes in order to keep themselves abreast with the latest development in the area of finance, accounts etc. During the FY 2023-24 Non-Executive Directors have been imparted training for 18 Hrs. cumulatively.

IRFC is an equal opportunity employer. Company provides equal growth opportunities for the women in line with Govt. of India philosophy on the subject. Being a lean organization, where Company has 42 employees, women representation has gone across hierarchical levels. Women constituted 21.43% of its total workforce as on 31st March, 2024. As per Govt. of India directives and guidelines from time-to-time, IRFC ensures the welfare of women employees.

Risk Management

Effective risk management is central to ensuring robust and healthy finance for the Company. The company has a Board approved Comprehensive Risk Management Policy covering Liquidity Risk, Credit Risk, IT & Operational Risk, Forex Risk etc. In compliance with the RBI Guidelines, the Company has constituted Risk Management Committee. As on date Committee comprises of Chairman & Managing Director, Director (Finance) and two Independent Directors. As per the extant RBI guidelines the Company has a Chief Risk Officer (CRO) for overlooking the functions of risk management in the Company.

As per the approved policy, the Company has constituted sub-committees to Risk Management Committee: -

- For effective monitoring, control and mitigation of financial risk arising due to mismatch in the Asset Liability position, Asset Liability Management Committee (ALCO) is in place. ALCO is responsible for monitoring liquidity and market risks.
- To assess and mitigate the foreign exchange fluctuation risk and interest rate risk in External Commercial Borrowings, Forex Risk Management Committee is in place.
- To assess and mitigate operational and IT risks of the Corporation, IT & Operational Risk Management Committee is in place.

Minutes of the meetings of the above Sub-committee(s) along with the action taken are placed before the Risk Management Committee and the proceedings of the Risk Management Committee meetings are placed before the Board of Directors.

As our company is mostly funding for augmenting rail infrastructure by way of a leasing approach to fund rolling stocks and project assets to Ministry of Railways, it being sovereign entity, the credit risk is minimal. The Company's selective forays into other areas in the form of loans to Rail Vikas Nigam Limited and IRCON International Limited are suitably ringfenced, as the same has either the cash flows originating from the Ministry of Railways or there is a repayment assurance by Ministry of Railways.

As per Lease Agreement signed by IRFC with MOR every year, interest rate fluctuations are passed on to MoR and the exposure of the Company to Interest Rate Risk is low. The cash inflow of the Company is mostly predictable, shielding it substantially against liquidity related issues.

Although the foreign exchange fluctuation risk is also passed through to MOR, still Company has consistently been adopting prudent, efficient, and cost-effective risk management strategies to cover Exchange Rate Variation risk on its overseas borrowings.

Internal control systems and their adequacy

The Company has in place adequate internal control systems commensurate with the nature and volume of its business to ensure statutory and regulatory compliances. The Company has in place Accounts Manual, Manual for Procurement of Goods, Services and Works and HR Manual. The Company has also implemented a policy for temporary placement of surplus funds with the Banks in order to strengthen its cash management system.

In line with the RBI notification dated Feb 3, 2021, Risk Based Internal Audit (RBIA) policy has been formulated and approved by the Board of Directors. The scope of RBIA is well defined and is very exhaustive to take care of all functions and business of the Company depending upon the risk assessment and control environment. Based on RBIA report, efforts are made to further strengthen the existing systems and procedures. The significant observations are discussed in the Audit Committee Meetings regularly.

IRFC has developed Comprehensive Risk Management Policy, Credit Policy, Information Technology Policy and Information Security Policy.

The Statutory Auditors of the Company are appointed by Comptroller and Auditor General (C&AG) of India, and the appointment is rotated periodically. Besides, the accounts of the Company are subject to supplementary audit by the office of C&AG, as required under the Companies Act. The C&AG also conducts propriety audit of the Company.

Besides, as mandated under Companies Act, 2013, the Statutory Auditors have certified as part of their Audit Report, the effectiveness of Internal Financial Control over financial reporting.

Management Outlook

The outlook for IRFC in FY 2024-25 is centred around strengthening its robust business model and fostering a strong relationship with the Ministry of Railways (MoR). Assets Under Management stood ₹ 4.64 lakh crores at the end of March 2024.

To strengthen the business model, IRFC is taking steps towards business diversification. The company is actively exploring for funding projects linked to Railways. IRFC's mandate allows it to provide financial assistance to entities and projects with forward and backward linkages with Railways.

In this regard, company is exploring opportunities for investments in railway infrastructure projects such as Dedicated freight lines, High-speed rail corridors, Multi-modal logistics parks, Non-conventional energy sources for the railway network, etc.

Company has signed a Memorandum of Understanding (MoU) with RITES Ltd. The MoU aims for identifying mutual areas of

collaboration for expanding IRFC's role in providing financial assistance to projects/ institutions that have got backward and or forward linkages with Railways and by RITES providing assistance to IRFC in ascertaining the financial & technical viability of projects, providing advisory & consultancy services.

Company has also signed a Memorandum of Understanding (MoU) with India Infrastructure Finance Company Ltd. (IIFCL), a Public Sector Enterprise under the Ministry of Finance, to strengthen cooperation in financing railway infrastructure projects with forward and backward linkages to Railways sector.

In line with India's focus on infrastructure spending to reach its target GDP of USD 5 trillion by FY25 and to meet the goal of making India "Viksit Bharat by 2047", IRFC is committed to raising funds from the financial market at the most competitive rates and terms. The government's National Infrastructure Pipeline (NIP) and PM Gatishakti initiative lay the groundwork for comprehensive and integrated infrastructure development in the country. IRFC, as a premier financial institution with a track record of NIL NPA and capability to mobilize large funds from both domestic and offshore markets can play a significant role in supporting India's infrastructure sector, driving economic development and growth.

ANNEXURE – II

Report on Corporate Governance

This report is prepared in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, Secretarial Standards issued by the Institute of Company Secretaries of India (“Secretarial Standards”) and Guidelines on Corporate Governance issued by Department of Public Enterprises (DPE). The Report contains details of Corporate Governance systems and processes at Indian Railway Finance Corporation Limited (IRFC/Company).

Corporate Governance is the application of best management practices, compliance of laws & adherence of ethical standards to achieve the Company’s objective of enhancing stakeholders’ value and discharge of social responsibility.

IRFC is in compliance with relevant provisions contained in the Companies Act, 2013, SEBI (LODR) Regulations, 2015, Secretarial Standards issued by the Institute of Company Secretaries of India (“Secretarial Standards”) and Guidelines on Corporate Governance for Central Public Sector Enterprises (hereinafter referred to as Government Guidelines), issued by Department of Public Enterprises to the extent possible. The Company is also complying with the Circular, to the extent applicable, dated 1st July, 2015 issued by Reserve Bank of India under their Master Circular – “Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015”. In this connection, relevant details are furnished below: -

1. Company’s Philosophy on the Code of Governance

Corporate Governance is about maintaining valuable relationship and trust with all stakeholders with the commitment to maximize their value. Our commitment towards following good Corporate Governance practices is based upon transparency, fairness, conscience, teamwork, professionalism and accountability. This paves the way for following the best standards and building confidence among our stakeholders, which is necessary to achieve our objectives.

Company looks upon Corporate Governance as an enterprise-wide endeavour targeted at value creation in the form of striking optimum balance between the profit it earns for the stakeholders. This is sought to be achieved by conducting the business in a professional manner, using a combination of delegation and accountability amongst key executives in the Company; focused attention and transparency in operations of the Company; skill upgrades through need-based training, etc.; and high level of investor

/ lender satisfaction through timely debt servicing and grievance settlement.

To foster best Corporate Governance practices, the Company has formulated a “Code of Business Conduct and Ethics for its Board Members and Senior Management” which seeks to bring high level of ethics and transparency in managing its business affairs. The same has also been hosted on the website of the Company at <https://irfc.co.in/>.

2. Board of Directors

The Board of Directors of IRFC comprises of eminent persons having requisite qualifications, experience and expertise, to manage the business of the Company in an efficient and effective manner. The Board oversees fulfilment of corporate objectives by providing leadership and guidance.

IRFC is a Government Company within the meaning of Section 2 (45) of the Companies Act, 2013 as the President of India acting through the administrative Ministry i.e., Ministry of Railway’s (MoR) holds 86.36% of the total paid-up share capital of the Company as on March 31, 2024 and as per Articles of Association of the Company, the power to appoint Directors vests with the President of India. Further, in terms of Articles of Association of the Company, the number of Directors of the Company shall not be less than three and not more than fifteen.

Further, Pursuant to RBI’s Master Directions and on the recommendation of NRC, the Board has also adopted a “Policy on ‘fit & proper’ criteria of Directors” effective from 10th November 2022. As per Policy on ‘fit & proper’ criteria of Directors, Nomination & Remuneration Committee of the Company is required to obtain annually the information/declaration and take note of Deed of Covenants from the Director(s) as per the format prescribed in the said policy. The same was noted by NRC Committee.

The policy is available on the website of the Company at <https://irfc.co.in/sites/default/files/inline-files/1.%20IRFC%20FIT%20PROPER%20CRITERIA%20POLICY.pdf>

2.1 Composition of the Board

SEBI (LODR) Regulations, 2015, stipulates that the Composition of Board of Directors of the company shall have an optimum combination of executive and non-executive directors with at least one-woman independent director and not less than fifty percent of the Board of Directors comprising of non-executive directors.

As at the end of financial year 31st March, 2024, Company has 6 (Six) Directors on the Board of the Company. Board comprises of Chairman & Managing Director (Addl. Charge), Director (Finance), Two Non-Official/ Independent Director(s) and Two Government Nominee Director(s). As provided in the Articles of Association of IRFC, the appointment of Directors and payment of their remuneration are determined by the President of India.

None of the Directors of the Company is related to each other and are independent of the Management. The number of independent directors during the financial year 2023-24 were insufficient as compared to the number of independent directors required to be on the Board as per SEBI (LODR) Regulations, 2015, as the power to appoint Directors on the Board of IRFC vest with the President of India acting through Administrative Ministry i.e., Ministry of Railways (MoR). Thus, the Company from time to time has requested Ministry of Railways (MOR) to appoint requisite number of Independent Directors on the Board of the Company in order to comply with SEBI (LODR), Regulations, 2015 and DPE Guidelines.

The details of Board of Directors as on 31st March, 2024 are as follows: -

| Details of Directors | | Name | Date of Appointment on the Board |
|---|---|----------------------------------|----------------------------------|
| Category (Functional/ Official/ Non-official) | Designation | | |
| 1. Whole Time Director | Chairman & Managing Director (Addl Charge) | Ms. Uma Ranade* | 27.03.2024 |
| | Director (Finance) | Ms. Shelly Verma* | 01.09.2020 |
| 2. Govt. Nominee Directors | Govt. Nominee Director | Shri Baldeo Purushartha | 03.06.2020 |
| | Govt. Nominee Director | Shri Bhaskar Choradia** | 27.11.2020 |
| 3. Non-official/ Part-time Directors | Non-official/ Part-time Director (Independent Director) | Shri Vallabhbbhai Maneklal Patel | 10.11.2021 |
| | Non-official/ Part-time Director (Independent Director) | Smt. Sheela Pandit | 22.11.2021 |

* Ministry of Railways (MoR), Government of India vide order no 2018/E(0)II/40/19 dated 26.03.2024 has entrusted Additional Charge of the post of CMD, IRFC to Ms Uma Ranade, IRAS, AM (Budget), Railway Board w.e.f. the date of assumption of charge of the post till the date of her superannuation i.e. 31.07.2024, or till a regularly selected incumbent joins the post, or until further orders, whichever is the earliest. She assumed the charge on 27.03.2024.

** Shri Bhaskar Choradia (DIN:08975719) has ceased as Government Nominee Director on the Board of IRFC w.e.f. 15.04.2024 and Shri Abhishek Kumar(DIN:10644411) has appointed as Government Nominee Director w.e.f 29th of May, 2024.

2.2 The details of composition of the Board as on 31st March 2024, including changes therein that took place during the financial year 2023-24 and details of Directorships and Committee positions held by the Directors in other companies and attendance at the Meetings of the Board of Directors held in FY 2023-24 are given below:

| Name of the Directors | Meeting held during respective tenure of Directors | No. of Board Meetings attended | % of Attendance of Board Meeting | Attendance at the last AGM (held on 22.09.2023) | No. of Directorship held on 31.03.2024 in other Companies | No. of other Companies in which Membership or Chairmanship of Committee held on 31.03.2024* | | Directorship held in other Listed Companies & Category as on 31.03.2024 | |
|--|--|--------------------------------|----------------------------------|---|---|---|------------|---|----------------------|
| | | | | | | Chairmanship | Membership | Name of Companies | Name of Directorship |
| Whole Time Directors | | | | | | | | | |
| Ms. Uma Ranade, Chairman & Managing Director (Addl Charge)/ IRFC From 27.03.2024** | 1 | 1 | 100% | NA | None | None | None | None | None |
| Ms. Shelly Verma, Director (Finance) / IRFC From 01.09.2020** | 8 | 8 | 100% | Yes | None | None | None | None | None |

| Name of the Directors | Meeting held during respective tenure of Directors | No. of Board Meetings attended | % of Attendance of Board Meeting | Attendance at the last AGM (held on 22.09.2023) | No. of Directorship held on 31.03.2024 in other Companies | No. of other Companies in which Membership or Chairmanship of Committee held on 31.03.2024* | | Directorship held in other Listed Companies & Category as on 31.03.2024 | |
|---|--|--------------------------------|----------------------------------|---|---|---|------------|---|----------------------|
| | | | | | | Chairmanship | Membership | Name of Companies | Name of Directorship |
| Non-Executive Directors (Government Nominee Directors) | | | | | | | | | |
| Shri Baldeo Purushartha, Government Nominee Director From 03.06.2020 | 8 | 5 | 62.5% | No | 3 | None | None | None | None |
| Shri Bhaskar Choradia, Government Nominee Director From 27.11.2020 to 15.04.2024*** | 8 | 8 | 100% | Yes | None | None | None | None | None |
| Independent Directors (Non-Official/ Part-time Directors) | | | | | | | | | |
| Shri Vallabhbbhai Maneklal Patel, Independent Director From 10.11.2021 | 8 | 8 | 100% | Yes | 1 | None | None | None | None |
| Smt. Sheela Pandit, Independent Director From 22.11.2021 | 8 | 8 | 100% | Yes | None | None | None | None | None |

* This includes chairmanship/membership of Audit Committee and Stakeholders Relationship Committee. No Director of the Company is a member in more than ten (10) Committees or acts as Chairperson of more than five (5) Committees across all companies in which he/she is a director.

** Ministry of Railways (MoR), Government of India vide order no 2018/E(0)II/40/19 dated 26.03.2024 has entrusted Additional Charge of the post of CMD, IRFC to Ms Uma Ranade, IRAS, AM (Budget), Railway Board w.e.f. the date of assumption of charge of the post till the date of her superannuation i.e. 31.07.2024, or till a regularly selected incumbent joins the post, or until further orders, whichever is the earliest. She assumed the charge on 27.03.2024. Ms. Shelly Verma has been entrusted with the additional charge of the post of CMD / IRFC w.e.f. 15.10.2022 to 26.03.2024 as per MoR Order(s).

*** Shri Bhaskar Choradia has ceased as Government Nominee Director w.e.f. 15.04.2024 and Shri Abhishek Kumar(DIN:10644411) has appointed as Government Nominee Director on the Board of IRFC w.e.f 29th of May, 2024.

The Company follows a methodized process of holding Board and Committees meetings. The meeting dates are usually finalized in consultation with all the Directors well in advance, to ensure their full presence and maximum participation of all concerned. The agenda notes are circulated within statutory timelines through electronic or physical mode, as preferred by the respective Director. The Company sends electronic agenda notes for Board & Committee meetings to the Directors to enable paperless access. Price sensitive information is circulated separately before the meeting by complying with the applicable statutory provisions.

As per business requirements, at times resolutions are also passed by circulation, which are noted in the next Board meeting. In the event of urgent business needs, meetings are sometimes called at a shorter notice, following the prescribed procedure.

Inclusion of any matter in the agenda of Board or Committee meetings is considered as per internal process

and decided by the CMD. Agenda notes contain summary of the matter, along with detailed information about the proposal, including draft resolution(s) to be approved.

Meetings of the Board & Committees are generally held at the registered office. During the meetings, senior management officials are also called, if required, to make presentation or provide additional inputs on any agenda items. There is a post-meeting follow-up system of Action Taken Report (ATR), where action taken on earlier decisions / deliberations of the Board or Committees thereof, are submitted for review in the subsequent meetings. The Company complies with the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

2.3 Meetings of Board of Directors

The Board of Directors has been holding its meetings regularly 8 (Eight) such meetings were held during FY 2023-24 on 25th May, 2023, 18th July, 2023, 11th August, 2023, 2nd November, 2023, 22nd November, 2023, 9th February, 2024, 22nd March, 2024 and 27th March, 2024.

2.4 There is no inter-se relationship between the Directors of the Company.

2.5 As on 31st March, 2024, the Director's shareholding is Nil.

2.6 Familiarization programme for Independent Directors

The Company familiarizes its Independent Directors about the nature of business & operations, strategy and performance of the Company, their role & responsibilities as Independent Directors and other relevant topics from time to time. During the period under review, Independent Directors has attended various training programmes. The details of familiarization programmes imparted to Independent Directors are displayed on the Company's website. The details are available at <https://irfc.co.in/investors/independent-directors-familiarization-programme>

2.7 A chart or matrix setting out the skills / expertise/ competencies identified of the board and name of directors having such skills/ expertise/ competencies as required in the context of its business (es) and sector(s) for an efficient functioning

IRFC, being a Govt. Company within the meaning of Section 2(45) of the Companies Act, 2013 the power to appoint functional / Official Part-time Directors / Non-Official Part-time Directors (Independent Directors) vests with the Government of India. Thus, skills / expertise / competencies of an incumbent are within the purview of Govt. of India.

2.8 All the Independent Directors in the meeting of the Board of Directors of the Company gave a declaration that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and DPE's Guidelines on Corporate Governance for CPSEs. The Board of Directors in the said meeting confirmed that the Independent Directors of the Company fulfil the conditions specified in Companies Act, 2013, SEBI (LODR) Regulations, 2015 and DPE's Guidelines on Corporate Governance for CPSEs and are independent of the management. No Independent Director has resigned during the FY 2023-24.

In the opinion of the Board, the Independent Director possess the requisite expertise and experience and are the persons of high integrity and repute. The Independent Directors have registered themselves in Independent Directors Databank with IICA and shall take the online proficiency test within the prescribed period.

Both the Independent Directors have submitted their declaration of independence to the Board of Directors.

Separate Meeting of Independent Directors

The Separate Meeting of Independent Directors for the FY 2023-24 was held on 11th August, 2023 in terms of SEBI (LODR) Regulations, 2015, Schedule IV of Companies Act,

2013 and as per the Guidelines issued by DPE on Roles & Responsibilities of Non-Official Directors (Independent Directors) of CPSEs. All the Independent Directors attended the said Meeting. In this meeting, Independent Directors took note of roles and responsibilities of non-official directors on the Board of CPSE issued by DPE, Code of Independent Directors as prescribed under schedule IV of Companies Act, 2013 and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

Directors and Officers insurance

The Company has undertaken Directors and Officers insurance ('D and O insurance') for all its directors, including independent directors, for a quantum and risks as determined by the Board of Directors of the Company.

2.9 Information placed before the Board

Information placed before the Board of Directors from time to time broadly includes items specified in the Companies Act, SEBI Regulations, Government Guidelines and any other information considered relevant and useful in facilitating meaningful and focused deliberations on issues concerning the Company and taking decisions in an informed and efficient manner. Additionally, Directors on the Board are free to seek and access all information pertaining to the business of the Company, as and when required. In case of urgency, resolutions are passed by circulation, which are noted by the Board in their next Meeting. Minutes of the Meetings of the Committee(s) constituted by the Board are also placed before the Board for their information and noting.

2.10 Retirement by rotation at the ensuing 37th AGM

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Shri Baldeo Purushartha, Govt. Nominee Director shall retire by rotation at the ensuing 37th AGM of the Company and being eligible, offers himself for re-appointment.

The brief resume and other particulars of Shri Baldeo Purushartha, including his expertise in various functional areas and other relevant information, is appearing in the Annexure to Notice of the ensuing 37th AGM forming part of this Annual Report.

2.11 Committees of Board

The Board of Directors functions either as full Board or through various Committees constituted to oversee specific areas of business and governance. Each Committee is guided by its terms of reference approved by the Board, which define its composition, scope and powers. The Committees meet regularly and as per requirement, to make informed decisions under their assigned area of work, within the authority delegated to them.

The minutes of meetings of all Committees are placed before the Board for information and noting, as per applicable statutory requirements. Detailed terms of reference of Committees, including details of meetings, attendance etc., are appearing in the subsequent paras.

3. Audit Committee

The Company has constituted an Audit Committee ("AC") in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (LODR) Regulations, 2015 and the Government Guidelines.

As on 31st March, 2024, the Audit Committee comprised of the following Directors:

| Sr. No. | Name of Director | Nature | Status |
|---------|----------------------------------|-----------------------------|----------|
| (i) | Shri Vallabhbbhai Maneklal Patel | Independent Director | Chairman |
| (ii) | Smt. Sheela Pandit | Independent Director | Member |
| (iii) | Shri Bhaskar Choradia* | Government Nominee Director | Member |

* Shri Bhaskar Choradia ceased to be member of the Committee w.e.f 15.04. 2024. Ms. Uma Ranade appointed as member of the committee w.e.f 08.05.2024. Further, w.e.f 29.05.2024, Ms. Uma Ranade ceased to be member of the Committee and Shri. Abhishek Kumar has appointed as the member of the Committee.

Company Secretary acts as Secretary to the Audit Committee.

During the financial year 2023-24, Five (5) Meetings of the AC were held on 25th May, 2023, 11th August, 2023, 2nd November, 2023, 9th February, 2024 and 18th March, 2024.

Participation of the Members in these Meetings is outlined below: -

| Sr. No. | Name of the Member of the Audit Committee | Number of Meetings held during their tenure | Number of Meetings attended |
|---------|---|---|-----------------------------|
| 1. | Shri Vallabhbbhai Maneklal Patel, Non-Official / Independent Director | 5 | 5 |
| 2. | Smt. Sheela Pandit, Non-Official / Independent Director | 5 | 5 |
| 3. | Shri Bhaskar Choradia, Government Nominee Director | 5 | 4 |

Terms of Reference of the Audit Committee specified by the Board are in conformity with the requirements of Section 177 of the Companies Act, 2013 read with Regulation 18 and part C of schedule II of SEBI (LODR) Regulations, 2015. The terms of reference are as follows: -

A. The role of the audit committee shall include the following:

1. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. taking on record the appointment of auditors of the Company by the Comptroller and Auditor General of India, recommendation for remuneration, terms of appointment of auditors of the Company based on the order of Comptroller and Auditor General of India and to review the follow-up action taken on the audit observations of the C&AG audit;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

- a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- b) changes, if any, in accounting policies and practices and reasons for the same;
- c) major accounting entries involving estimates based on the exercise of judgment by management;
- d) significant adjustments made in the financial statements arising out of audit findings;
- e) compliance with listing and other legal requirements relating to financial statements;
- f) disclosure of any related party transactions;
- g) modified opinion(s) in the draft audit report;

5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
 7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 8. approval or any subsequent modification of transactions of the Company with related parties;
 9. scrutiny of inter-corporate loans and investments;
 10. valuation of undertakings or assets of the Company, wherever it is necessary;
 11. evaluation of internal financial controls and risk management systems;
 12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. discussion with internal auditors of any significant findings and follow up there on;
 15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. to review the functioning of the whistle blower mechanism;
 19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
 20. Carrying out any other function in the terms of reference of the audit committee;
 21. reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
 22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
- B. The audit committee shall mandatorily review the following information:
1. management discussion and analysis of financial condition and results of operations;
 2. management letters / letters of internal control weaknesses issued by the statutory auditors;
 3. internal audit reports relating to internal control weaknesses;
 4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee and
 5. statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations;
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

4. Nomination & Remuneration Committee

The Company is a Central Public Sector Undertaking ("CPSE"), as per the Articles of Association of the Company, the appointment, tenure and remuneration of Chairman & Managing Director, Whole Time Directors and other Directors are decided by the President of India and communicated by the administrative ministry i.e., MoR. Company has constituted a Nomination and Remuneration Committee ("NRC") pursuant to the provisions of the Companies Act, 2013, DPE's Guidelines on Corporate Governance for CPSEs, SEBI (LODR) Regulations, 2015 and RBI's Corporate Governance norms.

As on 31st March, 2024, the Nomination & Remuneration Committee comprised of the following Directors:

| Sr. No. | Name of Director | Nature | Status |
|---------|--------------------------------|-----------------------------|----------|
| (i) | Shri Vallabhbai Maneklal Patel | Independent Director | Chairman |
| (ii) | Smt. Sheela Pandit | Independent Director | Member |
| (iii) | Shri Baldeo Purushartha | Government Nominee Director | Member |

Company Secretary acts as Secretary to the Committee.

During financial year 2023-24, Four (4) Meetings of the Committee were held on 25th May, 2023, 22nd November, 2023, 19th February, 2024 and 27th March, 2024.

Participation of the Members in these Meetings is outlined below: -

| Sr. No. | Name of the Member of the Nomination & Remuneration Committee | Number of Meetings held during their tenure | Number of Meetings attended |
|---------|---|---|-----------------------------|
| 1. | Shri Vallabhbai Maneklal Patel, Non-Official / Independent Director | 4 | 4 |
| 2. | Smt. Sheela Pandit, Non-Official / Independent Director | 4 | 4 |
| 3. | Shri Baldeo Purushartha, Government Nominee Director | 4 | 3 |

The Role and Terms of Reference of the Nomination and Remuneration Committee are as provided under the relevant provisions of Companies Act, DPE's Guidelines on Corporate Governance for CPSEs, SEBI (LODR) Regulations, 2015 and RBI's Corporate Governance norms. The terms of reference are as follows:

- Decide on the annual bonus/ performance pay/ variable pay pool and policy for its distribution across the executives and non-unionized supervisors of our Company.
- Formulation and modification of schemes for providing perks and allowances for officers and non-unionized supervisors.
- Any new scheme of compensation like medical scheme, pension etc. to officers, non-unionized supervisors and the employees as the case may be.
- Exercising such other roles assigned to it by the provisions of the SEBI Listing Regulations and any other laws and their amendments from time to time.
- Taking on record the appointment and removal of directors, including independent directors, by the President of India, acting through respective ministries.

- Taking on record the extension, if any, of the term of the independent directors of our Company, as may be directed by the President of India, acting through the respective Ministries.
- Taking on record the various policies, if any, promulgated by the Central Government including policy on diversity of board of the directors and criteria for evaluation of performance of the directors.

Performance Evaluation of Directors

The requirement of performance evaluation of directors under Section 178(2) of the Companies Act, 2013 has been done away with for Government Companies vide Ministry of Corporate Affairs' (MCA) Notification dated 5th June, 2015. Further, MCA vide its notification dated 05th July, 2017 has made an amendment in the Schedule IV of the Act, whereby it has exempted Government Companies from complying with the requirement of performance evaluation by the Independent Director of non-independent directors and chairman and performance evaluation of the independent directors by the Board, if the concerned departments or Ministries have specified these requirements. In this regard, the Department of Public Enterprises (DPE) has also laid down a mechanism for performance appraisal of all Functional Directors. DPE has also initiated evaluation of Independent Directors.

5. Stakeholders Relationship Committee

In accordance with Section 178(5) of the Companies Act, 2013 read with Regulation 20 of SEBI (LODR) Regulations, 2015 the Company has constituted Stakeholders Relationship Committee ("SRC").

As on 31st March, 2024, the Stakeholders Relationship Committee comprised of the following Directors:

| Sr. No. | Name of Director | Nature | Status |
|---------|---------------------------------|----------------------|-------------|
| (i) | Smt. Sheela Pandit | Independent Director | Chairperson |
| (ii) | Shri Vallabhbhai Maneklal Patel | Independent Director | Member |
| (iii) | Ms. Shelly Verma | Director (Finance) | Member |

Company Secretary acts as Secretary to the Committee.

During financial year 2023-24, Two(2) Meeting of the SRC was held on 24th May, 2023 and 5th December, 2023.

Participation of the Members is outlined below: -

| Sr. No. | Name of the Member of the Stakeholders Relationship Committee | Number of Meetings held during their tenure | Number of Meetings attended |
|---------|---|---|-----------------------------|
| 1. | Smt. Sheela Pandit, Non -Official/Independent Director | 2 | 2 |
| 2. | Ms. Shelly Verma, Director (Finance) | 2 | 2 |
| 3. | Shri Vallabhbhai Maneklal Patel, Non -Official/Independent Director | 2 | 2 |

Name and Designation of Compliance Officer

Shri Vijay Babulal Shirode, Company Secretary acts as Compliance officer of the Company.

Investor Complaints

The complaints / queries / requests received from the Investors are mostly in the nature of non-receipt of interest / dividend, non-receipt of bond certificates / non-credit of bonds through electronic mode in demat account, clarification on amount of interest/ dividend, updating of

bank details, name correction on bond certificate, issue of fresh interest warrant / dividend warrant in lieu of mutilated warrant, delay in transfer / transmission of bonds, delay in issue of duplicate bond Certificate, rematerialisation/dematerialization of shares and other matters etc. Investors lodge their complaints / queries / requests to the Company or to Registrar & Transfer Agent or on Stock Exchange system, SEBI Scores system i.e., online redressal mechanism. The Company attends to all investor requests & grievances promptly and on an expeditious basis through its Registrar & Share Transfer Agent.

Information on investor complaints for the year ended 31st March, 2024, is as follows:

| Sr. No. | Particulars | Equity | Bonds |
|---------|---|--------|-------|
| 1. | Complaints pending at the beginning | Nil | Nil |
| 2. | Complaints received through correspondence | 1076 | 1261 |
| 3. | Complaints received from the SEBI during the period | 7 | 1 |
| 4. | Complaints resolved / replied during the period | 1083 | 1262 |
| 5. | Complaints pending at the end | Nil | Nil |

5A. Risk Management Committee

As per requirement of SEBI (LODR) Regulations, 2015, Risk Management Committee (RMC) has been constituted to monitor and review the risk management plan of the Company and to make recommendations to the Board of Directors for taking up various risk management activities.

As on 31st March, 2024, the Risk Management Committee comprised of the following directors:

| Sr. No. | Name of Director | Nature | Status |
|---------|----------------------------------|----------------------|--------|
| (i) | Ms. Shelly Verma | Director (Finance) | Member |
| (ii) | Shri Vallabhbbhai Maneklal Patel | Independent Director | Member |
| (iii) | Smt. Sheela Pandit | Independent Director | Member |

During the financial year 2023-24, Four (4) Meeting were held on 26th June, 2023, 19th September, 2023, 11th December, 2023 and 18th March, 2024.

Participation of the Members is outlined below: -

| Sr. No. | Name of the Member of the Risk Management Committee | Number of Meetings held during their tenure | Number of Meetings attended |
|---------|--|---|-----------------------------|
| 1. | Ms. Shelly Verma, Director (Finance) | 4 | 4 |
| 2. | Shri Vallabhbbhai Maneklal Patel, Non- Official/Independent Director | 4 | 4 |
| 3. | Smt. Sheela Pandit, Non- Official/Independent Director | 4 | 4 |

The Role and Terms of Reference of the Risk Management Committee are as follows:

- a. To formulate a detailed risk management policy which shall include:
 - i. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - ii. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - iii. Business continuity plan.
- b. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- c. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

- d. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- e. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- f. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- g. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

5B. Corporate Social Responsibility Committee

In accordance with provisions of Section 135 of the Companies Act, 2013, read with the Government Guidelines, the Company has constituted Corporate Social Responsibility ("CSR") Committee.

As on 31st March, 2024, the CSR Committee comprised of the following Directors:

| Sr. No. | Name of Director | Nature | Status |
|---------|----------------------------------|----------------------|----------|
| (i) | Shri Vallabhbbhai Maneklal Patel | Independent Director | Chairman |
| (ii) | Ms. Shelly Verma | Director (Finance) | Member |
| (iii) | Smt. Sheela Pandit | Independent Director | Member |

Company Secretary acts as Secretary of the Committee.

During the financial year 2023-24, Five (5) Meetings of the CSR Committee were held on 11th August, 2023, 22nd November, 2023, 9th February, 2024, 19th February, 2024 and 21st March, 2024.

Participation of the Members in these Meetings is outlined below: -

| Sr. No. | Name of the Member of the CSR Committee | Number of Meetings held during their tenure | Number of Meetings attended |
|---------|--|---|-----------------------------|
| 1. | Shri Vallabhbai Maneklal Patel, Non- Official / Independent Director | 5 | 5 |
| 2. | Ms. Shelly Verma, Director (Finance) | 5 | 5 |
| 3. | Smt. Sheela Pandit, Non- Official / Independent Director | 5 | 5 |

5C. IT Strategy Committee

In compliance with the Reserve Bank of India's Master Direction for Information Technology Framework for NBFCs, the Board of Directors of the Company constituted the IT Strategy Committee. The primary roles and responsibilities of the IT strategy committee is as per RBI's Master Directions.

As on 31st March, 2024, the IT Strategy Committee comprised of the following:

| Sr. No. | Name of Member of the IT Strategy Committee | Nature | Status |
|---------|---|---|-------------------|
| (i) | Smt. Sheela Pandit | Independent Director | Chairperson |
| (ii) | Ms. Shelly Verma* | Director (Finance) | Member |
| (iii) | Shri Bhaskar Choradia** | Government Nominee Director | Member |
| (iv) | Shri Sunil Kumar Goel*** | Group General Manager (Finance) and Chief Financial Officer | Permanent Invitee |
| (v) | Shri Ajay Swami**** | General Manager (Finance III) | Permanent Invitee |
| (vi) | Shri Amarendra Sahoo***** | Joint General Manger (IT) | Permanent Invitee |

* Ms. Shelly Verma, Director (Finance)/IRFC has assumed additional charge of the post of CMD, IRFC from 15.10.2022 to 26.03.2024 as per MoR Orders.

** Shri Bhaskar Choradia (DIN:08975719) has ceased as Government Nominee Director on the Board of IRFC w.e.f. 15.04.2024 and Shri Abhishek Kumar has become member w.e.f. 29.05.2024.

***Group General Manager (Finance) and Chief Financial Officer is designated as Chief Information Officer (CIO)

**** General Manager (Finance III) is designated as Chief Information Security Officer (CISO)

***** Joint General Manger (IT) is designated as Chief Technology Officer (CTO)

During the financial year 2023-24, Two (2) Meetings of the Committee were held on 7th December, 2023 and 18th March, 2024.

Participation of the Members in these Meetings is outlined below:

| Sr. No. | Name of the Member of the IT Strategy Committee | Number of Meetings held during their tenure | Number of Meetings attended |
|---------|--|---|-----------------------------|
| 1. | Smt. Sheela Pandit, Non- Official / Independent Director | 2 | 2 |
| 2. | Ms. Shelly Verma, Director(Finance) | - | - |
| 3. | Shri Sunil Kumar Goel, Group General Manager (Finance) and Chief Financial Officer | 2 | 2 |
| 4. | Shri Ajay Swami, General Manager (Finance III) | 2 | 1 |
| 5. | Shri Amarendra Sahoo, Joint General Manger (IT) | 2 | 2 |

5D. Share Transfer Committee

The Share Transfer Committee is constituted to consider the requests For Transfer/Transmission Of Shares, Issue Of Duplicate Share Certificate, Re-Materialization, Split, Consolidation, Renewal And Issue Of Duplicate Share Certificates Etc. As On 31st March, 2024. The Committee Comprises Of Chairman And Managing Director & Director (Finance). During The Financial Year 2023-24, Two Meetings Of Share Transfer Committee Were Held On 12th April, 2023 And 9th November, 2023 And All Members Of The Committee Attended The Meeting.

5E. Senior Management Personnel

The Senior Management (below Board level) comprises of core management members and functional heads. List of senior management personnel of the Company as of 31st March, 2024 is as under:

| Sr. No. | Name | Designation |
|---------|----------------------------|--|
| 1. | Shri Pranav Kumar Mallick | Chief Vigilance officer (CVO) |
| 2. | Shri Sunil Kumar Goel | Group General Manager(F) and Chief Financial Officer |
| 3. | Shri N H Kannan | General Manager (F) |
| 4. | Shri Prasanta Kumar Ojha | General Manager (F) |
| 5. | Shri Ajay Swami | General Manager (F) |
| 6. | Ms. Rakhi Dua | Additional General Manager (F) |
| 7. | Shri Amarendra Sahoo | Joint General Manager (IT) |
| 8. | Shri Vijay Babulal Shirode | Company Secretary & Compliance Officer |
| 9. | Shri Sanjay Jain | Chief Compliance Officer (CCO) |

During FY 2023-24, following were the changes in Senior Management:

- Shri Pranav Kumar Mallick appointed as a part Time Chief Vigilance officer (CVO) w.e.f. 17th November, 2023.
- Shri Sunil Kumar Goel, Group General Manager (Finance) designated as the Chief Financial Officer (CFO) w.e.f. 25th May, 2023.
- Shri Sanjay Jain has assumed the charge of the post of Chief Compliance Officer (CCO) w.e.f. 14th February 2024.
- Shri Rahul Kumar Maurya, Jt GM (HRM) was head of activity centre (HR & Admin) till 14th December, 2023.

- Shri Swachhand, Deputy General Manager as Chief Risk Officer (CRO) resigned w.e.f. 20th March, 2024.

6. Remuneration

Being a CPSE, the remuneration of functional directors, key managerial personnel and other employees of the Company including senior management personnel, is determined as per the extant guidelines on pay, perquisites, allowances etc. issued by the Department of Public Enterprises (DPE) and/or Government of India from time to time. Independent Directors are eligible to receive sitting fees per Board / Committee meeting attended by them in accordance with the provisions of Companies Act, 2013.

Remuneration paid to Functional Directors & Key Managerial Personnel (KMPs)

Remuneration paid by the Company to Functional Directors and Key Managerial Personnel (KMPs) during FY 2023-24 is as follows: -
(₹ in Mn)

| Sr. No. | Name & Designation | Salary & Allowances | Performance Linked Incentive | Perquisites | Leave Encashment | CPF Contribution | Pension Fund Contribution | Total |
|---------|--|---------------------|------------------------------|-------------|------------------|------------------|---------------------------|-------|
| 1. | *Ms. Uma Ranade, Chairman & Managing Director (Addl. Charge) | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| 2. | Ms. Shelly Verma, Director (Finance) | 5.96 | 2.84 | 0.13 | Nil | 0.50 | 0.20 | 9.63 |
| 3. | Shri Sunil Kumar Goel, GGM (F) & Chief Financial Officer (CFO) | 3.93 | 1.21 | 0.19 | Nil | 0.33 | 0.33 | 5.98 |
| 4. | Shri Vijay Babulal Shirode, Company Secretary | 2.11 | Nil | 0.16 | 0.12 | 0.18 | 0.17 | 2.74 |

* Persons appointed as an additional charge for the part of CMD is not entitled to any remuneration from the Company, as per the norms of the Government of India.

Notes:

- Performance Linked Incentive is paid in line with the guidelines issued in this regard by DPE.
- Perquisites does not include Non-taxable Medical Reimbursements and employer's contribution to Gratuity based on actuarial valuation.
- Pension contribution was deposited in NPS account. Hence, the Employer Pension Contribution is part of salary u/s 17(1) of the Income Tax Act, 1961 in Form 16.
- The Company has not given any stock options. Further, the appointment of Directors and terms of appointment including remuneration, notice period, severance fees etc., if any, are decided by the President of India.

Remuneration to Government Nominee Directors:

The Government Nominee Directors are nominated on the Board by Ministry of Railways (MoR), do not draw any remuneration from the Company for their role as director, but draw their remuneration under Central Dearness Allowance (CDA) pay scales from the Government of India as Government Officials.

Remuneration to Non-Executive Directors:

The Independent Directors are paid sitting fees of ₹ 40,000/- for attending each meeting of the Board of Directors and ₹ 25,000/- for attending each meeting of the Committee(s) thereof, which is well within the limits prescribed under the Companies Act, 2013 and rules made thereunder. During the financial year 2023-24, the details of remuneration paid to Non-Executive Directors towards sitting fees (excluding GST), were as under:

(₹ in Mn)

| Sr. No. | Name | Sitting Fees | | Total |
|---------|--|---------------|-------------------|-------------|
| | | Board Meeting | Committee Meeting | |
| 1. | Shri Baldeo Purushartha, Nominee Director | - | - | - |
| 2. | *Shri Bhaskar Choradia, Nominee Director | - | - | - |
| 3. | Shri Vallabhbhai Maneklal Patel, Non-Official / Independent Director | 0.32 | 0.525 | 0.845 |
| 4. | Smt. Sheela Pandit, Non-Official /Independent Director | 0.32 | 0.575 | 0.895 |
| | Total | 0.64 | 1.1 | 1.74 |

*Shri Bhaskar Choradia has ceased as Government Nominee Director w.e.f. 15.04.2024.

Notes:-

- The Government Nominee Director(s) are not entitled to any remuneration or sitting fees from the Company, as per the norms of the Government of India.

Apart from the above, the Non-Executive Directors do not have any material pecuniary relationship or transaction with the Company, except to the extent of payment / reimbursement towards air tickets, hotel accommodation, hiring of vehicle, out-of-pocket expenses, local conveyance etc., if applicable, in respect of attending meetings of the Board or Committees thereof.

7. General Body Meetings

Details of venue and timing of last three Annual General Meetings (AGM) are as under: -

| AGM No. | Financial Year | AGM Date | Venue | Time | Whether any special resolution passed |
|------------------|----------------|----------------------------------|--|-----------|---|
| 36 th | 2022-23 | 22 nd September, 2023 | UG –Floor, East Tower, NBCC Place, Bhisham Pitamah Marg, Lodhi Road, Pragati Vihar, New Delhi-110003 held through video conferencing | 3:00 P.M. | One Special Resolution was passed: <ul style="list-style-type: none"> • Alteration of Articles of Association (AOA) of the Company |

| AGM No. | Financial Year | AGM Date | Venue | Time | Whether any special resolution passed |
|------------------|----------------|----------------------------------|---|-----------|--|
| 35 th | 2021-22 | 23 rd September, 2022 | Room Nos. 1316 - 1349, 3 rd Floor, The Ashok, Diplomatic Enclave, 50-B, Chanakyapuri, New Delhi – 110021 held through Video Conferencing | 3:00 P.M. | Two Special Resolutions were passed: <ul style="list-style-type: none"> Appointment of Shri Vallabhbhai Maneklal Patel (DIN: 07713055) as Non- Official / Independent Director Appointment of Smt. Sheela Pandit (DIN: 09403193) as Non- Official/Independent Director |
| 34 th | 2020-21 | 29 th September, 2021 | Room Nos. 1316 - 1349, 3 rd Floor, The Ashok, Diplomatic Enclave, 50-B, Chanakyapuri, New Delhi – 110021 held through Video Conferencing | 3:00 P.M. | Two Special Resolutions were passed: <ul style="list-style-type: none"> Increase in borrowing Powers of the Board of Directors of IRFC in terms of Section 180(1)(c) of the Companies Act, 2013 Increase in ceiling for creation of charge in terms of Section 180(1)(a) of the Companies Act, 2013. |

Extra -Ordinary General Meeting

No Extra -Ordinary General Meeting was held during the financial year 2023-2024.

Postal Ballot

During the year under review, no resolution was passed through postal ballot. However, if required, the same shall be passed in compliance of provisions of Companies Act, 2013, Listing Regulations or any other applicable laws.

8. Means of Communication

Company communicates with its shareholders through its Investors Call, Annual Report, General Meetings, disclosures through its website and Publication of Audited/ Unaudited Financial Results in newspapers. Information, latest updates and announcements regarding the Company can be accessed at the company's website: <https://irfc.co.in/> includes the following:

- Annual Report;
- Financial Information;
- Shareholding Pattern;
- Corporate Governance Reports;
- Investors Presentations and Transcripts of conference calls/analyst meets;
- Intimations to Stock Exchanges from time to time;
- Debenture Trustee details;
- 54 EC Bonds;
- Annual Return;
- Investor Contact details;
- MoU's;
- Independent Directors Familiarization Programme;

- Credit rating;
- TDS Certificate;
- Bond Investors;
- Newspaper Publications;
- Registrar & Transfer Agent;
- Investor Grievances & Dispute Resolution Mechanism;
- Investor Service Forms;

Company also communicates with its stakeholders through a combination of analysts briefing, individual discussions and also participation in investor conferences from time to time. Financial Results are discussed by way of conference calls.

Information Memorandum in respect of issuance of the bonds of the Company has been hosted on the website of National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). Annual Accounts of the Company are also available on the website of the Company. Further, website of the Company hosts all important information for investors and stakeholders.

9. General Shareholder's Information

i) Annual General Meeting:

The 37th Annual General Meeting of the Shareholders will be held through video conferencing / other audio-visual means on the following day, date and time: -

| Day | Date | Time |
|----------|-------------------------------|------------|
| Thursday | 29 th August, 2024 | 03.00 P.M. |

Details regarding participation in the said meeting and other relevant information are appearing in the Notice of the 37th Annual General Meeting of the Company forming part of this Annual Report.

ii) Financial Year

Financial year of the Company spans the period 1st April to 31st March of the following year.

iii) Payment of Dividend

The Company paid an interim dividend of ₹ 0.80/- on equity share of ₹ 10/- each (i.e., @ 8% on the paid-up equity share capital) which has been declared by the Board of Directors in its meeting held on 2nd November, 2023. Further, the Board of Directors has recommended the final dividend of ₹ 0.70/- on equity share of ₹ 10/- each (i.e., @ 7 % on the on the paid-up equity share capital) for FY 2023-24 which is subject to shareholders approval at the ensuing 37th AGM. If approved Payment will be effected within 30 days from date of Annual General Meeting. Member(s) holding shares in electronic form are requested to register/update their E-mail ID with concerned Depository Participants and Members holding shares in physical are requested to register/update their E-mail ID with Company's Registrar & Share Transfer Agent at irfcinvestors@beetalmail.com or to company at investors@irfc.co.in which will be used for sending official documents through e-mail in future.

Pursuant to SEBI (LODR) Regulations, 2015, the company has formulated a "Dividend Distribution Policy" and the same is available on website of the Company at <https://irfc.co.in/sites/default/files/inline-files/Dividend-Distribution-Policy.pdf>.

Unpaid/Unclaimed Dividend

The details of unpaid/ unclaimed balance amount of dividend as on 31st March, 2024 is as follows:

(₹ in Mn)

| Financial Year | Dividend | Unpaid/Unclaimed Dividend Amount |
|----------------|----------|----------------------------------|
| 2020-21 | Interim | 5.82 |
| 2021-22 | Interim | 3.78 |
| 2021-22 | Final | 2.78 |
| 2022-23 | Interim | 3.07 |
| 2022-23 | Final | 2.69 |
| 2023-24 | Interim | 2.98 |

Further, Members are requested to note that, pursuant to Section 124(5) of the Companies Act 2013, the dividend amounts and amounts of principal and interest thereon in respect of debt securities, which remain unpaid/unclaimed for a period of seven (7) years, are to be transferred to the Investor Education & Protection Fund (IEPF).

The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividend amounts and amounts of principal and interest thereon in respect of debt securities from the Company, within the stipulated timeline. Further, as per Section 125 of Companies Act, 2013 read with Rules of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 {IEPF Rules}, all the matured debentures along with interest accrued on the debentures which has remained unclaimed and unpaid for a period of seven years from the date it became due for payment shall be transferred to IEPF. The Details of Unpaid/Unclaimed Dividend is also available on Company's website at <https://irfc.co.in/investors/financial-information>

Nodal Officer

Pursuant to Rule 7(2A) of the IEPF Rules, the following persons are the Nodal Officers of the Company in respect of IEPF matters:

| Designation | Name |
|-------------------------------|---|
| Nodal Officer for IEPF | Shri. Vijay Shirode Company Secretary & Compliance Officer |
| Deputy Nodal Officer for IEPF | Smt. Nithya Varadharajan Manager (Finance) |

* As on date, Shri Sachin Shreepal Jain Dy. GM (Fin) and Varsha Jain Dy. Manager (CS) are as Dy. Nodal Officer(s).

iv) Listing on Stock Exchange

IRFC equity shares are listed on the following Stock Exchanges:

| National Stock Exchange of India Limited | BSE Limited |
|--|--|
| Listing department, Exchange Plaza, Bandra- Kurla Complex, Bandra (E) Mumbai- 400 051 Website: www.nseindia.com | Listing Dept / Dept of Corporate Services, PJ Towers, Dalal Street, Mumbai -400 001 Website: www.bseindia.com |
| Scrip Symbol: IRFC | Scrip Code: 543257 |
| Stock Code: ISIN- INE053F01010 | |

The Company has paid the Annual Listing Fees for the financial year 2023-24 to National Stock Exchange of India Limited and BSE Limited, in relation to its listed securities.

Further, various Non-Convertible Debt Securities of the Company are also listed on the Stock Exchanges.

Market Price Data

| Month | NSE | | BSE | |
|----------------|--------|--------|--------|--------|
| | High | Low | High | Low |
| April 2023 | 32.50 | 26.70 | 32.50 | 26.76 |
| May 2023 | 37.40 | 31.20 | 37.37 | 31.21 |
| June 2023 | 34.20 | 31.75 | 34.20 | 31.75 |
| July 2023 | 38.55 | 32.35 | 38.50 | 32.35 |
| August 2023 | 52.70 | 38.80 | 52.71 | 38.81 |
| September 2023 | 92.35 | 50.10 | 92.94 | 50.10 |
| October 2023 | 80.80 | 65.75 | 80.80 | 65.75 |
| November 2023 | 78.50 | 71.05 | 78.50 | 71.03 |
| December 2023 | 104.10 | 74.60 | 104.14 | 74.70 |
| January 2024 | 192.80 | 97.80 | 192.80 | 97.90 |
| February 2024 | 183.25 | 127.65 | 183.25 | 128.00 |
| March 2024 | 151.40 | 116.65 | 151.45 | 116.70 |

v) Stock Exchange Index

| Month | NSE NIFTY | | BSE SENSEX | |
|----------------|-----------|----------|------------|----------|
| | High | Low | High | Low |
| April 2023 | 18089.15 | 17312.75 | 61209.46 | 58793.08 |
| May 2023 | 18662.45 | 18042.40 | 63036.12 | 61002.17 |
| June 2023 | 19201.70 | 18464.55 | 64768.58 | 62359.14 |
| July 2023 | 19991.85 | 19234.40 | 67619.17 | 64836.16 |
| August 2023 | 19795.60 | 19223.65 | 66658.12 | 64723.63 |
| September 2023 | 20222.45 | 19255.70 | 67927.23 | 64818.37 |
| October 2023 | 19849.75 | 18837.85 | 66592.16 | 63092.98 |
| November 2023 | 20158.70 | 18973.70 | 67069.89 | 63550.46 |
| December 2023 | 21801.45 | 20183.70 | 72484.34 | 67149.07 |
| January 2024 | 22124.15 | 21137.20 | 73427.59 | 70001.60 |
| February 2024 | 22297.50 | 21530.20 | 73413.93 | 70809.84 |
| March 2024 | 22526.60 | 21710.20 | 74245.17 | 71674.42 |

vi) The Securities of the Company has not been suspended from trading.

vii) Registrar and Transfer Agents:

| EQUITY SHARES | BONDS |
|---|---|
| M/s. Beetal Financial & Computer Services (P) Ltd. 3 rd Floor 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi- 110062 Email id: irfcinvestors@beetalmail.com Ph. No : +91-11-2996 1281-83 Website: www.beetalfinancial.com | M/s. KFin Technologies Private Limited Selenium Tower B, Plot Nos. 31 & 32, Financial District Nanakramguda Serilingampally Mandal, Hyderabad – 500032, India Email id: brahma.k@kfintech.com Ph. No : +91 040 6716 1598, Toll Free No: 1800-345-4001 Website: www.kfintech.com |

viii) Share Transfer System

As per Regulation 40 of SEBI (LODR) Regulations, 2015 as amended, securities of listed companies can be transferred only in dematerialized form. Further, investor service requests such as transmission, transposition, renewal, exchange, sub-division, consolidation and issue of duplicate certificates etc., the securities shall be issued in dematerialized form only. Accordingly, all shareholders are requested to convert their shareholdings from physical form to demat form at the earliest to reap the benefits of dematerialization. Further, pursuant to SEBI Circular no. SEBI/HO/MIRSD/MIRSDPoD-1/P/CIR/2023/37 dated March 16, 2023, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities. The folios wherein any one of the cited documents/details is not available on or after October 1, 2023, shall be frozen by the RTA. The forms for updation of PAN, KYC, bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 are available on Company's website at [https://irfc.co.in/investors/](https://irfc.co.in/investors/forms-for-equity-shares)

[forms-for-equity-shares](#). In view of the above, Members holding shares in physical form are requested to submit the required forms along with the supporting documents at the earliest. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs.

Further, Shareholders holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of folios. Such frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after December 31, 2025.

Pursuant to regulation 40(9) & (10) of SEBI (LODR) Regulations, 2015 a certificate on yearly basis confirming due compliance of shares transfer formalities by the Company obtained from a Practicing Company Secretary have been submitted to Stock Exchanges within stipulated time.

ix) Distribution of shareholding

Distribution of shareholding as on 31st March, 2024 is as follows:

| Sr. No. | Amount | No. of shareholders | % of shareholders | No. of shares | % of shares |
|--------------|---------------|---------------------|-------------------|------------------------|---------------|
| 1. | 1-500 | 39,64,168 | 85.26 | 35,04,17,681 | 2.68 |
| 2. | 501-1000 | 4,70,090 | 10.11 | 32,0626,694 | 2.45 |
| 3. | 1001-2000 | 1,22,207 | 2.63 | 17,68,71,156 | 1.35 |
| 4. | 2001-3000 | 35,543 | 0.76 | 8,95,88,100 | 0.69 |
| 5. | 3001-4000 | 16,192 | 0.35 | 5,76,67,437 | 0.44 |
| 6. | 4001-5000 | 12,017 | 0.26 | 5,64,13,638 | 0.43 |
| 7. | 5001-10000 | 17,854 | 0.38 | 13,02,69,640 | 1.00 |
| 8. | 10001 & Above | 11,240 | 0.24 | 11,88,66,51,654 | 90.96 |
| Total | | 46,49,311 | 100.00 | 13,06,85,06,000 | 100.00 |

Shareholding pattern as on 31st March, 2024 is as follows: -

| Category | Total No. of shares | %Equity |
|--|---------------------|---------|
| PRESIDENT OF INDIA | 11,28,64,37,000 | 86.36 |
| RESIDENT INDIVIDUAL | 1,43,35,87,755 | 10.97 |
| MUTUAL FUND | 2,16,32,608 | 0.17 |
| QIB INSURANCE COMPANY REGISTERED WITH IRDA | 9,22,03,931 | 0.71 |
| FPI CATEGORY I BODY CORPORATE | 13,84,96,080 | 1.06 |
| BODY CORPORATE | 2,33,78,961 | 0.18 |
| H U F | 3,06,18,996 | 0.23 |
| NRI REPATRIABLE | 1,85,99,592 | 0.14 |
| NRI NON REPATRIABLE | 92,47,691 | 0.07 |
| BODY CORPORATE LLP | 13,08,117 | 0.01 |
| TRUSTS | 26,77,163 | 0.02 |
| BODY CORPORATE MARGIN TRADING | 24,69,820 | 0.02 |
| BODY CORPORATE CLIENT COLLATERAL ACCOUNT | 23,05,041 | 0.02 |

| Category | Total No. of shares | %Equity |
|---|------------------------|---------------|
| CLEARING MEMBER | 8,00,79 | 0.00 |
| FPI CATEGORY II BODY CORPORATE | 31,17,104 | 0.02 |
| MUTUAL FUND CUSTODIAN MUTUAL FUND | 15,51,158 | 0.01 |
| RESIDENT INDIVIDUAL MARGIN TRADING ACCOUNT | 44,678 | 0.00 |
| BODY CORPORATE CO-OPERATIVE BODY | 14,000 | 0.00 |
| BODY CORPORATE NBFC | 1,45,701 | 0.00 |
| INDIVIDUAL ASSOCIATION OF PERSONS AOP | 5,095 | 0.00 |
| NRI DR | 19,553 | 0.00 |
| FOREIGN NATIONAL | 3,575 | 0.00 |
| BODY CORPORATE BROKER | 18,300 | 0.00 |
| FPI CATEGORY II INDIVIDUAL | 240 | 0.00 |
| BODY CORPORATE DOMESTIC DR | 300 | 0.00 |
| RESIDENT INDIVIDUAL HUF CM | 13,074 | 0.00 |
| RESIDENT INDIVIDUAL DR | 1,103 | 0.00 |
| TRUST OTHER EMPLOYEE BENEFIT TRUST OLD SCHEME | 5,000 | 0.00 |
| ALTERNATE INVESTMENT FUND III | 3,59,845 | 0.00 |
| BODY CORPORATE CENTRAL GOVERNMENT | 12440 | 0.00 |
| BANK NATIONALISED | 1,50,000 | 0.00 |
| BANK CO OPERATIVE | 2,000 | 0.00 |
| Total (A+B) | 13,06,85,06,000 | 100.00 |

The details of number of shares held in dematerialized and physical form as on 31st March, 2024 are as under:

| Particulars | No. of Shares | % to total Capital Issued |
|--------------|------------------------|---------------------------|
| NSDL | 12,10,08,33,210 | 92.59 |
| CDSL | 96,76,71,540 | 7.41 |
| Physical | 1250 | 0.00 |
| Total | 13,06,85,06,000 | 100 |

x) Outstanding GDR and ADR Warrants or any convertible instruments, conversion date and likely impact on equity

No GDR and ADR Warrants/Convertible Instruments have been issued by the Company.

xi) Commodity price risk or foreign exchange risk and hedging activities

Your Company has put in place the Comprehensive Risk Management policy to manage risks associated with foreign currency borrowings. The Company enters into hedging transactions to cover exchange rate and interest rate risk through various instruments like forwards, options and swaps.

xii) Location of IRFC Plants

IRFC has no plants as it is into the business of Lease & Project Financing.

xiii) Address for correspondence:

Registered Office

Indian Railway Finance Corporation Limited
CIN - L65910DL1986GOI026363
UG - Floor, East Tower, NBCC Place,
Bhisham Pitamah Marg, Lodhi Rd,
Pragati Vihar, New Delhi -110003

Company Secretary & Compliance Officer

Vijay Babulal Shirode
Email: investors@irfc.co.in
Tel: +91 11- 24361480

xiv) Credit Rating

Domestic:

During the financial year 2023-24, the Company's long-term domestic borrowing programme was awarded the highest credit rating of "CARE AAA/Stable", "CRISIL AAA/ Stable" and "ICRA AAA/Stable." The Company also got its short-term borrowing programme rated, obtaining the highest rating of "CARE A1+" and "ICRA A1+".

International:

During the financial year 2023-24, three international credit rating agencies – Standard & Poor's, Moody's and Fitch - have awarded "BBB- with Stable Outlook", "Baa3 with Stable Outlook" and "BBB- with Stable Outlook" ratings respectively to your Company. Besides, the Company obtained an issuer specific credit rating of "BBB+ with Stable Outlook" from the Japanese Credit Rating Agency. Each of the four credit ratings is equivalent to India's sovereign rating and is of investment grade.

xv) Reconciliation of Share Capital Audit

In terms of Regulation 76 of SEBI (Depositories & Participants) Regulations, 2018 the Reconciliation of Share Capital Audit is conducted by a Practicing Company Secretary, who issues quarterly report on the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited ("Depositories") and the total issued capital and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with Depositories) and that the requests for dematerialization of shares are processed by the R&T Agent within stipulated period and uploaded with the concerned depositories.

10. Disclosures

- a. The Company has not entered into any materially significant related party transaction that may have any potential conflict with the interest of the Company. Further, the Company did not enter into any significant related party transactions with board members where they had personal interest. Further, the transactions with Ministry of Railways and / or its entities are in the ordinary course of business and at arm's length.
- b. Details of non-compliance, penalties structure imposed by stock exchange or any statutory authority or any matter related to capital markets, during last three years:

There has been no instance of non-compliance of any statutory regulation or Government guidelines, nor there has been any penalties or strictures imposed on the Company on any matter related to the capital market and guidelines issued by Government except as disclosed in the Secretarial Audit Report and Annual Secretarial Compliance Report submitted to Stock Exchanges.
- c. Whistle Blower Policy: - In line with extant best practices and also under Section 177 of the Companies Act, 2013

read with the relevant Rules and SEBI (LODR) Regulations, 2015, the Company has formulated a Whistle Blower Policy, and the same has been communicated to all employees of the Company. For convenience of all stakeholders, the said policy has also been hosted on the website of the Company. No personnel of the Company have been denied access to the Audit Committee in the context of action under the Policy. IRFC has a Whistle- Blower Policy which is hosted on the website of the Company at <https://irfc.co.in/sites/default/files/inline-files/2.%20Whistle-Blower-Policy.pdf>

- d. Your Company has broadly complied with all the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Standards issued by ICSI, and the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises, Government of India to the extent applicable. Information on adoption / non-adoption of the non-mandatory requirements is given at **Annexure-B** of this Report.
- e. The Company does not have any Subsidiary.
- f. Pursuant to SEBI (LODR) Regulations, 2015, the company has formulated a "Related Party Transaction Policy" and the same is available at <https://irfc.co.in/sites/default/files/inline-files/3.%20RELATED%20PARTY%20TRANSACTIONS%20%E2%80%90%20POLICY%20%26%20PROCEDURES.pdf>
- g. Company does not have commodity price risks and commodity hedging activities.
- h. During the year under review Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).
- i. Certificate pursuant to Regulation 34 (3) and Schedule V Para C clause (10) (i) of SEBI (LODR) Regulations, 2015 has been obtained from Company Secretary in Practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. Certificate is enclosed as **Annexure-A** forming part of this report.
- j. During the year under review, Board had accepted recommendations of committee(s) of the board which is mandatorily required.
- k. The details of fees paid to the Statutory Auditors by IRFC during FY 2023-24 have been disclosed in the Financial Statements.

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

| Sr. No | Particulars | No. of Complaints |
|--------|--|-------------------|
| 1. | Number of Complaints filed during FY 2023-24 | Nil |
| 2. | Number of Complaints disposed of during FY 2023-24 | Nil |
| 3. | Number of Complaints pending as on end of the FY 2023-24 | Nil |

- m. Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount – **Nil**
- n. No items of expenditure have been debited in books of accounts, which are not for the purpose of the business.
- o. During the year, the Company maintains overhead to turnover ratio of less than 0.09%. Last year, the same was below 0.12% of the turnover.
- p. Auditors of the Company have audited and accorded an unqualified certification to its accounts for the year ended 31st March, 2024.
- q. The Company has complied with the requirements of the SEBI (LODR) Regulations, 2015, Secretarial Standards issued by ICSI, and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises, Government of India to the extent applicable except as disclosed in Secretarial Audit Report. The Secretarial Audit Report is enclosed as **ANNEXURE-V**.
- r. The Financial Statements for the financial year 2023- 24 have been prepared as per the Indian Accounting Standards as notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS"), as amended, and other accounting principles generally accepted in India.
- s. Pursuant to the DPE Guidelines on Corporate Governance, quarterly compliance report is being submitted online on DPE portal within the stipulated time.
- t. There is no breach of covenants of loan availed / debt securities issued.
- u. There is no divergence in Asset Classification & Provisions as required under RBI Master Directions.

11. The Compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub- regulation (2) of regulation 46 and other applicable regulations of SEBI (LODR) Regulations, 2015 have been made to the extent compliances are within the ambit of the Company.

12. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Akhil Rohatgi and Company, Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the FY 2023-24 issued by the auditor is annexed as **ANNEXURE-V**.

The Secretarial Auditor has observed that the Company was not having adequate number of Independent Directors during the year. Independent directors in the Company are appointed by President of India, through Ministry of Railways, Government of India. The Company from time to time has requested Ministry of Railways, Government of India for appointment of requisite number of independent directors on its Board.

13. Compliance Certificate on Corporate Governance

As required under the Government Guidelines, the Secretarial Auditor of the Company have issued a certificate regarding compliance of conditions of Corporate Governance by the Company, which is annexed to this Report as **ANNEXURE - VI**.

Company has appointed Shri. Vijay Babulal Shirode, Jt.GM (Law) & Company Secretary as the Compliance Officer of the Company.

14. Code of Conduct

The Code of Business Conduct and Ethics for the Board Members and Senior Management is a comprehensive code applicable to all Directors and Members of Senior Management of your Company. It is in alignment with Company's vision and values to achieve the Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company. A copy of the Code has been made available on the website of the Company at <https://irfc.co.in/sites/default/files/inline-files/Code%20of%20Business%20Conduct%20and%20Ethics%20for%20Board%20Members%20and%20Senior%20Management.pdf>

Based on the affirmation received from Board Members and Senior Management Personnel, declaration regarding compliance of Code of Conduct made by the Chairman & Managing Director is enclosed at **ANNEXURE-VIII**.

15. Code of Internal Procedures and Conduct for Prohibition of Insider Trading

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as amended from time to time, IRFC Board has laid down "The Code of Internal Procedures and Conduct for Prohibition of Insider Trading In Dealing with the Securities of Indian Railway Finance Corporation Limited" with an aim that 'Designated Persons/Insiders' shall not derive any benefit or assist others to derive any benefit from the access to and possession of Unpublished Price Sensitive Information about the Company which is not in the public domain and thus constitutes insider information. Company Secretary has been designated as Compliance Officer for this Code. The said Code is available on the website of the Company at <https://irfc.co.in/sites/default/files/inline-files/Insider-Trading-Policy-New.pdf>.

16. Training of Board Members

All Non-Executive Directors are apprised of the Company's business, nature and broad methodology of operations, and other important matters by the whole-time Directors of the Board from time to time. The Company's Board of Directors consists of professionals with vast experience and high level of expertise in their respective fields and industry. Their professional status gives them adequate exposure to the latest trends in the financial markets & the economy, as also emerging position of relevant legislation. It shall be endeavour of the Company that the Whole-time

Directors attend training programmes in order to keep themselves abreast with the latest developments in the areas of finance, accounts, etc.

17. Publication of Audited/Unaudited Financial Results

The Audited/Unaudited Financial Results were published in newspaper(s) as under:

| Quarter | Date of Publication |
|---|---------------------------------|
| Q1 ended 30 th June, 2023 | 12 th August, 2023 |
| Q2 and half year ended 30 th September, 2023 | 3 rd November, 2023 |
| Q3 and Nine Month ended 31 st December, 2023 | 10 th February, 2024 |
| Q4 and Year ended 31 st March, 2024 | 21 st May, 2024 |

18. Trustee of the Bonds

The Trustee appointed for the Bonds issued by the Company are as under:

| | |
|---------------------------------|---|
| SBICAP Trustee Company Limited* | Until 04 th December, 2022, SBICAP Trustee Company Limited was the Debenture Trustee from Series 81 and onwards. |
| | From 05 th December, 2022, SBICAP Trustee Company Limited is the Debenture Trustee for all the Outstanding Series of IRFC Bonds. |

* SBICAP Trustee Company Limited is the Debenture Trustee for all the Outstanding Series of IRFC Bonds issued upto 31.03.2024. Further Beacon Trusteeship Limited appointed as Debenture Trustee for the bond issues to be launched by IRFC during the three financial years i.e. FY 2024-25, FY 2025-26 and FY2026-27.

Annexure- A - CGR

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,
The Members of,
Indian Railway Finance Corporation Limited
CIN: L65910DL1986GOI026363
UG-Floor, East Tower, NBCC Place
Bhisham Pitamah Marg, Pragati Vihar
Lodhi Road, New Delhi-110003

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Indian Railway Finance Corporation Limited** having **CIN L65910DL1986GOI026363** and having registered office at UG-Floor, East Tower, NBCC Place, Bhisham Pitamah Marg, Pragati Vihar, Lodhi Road, New Delhi-110003 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

| Sr. No. | Name of Director | DIN | Date of Appointment in Company |
|---------|-------------------------------|----------|--------------------------------|
| 1. | Ms. Uma Ranade | 10565537 | 27/03/2024 |
| 2. | Ms. Shelly Verma | 07935630 | 01/09/2020 |
| 3. | Mr. Baldeo Purushartha | 07570116 | 03/06/2020 |
| 4. | Mr. Vallabhbai Maneklal Patel | 07713055 | 10/11/2021 |
| 5. | Mrs. Sheela Pandit | 09403193 | 22/11/2021 |

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Akhil Rohatgi & Co.**
Company Secretaries

Sd/-

CS Akhil Rohatgi

FCS:1600, COP:2317

ICSI Unique Firm Regn Code No: P1995DE072900

UDIN No: F001600F000372520

Place: New Delhi

Date: 15.05.2024

Non-Mandatory Requirements

The status of non-mandatory requirements pertaining to Corporate Governance Section of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:

- 1. The Board:** The Company is headed by an Executive Chairman.
- 2. Shareholder Rights:** The quarterly financial results of the Company are published in leading newspapers as mentioned under the heading "Publication of Audited/Unaudited Financial Results" of the Corporate Governance report and also displayed on the website of the Company.
- 3. Modified opinion(s) in audit report:** The Statutory Auditors have issued unmodified opinion on the standalone financial statements of the Company for the year ended 31st March, 2024.
- 4. Reporting of Internal Auditor:** The Internal auditors of the Company are invited to the Meetings of the Audit Committee and regularly interact with the members of the Audit committee.

Annexure - III

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES*

I. Details of the listed entity

| | | |
|-----|---|--|
| 1. | Corporate Identity Number (CIN) of the Listed Entity | L65910DL1986GOI026363 |
| 2. | Name of the Listed Entity | Indian Railway Finance Corporation Limited |
| 3. | Year of incorporation | December 12, 1986 |
| 4. | Registered office address | UG - Floor, East Tower, NBCC Place, Bhisham Pitamah Marg, Pragati Vihar, Lodhi Road, New Delhi- 110003 |
| 5. | Corporate address | Same as above |
| 6. | E-mail | investors@irfc.co.in |
| 7. | Telephone | 011-24361480 |
| 8. | Website | https://irfc.co.in |
| 9. | Financial year for which reporting is being done | FY 2023-24 |
| 10. | Name of the Stock Exchange(s) where shares are listed | National Stock Exchange of India Limited (NSE) BSE Limited (BSE) |
| 11. | Paid-up Capital | ₹ 13,068.50 Crores (As on 31 st March 2024) |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report | Chairman & Managing Director 011-24361480 cmd@irfc.co.in |
| 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) | The disclosures are made in this report on a standalone basis. |
| 14. | Name of assurance provider | JointValues ESG Services Pvt. Ltd. |
| 15. | Type of assurance obtained | Reasonable |

*Disclosure on the 9 core attributes as per BRSR core format of SEBI is being covered within this BRSR of the Company.

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. | Other financial service activities, except insurance and pension funding activities | Financial leasing | 97.67% |

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. | Other financial service activities- Financial Leasing | 64910 | 97.67% |

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 | -* | 01 | 01 |
| International | - | - | - |

* - Means NIL

19. Markets served by the entity*:

a. Number of locations

| Locations | Number |
|----------------------------------|--------|
| National (No. of States & UT) | 36 |
| International (No. of Countries) | - |

*Company is receiving Lease & Interest income from India

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The Company is registered as a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC –ND-SI) and Infrastructure Finance Company (NBFC- IFC) with Reserve Bank of India (RBI). The contribution of exports to the turnover of the Company was Nil for the financial year 2023-24.

c. A brief on types of customers

IRFC a Govt. of India undertaking under the Ministry of Railways (MoR) plays a significant role in funding the Indian Railways. The primary objective of IRFC is to meet the predominant portion of 'Extra Budgetary Resources' (EBR) requirement of the Indian Railways through market borrowings at the most competitive rates and terms. The Company's principal business therefore is to borrow funds from the financial markets to finance the acquisition / creation of rolling stock assets, leasing of railway infrastructure assets, and lending to other entities under the MoR.

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) | 42 | 33 | 79% | 9 | 21% |
| 2. | Other than Permanent (E) | - | - | - | - | - |
| 3. | Total employees (D + E) | 42 | 33 | 79% | 9 | 21% |
| WORKERS* | | | | | | |
| 4. | Permanent (F) | - | - | - | - | - |
| 5. | Other than Permanent (G) | - | - | - | - | - |
| 6. | Total workers (F + G) | - | - | - | - | - |

*Considered regular permanent employees

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) | 01 | 01 | 100% | - | - |
| 2. | Other than Permanent (E) | - | - | - | - | - |
| 3. | Total differently abled employees (D + E) | 01 | 01 | 100% | - | - |
| DIFFERENTLY ABLED WORKERS | | | | | | |
| 4. | Permanent (F) | - | - | - | - | - |
| 5. | Other than Permanent (G) | - | - | - | - | - |
| 6. | Total differently abled workers (F + G) | - | - | - | - | - |

21. Participation/Inclusion/Representation of women

| | Total (A) | No. and percentage of Females | |
|---------------------------|-----------|-------------------------------|-----------|
| | | No. (B) | % (B / A) |
| Board of Directors | 6 | 3 | 50% |
| Key Management Personnel* | 4 | 2 | 50% |

*Key Management Personnel (KMP) includes CMD (Addnl. Charge), Director (Finance), Chief Financial Officer (CFO) and Company Secretary (CS).

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

| Particulars | FY 2023-24 | | | FY 2022-23 | | | FY 2021-22 | | |
|---------------------|------------|--------|-------|------------|--------|-------|------------|--------|-------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 4.88% | - | 4.88% | 2.56% | - | 2.56% | - | 3.03% | 3.03% |
| Permanent Workers | - | - | - | - | - | - | - | - | - |

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 / associate companies/ joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|--------|---|--|-----------------------------------|--|
| | NIL | NIL | NIL | NIL |

VI. CSR Details

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

(ii) Turnover (in ₹): ₹ 26,644.58 Crores

(iii) Net worth (in ₹): ₹ 49,178.57 Crores

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 redress 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 | Yes https://pgportal.gov.in/ | 13 | - | - | 15 | - | - |
| Investors (other than shareholders) | Yes https://irfc.co.in/investors/investor-contact | 1262 | - | These complaints pertains to bond/debenture holders. | 2051 | - | These complaints pertains to bond/debenture holders. |
| Shareholders | Yes https://irfc.co.in/investors/investor-grievances | 1083 | - | These complaints are tracked through SEBI Scores portal, NSE & BSE investor complaint center, Smart ODR portal, Online portal for complaints and Grievances IRFC, emails, letters. | 435 | - | These complaints are tracked through SEBI Scores portal, NSE & BSE investor complaint center, emails, letters. |
| Employees and workers | Yes Accessible to Employees through intranet | - | - | - | - | - | - |
| Customers | - | - | - | - | - | - | - |
| Value Chain Partners | - | - | - | - | - | - | - |
| Other (please specify) | - | - | - | - | - | - | - |

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:

| S. 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 implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---|--|---|--|--|
| 1. | Financing for green Initiative of Indian Railways - Shift from conventional to electrical locomotive, electrification of railway tracks | Opportunity | Towards achieving India's commitment of NET ZERO carbon by 2070. | - | IRFC shall experience Positive financial implication due to additional Revenue from such financing. |
| 2. | Shifting to paperless environment to further the sustainability | Opportunity | Shifting to digital means of Communication, e – filing system & record management which shall enhance speed, accuracy, efficiency, cost saving, accountability & preservation of records. | - | IRFC shall experience positive financial implication due to cost saving & increase in swiftness of operations. |

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.

| Disclosure Questions | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|---|---|----|----|----|----|----|----|----|----|
| Policy and management processes | | | | | | | | | | |
| 1. | a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Y | Y* | Y | Y | Y | Y | Y | Y | Y |
| | b. Has the policy been approved by the Board? (Yes/No) | Y | Y* | 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 | Y | Y |
| 3. | Do the enlisted policies extend to your value chain partners? (Yes/No) | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 4. | Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusts) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 5. | Specific commitments, goals and targets set by the entity with defined timelines, if any. | The Company being CPSE enters Memorandum of Understanding (MoU) with Ministry of Railways (MoR) every year under the framework prescribed in MoU Guidelines issued by the Department of Public Enterprises (DPE), wherein Company is evaluated on various financial and non-financial parameters. For the financial year 2022-23, based on its performance, the Company has been rated 'Excellent' by the Department of Public Enterprises (DPE). | | | | | | | | |
| 6. | Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. | | | | | | | | | |

| Disclosure Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|----|----|----|----|----|----|----|----|
| Governance, leadership and oversight | | | | | | | | | |
| 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) | <p>The Company is committed to developing a suitable ESG framework for the organization. The Board approved ESG Policy covering focus areas, targets, challenges etc, is in place. The ESG policy framework serves as a guiding document for all ESG initiatives and activities undertaken by IRFC. This framework covers IRFC's operations. As per the credit policy of the Company, the evaluation of the project covers the Environmental Appraisal aspect. The analysis of environmentally sensitive projects will address several issues like measurement of environmental impact, cost- benefit analysis, assessment of alternative strategy etc. IRFC follows procurement guidelines for procurement of goods and services. The Company has a comprehensive risk management policy which essentially covers Business Continuity and disaster management Plan. Currently, IRFC has set up a data center where all the applications are hosted. Regular backup of all the critical data is being taken as per the policy of the organization. IRFC has already set up disaster recovery site. The HR Policies of the Company ensure holistic employee wellbeing and benefits, career progression, adequate training, safety and encouragement for women employees and well-defined grievance redressal mechanism, thus ensuring proper governance.</p> | | | | | | | | |
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). | The Board of Directors of the Company, led by the Chairman & Managing Director, is the highest authority, instrumental to protect and enhance stakeholders value. In the capacity of trustees, the Board ensures that the Company has a clear vision, mission and goals to fulfil and exceed the expectations of its stakeholders. | | | | | | | | |
| 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. | Board of Directors of the Company are responsible for decision making on sustainability related issues. | | | | | | | | |

Note:

(*) IRFC being NBFC, this principle has limited applicability.

(**) The relevant explanation/information/links are mentioned in the ANNEXURE to BRSR.

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) | | | | | | | | |
|--|---|----|----|----|----|----|----|----|----|--|----|----|----|----|----|----|----|----|
| | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against above policies and follow up action | The efficacy of the policies is reviewed on need basis and necessary changes to policies in accordance with applicable law and procedures are implemented. | | | | | | | | | | | | | | | | | |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | Compliance of the various applicable laws and regulations is placed before the Board of Directors subsequent to the compliance certificate is signed by all the Departmental Heads. | | | | | | | | | On quarterly basis | | | | | | | | |

| | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|----|----|----|----|----|----|----|----|
| 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. | From a best practices perspective as well as from a risk perspective, policies are periodically evaluated and updated by various departmental heads and approved by the Board of Directors/ Chairman & Managing Director. An internal assessment of the working of the policies is done regularly. Also, some of the policies has been evaluated by the Secretarial Auditor of the Company. | | | | | | | | |

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

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1

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

Essential Indicators

- 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 | 1 | Familiarization programme for Independent Directors (organized by IICA) | 100% |
| Key Managerial Personnel | 2 | Experiential Learning Programme | 100% |
| Employees other the BOD and KMPs | 38 | Various technical and financial topics including experiential learning and personal effectiveness which are relevant for day to day work | 100% |
| Workers | - | - | - |

- 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 Obligations) Regulations, 2015 and as disclosed on the entity’s website):

| Monetary | | | | | |
|-----------------|-----------------|---|---|--|--|
| | NGRBC Principle | Name of the regulatory/ enforcement agencies/judicial institution | Amount (In ₹) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Penalty/ Fine | Principle 1 | 1. National Stock Exchange of India Limited 2. BSE Limited | NSE & BSE each levied fine of ₹ 21,53,500/- during FY 2023-24 | For the financial year ended on March 31, 2024, the Company has complied with all requirements of SEBI (LODR) Regulations, 2015, the Companies Act, 2013 and rules made thereunder, applicable Secretarial Standards issued by ICSI and DPE Guidelines on Corporate Governance, as amended from time to time, except the number of Independent Directors on the Board were less than half of the total strength of Board as required under Regulation 17(1) of SEBI(LODR) Regulations, 2015. Due to such non-compliances, NSE and BSE each imposed a fine of ₹ 21,53,500/- (including GST of ₹ 3,28,500/-).It is pertinent to mention that in earlier instances of non-compliance of similar nature, BSE & NSE had already waived fine imposed on Company on the similar ground for the period of March, 2021 to December, 2021. | Yes |
| Settlement | - | - | - | - | - |
| Compounding Fee | - | - | - | - | - |

| Non-Monetary | | | | |
|--------------|-----------------|---|-------------------|--|
| | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Imprisonment | - | - | - | - |
| Punishment | - | - | - | - |

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.

| Case Details | Name of the regulatory/ enforcement agencies/ judicial institutions |
|---|--|
| <p>In connection with fine(s) levied by NSE and BSE pertaining to the composition of the Board, this is to mention that the power to appoint functional/ Official Part-time Directors/ non-Official Part time Directors (Independent Directors) vests with the Government of India. The appointment of Directors in IRFC is made by the President of India through administrative ministry i.e., Ministry of Railways (MoR) and Company has no role to play in it and the non-compliance is beyond the control of the IRFC. Therefore, the Company has been requesting the appointing authority, i.e., MoR, for appointment of Directors including requisite number of Independent Directors.</p> <p>In view of the above, the Company has requested / is requesting the stock exchanges not to levy fine (s) and waive off the fines already imposed.</p> <p>It is pertinent to mention that in earlier instances of non-compliance of similar nature, BSE & NSE had already waived fine imposed on Company on the similar ground for the period of March, 2021 to December, 2021.</p> <p>The Company is following up with the Stock Exchanges for waiving off the fine(s) w.r.t FY 2022-23 and 2023-24 as well.</p> | <p>1. National Stock Exchange of India Limited</p> <p>2. BSE Limited</p> |

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.

IRFC being CPSE 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, IRFC has also adopted Whistle Blower Policy, which is hosted at <https://irfc.co.in/sites/default/files/inline-files/2.%20Whistle-Blower-Policy.pdf>.

Further, Code of Business Conduct & Ethics, which captures the behavioral and ethical standards to be followed by the Board Members and Senior Management Personnel of the Company also, sets forth an obligation to strive continuously to bring about integrity and transparency in all spheres of the activities & Work unstintingly for eradication of corruption in all spheres of life, which is hosted at <https://irfc.co.in/sites/default/files/inlinefiles/Code%20of%20Business%20Conduct%20and%20Ethics%20for%20Board%20Members%20and%20Senior%20Management.pdf>

The Company also has a Whistle Blower Policy for Directors and Employees to report their genuine concerns or grievances about unethical behavior, actual or suspected fraud or to detect and report any improper activity within the Company.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

| Particulars | FY 2023-24 | FY 2022-23 |
|-------------|------------|------------|
| Directors | - | - |
| KMPs | - | - |
| Employees | - | - |
| Workers | - | - |

6. Details of complaints with regard to conflict of interest:

| | FY 2023-24 | | FY 2022-23 | |
|--|------------|---------|------------|---------|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | - | - | - | - |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | - | - | - | - |

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

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

| Particulars | FY 2023-24 | FY 2022-23 |
|------------------------------------|------------|------------|
| Number of days of Accounts Payable | NIL* | NIL* |

*IRFC being a NBFC and dedicating financing arm of the Indian Railways for mobilizing funds from domestic as well as overseas Capital Markets, accordingly, the company doesn't have the outstanding trade payable, however, the aging schedule of other payables is disclosed in Note No. 14 to accounts.

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 | FY 2022-23 |
|----------------------------|---|---|----------------|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases | NA* | NA |
| | b. Number of trading houses where purchases are made from | | |
| | c. Purchases from top 10 trading houses as % of total purchases from trading houses | | |
| Concentration of Sales | a. Sales to dealers /distributors as % of total sales | NA | NA |
| | b. Number of dealers / distributors to whom sales are made | | |
| | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors | | |
| Share of RPTs in | a. Purchases (Purchases with related parties /Total Purchases) | NA** | NA** |
| | b. Sales (Sales to related parties / Total Sales) | NA** | NA** |
| | c. Loans & advances (Loans & advances given to related parties/ Total loans & advances) | 1.064% (4,944.508 crores/ AUM i.e., 4,64,641.28 crores) | Loans to RVNL |
| | d. Investments (Investments in related parties/ Total Investments made) | 100% (53.595 crores/53.595 crores) | (IRCON SHARES) |

*NA means Not Applicable

**IRFC is working on finance lease model.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

| Total number of awareness programmes held | Topics/Principles covered under the training | % age of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|---|---|---|
| 2 | Insights about the benefit available for the MSE's vendor and building good relationships | 100% |

2. 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.

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://irfc.co.in/sites/default/files/inline-files/Code%20of%20Business%20Conduct%20and%20Ethics%20for%20Board%20Members%20and%20Senior%20Management.pdf>

Further, whenever any director has a direct or indirect stake in an agenda/matter, they would refrain from participating in the discussion. Also, in accordance with laid down provisions of Companies Act, 2013 and SEBI Regulations each director gives the disclosure of his interest in any Company or body's corporate firm, or other association of individuals by giving a notice in writing on annual basis (changes from time to time); and the same is put up to the board.

PRINCIPLE 2

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

Essential Indicators

1. 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.

| Particulars | Current Financial Year | Previous Financial Year | Details of improvements in environmental and social impacts |
|-------------|------------------------|-------------------------|--|
| R&D | - | - | - |
| Capex | - | - | IRFC does not own any manufacturing facility, thus there are no particulars relating to R&D and Capex. |

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Considering the business activities of the Company, this question has limited applicability. Being NBFC, IRFC's resource use is mainly limited to electricity, office supplies and communication or IT equipment.

Being NBFC, IRFC is less resource-intensive in terms of material requirements. Despite the limited scope, IRFC ensures responsible sourcing of all its material requirements. The Company promotes GeM portal (Government e-Marketplace) in its procurements and promotes sourcing from MSME vendors. All procurement / sourcing of material and services is

done as per the procedure defined in the Procurement Guidelines of the Company.

- b. If yes, what percentage of inputs were sourced sustainably?

In terms of material requirements, IRFC has made it mandatory to procure common use goods & services available on GeM (Government e-Marketplace) portal, with purchase preference to MII/MSMEs as per Government directives. During the financial year 2023-24, Percentage (%) of procurement from MSME (including MSME owned by SC/ST entrepreneurs) out of total procurement is 77.52%

3. 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.

Given the nature of business and operations, the Company does not have material plastic waste, e-waste and other waste. Further, the Company does not have any hazardous waste.

Disposal of old, unserviceable & obsolete IT equipment's, identified as e-waste, is done through registered Recyclers/ Re-processers under Central Pollution Control Board, Government of India & State Pollution Control Committee Board. Electronic waste, by following Procurement Guidelines of the Company.

The Company has also reduced plastic use to minimal and encourages use of substitutes such as jute bags, cloth bags etc.

4. 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, since IRFC is a NBFC and is not involved in manufacturing of any kind of product.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)?

Being a NBFC categorized as IFC, the main products offered by IRFC include is to finance the acquisition of rolling stock assets, leasing of railway infrastructure assets, and lending to other entities under the MoR. We lend funds to MoR and other Railway Entities in order to fuel their growth plan. We have provided loans to Rail Vikas Nigam Limited (RVNL) and IRCON.

IRFC uses a leasing approach to fund Indian Railways' Rolling stock and project assets. The normal lease term is 30 years, with a primary component of 15 years and a secondary component of 15 years. During the primary lease period, the principal component and interest are recovered as part of the lease. Secondary lease period assets are normally transferred to the MoR for a nominal sum at the conclusion of the lease. We have a cost-plus leasing agreement with the Ministry of Railways, which ensures consistent growth in our income and profitability. MoR pays half-yearly lease rentals in advance, which include both principal repayment and interest. The details of leasing, lending and borrowing operations of the Company are available on the website of the Company at <https://irfc.co.in>.

2. 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.

| Name of Product/ Service | Description of the risk/ concern | Action Taken |
|---|--|---|
| Other financial service activities- Financial Leasing | No significant social or environmental concern / risk is envisaged from the Company's business activities. | IRFC is not a manufacturing Company. Further, as per the credit policy of the Company, the evaluation of the project covers the Environmental Appraisal aspect also. The analysis of environmentally sensitive projects will address several issues like measurement of environmental impact, cost- benefit analysis, assessment of alternative strategy etc. |

3. 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.

4. 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:

| Particulars | FY 2023-24 | | | FY 2022-23 | | |
|--------------------------------|------------|----------|-----------------|------------|----------|-----------------|
| | Re-Used | Recycled | Safely Disposed | Re-Used | Recycled | Safely Disposed |
| Plastics (including packaging) | - | - | - | - | - | - |
| E-waste | - | - | - | - | - | *41 |
| Hazardous waste | - | - | - | - | - | - |
| Other waste | - | - | - | - | - | - |

* Denotes number of IT equipment units safely disposed.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.
Not Applicable

PRINCIPLE 3

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

Essential Indicators

1. a. 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 | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | No. (D) | % (D/A) | No. (E) | % (E/A) | No. (F) | % (F/A) |
| Permanent employees | | | | | | | | | | | |
| Male | 33 | - | - | 33 | 100 | - | - | 33 | 100 | - | - |
| Female | 9 | - | - | 9 | 100 | 9 | 100 | - | - | - | - |
| Total | 42 | - | - | 42 | 100 | 9 | 100 | 33 | 100 | - | - |
| Other than Permanent employees | | | | | | | | | | | |
| Male | - | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - | - | - | - |

*Considered Regular Permanent Employees & details are mentioned as per Policy Coverage.

- b. Details of measures for the well-being of workers:

| Category | % of workers covered by | | | | | | | | | | |
|-------------------------------------|-------------------------|------------------|----------|--------------------|----------|--------------------|----------|--------------------|----------|---------------------|----------|
| | Total (A) | Health insurance | | Accident insurance | | Maternity Benefits | | Paternity Benefits | | Day Care facilities | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | No. (D) | % (D/A) | No. (E) | % (E/A) | No. (F) | % (F/A) |
| Permanent Workers | | | | | | | | | | | |
| Male | - | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - | - | - | - |
| Other than Permanent Workers | | | | | | | | | | | |
| Male | - | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - | - | - | - |

- c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

| | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Cost incurred on well being measures as a % of total revenue of the Company | 0.0006% | 0.0004% |

2. Details of retirement benefits, for Current FY and Previous Financial Year.

| Particulars | FY 2023-24 | | | FY 2022-23 | | |
|------------------------|---|---|---|---|---|---|
| | 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% | N.A. | Yes | 100% | N.A. | Yes |
| Gratuity | 100% | N.A. | Yes | 100% | N.A. | Yes |
| ESI | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |
| Others– please specify | NPS | 100% | Yes | 100% | N.A. | Yes |
| | PRMS | 100%* | Yes | 100%* | N.A. | Yes |

* subject to eligibility conditions prescribed by DPE.

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 are accessible to differently abled employees, with lift facilities, ramps, wheelchair, accessible restrooms.

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.

Being a CPSE, Company follows guidelines issued by Govt. of India in respect of PWD's from time to time.

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 | 100% | 100% | - | - |
| Female | - | - | - | - |
| Total | 100% | 100% | - | - |

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/No (If Yes, then give details of the mechanism in brief) |
|--------------------------------|--|
| Permanent Workers | - |
| Other than Permanent Workers | - |
| Permanent Employees | Yes. A detailed grievance redressal mechanism is in place and accessible to the employees of the Company through intranet. |
| Other than Permanent Employees | - |

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

There is no association(s) or unions of employees of the Company.

8. Details of training given to employees and workers*:

| Category | FY 2023-24 | | | | | FY 2022-23 | | | | |
|------------------|------------|-------------------------------|----------|----------------------|--------------|------------|-------------------------------|----------|----------------------|---------------|
| | Total (A) | On Health and safety measures | | On Skill Upgradation | | Total (D) | On Health and safety measures | | On Skill Upgradation | |
| | | No.(B) | %(B/A) | No.(C) | %(C/A) | | No.(E) | %(E/D) | No.(F) | %(F/D) |
| Employees | | | | | | | | | | |
| Male | 33 | - | - | 33 | 100 | 33 | - | - | 15 | 45.45% |
| Female | 9 | - | - | 8 | 88.89 | 8 | - | - | 4 | 50.00% |
| Total | 42 | - | - | 41 | 97.61 | 41 | - | - | 19 | 46.34% |
| Workers | | | | | | | | | | |
| Male | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - | - | - |

*Other than Board of Directors & Key Managerial Personnel (KMP)

9. Details of performance and career development reviews of employees and worker:

| | FY 2023-24 | | | FY 2022-23 | | |
|------------------|------------|-----------|------------|------------|-----------|------------|
| | Total(A) | No.(B) | %(B/A) | Total(C) | No.(D) | %(D/C) |
| Employees | | | | | | |
| Male | 33 | 33 | 100 | 33 | 33 | 100 |
| Female | 9 | 9 | 100 | 8 | 8 | 100 |
| Total | 42 | 42 | 100 | 41 | 41 | 100 |
| Workers | | | | | | |
| Male | - | - | - | - | - | - |
| Female | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Considering the nature of business and operations, the occupational health and safety issues are minimal. The Company takes care of health and well-being of its employees by reimbursing in-patient and out-patient medical costs, provision for leaves on medical grounds, rehabilitation policy in case of death or permanent disability, which are applicable for all employees.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Not applicable

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Not applicable

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

No

11. Details of safety related incidents, in the following format*:

| Safety Incident/Number | Category | FY 2023-24 | FY 2022-23 |
|---|-----------|------------|------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | NIL | NIL |
| | Workers | | |
| Total recordable work-related injuries | Employees | | |
| | Workers | | |
| No. of fatalities | Employees | | |
| | Workers | | |
| High consequence work-related injury or ill - health (excluding fatalities) | Employees | | |
| | Workers | | |

*Company is NBFC.

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Company is committed to providing a safe and healthy workplace to ensure a culture of safety throughout the organization. Considering the nature of business and operations, the occupational health and safety issues are minimal. The Company takes care of health and well-being of its employees by reimbursing in-patient and out-patient medical costs, provision for leaves on medical grounds, rehabilitation policy in case of death or permanent disability, which are applicable for all employees.

13. Number of Complaints on the following made by employees and workers

| | FY 2023-24 | | | FY 2022-23 | | |
|--------------------|-----------------------|---|---------|-----------------------|---|---------|
| | Filed during the year | Pending resolution at the end of the year | Remarks | Filed during the year | Pending resolution at the end of the year | Remarks |
| Working Conditions | - | - | - | - | - | - |
| Health & Safety | - | - | - | - | - | - |

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 | - |
| 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.

Not Applicable

Leadership Indicators

1. 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)

(A) Employees-Yes, the Company provides rehabilitation package in case of death or permanent disability to the employee and/or his/her family member.

(B) Worker- Not applicable.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company ensures timely deposit of statutory dues, obtaining of statutory clearances and meeting such other similar obligations as per statutory requirements etc.

3. 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 for FY 2023-24 and FY 2022-23

4. 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)

The Company is a CPSE, which follows employment norms of DPE in cases of retirement or termination of employment. The Company also provides post-retirement medical benefits and other welfare measures to its retired employees.

5. Details on assessment of value chain partners:

None

6. 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.

Not Applicable

PRINCIPLE 4

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

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Yes, the Company has mapped its internal and external stakeholders. Internal stakeholders include employees and staff of the Company and external stakeholders include equity shareholders, bondholders, creditors, bankers, borrowers and customers from both public and private sectors, Governmental bodies and regulatory authorities including State Government(s), Reserve Bank of India, Ministry of Corporate Affairs, Securities and Exchange Board of India, Stock Exchanges etc.

2. 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 |
|----------------------|---|---|--|---|
| Shareholders | No | Email/SMS/Website/Letters/ Telephone/ Newspaper etc. | As and when Investors call is conducted and General Meetings etc. | Communication of financial results, adoption of financial statement and transaction of ordinary and special business from time to time. Addressing requests/ grievances of shareholders from time to time. |
| Bondholders | No | Email/SMS/Website/Letters/ Telephone/ Newspaper etc. | As and when Required. | Allotment, Interest Servicing, Redemption Payment, Bond Certificate/Demat Credit. Addressing requests/grievances of bondholders from time to time. |
| Value Chain Partners | No | Email/SMS/Website/ Letters/ Telephone /GeM, workshops, Awareness programme and other portals of Government. | As and when Required. | Meetings were organized for relationship building updates on key developments in the Company & addressing their issues. |

| 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 |
|-------------------|---|---|--|---|
| Employees | No | Direct interaction, notice board, social media, grievance redressal mechanism, e-mails and journals. | As and when Required. | Facilitating learning & development, communication of various policies, guidelines, aware about key developments in the Company and addressing their issues |
| Regulatory Bodies | No | MoUs, quarterly progress reports, annual reports, meetings | On quarterly, Annual and Need based | Support government missions, Relationship building, Discussion On major investment plans, Discussions with regulatory bodies w.r.t. regulations, amendments, approvals and assessments. |

Leadership Indicators

1. 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.

The Company already has various Board-approved policies in place, to address the economic, and social topics relating to its business. The said policies have been developed over a period of time based on the inputs from relevant stakeholders.

Stakeholder consultations are typically undertaken by respective groups, business heads with relevant company officers. The feedbacks/identified issues of corporate concerns are escalated to the Board-level through various Board committees which oversees aspects like Business risk, CSR & Sustainability, Marketing Strategies & Information Technology Oversight, Planning & Projects, Dispute Settlement etc.

2. 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.

Yes, stakeholder consultation is used to support the identification and management of environmental and social topics. IRFC recognizes the importance of proactive interaction with its stakeholders as it helps the company in

matching their expectation and Building stakeholder trust and confidence. Further, the company consults with its stakeholders on sustainability issues.

- a. IRFC has a well-defined CSR Policy in line with the Companies Act, 2013 and DPE Guidelines on CSR. In terms of DPE guidelines for the year 2023-24, which mandated CPSEs to spend on the theme of "Health & Nutrition", preferably in aspirational districts, against the same IRFC contributed around 67.27% towards "Health & Nutrition" of total CSR expenditure during the year.
- b. During the year 2023-24, IRFC undertook various projects in PAN India basis in the field of welfare of community such as providing healthcare facility by way of medical equipment, green energy initiatives, education, environment sustainability, contribution towards various Funds, measures for the benefit of armed forces veterans, war widows and their dependents, etc.

Within Community, the Company takes up specific community development programmes in various districts focusing on Aspirational districts (most backward districts in the country) as identified by NITI Ayog. The company is also undertaking special CSR programmes for Divyangjans, providing skill training to Unemployed youth /SC/ST/OBC/Women & EWS of the society.

- c. IRFC is socially conscious organization and fully endorses the nine principles of Global Compact enunciated by the United Nations Organization (UNO)

which encompass area of human rights, environment protection and labour rights. These principles of Global Compact are embedded in various organizational policies of the Company thereby facilitating their implementation in a natural way.

IRFC consistently strives towards meeting the expectation of the society through proper planning and decision making that will help in achieving a real and lasting reduction of social and economic disparities as well as protecting the environment. IRFC continues to support activities that aim at improving the quality of life of both present and future generations and at the same time safeguarding the capacity of the earth to support life in all its diversity.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

IRFC promotes procurement from MSMEs and extends certain facilities in its procurement procedures to registered MSMEs. IRFC has welfare-oriented policies for its employees, especially those who are vulnerable.

The Company makes efforts on a regular basis to reach out to those equity shareholders and bondholders, who have unclaimed / unpaid dividends amounts/shares or unclaimed redemption interest amounts lying with the Company, so that such investors do not miss out on getting their rightful dues.

PRINCIPLE 5

Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category | FY 2023-24 | | | FY 2022-23 | | |
|------------------------|------------|--|-------------|------------|--|-------------|
| | Total (A) | No. of employees / workers covered (B) | % (B / A) | Total (C) | No. of employees / workers covered (D) | % (D / C) |
| Employees | | | | | | |
| Permanent | 42 | 42 | 100% | 41 | 41 | 100% |
| Other than permanent | - | - | - | - | - | - |
| Total Employees | 42 | 42 | 100% | 41 | 41 | 100% |
| Workers | | | | | | |
| Permanent | - | - | - | - | - | - |
| Other than permanent | - | - | - | - | - | - |
| Total Workers | - | - | - | - | - | - |

*Considered regular permanent employees

2. Details of minimum wages paid to employees and workers, in the following format*:

| Category | FY 2023-24 | | | | | FY 2022-23 | | | | |
|--------------------------|------------|-----------------------|--------|------------------------|--------|------------|-----------------------|--------|------------------------|--------|
| | 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) |
| Employees | | | | | | | | | | |
| Permanent | - | - | - | - | - | - | - | - | - | - |
| Male | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - |
| Other- Permanent | - | - | - | - | - | - | - | - | - | - |
| Male | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - |
| Workers | | | | | | | | | | |
| Permanent | - | - | - | - | - | - | - | - | - | - |
| Male | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - |
| Other - Permanent | - | - | - | - | - | - | - | - | - | - |
| Male | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - |

*The Company is a CPSE, which follows guidelines of DPE.

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

| | Male | | | Female | | |
|----------------------------------|--------|---|----|--------|---|----|
| | Number | Median Remuneration/ salary/ wages of respective category | of | Number | Median Remuneration/ salary/ wages of respective category | of |
| Board of Directors (BoD) | NA* | | | | | |
| Key Managerial Personnel | | | | | | |
| Employees other than BoD and KMP | | | | | | |
| Workers | - | - | - | - | - | - |

*In accordance with the notification dated June 05, 2015 issued by the Ministry of Corporate Affairs (MCA), Government of India, Government companies are exempted from complying with provisions of Section 197 of the Companies Act, 2013 read with the Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force). Accordingly, the calculation w.r.t. Median remuneration / salary /wages of Board of Directors (BoD), Key Managerial Personnel (KMP) & Employees are not provided.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

| | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Gross wages paid to females as % of total wages | 25.45% | 23.19% |

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/ No)

- a) Yes, the Company is committed to provide equal employment opportunities without any discrimination on the grounds of disability, gender, caste, religion, race, state, background, colour, and maintaining a

work environment that is free from harassment based on the above considerations.

- b) Abiding by the provisions of the Minimum Wages Act 1971, the minimum wages paid to the employees and contractors are revised periodically. The salary paid to employees of all categories fulfils all norms of the Act as prescribed.

- c) Being a Government Company and a Central Public Sector Enterprise under the Ministry of Railways, its HR policies reflect the incorporation of Human Rights, which cover all the employees and relative aspects pertaining to Vendors/Suppliers/Contractors through contract conditions.
- d) Further, IRFC 'CDA Rules' also define the desirable and non-desirable acts and conduct for the employees. There is a laid down procedure for actions in case of non-compliance with the defined terms as well as for any inappropriate or unwelcome sexually oriented behaviour.
- e) The Company has a policy towards sexual harassment at the workplace, which has been implemented. All reported cases of sexual harassment are inquired into by an Internal Complaints Committee. Internal Complaints Committees (ICCs) have been constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received on sexual harassment. If proved, disciplinary action is taken in accordance with the Conduct, Discipline and Appeal Rules (CDA Rules) against the delinquent employee. To promote fair and equitable employment relationship, a scheme for Grievance Redressal of employees is also in place which ensures a time bound redressal of grievances.
- f) IRFC has a comprehensive Whistle Blower Policy in place enabling employees to report malpractices such as misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, and matters affecting the interests of the Company with necessary safeguards for the protection of the whistle blower.
- 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**
Yes. As detailed above

6. Number of complaints on the following made by employees and Workers:

| Particulars | FY 2023-24 | | | FY 2022-23 | | |
|-----------------------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
| | 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 | - | - | - | - | - | - |
| Discrimination at workplace | - | - | - | - | - | - |
| Child Labour | - | - | - | - | - | - |
| Forced Labour/Involuntary Labour | - | - | - | - | - | - |
| Wages | - | - | - | - | - | - |
| Other human rights related issues | - | - | - | - | - | - |

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

| | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Total complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | - | - |
| Complaints on POSH as % of female employees/ workers | - | - |
| Complaints on POSH upheld | - | - |

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

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://irfc.co.in/sites/default/files/inline-files/2.%20Whistle-Blower-Policy.pdf>

IRFC believes that a sustainable organization rests on the foundation of ethics and respect for human rights. The Company ensures diversity and equal opportunities in workplace and upholds that career advancement is based on talent and performance.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

The financial relationship of the Company with the Ministry of Railways is based on a Financial Lease arrangement, which is regulated by a standard lease agreement. Human rights requirements do not form part of said lease agreements. To protect the human rights of employees, IRFC has adopted employee- oriented policies, in line with the general laws and sound ethical practices.

10. Assessments for the year:

Nil

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

Not applicable

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, the premises are accessible to differently abled visitors, with lifts and ramps, wheelchair accessible restrooms.

4. Details on assessment of value chain partners:

Nil

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:

The total energy consumption done by IRFC at its own premises for the FY 2023-24 is 58,248 kwh. However, the energy intensity per rupee of turnover (crores) is 0.007, as since IRFC is a NBFC and is not involved in manufacturing of any kind of product.

Further, to save power, the Company purchases LED/ LCD monitors while replacing the old monitors. Employees are encouraged to keep their gadgets in power saving mode, wherever possible. The Company replaces its old electrical items, gadgets, etc. with power efficient units. The internal lightning of office by energy- efficient LED lights has helped to conserve electricity.

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.

Not Applicable

3. Provide details of the disclosures related to water.

Nil, since IRFC is a NBFC and is not involved in manufacturing of any kind of product, therefore, its water intensity is negligible.

4. Provide the details related to water discharged:

Nil, since IRFC is a NBFC and is not involved in manufacturing of any kind of product, therefore, its water intensity is negligible.

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.

Not Applicable, since IRFC is a NBFC and is not involved in manufacturing of any kind of product, therefore, air emission is negligible.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

The total energy consumption done by IRFC at its own premises for the FY 2023-24 is 58,248 kwh. However, the energy intensity per rupee of turnover (crores) is 0.007, as since IRFC is a NBFC and is not involved in manufacturing of any kind of product.

Further, on account of electricity consumption that was 58,248 kwh, Company used the grid emission factor and total scope 2 emission for the reporting year is 46.5 tonnes.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Not Applicable. Indian Railways is working on a mission mode to become the largest Green Railways in the world, and is moving to become a 'net zero emitter' before 2030. It is planning to do so through investing in massive electrification, development of freight corridors, energy-efficient and carbon friendly technologies, harness potential of Solar energy etc. to reduce its carbon footprint. IRFC will continue to help MoR to support Governments commitments such as Paris Agreement on Climate Change and UN Sustainable Development Goals, via raising of resources under green framework.

9. Provide details related to waste management by the entity*:

| Parameter | FY 2023-24 | FY 2022-23 |
|--|--------------|--------------|
| Total Waste generated (in metric tonnes) | | |
| Plastic waste (A) | NIL | NIL |
| E-waste (B) | NIL | NIL |
| Bio-medical waste (C) | NIL | NIL |
| Construction and demolition waste (D) | NIL | NIL |
| Battery waste (E) | NIL | NIL |
| Radioactive waste (F) | NIL | NIL |
| Other Hazardous waste. Please specify, if any. (G) | NIL | NIL |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | 46 kg** | 75 kg** |
| Total (A+B + C + D + E + F + G + H) | 46 kg | 75 kg |
| Waste intensity per rupee of turnover (Total waste generated /Revenue from operations) | NIL | NIL |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) | NIL | NIL |
| Waste intensity in terms of physical output | NIL | NIL |
| Waste intensity (optional) – the relevant metric may be selected by the entity | NIL | NIL |
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) | | |
| Category of waste | | |
| (i) Recycled | NIL | NIL |
| (ii) Re-used | NIL | NIL |
| (iii) Other recovery operations | NIL | NIL |
| Total | NIL | NIL |
| For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes) | | |
| Category of waste | | |
| (i) Incineration | NIL | NIL |
| (ii) Landfilling | NIL | NIL |
| (iii) Other disposal operations | NIL | NIL |
| Total | NIL | NIL |

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. - Yes, IRFC has undertaken reasonable assurance for BRSR core parameters from M/s JointValues ESG Services Private Limited

*Considering the nature of business, the Company does not generate any material waste.

** The non-hazardous waste generated includes the paper waste which amounts to 46 KG (5% of total procurement considered). However, the waste intensity per rupee turnover(crores) is 0.0017. The waste is handed over to Delhi Municipality on daily basis and disposal of the same takes place by Delhi Municipality.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Disposal of old, un-serviceable & obsolete IT equipment, identified as e-waste, is done through registered recyclers/re-processors under Central Pollution Control Board and State Pollution Control Committee/Board, by following the procedure defined under IRFC's Procurement Guidelines.

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:

The Company is a NBFC. Its registered office is in New Delhi. Office of the Company is not located in ecologically sensitive area.

| S. No. | Location of operations/offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any. |
|--------|--------------------------------|--------------------|---|
| - | - | - | - |
| - | - | - | - |

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

IRFC being a NBFC, finances Indian Railways Extra Budgetary Requirements (EBR). In the past, IRFC has also raised resources from off-shore market through issuance of Green Bonds. IRFC will continue to help MoR to support Governments commitments such as Paris Agreement on Climate Change and UN Sustainable Development Goals, via raising of resources under green framework.

13. Is the entity compliant with the applicable environmental 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-compliances, in the following format:

IRFC is not a manufacturing company. Hence, the given question has limited relevance. However, the Company complies with applicable environmental regulations in respect of its premises and operations. The Company also does Environment appraisal to analyze any detrimental environmental impact and how to mitigate the same. The factors include the water, air, land, sound, geographical location. The analysis of environmentally sensitive projects addresses several issues like measurement of environmental impact, cost-benefit analysis, assessment of alternative strategy etc.

| S. No. | Specify the law / regulation/ guidelines which was not complied with | Provide details of the non-compliance | Any fines / penalties /action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|--------|--|---------------------------------------|--|---------------------------------|
| - | - | - | - | - |
| - | - | - | - | - |

Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

Not Applicable

2. **Please provide details of total Scope 3 emissions & its intensity:**

Not Applicable

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:**

IRFC had awarded the contract for implementation of ERP in IRFC including servers for cloud hosting and disaster recovery to M/s RailTel Corporation Ltd. IRFC had gone live with eFile & HRMS module. ERP implementation has minimized paper consumption and manual processes.

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

The Company has a comprehensive risk management policy, which essentially covers Business Continuity and disaster management Plan. Currently, IRFC has already set up a disaster recovery site where all the applications are hosted. Regular backup of all the critical data is being taken as per the policy of the organization.

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.**

IRFC a Govt. of India undertaking under the Ministry of Railways plays a significant role in funding the Indian Railways -"the national operator of railway system". The primary objective of IRFC is to meet the predominant portion of 'Extra Budgetary Resources' (EBR) requirement of the Indian Railways through market borrowings at the most competitive rates and terms. The Company's principal business therefore is to borrow funds from the financial markets to finance the acquisition / creation of rolling stock assets, leasing of railway infrastructure assets, and lending to other entities under the MoR like Rail Vikas Nigam Ltd, IRCON.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

None

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.**

NIL

- 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) |
|--------|---|--|
| - | - | - |
| - | - | - |

Further, the Company ensures to protect the interest of its stakeholders.

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

No adverse orders were passed from regulatory authorities.

Leadership Indicators

1. Details of public policy positions advocated by the entity:

IRFC a statutory body under the Ministry of Railways plays a significant role in funding the Indian Railways -"the national operator of railway system".

The Company represents its views through knowledge sharing systems, responses to surveys, feedback on industry needs, among others. The Company regularly interacts with Ministry of Railways, Department of Public Enterprises on various matters.

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Not Applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community.

Investors address their complaints / queries / requests to the Company or to Registrar & Transfer Agent or on the SEBI Scores system i.e., online redressal mechanism. The complaints / queries / requests received from the Investors are mostly in the nature of non-receipt of interest / dividend, non-receipt of bond certificates / non-credit of bonds through electronic mode in demat account, clarification on amount of interest/ dividend, updating of bank details, name correction on bond certificate, issue of fresh interest warrant / dividend warrant in lieu of mutilated warrant, delay in transfer / transmission of bonds, delay in issue of duplicate bond Certificate, rematerialization/dematerialization of shares etc. Complaints are resolved by Registrar and Transfer Agent and in some of the case(s) intervention of the Company is required such as clarification on calculation of interest, revalidation of interest warrant/ dividend warrant and issue of duplicate bond certificate, rematerialization of shares etc. the complaints are resolved within the stipulated time frame. Further, company ensures to protect the interest of its stakeholders.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

| | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Directly sourced from MSMEs/ small producers | 77.52% | 34.09% |
| Directly from within India | 100% | 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.

The Company is a NBFC having its registered office at New Delhi. Hence, this question has limited applicability. The Company is a CPSE, which follows guidelines of DPE.

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:

| State | Aspirational District | Amount spent (Rs. In Lakh) |
|------------------|-----------------------|----------------------------|
| Assam | Dhubri | 5.00 |
| | Goalpara | 5.00 |
| | Hailakandi | 5.00 |
| Bihar | Aurangabad | 4.32 |
| | Begusarai | 1.23 |
| | Gaya | 1.85 |
| | Nawada | 1.23 |
| Chhattisgarh | Dantewada | 1.62 |
| Himachal Pradesh | Chamba | 17.60 |
| Jammu & Kashmir | Kupwara | 66.91 |
| Jharkhand | Bokaro | 16.66 |
| | Garwha | 4.32 |
| | Godda | 0.62 |
| | Gumla | 9.20 |
| | Hajaribagh | 1.23 |
| | Pakur | 1.85 |
| | Palamu | 33.94 |
| | Ranchi | 0.62 |
| Karnataka | Gadag | 13.99 |
| Madhya Pradesh | Damoh | 0.62 |
| | Vidisha | 5.00 |
| | Shivpuri | 1.23 |
| | Sidhi | 0.62 |
| | Singrauli | 4.32 |
| Maharashtra | Jalgaon | 9.64 |
| | Osmanabad | 18.04 |
| Odisha | Balangir | 2.24 |
| | Dhenkanal | 2.24 |
| | Koraput | 2.24 |
| | Naupada | 2.24 |
| | Nawarangpur | 2.24 |
| | Rayagada | 7.24 |
| Rajasthan | Karauli | 7.82 |
| Uttar Pradesh | Fatehpur | 0.62 |
| | Siddhartha Nagar | 3.70 |
| Uttarakhand | Haridwar | 12.82 |
| West Bengal | Birbhum | 2.87 |
| | Dinajpur | 2.24 |
| | Nadia | 6.99 |
| | Purulia | 4.32 |
| | Grand Total | 310.66 |

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/ No)**

The Company has in place, a Manual for Procurement of Goods, Services and Works, which provides guidelines to expedite decision making process by way of consolidating, simplifying and streamlining the various steps to be followed in the process of award of contracts from the procurement of goods, works & services as well as during its implementation on the ground.

(b) **From which marginalized /vulnerable groups do you procure?**

IRFC has made it mandatory to procure 100% of common use goods & services valuing upto ₹10 lakh from MSME vendors and also to allow price preference upto 50% to MSMEs, out of which 20% is reserved for SC/ ST and women entrepreneurs. The Company extends various facilities in its procurement procedures to registered MSMEs, such as supply of tender sets free of cost, exemption from payment of earnest money etc.

(c) **What percentage of total procurement (by value) does it constitute?**

IRFC has made it mandatory to procure 100% of common use goods & services valuing upto ₹10 lakh from MSME vendors and also to allow price preference upto 50% to MSMEs, out of which 20% is reserved for SC/ ST and women entrepreneurs. The Company extends various facilities in its procurement procedures to registered MSMEs, such as supply of tender sets free of cost, exemption from payment of earnest money etc.

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:**

Not Applicable

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.**

No adverse orders were passed in relation to intellectual property related disputes.

6. **Details of beneficiaries of CSR Projects:**

| S. No. | CSR Project | No. of persons benefited from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|--------|---|--|--|
| 1. | For Improvement of Infrastructure Equipment and solar rooftop system at 07 Andhra Pradesh Vaidya Vidhana Parishad Hospital (APVVP Hospital), 1 Area Hospital, 1 Government General Hospital (GGH) Medical College Located in Krishna District, Andhra Pradesh | ~10,000 | 100% |
| 2. | Armed Force Flag Day Fund (AFFD) for Education and Welfare of Veterans, Widows and their dependents, New Delhi | 2500 | 100% |
| 3. | For procurement of one Ambulance for tribal people of Kanchanpur sub-division, North Tripura, Tripura | ~1000 | 100% |
| 4. | For Public Healthcare program for prevention from vector-borne diseases to be achieved through " free distribution of long-lasting insecticidal net (LLIN) to the backward, under- privileged and marginalized population" at Nalanda, Bihar | 3500 | 100% |

| S. No. | CSR Project | No. of persons benefited from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|--------|---|--|--|
| 5. | For creation of Infrastructure facilities for Skin Banking and Microbiome services at AIIMS Bhubaneswar, Odisha | ~5000 | 100% |
| 6. | For development of Humanitarian activities by procurement of medical equipment for Red Cross Blood Bank at Mehsana and Patan District of Gujarat | ~2000 | 100% |
| 7. | For supply and installation of 265 solar street lights in various places of kaushambi, U.P. | ~2000 | 100% |
| 8. | For construction of Girls Hostel (65 Rooms/ G+7 Building) on double occupancy sharing for Nursing and Para Medical students of AIIMS Raebareli, U.P. | ~1000 | 100% |
| 9. | For setting up of 01 Operation Theatres at Sri Sathya Sai Heart Hospital, Ahmedabad, Gujarat | ~1000 | 100% |
| 10. | For cardiac, Dental & Ortho projects Super speciality Building of Bharat Ratna Dr. Babasaheb Ambedkar Memorial Hospital Byculla Mumbai of Central Railway | ~5000 | 100% |
| 11. | For promoting sports culture by way of developing State of the art Cricket stadium to provide coaching and training facility to the youth at Kadi, Mehsana, Gujarat | ~1000 | 100% |
| 12. | Community Health Centre (CHC) Shamlaji Hospital (Govt. of Gujarat) for procurement of ambulance to transfer critical patients from Shamlaji Hospital to higher centre for advance treatment | ~1000 | 100% |
| 13. | To Support for Patient Assistance Program for under-privileged cancer patients at West Bengal | ~2500 | 100% |
| 14. | For supporting 200 Ekal Vidyalaya's in Aspirational Districts of Uttar Pradesh, Uttarakhand, Himanchal Pradesh and Jammu and Kashmir | ~5000 | 100% |
| 15. | For support to identified tribal students at Kalinga Institute of Social Sciences (KISS) Bhubaneswar, belonging to aspirational Districts of Odisha | ~400 | 100% |
| 16. | For setting up SCOT Research lab: Single Cell Omics Translational Research Laboratory at the Department of Medical Sciences and technology at IIT Madras, Chennai, Tamilnadu | ~2000 | 100% |

PRINCIPLE 9**Businesses should engage with and provide value to their consumers in a responsible manner****Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

IRFC a Govt. of India undertaking under the Ministry of Railways plays a significant role in funding the Indian Railways -“the national operator of railway system”. The primary objective of IRFC is to meet the predominant portion of ‘Extra Budgetary Resources’ (EBR) requirement of the Indian Railways through market borrowings at the most competitive rates and terms. The Company’s principal business therefore is to borrow funds from the financial markets to finance the acquisition / creation of rolling stock assets, leasing of railway infrastructure assets, and lending to other entities under the MoR like Rail Vikas Nigam Ltd, IRCON.

The objective of Fair Practice Code as per RBI guidelines covers in detail a grievance redressal mechanism for consumers to submit their complaints if any. IRFC has a single client business relationship with MoR thus the adoption of the Fair Practice Code lacks relevance in the context of IRFC and the Company has been granted exemption from adoption of Fair Practice Code from RBI.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

| | As a percentage of total turnover |
|---|--|
| Environmental and social parameters relevant to the product | Not Applicable |
| Safe and responsible usage | 100% |
| Recycling and/or safe disposal | Not Applicable |

Being a NBFC categorized as IFC, the main products offered by IRFC include is to finance the acquisition of rolling stock assets, leasing of railway infrastructure assets, and lending to other entities under the MoR. We lend funds to MoR and other Railway Entities in order to fuel their growth plan. We have provided loans to Rail Vikas Nigam Limited (RVNL) and IRCON. The details of leasing, lending and borrowings operations of the Company are available on the website of the Company at <https://irfc.co.in>.

3. Number of consumer complaints in respect of the following:

| | FY 2023-24 | | Remarks | FY 2022-23 | | Remarks |
|--------------------------------|--------------------------|-----------------------------------|---------|--------------------------|-----------------------------------|---------|
| | Received during the year | Pending resolution at end of year | | Received during the year | Pending resolution at end of year | |
| Data privacy | - | - | - | - | - | - |
| Advertising | - | - | - | - | - | - |
| Cyber-security | - | - | - | - | - | - |
| Delivery of essential services | - | - | - | - | - | - |
| Restrictive Trade Practices | - | - | - | - | - | - |
| Unfair Trade Practices | - | - | - | - | - | - |
| Other | - | - | - | - | - | - |

4. Details of instances 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 a web-link of the policy.

The Company has a comprehensive risk management policy which essentially covers cyber security and related aspects. The policy is an internal document of the Company.

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 customers; 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:

- a. Number of instances of data breaches : Nil
- b. Percentage of data breaches involving personally identifiable information of customers: Nil
- c. Impact, if any, of the data breaches : Nil

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Being a NBFC categorized as IFC, the main products offered by IRFC include is to finance the acquisition of rolling stock assets, leasing of railway infrastructure assets, and lending to other entities under the MoR. We lend funds to MoR and other Railway Entities in order to fuel their growth plan. We have provided loans to Rail Vikas Nigam Limited (RVNL) and IRCON. The details of leasing, lending and borrowings operations of the Company are available on the website of the Company at <https://irfc.co.in>.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The main products offered by IRFC include is to finance the acquisition of rolling stock assets, leasing of railway infrastructure assets, and lending to other entities under the MoR. We lend funds to MoR and other Railway Entities to fuel their growth plan. We have provided loans only to Rail Vikas Nigam Limited (RVNL) and IRCON, These entities falls under the Ministry of Railways. Thus, considering the business activities of the Company, this question has limited applicability.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company has a comprehensive risk management Policy which essentially covers cyber crisis management plan. Any disruption on IT services will be reported to the stakeholders as per the directives of RBI's Master Direction of IT Framework for NBFCs.

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)

IRFC a Govt. of India undertaking under the Ministry of Railways plays a significant role in funding the Indian Railways -"the national operator of railway system". The primary objective of IRFC is to meet the predominant portion of 'Extra Budgetary Resources' (EBR) requirement of the Indian Railways through market borrowings at the most competitive rates and terms. The Company's principal business therefore is to borrow funds from the financial markets to finance the acquisition / creation of rolling stock assets, leasing of railway infrastructure assets, and lending to other entities under the MoR like Rail Vikas Nigam Ltd, IRCON.

ANNEXURE TO BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

P1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

IRFC conducts its business activities with utmost importance to ethics, transparency and accountability. The Company has various policies and codes in place defining its Ethics and Governance framework, which are in full conformity with the laws applicable to the Company. The said framework includes, and is not limited to, the following policies and codes approved by the Board of Directors of the Company:

| Name of the policy | Weblink |
|---|---|
| Board Diversity Policy | https://irfc.co.in/sites/default/files/inline-files/Board-Diversity-Policy.pdf |
| Whistle Blower Policy | https://irfc.co.in/sites/default/files/inline-files/Whistle-Blower-Policy.pdf |
| Code of Business Conduct and Ethics | https://irfc.co.in/sites/default/files/inline-files/Code-of-business-conduct-ethics.pdf |
| Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions | https://irfc.co.in/sites/default/files/inline-files/Related-Party-Transactions-Policy.pdf |
| Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and their Immediate Relatives and for Fair Disclosure | https://irfc.co.in/sites/default/files/inline-files/Insider-Trading-Policy-New.pdf |
| Policy on 'fit & proper' criteria of Directors | https://irfc.co.in/sites/default/files/inline-files/1.%20IRFC%20FIT%20PROPER%20CRITERIA%20POLICY.pdf |
| Nomination and Remuneration Policy | https://irfc.co.in/sites/default/files/inline-files/Nomination-Remuneration-Policy.pdf |
| Policy of Material Disclosure of Events | https://irfc.co.in/sites/default/files/inline-files/4.%20CORPORATE%20POLICY%20ON%20MATERIALITY%20FOR%20DISCLOSURE%20OF%20EVENTS%20TO%20THE%20STOCK%20EXCHANGES.pdf |
| Prevention of Documents and Archival Policy | https://irfc.co.in/sites/default/files/inline-files/Preservation-of-Documents-and-Archival-Policy.pdf |
| Related Party Transaction Policy | https://irfc.co.in/sites/default/files/inline-files/3.%20RELATED%20PARTY%20TRANSACTIONS%20%E2%80%90%20POLICY%20%26%20PROCEDURES.pdf |
| Dividend Distribution Policy | https://irfc.co.in/sites/default/files/inline-files/Dividend-Distribution-Policy.pdf |
| KYC Prevention and Money Laundering Policy | https://irfc.co.in/sites/default/files/inline-files/Know-Your-Customer-KYC-and-Prevention-of-Money-Laundering-Activities-PMLA.pdf |
| Corporate Social Responsibility and Sustainability Policy | https://irfc.co.in/sites/default/files/inline-files/CSR%20Policy%20-%20Indian%20Railway%20Finance%20Corporation%20Limited.pdf |

P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

The Company is a NBFC and dedicated financing arm of the Indian Railways for mobilizing funds from domestic as well as overseas Capital Markets. Details of the Company's business activities are available at <https://irfc.co.in/operation/leasing-background>, <https://irfc.co.in/operation/lending-background> and <https://irfc.co.in/operation/borrowing-background>. Further, CSR Policy of the Company is available at <https://irfc.co.in/sites/default/files/inline-files/CSR-Policy.pdf>

P3 Businesses should promote the well-being of all employees

The Company has adopted various employee-oriented policies in line with the general laws and regulations and sound ethical

practices. Such policies are normally approved by the Board of Directors and are accessible to the employees of the Company.

P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

The Company respects the interest of all its stakeholders, including those who are disadvantaged, vulnerable & marginalized. The Company works towards inclusive growth through its Corporate Social Responsibility & Sustainability Policy approved by the Board of Directors. The CSR & Sustainability Policy is available at <https://irfc.co.in/sites/default/files/inline-files/CSR%20Policy%20-%20Indian%20Railway%20Finance%20Corporation%20Limited.pdf>

P5 Businesses should respect and promote human rights

IRFC strives to safeguard and uphold human rights in all ways possible. The Company has a Code of Business Conduct & Ethics, which captures the behavioral and ethical standards to be followed by the Board Members and Senior Management Personnel of the Company also, sets forth an obligation to strive continuously to bring about integrity and transparency in all spheres of the activities & Work unstintingly for eradication of corruption in all spheres of life.

The Code is approved by the Board of Directors. All Directors & Senior Management members affirm compliance to the same annually. The said Code is available at <https://irfc.co.in/sites/default/files/inline-files/Code%20of%20Business%20Conduct%20and%20Ethics%20for%20Board%20Members%20and%20Senior%20Management.pdf>

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

IRFC is socially conscious organization and fully endorses the nine principles of Global Compact enunciated by the United Nations Organization (UNO) which encompass area of human rights, environment protection and labour rights. These principles of Global Compact are embedded in various organizational policies of the Company thereby facilitating their implementation in a natural way.

IRFC consistently strives towards meeting the expectation of the society through proper planning and decision making that will help in achieving a real and lasting reduction of social and economic disparities as well as protecting the environment. IRFC continues to support activities that aim at improving the quality of life of both present and future generations and at the same

time safeguarding the capacity of the earth to support life in all its diversity.

P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

IRFC plays an active and responsible role in matters concerning public & regulatory policy. Senior officials of the Company are involved from time to time in implementation of various Government Programmes and initiatives.

P8 Businesses should support inclusive growth and equitable development

IRFC has various policies to support inclusive growth and equitable development of all its stakeholders. The Company has a Manual for Procurement of Goods, Service and Works. In addition to that, IRFC has a Board-approved CSR & Sustainability Policy, which guides CSR initiatives of the Company, many of which are directed towards inclusive growth and equitable development. IRFC's Corporate Social Responsibility and Sustainability Policy of the Company is available at <https://irfc.co.in/sites/default/files/inline-files/CSR-Policy.pdf>

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

As per RBI norms, IRFC has a Board-approved 'KYC & Prevention of Money Laundering Policy' which sets out the fair and transparent practices to be followed by the Company in its lending operations, as prescribed under RBI norms. IRFC's KYC & Prevention of Money Laundering Policy is available at <https://irfc.co.in/sites/default/files/inline-files/Know-Your-Customer-KYC-and-Prevention-of-Money-Laundering-Activities-PMLA.pdf>

Note: All policies, code & processes are reviewed by the Board of Directors from time to time.

Independent Assurance Practitioners' Statement

To
Indian Railway Finance Corporation Limited (IRFC)
UG - Floor, East tower, NBCC Place,
Bhisham Pitamah Marg, Pragati Vihar, Lodhi Rd,
New Delhi - 110003

JointValues ESG Services Pvt. Ltd (hereinafter referred to as JointValues) was appointed and engaged by the management of Indian Railway Finance Corporation (hereinafter referred to as IRFC or the Company) for the scope of work of performing an independent assurance if the nine core attributes as mentioned in BRSR Core¹ are materially disclosed by the information provided by the Company from an environmental, social and governance (ESG) perspective in the Business Responsibility and Sustainability Reporting (BRSR) Format², for the 'reporting period' from April 1, 2023 to March 31, 2024, considering related regulation³ for listed entities issued by the SEBI.

JointValues performed the engagement through a multidisciplinary team of professionals and specialists on topics pertaining to environmental, social, and governance to obtain appropriate evidence to support the professional judgment and to achieve reasonable assurance as the basis of opinion within the scope and boundary of this engagement.

Assurance professionals exercised professional judgement, scepticism, assurance skills and techniques for an iterative and systematic engagement process to form an independent opinion about the underlying subject matter within the scope and boundary of the engagement based on the procedures performed and the evidence obtained.

Methodology, Scope and Boundary of Assurance

JointValues conducted this reasonable assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial*

Information issued by the International Auditing and Assurance Standards Board (IAASB).

JointValues applies and operates a quality management process, including adherence to ethical requirements, professional standards, and compliance with applicable legal and regulatory requirements, in line with the International Standards on Quality Management (ISQM), *Quality Management for Firms that Perform Audits or Reviews of Financial Statements or Other Assurance or Related Services Engagement* issued by IAASB.

During the engagement, the assurance professionals followed JointValues's Code of Conduct, which includes independence and other ethical requirements and aligns with the best practices and the International Code of Ethics (ICE) for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

The scope of this engagement was to provide a Reasonable Level of assurance for nine core attributes as per the BRSR Core format, as stated by the company, that these attributes have been disclosed through the BRSR format.

The boundary of the independent assurance was the environmental, social, and governance-related information pertaining to nine core attributes of BRSR Core disclosed by the Company through the BRSR on a standalone basis and for operations that fall under the direct operational control of the Company's legal structure, with a total of one office location for the reporting period from April 1, 2023, to March 31, 2024.

Opinion

Based on the reviews and procedures followed, JointValues expresses its opinion that the nine core attributes as per the BRSR Core format, subject to the scope of this assurance, are disclosed by the Company in material respect through the BRSR format for the reporting boundary mentioned above.

¹Annexure-I in SEBI's circular number SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023

²Annexure-II in SEBI's circular number SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023

³Regulation 34(2)(f) of SEBI' Listing Obligations and Disclosure Requirements (SEBI LODR).

Limitations and Exclusions

- Reducing engagement risk to zero is rarely attainable; therefore, "reasonable assurance" is less than absolute assurance.
- Preparing the company's BRSR information requires management to set or interpret criteria, decide what information is relevant to include, and make estimates and assumptions that impact the reported information.
- Measuring certain amounts and BRSR Core metrics, such as GHG emissions water and energy footprint, involves estimations and inherent measurement uncertainty. Even though we obtain sufficient appropriate evidence to support our opinion, it does not eliminate the uncertainty in these amounts and metrics.
- Evaluation and assessment of any company's financial performance and data have been out of the scope of this engagement except relying on the company's third-party audited financial reports wherever materially required concerning nine core attributes of the BRSR core.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the BRSR with reporting frameworks other than those specifically mentioned. This engagement does not consider assessments or comparisons with frameworks beyond the specified ones.

The selection of the assurance approach was based on our judgment, considering the nature, timing, and extent required to assess the risks of the information for material misstatement or deliberate misrepresentation by the company. Our opinion on the continuing effectiveness of the company's internal controls is out of the scope of this assurance statement. Our responsibilities under those standards are further described in this statement's "Our responsibilities" section.

Our Responsibilities

Planning and performing the engagement to obtain reasonable assurance that the disclosures about the BRSR Core are free from material misstatement.

Exercising professional judgement, professional scepticism and assurance skills and techniques as part of an iterative, systematic engagement process.

Forming an independent opinion about the underlying subject matter within the scope and boundary of the engagement based on the procedures performed and the evidence obtained.

Other Information

We do not express any opinion on any other information in the BRSR or any other report linked to the BRSR, including images, audio files, or embedded videos for the reporting year and any other information or data related to the previous year that we have referred to or received from the Company during this assurance process.

Responsibilities of Management at the Company

By publishing this assurance statement, the management of the Company acknowledges and understands that they are, inter-alia, responsible for the information provided in the BRSR for:

- Designing, implementing, and maintaining internal controls to ensure the information is free from material misstatement, including preventing deliberate misrepresentation.
- Selecting or establishing suitable criteria for preparing the information, considering applicable laws and regulations, identifying key aspects, engaging with stakeholders, and preparing and presenting the information according to the reporting criteria.
- Disclosing the applicable criteria used for preparation in the relevant report or statement.
- Preparing and calculating the information in accordance with the reporting criteria.
- Ensuring the reporting criteria are available to intended users with relevant explanations.

- Establishing targets, goals, and performance measures and implementing actions to achieve them.
- Providing details of management personnel responsible for the disclosed information.
- Ensuring compliance with laws, regulations, or applicable contracts and preventing fraud.
- Identifying and describing inherent limitations in measuring or evaluating information according to the reporting criteria.
- Selecting the content of the information, including identifying and engaging with intended users to understand their needs.

Limitation of Liability and Legal Disclaimer

In no event, the assurance agency and assurance practitioners, for the opinion in this assurance statement, shall be liable to any party for any direct, indirect, incidental, compensatory, punitive, special, or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by

negligence) in connection with any use of the content in this assurance statement. This assurance statement is not intended to be produced by any user in any court of law. The assurance practitioners and the agency absolve themselves from legal or other representation to any third party for any consequences arising from using this assurance statement.

The intended use or purpose of this assurance statement

The information provided by the company related to BRSR Core in the BRSR and our reasonable assurance statement is intended only for users who have reasonable knowledge of the BRSR Core attributes and who have read the information with reasonable diligence and understand that the attributes are prepared and assured at appropriate levels of materiality.

Except for the publication of this assurance statement as it is along with the BRSR as part of the annual report by the Company, this assurance statement is not intended to be used by anyone for the publication of any selected paragraphs or excerpts elsewhere, nor should the design or content be altered for any purpose.

For and on behalf of



Joint Values ESG Services Pvt. Ltd.

Sd/-

J. S. Kamyotra

Verifier and Assurer

Date: July 29, 2024

Sd/-

Deepak Baghel

Quality Reviewer

Appendix-A: Cross-reference to the Essential indicators in BRSR of the IRFC

| | BRSR Core Attribute | Parameter | BRSR of IRFC |
|---|---|---|--|
| 1 | Greenhouse gas (GHG) footprint | Total Scope 1 emissions | Principle (P)6, Question (Q)7 |
| | | Total Scope 2 emissions | P6, Q7 |
| | | GHG Emission Intensity (Scope 1 + 2) | P6, Q7 |
| 2 | Water Footprint | Total water consumption | P6, Q3 |
| | | Water consumption intensity | P6, Q3 |
| | | Water Discharge by destination and levels of Treatment | P6, Q4 |
| 3 | Energy footprint | Total energy consumed | P6, Q1 (Total 58,248 kwh electricity where 1 kwh = 36,00,000 Joules) |
| | | % of the energy consumed from renewable sources | P6, Q1 (Electricity is received from the distribution system in Delhi - a mix of renewable and non-renewable) |
| | | Energy intensity | P6, Q1 (0.007 Billion Jule/Crore Revenue) |
| 4 | Embracing circularity - details related to waste management by the entity | Plastic waste (A) | P6, Q9 |
| | | E-waste (B) | P6, Q9 |
| | | Bio-medical waste (C) | P6, Q9 |
| | | Construction and demolition waste (D) | P6, Q9 |
| | | Battery waste (E) | P6, Q9 |
| | | Radioactive waste (F) | P6, Q9 |
| | | Other Hazardous waste. Please specify, if any. (G) | P6, Q9 |
| | | Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) | P6, Q9 |
| | | Total waste generated (A+B + C + D + E + F + G + H) | P6, Q9 |
| | | Waste intensity | P6, Q9 |
| | | Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations | P6, Q9 |
| 5 | Enhancing Employee Wellbeing and Safety | For each category of waste generated, total waste disposed by nature of disposal method. | P6, Q9 |
| | | Spending on measures towards wellbeing of employees and workers – cost incurred as a % of total revenue of the company | P3, Q1(c) |
| 6 | Enabling Gender Diversity in Business | Details of safety-related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites) | P3, Q11 |
| | | Gross wages paid to females as % of wages paid | P5, Q3(b) |
| 7 | Enabling Inclusive Development | Complaints on POSH | P5, Q7 |
| | | Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India | P8, Q4 |
| 8 | Fairness in Engaging with Customers and Suppliers | Job creation in smaller towns –Wages paid to persons employed in smaller towns (permanent or nonpermanent /on contract) as % of total wage cost | P8, Q5 |
| | | Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events | P9, Q7 |
| 9 | Open-ness of business | Number of days of accounts payable | P1, Q8 |
| | | Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties | P1, Q9 |

Signature: Sd/-

J. S. Kamyotra

E-mail: js.kamyotra@jointvalues.com

Annexure-IV

Annual Report on CSR activities for the year 2023-24

1. Brief outline on CSR Policy of the Company

IRFC is committed to being a responsible corporate entity and recognizes its obligations towards all stakeholders through its Corporate Social Responsibility and Sustainability Policy (CSR & Sustainability Policy). As part of this policy, IRFC aims to support sustainable development initiatives of the government, promote the preservation of the environment, and ensure a healthy future for generations to come. The company also seeks to contribute to inclusive growth and equitable development in society by empowering marginalized and underprivileged sections.

The development of IRFC's CSR & Sustainability Policy aligns with the provisions of the Companies Act 2013, including the rules and regulations established under the Act, as well as the guidelines issued by the Department of Public Enterprises (DPE). While selecting CSR activities under the company's schemes, IRFC adheres to its Board-approved policy and complies with the provisions of the Companies Act 2013 and CSR Rules. The policy also outlines the format for submitting CSR proposals to the company for consideration. To evaluate the received proposals in accordance with the CSR Policy and applicable laws, a General Manager Committee has been formed. Shortlisted proposals are then presented to the CSR Committee of the Board for approval and subsequent recommendation to the Board of Directors.

IRFC enters into Memorandums of Understanding (MoUs) with implementing agencies for the execution of CSR projects and finalizes the terms as approved by the Board. Implementing agencies are required to submit periodic reports, as well as a project completion report upon the completion of projects. If necessary, the implementing agencies may also be requested to provide an impact assessment report.

Considering the limited manpower resources of the company, IRFC aims to undertake short-term sustainability-focused CSR activities that can be completed within a single financial year. Additionally, whenever feasible, IRFC contributes to larger projects by sharing resources with other Railway PSUs/Central PSUs to create greater environmental, social, and economic impacts. These contributions are subject to the Rules and Regulations of the Companies Act 2013 and other applicable statutes, guidelines, if any.

2. Composition of CSR Committee:

| Sr. No. | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|---------------------------------|--------------------------------------|--|--|
| 1. | Shri Vallabhbhai Maneklal Patel | Non- Official / Independent Director | 5 | 5 |
| 2. | Ms. Shelly Verma | Director (Finance) | 5 | 5 |
| 3. | Smt. Sheela Pandit | Non- Official / Independent Director | 5 | 5 |

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

| | |
|---|---|
| Web-link for the Composition of CSR committee | https://irfc.co.in/investors/corporate-governance |
| Web-link for the CSR Policy | https://irfc.co.in/sites/default/files/inline-files/CSR%20Policy%20-%20Indian%20Railway%20Finance%20Corporation%20Limited.pdf |
| Web-link for the CSR projects | https://irfc.co.in/index.php/csr |

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

CSR Projects for the financial year 2023-24 are approved by the Board of Directors and provided in this report in Point 8 (b) & (c). Project(s) subject to Impact Assessment is required to be done after the expiry of at least one year post completion of the respective project. Accordingly, Impact Assessment for the projects approved in financial year 2023-24 & for the previous year (wherever applicable), shall be done after the expiry of at least one year after the completion of the respective project. IRFC

has not conducted any Impact Assessment during the year 2023-24. Wherever desired, IRFC asks the Implementing Agency to conduct Impact Assessment by third party and submit the report to IRFC.

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

| Sr. No. | Financial Year | Amount available for set-off from preceding financial years (in ₹) | Amount required to be set-off for the financial year, if any (in ₹) |
|--------------|----------------|--|---|
| 1 | 2021-22 | NIL | NIL |
| 2 | 2022-23 | NIL | NIL |
| Total | | NIL | NIL |

6. Average net profit of the company as per section 135(5): ₹ 5,613.73 Crore applicable for CSR allocation for 2023-24.

7.

| | |
|---|-----------------|
| (a) Two percent of average net profit of the company as per section 135(5) | ₹ 112.27 Crores |
| (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years | NIL |
| (c) Amount required to be set-off for the financial year, if any | NIL |
| (d) Total CSR obligation for the financial year (7a+ 7b- 7c) | ₹ 112.27 Crores |

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

| Total Amount Spent for the Financial Year (in ₹) | Amount Unspent (in ₹) | | | | |
|--|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| 31,33,22,000/- | 80,93,78,301 /- | 30.04.2024 | NA | NA | NA |

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

| 1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | (9) | (10) | (11) | |
|---------|---|--|----------------------|-------------------------|----------|------------------|----------------------------------|--|---|--|--|-------------------------|
| Sr. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/ No) | Location of the project | | Project duration | Amount allocated for the project | Amount spent in the current financial Year | Amount transferred to Unspent CSR Account for the project as per Section 135(6) | Mode of Implementation - Direct (Yes/ No). | Mode of Implementation - Through Implementing Agency | |
| | | | | State | District | | | | | | Name | CSR Registration number |
| 1. | For Improvement of Infrastructure Equipment and solar rooftop system at 07 Andhra Pradesh Vaidya Vidhana Parishad Hospital (APVVP Hospital), 1 Area Hospital, 1 Government General Hospital (GGH) Medical College Located in Krishna District, Andhra Pradesh | (i) and (iv) | No | Andhra Pradesh | Krishna | 12 months | 5,39,60,000 | 0.00 | 5,39,60,000 | No | Connect to Andhra | CSR00008366 |

| 1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | (9) | (10) | (11) | |
|---------|--|--|---------------------|-------------------------|------------------------------|------------------|----------------------------------|--|---|---|--|-------------------------|
| Sr. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/No) | Location of the project | | Project duration | Amount allocated for the project | Amount spent in the current financial Year | Amount transferred to Unspent CSR Account for the project as per Section 135(6) | Mode of Implementation - Direct (Yes/No). | Mode of Implementation - Through Implementing Agency | |
| | | | | State | District | | | | | | Name | CSR Registration number |
| 2. | For Education and Welfare of Veterans, Widows and their dependents, New Delhi | (vi) | No | PAN India | - | 12 months | 3,00,00,000 | - | 3,00,00,000 | No | Armed Force Flag Day Fund | CSR00011199 |
| 3. | For procurement of one Ambulance for tribal people of Kanchanpur sub-division, North Tripura, Tripura | (i) | No | Tripura | North Tripura | 12 months | 19,48,837 | - | 19,48,837 | No | Sadhak Ratanmani Sevasadan | CSR00038175 |
| 4. | For Public Healthcare program for prevention from vector-borne diseases to be achieved through " free distribution of long-lasting insecticidal net (LLIN) to the backward, under- privileged and marginalized population" at Nalanda, Bihar | (i) | No | Bihar | Nalanda | 12 months | 19,53,875 | - | 19,53,875 | No | Socio Economic Research Institute | CSR00000667 |
| 5. | For creation of Infrastructure facilities for Skin Banking and Microbiome services at AIIMS Bhubaneswar, Odisha | (i) | No | Odisha | Bhubaneswar (Dist.- Khordha) | 18 months | 14,97,70,000 | - | 14,97,70,000 | No | AIIMS Bhubaneswar | CSR00030276 |
| 6. | For development of Humanitarian activities by procurement of medical equipment for Red Cross Blood Bank at Mehsana and Patan District of Gujarat | (i) | No | Gujarat | 1. Mehsana 2.Patan | 12 months | 2,21,77,952 | - | 2,21,77,952 | No | Indian Red Cross Society | CSR00011940 |
| 7. | For supply and installation of 265 solar street lights in various places of Kaushambi, U.P. | (iv) | No | Uttar Pradesh | Kaushambi | 06 months | 56,82,442 | - | 56,82,442 | No | Uttar Pradesh Small Industries Corporation Ltd (UPSIL) | CSR00023463 |
| 8. | For construction of Girls Hostel (65 Rooms/G+7 Building) on double occupancy sharing for Nursing and Para Medical students of AIIMS Raebareli, U.P. | (iii) | No | Uttar Pradesh | Raebareli | 24 months | 12,59,99,100 | - | 12,59,99,100 | No | AIIMS Raebareli | CSR00065926 |
| 9. | For setting up of 01 Operation Theatres at Sri Sathya Sai Heart Hospital, Ahmedabad, Gujarat | (i) | No | Gujarat | Ahmedabad | 12 Months | 3,07,93,790 | - | 3,07,93,790 | No | Prashanti Medical Services and Research Foundation (PMSRF) | CSR00007410 |

| 1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | (9) | (10) | (11) | |
|--------------|--|--|---------------------|--|------------------------|------------------|----------------------------------|--|---|---|--|-------------------------|
| Sr. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/No) | Location of the project | | Project duration | Amount allocated for the project | Amount spent in the current financial Year | Amount transferred to Unspent CSR Account for the project as per Section 135(6) | Mode of Implementation - Direct (Yes/No). | Mode of Implementation - Through Implementing Agency | |
| | | | | State | District | | | | | | Name | CSR Registration number |
| 10. | For Cardiac, Dental & Ortho projects Super speciality Building of Bharat Ratna Dr. Babasaheb Ambedkar Memorial Hospital Byculla Mumbai of Central Railway | (i) | No | Maharashtra | Mum bai | 12 Months | 13,93,45,247 | - | 13,93,45,247 | No | Dr. Babasaheb Ambedkar Memorial Hospital Byculla | CSR00016002 |
| 11 | For promoting sports culture by way of developing State of the art Cricket stadium to provide coaching and training facility to the youth at Kadi, Mehsana, Gujarat | (vii) | No | Gujarat | Kadi (Dist.- Mehsana) | 24 Months | 11,90,98,000 | - | 11,90,98,000 | No | Kadi Nagarpalika | CSR00067179 |
| 12 | For procurement of ambulance to transfer critical patients from Shamlaji Hospital to higher centre for advance treatment at Arvalli, Gujarat | (i) | No | Gujarat | Arvalli | 12 Months | 19,52,258 | - | 19,52,258 | No | CHC Shamlaji Hospital Managed by All India Movement for Seva | CSR00003273 |
| 13 | For Patient Assistance Program for under-privileged cancer patients at Kolkata, West Bengal | (i) | No | West Bengal | Kolkata | 12 months | 19,96,800 | - | 19,96,800 | No | Sanjeevani-Life Beyond Care | CSR00004972 |
| 14 | For supporting 200 Ekal Vidyalaya's in Aspirational Districts of Uttar Pradesh, Uttarakhand, Himanchal Pradesh and Jammu and Kashmir | (ii) | No | 1. Uttar Pradesh 2. Uttarakhand 3. Himanchal Pradesh 4. Jammu and Kashmir | Aspirational districts | | 44,00,000 | - | 44,00,000 | No | Bharat Lok Shiksha Parishad | CSR00000667 |
| 15. | For support to identified tribal students at Kalinga Institute of Social Sciences (KISS) Bhubaneswar, belonging to aspirational districts of Odisha | (ii) | No | Odisha | Aspirational districts | 36 months | 1,20,00,000 | - | 1,20,00,000 | No | Kalinga Institute of Social Sciences (KISS) | CSR00000319 |
| 16. | For setting up SCOT Research lab: Single Cell Omics Translational Research Laboratory at the Department of Medical Sciences and technology at IIT Madras, Chennai, Tamilnadu | (i) | No | Tamilnadu | Chennai | 12 months | 10,83,00,000 | - | 10,83,00,000 | No | IIT Madras | CSR00004320 |
| TOTAL | | | | | | | 80,93,78,301 | - | 80,93,78,301 | | | |

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

| 1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | | | |
|--------------|------------------------------------|---|---------------------|-------------------------|----------|-----------------------|-----|-------------------------------------|--|--|-------------------------|
| | | | | Location of the project | | | | Amount spent for the project (in ₹) | Mode of implementation - Direct (Yes/No) | Mode of implementation - Through implementing agency | |
| | | | | State | District | | | | | Name | CSR Registration number |
| Sr. No. | Name of the Project | Item from the list of activities in schedule VII to the Act | Local area (Yes/No) | | | | | | | | |
| 1. | Contribution to Swachh Bharat Kosh | (i) | NA | NA | NA | 4,50,00,000/- | Yes | NA | NA | | |
| 2. | Contribution to Clean Ganga Fund | (iv) | NA | NA | NA | 4,50,00,000/- | Yes | NA | NA | | |
| 3. | Contribution to PM CARES Fund | (viii) | NA | NA | NA | 22,33,22,000/- | Yes | NA | NA | | |
| TOTAL | | | | | | 31,33,22,000/- | | | | | |

(d) Amount spent in Administrative Overheads: - **NIL**(e) Amount spent on Impact Assessment, if applicable: - **NIL**(f) Total amount spent for the Financial Year (8b+8c+8d+8e): - ₹ **31,33,22,000/-**(g) Excess amount for set off, if any: **NIL**

| Sr. No. | Particular | Amount (in ₹) |
|---------|---|-----------------|
| (i) | Two percent of average net profit of the company as per section 135(5) | 112,27,00,000/- |
| (ii) | Total amount spent for the Financial Year | 31,33,22,000/- |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | NIL |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NIL |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | NIL |

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

| Sr. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) (in ₹) | Amount spent in the reporting Financial Year (in ₹) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any | | | Amount remaining to be spent in succeeding financial years (in ₹) |
|--------------|--------------------------|--|---|---|---------------|------------------|---|
| | | | | Name of the Fund | Amount (in ₹) | Date of transfer | |
| 1. | 2019-20 | 9,61,15,200/- | 9,61,15,200/- | NA | NA | NA | Nil |
| 2. | 2020-21 | 15,89,25,476 /- | - | NA | NA | NA | 15,89,25,476/- |
| 3. | 2021-22 | 17,87,63,419/- | 3,75,09,640 /- | NA | NA | NA | 14,12,53,779/- |
| 4. | 2022-23 | 59,00,47,791/- | 10,26,32,164/- | NA | NA | NA | 48,74,15,627/- |
| TOTAL | | 1,02,38,51,886/- | 23,62,57,004/- | NA | NA | NA | 78,75,94,882/- |

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

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---------|-----------------|--|---|--|---|--|---|---|
| Sr. No. | Project ID | Name of the Project | Financial Year in which the project was commenced | Project duration | Total amount allocated for the project (in ₹) | Amount spent on the project in the reporting Financial Year (in ₹) | Cumulative amount spent at the end of reporting Financial Year (in ₹) | Status of the project - Completed / Ongoing |
| 1. | FY31.03.2022_12 | Support to 200 Ekal Vidyalayas in Aspirational Districts | 2021-22 | 12 months, extendable upto maximum 3 years | 44,00,000/- | 17,60,000 /- | 39,60,000/- | Ongoing |

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---------|-----------------|---|---|--|---|--|---|---|
| Sr. No. | Project ID | Name of the Project | Financial Year in which the project was commenced | Project duration | Total amount allocated for the project (in ₹) | Amount spent on the project in the reporting Financial Year (in ₹) | Cumulative amount spent at the end of reporting Financial Year (in ₹) | Status of the project - Completed / Ongoing |
| 2. | FY31.03.2022_10 | Implementation of STEM Education & Bridging Digital Divide in Government Schools in Aspirational Districts in WB and Odisha | 2021-22 | 12 months Extendable upto maximum 3 years | 94,00,000/- | 25,51,728 /- | 49,51,728/- | Ongoing |
| 3. | FY31.03.2022_11 | Contribution towards Central Welfare Fund | 2021-22 | 12 months, extendable upto maximum 3 years | 99,96,000/- | 41,52,638 /- | 98,17,038 /- | Completed |
| 4. | FY31.03.2022_14 | Distribution of Aids & Appliances to the Divyangjans in Aspirational District | 2021-22 | 12 months, extendable upto maximum 3 years | 3,00,00,000/- | 30,00,000 /- | 30,00,000/- | Ongoing |
| 5. | FY31.03.2022_15 | Training for power sector job role as Distribution Lineman and Assistant technician: street Light Installation & maintenance in Aspirational Districts | 2021-22 | 08 months, extendable upto maximum 3 years | 92,03,400/- | 27,61,020/- | 92,03,400/- | Completed |
| 6. | FY31.03.2022_17 | Medical Equipment's 4K Ultra HD complete endoscopy system for arthroscopy and endoscopic spine surgeries at Bharat Ratna Dr. Babasaheb Ambedkar Memorial Hospital, Byculla, Mumbai of C.Rly | 2021-22 | 6 Months, extendable upto maximum 3 years | 1,11,88,210 /- | 46,90,000 /- | 46,90,000/- | Ongoing |
| 7. | FY31.03.2022_20 | Kadi Taluka Public Charitable Trust Bhagyoday Multispecialty Hospital Kadi for providing financial assistance for procuring Medical Equipment | 2021-22 | 06 months Extendable upto maximum 3 years | 2,08,00,000 /- | 91,78,932/- | 91,78,932/- | Ongoing |
| 8. | FY31.03.2022_5 | Skill training of 500 persons with Disabilities (Divyangjan) | 2021-22 | 06 months Extendable up to Maximum 3 Years. | 1,12,75,000 /- | 45,10,000 /- | 56,37,500/- | Ongoing |
| 9. | FY31.03.2022_8 | 3D Kit upgrade of the existing OPG Unit to convert it to A 3D cone beam CT scan (3D CBCT) Machine to Dr. Babasaheb Ambedkar Memorial Hospital Byculla Mumbai | 2021-22 | 06 months Extendable up to Maximum 3 Years. | 46,26,000 /- | 46,17,930 /- | 46,17,930 /- | Completed |

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|--------------|-----------------|--|---|--|---|--|---|---|
| Sr. No. | Project ID | Name of the Project | Financial Year in which the project was commenced | Project duration | Total amount allocated for the project (in ₹) | Amount spent on the project in the reporting Financial Year (in ₹) | Cumulative amount spent at the end of reporting Financial Year (in ₹) | Status of the project - Completed / Ongoing |
| 10. | FY31.03.2022_8 | Medical Equipment's to enhance the eye care facilities at TLM Hospital | 2021-22 | 6 Months Extendable up to Maximum 3 Years. | 36,52,000 /- | 2,87,392 /- | 28,73,920 /- | Completed |
| 11. | FY31.03.2023_10 | Project for treatment of 35 diagnosed children with congenital heart diseases from underprivileged families | 2022-23 | 12 Months Extendable up to Maximum 3 Years. | 96,96,225/- | 11,32,009/- | 11,32,009/- | Ongoing |
| 12. | FY31.03.2023_12 | Project for support to identified tribal students/ poor marginalized children studying in various classes in the KISS foundation | 2022-23 | 12 Months Extendable up to Maximum 3 Years. | 60,00,000/- | 33,00,000/- | 33,00,000/- | Ongoing |
| 13. | FY31.03.2023_13 | Project for Skill Development Training to 2000 underprivileged youth | 2022-23 | 18 Months Extendable up to Maximum 3 Years. | 6,02,74,438/- | 60,27,444/- | 60,27,444/- | Ongoing |
| 14. | FY31.03.2023_15 | Project for providing "Employment Oriented Training and Skill Development Programme for 1000 Unemployed youth / SC / ST / OBC / Women & EWS of Society" | 2022-23 | 12 Months Extendable up to Maximum 3 Years. | 6,85,74,000/- | 6,17,17,016/- | 6,17,17,016/- | Ongoing |
| 15. | FY31.03.2023_16 | Project for Self Defense training for females to empower & self-protection with possible career opportunity in Aspirational District (Kupwara) of J&K | 2022-23 | 06 Months Extendable up to Maximum 3 Years. | 95,58,000/- | 66,90,600/- | 66,90,600/- | Ongoing |
| 16. | FY31.03.2023_3 | Contribution towards Armed Forces Flag Day Fund (AFFDF) for the welfare of veterans, widows and their dependents under the CSR initiative of IRFC for the FY 2022-23 | 2022-23 | 12 Months Extendable up to Maximum 3 Years. | 99,96,000/- | 99,96,000/- | 99,96,000/- | Ongoing |
| 17. | FY31.03.2023_7 | Project for Skill Development Training to 2500 Persons with Disabilities (Divyangjan) | 2022-23 | 12 Months Extendable up to Maximum 3 Years. | 6,66,50,472/- | 66,65,047/- | 66,65,047/- | Ongoing |
| 18. | FY31.03.2023_8 | Project for the Construction of Sulabh Toilet Complexes at Uttar Pradesh and Karnataka State | 2022-23 | 12 Months Extendable up to Maximum 3 Years. | 1,57,86,776/- | 71,04,048/- | 71,04,048/- | Ongoing |
| TOTAL | | | | | 36,81,80,569/- | 14,01,41,804/- | 16,05,62,612/- | |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s) - **NIL**
- (b) Amount of CSR spent for creation or acquisition of capital asset - **NIL**
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered their address etc. - **NIL**
- (d) Provide details of the capital asset(s) created or acquired (Including complete address and location of the capital asset) - **NIL**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). Not Applicable

Place : New Delhi
Date: 29.07.2024

Sd/-
(Uma Ranade)
CMD (Addl. Charge), CEO
DIN: 10565537

Sd/-
(Vallabhbai Maneklal Patel)
Independent Director &
Chairman, CSR Committee
DIN: 07713055

Annexure-V

Secretarial Audit Report

[For the Financial Year ended on 31st 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,
Indian Railway Finance Corporation Limited
Registered office: UG-Floor, East Tower, NBCC Place,
Bhisham Pitamah Marg, Pragati Vihar,
Lodhi Road, New Delhi-110003

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by the **Indian Railway Finance Corporation Limited (CIN-L65910DL1986GOI026363)** (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 books, papers, minute books, forms and returns filed and other records or registers 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, 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 period ended on 31st 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 there under;
- (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') viz.;
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; [Not applicable on the Company during the audit period]
 - (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 Shares Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; The Company was not engaged in the activities relating to Registrar to an Issue and was also not acting as Share Transfer Agent, Hence the aforesaid Regulations were not applicable to the Company during the audit period;
 - (g) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021; [Not applicable on the Company during the audit period];
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; [Not applicable on the Company during the audit period];
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; [Not applicable on the Company during the audit period]
- (vi) Other labour, environment and specific applicable Acts/ Laws to the Company for which Secretarial Audit was conducted as an overview audit and was generally based/ relied upon the documents provided to us & other audit report and certificates given by other professionals, the company has complied with the following Acts / Laws applicable to the Company during the audit period:

- a) Reserve Bank of India Act read with Non-Banking Financial Companies (Reserve Bank) Directions 2016 issued by Reserve Bank of India as amended till date;
- b) Labour and Social Security Laws (to the extent as applicable);
- c) Indian Stamp Act 1899;
- d) Right to Information Act 2005.
- e) Micro, Small & Medium Enterprises Development (MSMED) Act, 2006
- f) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.

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

- a. Secretarial Standards issued by the Institute of Company Secretaries of India.
- b. DPE guidelines on Corporate Governance for Central Public Sector Enterprises issued by the 'Department of Public Enterprises', Ministry of Heavy Industries and Public Enterprises, Government of India;

We have not examined the applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above except that the number of Independent Directors on the Board was less than half of the total strength of Board as required under regulation 17(1) of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the DPE guidelines. The Company has been requesting and following up with its administrative ministry i.e., Ministry of Railways (MoR) for the appointment of requisite number of independent Directors on its Board.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. However, as mentioned above, the company did not have requisite number of Independent Director on its Board during the period under review. The changes, if any, in the composition of the Board that took place during the period under review were carried out in compliance with the provisions of the Act.

Place: New Delhi
Date: 15.05.2024

Adequate notice is given to all Directors to schedule the Board and Committee Meetings as per the statutory provisions, and agenda and detailed notes on agenda which were sent at shorter notice were taken up after obtaining the requisite permission as required under the Secretarial Standard -1 of ICSI. Further 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.

All decisions at Board and/or Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or respective Committee of the Board, as the case may be.

There was no prosecution initiated during the year under review under the Companies Act 2013, SEBI Act, Depositories Act and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers. However during the year under review the NSE and BSE each have levied fine of ₹ 21,53,500 for non compliance of Regulation 17 of SEBI (LODR) Regulations, 2015 in respect of non-appointment of requisite numbers of Independent Directors. However, the Company has requested NSE and BSE to waive off the said fines imposed on the Company.

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

We further report that during the period under review :-

- a. the Company has issued Domestic Bonds aggregating ₹ 22,940 crores comprised of nine series of bonds.
- b. the Company has altered its Articles of Association by addition of new sub-clause 202A i.e. Nominee Director nominated by Debenture Trustee

We further report that during the audit period, there were no instances of:

- a) Public / Right / Preferential Issue of Shares / Sweat Equity;
- b) Buy-back of Securities;
- c) Merger / Amalgamation / Reconstruction etc. and
- d) Foreign Technical Collaboration

For **Akhil Rohatgi & Co.**
Company Secretaries

Sd/-

CS Akhil Rohatgi

FCS:1600, COP:2317

ICSI Unique Firm Regn Code No: P1995DE072900

UDIN No: F001600F000372487

[**Note:** 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]

Annexure –“A” to Secretarial Audit Report

To,
The Members,
Indian Railway Finance Corporation Limited
Registered office: UG-Floor, East Tower, NBCC Place,
Bhisham Pitamah Marg, Pragati Vihar,
Lodhi Road, New Delhi-110003

Our report of even date is to be read along with this letter as under:

- 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 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) Where ever 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.

For **Akhil Rohatgi & Co.**
Company Secretaries

Sd/-

CS Akhil Rohatgi

FCS:1600, COP:2317

ICSI Unique Firm Regn Code No: P1995DE072900

UDIN No: F001600F000372487

Place: New Delhi

Date: 15.05.2024

Auditors' Certificate on Compliance of Conditions of Corporate Governance

To,
The Members of
Indian Railway Finance Corporation Limited
CIN: L65910DL1986GOI026363
Registered Office: UG - Floor, East Tower, NBCC Place,
Bhisham Pitamah Marg, Lodhi Road, Pragati Vihar,
New Delhi - 110003

We have examined the compliance of conditions of Corporate Governance by **Indian Railway Finance Corporation Limited** (IRFC/ Company) for the year ended March 31, 2024, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 issued by Department of Public Enterprise (DPE Guidelines).

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination has been limited to review of procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause and guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and in DPE Guidelines, except that during the period under review the number of Independent Directors on the Board was less than half of the total strength of Board as required under regulation 17(1) of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and in DPE Guidelines.

Company/IRFC has explained that IRFC being a Government Company, all the Directors are appointed by the President of India, acting through administrative ministry, i.e., Ministry of Railways (MoR) and as such this is beyond the control of the Company. The Company from time to time has requested MoR for appointment of requisite number of Independent Directors on its Board.

We further state that such compliance certificate 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 **Akhil Rohatgi & Co.**
Company Secretaries

Sd/-

CS Akhil Rohatgi

FCS:1600, COP:2317

ICSI Unique Firm Regn Code No: P1995DE072900

UDIN No: F001600F000372575

Place: New Delhi
Date: 15.05.2024

Annexure-VII

EXTRACT OF ANNUAL RETURN
for the financial year ended 31st March 2024

I. REGISTRATION AND OTHER DETAILS

| | | |
|------|---|---|
| i) | CIN | L65910DL1986GOI026363 |
| ii) | Registration Date | 12 th December, 1986 |
| iii) | Name of the Company | Indian Railway Finance Corporation Limited |
| iv) | Category / Sub-Category of the Company | Infrastructure Finance Company |
| v) | Address of the Registered office and contact details | Indian Railway Finance Corporation Ltd. UG Floor, East Tower, NBCC Place, Bhisham Pitamah Marg, Pragati Vihar, Lodhi Road, New Delhi-110003 Contact No(s) - 011-24361480 Website - https://irfc.co.in/ Email - investors@irfc.co.in |
| vi) | Whether listed company (Yes / No) | Yes |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | M/s Beetal Financial and Computer Services Private Limited 3 rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi- 110062 Contact No(s) - 011-29961281 Website - www.beetalfinancial.com Email - irfcinvestors@beetalmail.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| Sr. No. | Name and Description of main products / services | NIC Code of the Product / service | % to total turnover of the Company |
|---------|--|-----------------------------------|------------------------------------|
| 1. | Lease Income | 64910 | 66.88% |
| 2. | Interest Income | 64910 | 33.12% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name and Address of the Company | CIN / GLN | Holding/ Subsidiary / Associate | % of shares held | Applicable Section |
|---------|---------------------------------|-----------|---------------------------------|------------------|--------------------|
| | | | | NIL | |

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

i) Category-wise Share Holding:

| Category Code | Category of Shareholder | No. of shares held at the beginning of the year i.e., 01.04.2023 | | | | No. of shares held at the end of the year i.e., 31.03.2024 | | | | % Change during the year |
|---------------|---|---|----------|--------------------|-------------------|---|----------|--------------------|-------------------|--------------------------|
| | | Demat | Physical | Total | Total % of shares | Demat | Physical | Total | Total % of shares | |
| (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) | (VIII) | (IX) | (X) | (XI) |
| (A) | PROMOTER AND PROMOTER GROUP | | | | | | | | | |
| (1) | Indian | - | - | - | - | - | - | - | - | - |
| (a) | Individual | - | - | - | - | - | - | - | - | - |
| (b) | HUF | - | - | - | - | - | - | - | - | - |
| (c) | Central Govt /state Govt/ President of India Acting Through The MoR | 11286437000 | - | 11286437000 | 86.36 | 11286437000 | - | 11286437000 | 86.36 | Nil |
| (d) | Financial Inst/banks | - | - | - | - | - | - | - | - | - |
| (e) | Any other | - | - | - | - | - | - | - | - | - |
| | Other - Body Corporate | - | - | - | - | - | - | - | - | - |
| | Sub-Total A(1) | 11286437000 | - | 11286437000 | 86.36 | 11286437000 | - | 11286437000 | 86.36 | Nil |
| (2) | Foreign | - | - | - | - | - | - | - | - | - |
| (a) | Individual (NRI/ Foreign Individual) | - | - | - | - | - | - | - | - | - |
| (b) | Government | - | - | - | - | - | - | - | - | - |
| (c) | Institutions | - | - | - | - | - | - | - | - | - |
| (d) | Foreign Portfolio Investor | - | - | - | - | - | - | - | - | - |
| (e) | Any Other | - | - | - | - | - | - | - | - | - |
| | Sub-Total | - | - | - | - | - | - | - | - | - |
| | Total A=A(1)+A(2) | 11286437000 | - | 11286437000 | 86.36 | 11286437000 | - | 11286437000 | 86.36 | Nil |
| (B) | PUBLIC SHAREHOLDING | | | | | | | | | |
| (1) | Institutions | | | | | | | | | |
| (a) | Mutual Funds | 179089208 | - | 179089208 | 1.37 | 23183766 | - | 23183766 | 0.18 | (1.19) |
| (b) | Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| (c) | Alternate Investment Funds | - | - | - | - | 359845 | - | 359845 | 0.00 | 0.00 |
| (d) | Foreign Venture Capital Investors | - | - | - | - | - | - | - | - | - |
| (e) | Foreign Portfolio Investors | 149360058 | - | 149360058 | 1.14 | 141613424 | - | 141613424 | 1.08 | (0.06) |
| (f) | Financial Inst/banks | - | - | - | - | 152000 | - | 152000 | 0.00 | 0.00 |
| (g) | Insurance Companies | 163928865 | - | 163928865 | 1.25 | 92203931 | - | 92203931 | 0.71 | (0.55) |
| (h) | Provident Funds/ Pension Fund | - | - | - | - | - | - | - | - | - |
| (i) | Any other | - | - | - | - | - | - | - | - | - |
| | Sub-total (B)(1) | 492378131 | - | 492378131 | 3.77 | 257512966 | - | 257512966 | 1.97 | (1.8) |
| (2) | Central Govt /state Govt/ President of India | - | - | - | - | - | - | - | - | - |
| | Shareholding by Companies or Bodies Corporate where Central/ State Government is a promoter | - | - | - | - | 12440 | - | 12440 | 0.00 | 0.00 |
| | Sub-total (B)(2) | - | - | - | - | 12440 | - | 12440 | 0.00 | 0.00 |
| (3) | Non-institutions | | | | | | | | | |
| (a) | (i) Individual-Holding Nom. Val. upto ₹ 1 lakhs | 792942533 | 1600 | 792944133 | 6.07 | 1145370613 | 1250 | 1145371863 | 8.76 | 2.70 |
| | (ii) Individual-Holding Nom. Val. greater then ₹ 1 lakhs | 375989724 | - | 375989724 | 2.88 | 288250017 | - | 288250017 | 2.21 | (0.67) |
| (b) | NBFC Registered with RBI | - | - | - | - | - | - | - | - | - |
| (c) | Employees Trust | - | - | - | - | - | - | - | - | - |

| Category Code | Category of Shareholder | No. of shares held at the beginning of the year i.e., 01.04.2023 | | | | No. of shares held at the end of the year i.e., 31.03.2024 | | | | % Change during the year |
|---------------|---|---|-------------|--------------------|-------------------|---|-------------|--------------------|-------------------|--------------------------|
| | | Demat | Physical | Total | Total % of shares | Demat | Physical | Total | Total % of shares | |
| (d) | Overseas Depository Holding DRs | - | - | - | - | - | - | - | - | - |
| (e) | Any Other- Key Managerial Personnel (KMP) | 5 | - | 5 | 0.00 | 6 | - | 6 | 0.00 | |
| | Other - Body Corp | 50494967 | - | 50494967 | 0.39 | 29638050 | - | 29638050 | 0.23 | (0.16) |
| | Other - Trusts | 2806596 | - | 2806596 | 0.02 | 2682163 | - | 2682163 | 0.02 | - |
| | Other - Clearing Member | 3988237 | - | 3988237 | 0.03 | 112088 | - | 112088 | 0.00 | (0.03) |
| | Other - N R I - Non - Repatriable | 8934167 | - | 8934167 | 0.07 | 9267244 | - | 9267244 | 0.07 | 0.00 |
| | Other - N R I - Repatriable | 19768250 | - | 19768250 | 0.15 | 18599592 | - | 18599592 | 0.14 | (0.01) |
| | Other - Individual HUF | 34764790 | - | 34764790 | 0.27 | 30618996 | - | 30618996 | 0.23 | (0.03) |
| | Other - QIB | - | - | - | - | - | - | - | - | - |
| | Other-Foreign Nationals | - | - | - | - | 3575 | - | 3575 | 0.00 | 0.00 |
| | Sub-total (B)(3) | 1289689264 | 1600 | 1289690869 | 9.9 | 1524542344 | 1250 | 1524543594 | 11.67 | 1.80 |
| | Total Public Shareholding | 1782067400 | 1600 | 1782069000 | 13.64 | 1782067750 | 1250 | 1782069000 | 13.64 | - |
| (C) | Shares held by custodians | - | - | - | - | - | - | - | - | - |
| | GRAND TOTAL (A+B+C): | 13068504375 | 1600 | 13068506000 | 100 | 13068504400 | 1250 | 13068506000 | 100 | - |

ii) Shareholding of Promoters:

| Sr. No. | Shareholder's name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in the shareholding during the year |
|---------|---|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of total shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total shares of the Company | % of Shares Pledged / encumbered to total shares | |
| 1. | President of India through Ministry of Railways | 11286437000 | 86.36 | Nil | 11286437000 | 86.36 | Nil | Nil |
| | Total | 11286437000 | 86.36 | Nil | 11286437000 | 86.36 | Nil | Nil |

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

| Sr. No. | Promoter | Shareholding at the beginning of the year | | Cumulative Shareholding at the end of the year | |
|---------|--|---|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| 1. | President of India through Ministry of Railways | | | | |
| | At the beginning of the year | 11286437000 | 86.36 | 11286437000 | 86.36 |
| | Date wise increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc. | NIL | | | |
| | At the end of the year | 11286437000 | 86.36 | 11286437000 | 86.36 |

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

| Sr. No. | Name of the Shareholder | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| 1. | LIFE INSURANCE CORPORATION OF INDIA | 114200185 | 0.8739 | - | - |
| | Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.) | | | | |
| | Decrease - 22/09/2023 | (3040000) | (0.0233) | 111160185 | 0.8506 |
| | Decrease - 29/09/2023 | (714000) | (0.0546) | 104020185 | 0.7960 |
| | Decrease - 06/10/2023 | (3761494) | (0.0288) | 100258691 | 0.7672 |
| | Decrease - 13/10/2023 | (2990000) | (0.0229) | 97268691 | 0.7443 |
| | Decrease - 20/10/2023 | (500000) | (0.0038) | 96768691 | 0.7405 |
| | Decrease - 27/10/2023 | (888000) | (0.0068) | 95880691 | 0.7337 |
| | Decrease - 03/11/2023 | (6765817) | (0.0518) | 89114874 | 0.6819 |
| | Decrease - 10/11/2023 | (6387960) | (0.0489) | 82726914 | 0.6330 |
| | Decrease - 17/11/2023 | (3660000) | (0.0280) | 79066914 | 0.6050 |
| | Decrease - 24/11/2023 | (5103000) | (0.0390) | 73963914 | 0.5660 |
| | Decrease - 01/12/2023 | (1030000) | (0.0079) | 72933914 | 0.5581 |
| | Decrease - 08/12/2023 | (2569949) | (0.0197) | 70363965 | 0.5384 |
| | Decrease - 15/12/2023 | (3435000) | (0.0263) | 66928965 | 0.5121 |
| | Decrease - 22/12/2023 | (2005000) | (0.0153) | 64923965 | 0.4968 |
| | Decrease - 29/12/2023 | (930000) | (0.0071) | 63993965 | 0.4897 |
| | Decrease - 05/01/2024 | (500000) | (0.0038) | 63493965 | 0.4859 |
| | Decrease - 12/01/2024 | (3730000) | (0.0285) | 59763965 | 0.4573 |
| | Shareholding at the end of the year | | | 59763965 | 0.4573 |
| 2. | TATA AIG GENERAL INSURANCE COMPANY LIMITED | 47054433 | 0.3601 | - | - |
| | Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.) | | | | |
| | Decrease - 15/09/2023 | (6835000) | (0.0523) | 40219433 | 0.3078 |
| | Decrease - 27/10/2023 | (7924874) | (0.0606) | 32294559 | 0.2471 |
| | Decrease - 26/01/2024 | (2680000) | (0.0205) | 29614559 | 0.2266 |
| | Decrease - 02/02/2024 | (823000) | (0.0063) | 28791559 | 0.2203 |
| | Shareholding at the end of the year | | | 28791559 | 0.2203 |
| 3. | VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND | 23929036 | 0.1831 | - | - |
| | Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.) | | | | |
| | Increase - 27/10/2023 | 268864 | 0.0021 | 24197900 | 0.1852 |
| | Increase - 02/02/2024 | 129980 | 0.0010 | 24327880 | 0.1862 |
| | Increase - 16/02/2024 | 135277 | 0.0010 | 24463157 | 0.1872 |
| | Shareholding at the end of the year | | | 24463157 | 0.1872 |

| Sr. No. | Name of the Shareholder | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| 4. | VANGUARD EMERGING MARKETS STOCK INDEX FUND | 25292550 | 0.1935 | - | - |
| | Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.) | | | | |
| | Decrease - 22/09/2023 | (321339) | (0.0025) | 24971211 | 0.1911 |
| | Decrease - 22/03/2024 | (1065848) | (0.0082) | 23905363 | 0.1829 |
| | Shareholding at the end of the year | | | 23905363 | 0.1829 |
| 5. | HDFC TRUSTEE COMPANY LTD. A/C HDFC BALANCED | 165570105 | 1.2669 | - | - |
| | Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.) | | | | |
| | Increase - 14/04/2023 | 856 | 0.00 | 165570961 | 1.2669 |
| | Decrease - 28/04/2023 | (37763907) | (0.2890) | 127807054 | 0.9780 |
| | Decrease - 05/05/2023 | (17298669) | (0.1324) | 110508385 | 0.8456 |
| | Decrease - 12/05/2023 | (33199199) | (0.2540) | 77309186 | 0.5916 |
| | Increase - 19/05/2023 | 866 | 0.00 | 77310052 | 0.5916 |
| | Increase - 26/05/2023 | 392 | 0.00 | 77310444 | 0.5916 |
| | Increase - 02/06/2023 | 532 | 0.00 | 77310976 | 0.5916 |
| | Increase - 09/06/2023 | 773 | 0.00 | 77311749 | 0.5916 |
| | Increase - 16/06/2023 | (498457) | (0.0038) | 76813292 | 0.5878 |
| | Increase - 23/06/2023 | 1323 | 0.00 | 76814615 | 0.5878 |
| | Increase - 30/06/2023 | 1226 | 0.00 | 76815841 | 0.5878 |
| | Increase - 07/07/2023 | 1296 | 0.00 | 76817137 | 0.5878 |
| | Increase - 14/07/2023 | 943 | 0.0000 | 76818080 | 0.5878 |
| | Increase - 21/07/2023 | 1391 | 0.0000 | 76819471 | 0.5878 |
| | Decrease - 28/07/2023 | (199041) | (0.0015) | 76620430 | 0.5863 |
| | Decrease - 04/08/2023 | (397249) | (0.0030) | 76223181 | 0.5833 |
| | Increase - 11/08/2023 | 1402 | 0.00 | 76224583 | 0.5833 |
| | Increase - 18/08/2023 | 1425 | 0.0000 | 76226008 | 0.5833 |
| | Increase - 25/08/2023 | 1844 | 0.0000 | 76227852 | 0.5833 |
| | Decrease - 01/09/2023 | (198957) | (0.0015) | 76028895 | 0.5818 |
| | Decrease - 08/09/2023 | (4295527) | (0.0329) | 71733368 | 0.5489 |
| | Decrease - 15/09/2023 | (21583841) | (0.1652) | 50149527 | 0.3837 |
| | Decrease - 22/09/2023 | (199060) | (0.0015) | 49950467 | 0.3822 |
| | Increase - 29/09/2023 | 726 | 0.0000 | 49951193 | 0.3822 |
| | Increase - 06/10/2023 | 2809 | 0.0000 | 49954002 | 0.3822 |
| | Increase - 13/10/2023 | 1807 | 0.0000 | 49955809 | 0.3823 |
| | Increase - 20/10/2023 | 1347 | 0.0000 | 49957156 | 0.3823 |
| | Increase - 27/10/2023 | 1760 | 0.0000 | 49958916 | 0.3823 |
| | Increase - 03/11/2023 | 2589 | 0.0000 | 49961505 | 0.3823 |
| | Increase - 10/11/2023 | 1636 | 0.0000 | 49963141 | 0.3823 |
| | Increase - 17/11/2023 | 1326 | 0.0000 | 49964467 | 0.3823 |
| | Increase - 24/11/2023 | 1809 | 0.0000 | 49966276 | 0.3823 |
| | Decrease - 01/12/2023 | (91) | 0.0000 | 49966185 | 0.3823 |
| | Increase - 08/12/2023 | 2786 | 0.0000 | 49968971 | 0.3824 |

| Sr. No. | Name of the Shareholder | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-----------|---|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| | Decrease - 15/12/2023 | (3193139) | (0.0244) | 46775832 | 0.3579 |
| | Increase - 22/12/2023 | 1864 | 0.0000 | 46777696 | 0.3579 |
| | Increase - 29/12/2023 | 1315 | 0.0000 | 46779011 | 0.3580 |
| | Increase - 05/01/2024 | 3328 | 0.0000 | 46782339 | 0.3580 |
| | Increase - 12/01/2024 | 2853 | 0.0000 | 46785192 | 0.3580 |
| | Decrease - 19/01/2024 | (6706618) | (0.0513) | 40078574 | 0.3067 |
| | Decrease - 26/01/2024 | (12498737) | (0.0956) | 27579837 | 0.2110 |
| | Increase - 02/02/2024 | 2729 | 0.0000 | 27582566 | 0.2111 |
| | Increase - 09/02/2024 | 3821 | 0.0000 | 27586387 | 0.2111 |
| | Increase - 16/02/2024 | 3239 | 0.0000 | 27589626 | 0.2111 |
| | Decrease- 23/02/2024 | (2498499) | (0.0191) | 25091127 | 0.1920 |
| | Decrease - 01/03/2024 | (4520584) | (0.0346) | 20570543 | 0.1574 |
| | Increase - 08/03/2024 | 1029 | 0.0000 | 20571572 | 0.1574 |
| | Decrease - 15/03/2024 | (1476538) | (0.0113) | 19095034 | 0.1461 |
| | Decrease - 22/03/2024 | (997626) | (0.0076) | 18097408 | 0.1385 |
| | Decrease - 30/03/2024 | (2819191) | (0.0216) | 15278217 | 0.1169 |
| | Shareholding at the end of the year | | | 15278217 | 0.1169 |
| 6. | VANGUARD FIDUCIARY TRUST COMPANY INSTITUTIONAL | 10652106 | 0.0815 | - | - |
| | Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.) | | | | |
| | Increase - 11/08/2023 | 551910 | 0.0042 | 11204016 | 0.0857 |
| | Increase - 03/11/2023 | 228945 | 0.0018 | 11432961 | 0.0875 |
| | Increase - 29/12/2023 | 183298 | 0.0014 | 11616259 | 0.0889 |
| | Increase - 02/02/2024 | 99758 | 0.0008 | 11716017 | 0.0897 |
| | Increase - 30/03/2024 | 125104 | 0.0010 | 11841121 | 0.0906 |
| | Shareholding at the end of the year | | | 11841121 | 0.0906 |
| 7. | GOVERNMENT PENSION FUND GLOBAL | 11032602 | 0.0844 | - | - |
| | Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.) | | | | |
| | Increase - 15/09/2023 | 3227500 | 0.0247 | 14260102 | 0.1091 |
| | Increase - 12/01/2024 | 1663557 | 0.0127 | 15923659 | 0.1218 |
| | Decrease - 01/03/2024 | (2734252) | (0.0209) | 13189407 | 0.1009 |
| | Decrease - 15/03/2024 | (3026554) | (0.0232) | 10162853 | 0.0778 |
| | Shareholding at the end of the year | | | 10162853 | 0.0778 |
| 8. | C LOGANATHAN | 7499070 | 0.0574 | - | - |
| | Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.) | | | | |
| | Increase - 29/09/2023 | 25 | 0.0000 | 7499095 | 0.0574 |
| | Increase - 06/10/2023 | 10 | 0.0000 | 7499105 | 0.0574 |
| | Shareholding at the end of the year | | | 7499105 | 0.0574 |

| Sr. No. | Name of the Shareholder | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| 9. | COPTHALL MAURITIUS INVESTMENT LIMITED - ODI | 0 | 0.0000 | 0 | 0.0000 |
| | Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.) | | | | |
| | Increase - 21/04/2023 | 25666 | 0.0002 | 25666 | 0.0002 |
| | Decrease - 28/04/2023 | (20565) | (0.0002) | 5101 | 0.0000 |
| | Increase - 05/05/2023 | 319292 | 0.0024 | 324393 | 0.0025 |
| | Decrease - 12/05/2023 | (181628) | (0.0014) | 142765 | 0.0011 |
| | Decrease - 19/05/2023 | (113806) | (0.0009) | 28959 | 0.0002 |
| | Decrease - 26/05/2023 | (23425) | (0.0002) | 5534 | 0.0000 |
| | Increase - 02/06/2023 | 18079 | 0.0001 | 23613 | 0.0002 |
| | Decrease - 09/06/2023 | (23373) | (0.0002) | 240 | 0.0000 |
| | Increase - 23/06/2023 | 10519 | 0.0001 | 10759 | 0.0001 |
| | Decrease - 30/06/2023 | (6758) | (0.0001) | 4001 | 0.0000 |
| | Increase - 22/09/2023 | 124500 | 0.0010 | 128501 | 0.0010 |
| | Decrease - 13/10/2023 | (49119) | (0.0004) | 79382 | 0.0006 |
| | Decrease - 10/11/2023 | (14463) | (0.0001) | 64919 | 0.0005 |
| | Increase - 08/12/2023 | 594 | 0.0000 | 65513 | 0.0005 |
| | Decrease - 15/12/2023 | (4631) | 0.0000 | 60882 | 0.0005 |
| | Increase - 22/12/2023 | 12771 | 0.0001 | 73653 | 0.0006 |
| | Decrease - 05/01/2024 | (24101) | (0.0002) | 49552 | 0.0004 |
| | Increase - 12/01/2024 | 4947 | 0.0000 | 54499 | 0.0004 |
| | Increase - 26/01/2024 | 565979 | 0.0043 | 620478 | 0.0047 |
| | Increase - 02/02/2024 | 104028 | 0.0008 | 724506 | 0.0055 |
| | Increase - 09/02/2024 | 249408 | 0.0019 | 973914 | 0.0075 |
| | Increase - 16/02/2024 | 101644 | 0.0008 | 1075558 | 0.0082 |
| | Increase - 01/03/2024 | 1468825 | 0.0112 | 2544383 | 0.0195 |
| | Increase - 08/03/2024 | 112471 | 0.0009 | 2656854 | 0.0203 |
| | Increase - 15/03/2024 | 4328956 | 0.0331 | 6985810 | 0.0535 |
| | Decrease - 22/03/2024 | (67114) | (0.0005) | 6918696 | 0.0529 |
| | Decrease - 30/03/2024 | (725100) | (0.0055) | 6193596 | 0.0474 |
| | Shareholding at the end of the year | | | 6193596 | 0.0474 |
| 10. | DIMENSIONAL EMERGING MARKETS VALUE FUND | 2984492 | 0.0228 | - | - |
| | Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.) | | | | |
| | Increase - 19/05/2023 | 1478265 | 0.0113 | 4462757 | 0.0341 |
| | Increase - 11/08/2023 | 1567271 | 0.0120 | 6030028 | 0.0461 |
| | Shareholding at the end of the year | | | 6030028 | 0.0461 |

Note: 1. Reasons for increase / decrease unless stated, may be trade / transfer.

2. Top ten shareholders as on 31st March 2024 have been considered, for the above disclosures. Shareholding is consolidated based on permanent account number (PAN) of the shareholder.

(v) Shareholding of Directors and Key Managerial Personnel:

| Name of the Director / KMP | Change in Shareholding | | Cumulative Shareholding During the year | |
|---|------------------------|----------------------------------|---|----------------------------------|
| | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| Ms. Uma Ranade Chairman and Managing Director (Addl. Charge)* | | | | |
| At the beginning of the year 01/04/2023 | Nil | - | - | - |
| Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.) | No Change | | | |
| At the end of the year 31/03/2024 | - | - | Nil | - |
| Ms. Shelly Verma, Director Finance (DF)** | | | | |
| At the beginning of the year 01/04/2023 | Nil | - | - | - |
| Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.) | No Change | | | |
| At the end of the year 31/03/2024 | - | - | Nil | - |
| Shri Baldeo Purushartha, Govt. Nominee Director | | | | |
| At the beginning of the year 01/04/2023 | Nil | - | - | - |
| Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.) | No Change | | | |
| At the end of the year 31/03/2024 | - | - | Nil | - |
| Shri. Bhaskar Choradia, Govt. Nominee Director | | | | |
| At the beginning of the year 01/04/2023 | Nil | - | - | - |
| Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.) | No Change | | | |
| At the end of the year 31/03/2024 | - | - | Nil | - |
| Shri. Vallabhbhai Maneklal Patel, Non- Official/ Independent Director | | | | |
| At the beginning of the year 01/04/2023 | Nil | - | - | - |
| Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.) | No Change | | | |
| At the end of the year 31/03/2024 | - | - | Nil | - |
| Smt. Sheela Pandit, Non- Official/ Independent Director | | | | |
| At the beginning of the year 01/04/2023 | Nil | - | - | - |
| Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.) | No Change | | | |
| At the end of the year 31/03/2024 | - | - | Nil | - |

| Name of the Director / KMP | Change in Shareholding | | Cumulative Shareholding During the year | |
|---|------------------------|----------------------------------|---|----------------------------------|
| | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| Shri Sunil Kumar Goel, (CFO) Appointed w.e.f 25.05.2023 | | | | |
| At the beginning of the year 01/04/2023 | 1 | 0.00 | 1 | 0.00 |
| Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.) | No Change | | | |
| At the end of the year 31/03/2024 | - | - | 1 | 0.00 |
| Shri. Vijay Babulal Shirode, Company Secretary (KMP) | | | | |
| At the beginning of the year 01/04/2023 | 5 | 0.00 | 5 | 0.00 |
| Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.) | No Change | | | |
| At the end of the year 31/03/2024 | - | - | 5 | 0.00 |

Notes:

*Ministry of Railways (MOR), Government of India vide order no. 2018/E(0)II/40/19 dated 26.03.2024 has entrusted Additional charge of the post of CMD, IRFC to Ms. Uma Ranade, IRAS, AM (Budget) Railway Board w.e.f. the date of assumption of charge of the post till the date of her superannuation i.e. 31.07.2024, or till a regulary selected in cumbent joins the post, or until further orders, whichever is the earliest. She assumed the charge on 27.03.2024.

**Ms. Shelly Verma has relinquished the additional charge of the post of CMD/IRFC w.e.f. 27.03.2024 and will continue as Director (Finance).

V. INDEBTEDNESS

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

(₹ in Mn)

| | Secured Loans excluding Deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|---------------------|----------|---------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal amount | 27,62,460.73 | 14,26,831.85 | - | 41,89,292.58 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest Accrued but not due | 59,341.48 | 35,895.06 | - | 95,236.54 |
| Total (i + ii + iii) | 28,21,802.21 | 14,62,726.91 | - | 42,84,529.12 |
| Changes in Indebtedness during the financial year | | | | |
| Addition | 3,72,516.77 | 9,56,593.94 | - | 13,29,110.71 |
| Reduction | 6,63,333.69 | 7,28,474.11 | - | 13,91,807.80 |
| Net Change | (2,90,816.92) | 2,28,119.83 | - | (62,697.09) |
| Indebtedness at the end of the financial year | | | | |
| i) Principal amount | 24,79,703.83 | 16,40,617.18 | - | 41,20,321.01 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest Accrued but not due | 51,281.46 | 50,229.56 | - | 1,01,511.02 |
| Total (i + ii + iii) | 25,30,985.29 | 16,90,846.74 | - | 42,21,832.03 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Mn)

| Sr. No. | Particulars of Remuneration | Name of MD / WTD / Manager | | Total Amount |
|---------|---|--|---|--------------|
| | | *Ms. Uma Ranade CMD (Addl. Charge) | Ms. Shelly Verma, Director (Finance) | |
| 1. | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | 9.00 | 9.00 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | 0.13 | 0.13 |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961* | - | - | - |
| 2. | Stock option | | - | - |
| 3. | Sweat Equity | - | - | - |
| 4. | Commission | | | |
| | - As % of profit | - | - | - |
| | - Other, specify | - | - | - |
| 5. | Other, please specify | | | |
| | - Employer Contribution towards Provident Fund | - | 0.50 | 0.50 |
| | - Employer Contribution towards Pension Fund (amount over and above ₹ 1,50,000 has been include in perquisites u/s 14(2)) | - | Included in section 17(1) Salary | - |
| | Total (A) | - | 9.63 | 9.63 |
| | Ceiling as per the Act | Exempted for Government Companies as per MCA Notification dated 5 th June, 2015 | | |

*Person appointed as an Additional charge for the post of CMD is not entitled to any remuneration from the company, as per the norms of the Government of India.

B. Remuneration to other Directors

(₹ in Mn)

| Sr. No. | Particulars of Remuneration | Name of Directors | | Total Amount |
|---------|--|--|--------------------------|--------------|
| | | Shri Vallabhbai Maneklal Patel | Smt. Sheela Pandit | |
| | • Fee for attending Board Committee Meetings | 0.845 | 0.895 | 1.74 |
| | • Commission | - | - | - |
| | • Others, please specify | - | - | - |
| | Total (1) | | | |
| | Other Non-Executive Directors | Shri Baldeo Purushartha | Shri Bhaskar Choradia | |
| | • Fee for attending Board Committee Meetings | - | - | - |
| | • Commission | - | - | - |
| | • Others, please specify | - | - | - |
| | Total (2) | - | - | - |
| | Total (B)= (1+2) | 0.845 | 0.895 | 1.74 |
| | Total Managerial Remuneration | - | - | - |
| | Overall Ceiling as per the Act | Exempted for Government Companies as per MCA Notification dated 5 th June, 2015 | | |

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

(₹ in Mn)

| Sr. No. | Particulars of Remuneration | Chief Financial Officer | Company Secretary |
|---------|--|--|---|
| | | Shri Sunil Kumar Goel, Group General Manager (Finance) | Shri Vijay Babulal Shirode, Joint General Manager (Law) & Company Secretary |
| 1. | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 5.47 | 2.40 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961* | 0.19 | 0.16 |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | - | - |
| 2. | Stock option | - | - |
| 3. | Sweat Equity | - | - |
| 4. | Commission | - | - |
| | - As % of profit | - | - |
| | - Other, specify | - | - |
| 5. | Other, please specify | | |
| | - Employer Contribution towards Provident Fund | 0.33 | 0.18 |
| | - Employer Contribution towards Pension Fund (amount over and above ₹ 1,50,000 has been include in perquisites u/s 14(2) | Included in section 17(1) Salary | Included in section 17(1) Salary |
| | Total (C) | 5.98 | 2.74 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding | Authority [RD / NCLT / COURT] | Appeal made, if any (give Details) |
|------|------------------------------|-------------------|--|-------------------------------|------------------------------------|
| A. | COMPANY | | NIL | | |

Annexure-VIII

Code of Business Conduct-Declaration by the Chairman & Managing Director (CEO)

I hereby affirm that all Board Members and Senior Management personnel have confirmed compliance on their part of the "Code of Business Conduct and Ethics for Board Members and Senior Management" for the year 2023-24.

Place: New Delhi
Date: 20.05.2024

Sd/-
(Uma Ranade)
Chairman & Managing Director (Addl. Charge), CEO
DIN: 10565537

Annexure-IX

CEO & CFO CERTIFICATION

Certificate to the Board of Directors under Regulation 17(8) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby certify to the Board of Directors that:

- A. We have reviewed financial statements and the cash flow statement for the year ended 31.03.2024 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 we 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 listed entity's internal control system over financial reporting.

Place: New Delhi
Date: 20.05.2024

Sd/-
(Uma Ranade)
Chairman & Managing Director (Addl. Charge), CEO
[DIN: 10565537]

Sd/-
(Sunil Kumar Goel)
Chief Financial Officer (CFO)
[ACA: 529004]

Balance Sheet

as at 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| Particulars | Notes | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---|-------|------------------------|------------------------|------------------------|
| I. ASSETS | | | | |
| 1. Financial Assets | | | | |
| a) Cash And Cash Equivalents | 3 | 227.70 | 1,626.38 | 1,064.28 |
| b) Bank Balance Other Than included in (a) above. | 4 | 4,446.00 | 3,790.21 | 1,969.48 |
| c) Derivative Financial Instruments | 5 | 4,897.92 | 4,952.33 | 2,023.25 |
| d) Loans | | | | |
| (i) Loan to Railway Companies | 7 | 49,445.08 | 59,331.26 | 68,248.05 |
| (ii) Lease Receivables | 6 | 25,96,906.00 | 24,33,568.70 | 20,00,722.20 |
| e) Investments | 8 | 535.95 | 136.64 | 100.03 |
| f) Other Financial Assets | 9 | 20,72,550.01 | 22,52,748.13 | 22,47,779.18 |
| Total Financial Assets | | 47,29,008.66 | 47,56,153.65 | 43,21,906.47 |
| 2. Non-financial assets | | | | |
| a) Current Tax Assets (Net) | 10 | 3,441.24 | 3,680.23 | 6,373.08 |
| b) Property, Plant And Equipment | 11 | 148.16 | 126.50 | 138.86 |
| c) Right of Use Assets | 33.1 | 62.51 | 52.76 | 224.25 |
| d) Intangible assets under development | 11.1 | 37.84 | - | - |
| e) Other Intangible Assets | 12 | 9.79 | 12.63 | 16.51 |
| f) Other Non-Financial Assets | 13 | 1,18,116.06 | 1,43,561.74 | 1,64,940.28 |
| Total Non-Financial Assets | | 1,21,815.60 | 1,47,433.86 | 1,71,692.98 |
| Total Assets | | 48,50,824.26 | 49,03,587.51 | 44,93,599.45 |
| II. LIABILITIES AND EQUITY | | | | |
| LIABILITIES | | | | |
| 1. Financial Liabilities | | | | |
| a) Derivative Financial Instruments | 5 | 18,531.88 | 9,072.81 | 5,669.33 |
| b) Payables | 14 | | | |
| (i) 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 | | - | - | - |
| (ii) Other payables | | | | |
| (i) Total outstanding dues of micro enterprises and small enterprises | | 11.07 | 9.80 | 10.02 |
| (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 145.37 | 119.15 | 220.20 |
| c) Debt Securities | 15 | 22,50,942.28 | 21,60,942.33 | 19,41,749.53 |
| d) Borrowings (Other Than Debt Securities) | 16 | 18,69,378.73 | 20,28,350.25 | 19,42,416.65 |
| e) Lease Liabilities | 33.1 | 64.13 | 56.39 | 233.52 |
| f) Other Financial Liabilities | 17 | 2,14,504.40 | 2,56,336.18 | 1,94,267.45 |
| Total Financial Liabilities | | 43,53,577.86 | 44,54,886.91 | 40,84,566.70 |
| 2. Non-Financial Liabilities | | | | |
| a) Provisions | 18 | 1,627.70 | 1,048.02 | 535.71 |
| b) Deferred Tax Liabilities (Net) | 19 | - | - | - |
| c) Other Non-Financial Liabilities | 20 | 3,833.03 | 850.77 | 4,736.43 |
| Total Non-Financial Liabilities | | 5,460.73 | 1,898.79 | 5,272.14 |
| Total Liabilities | | 43,59,038.59 | 44,56,785.70 | 40,89,838.84 |
| Equity | | | | |
| a) Equity Share Capital | 21 | 1,30,685.06 | 1,30,685.06 | 1,30,685.06 |
| b) Other Equity | 22 | 3,61,100.61 | 3,16,116.75 | 2,73,075.55 |
| Total Equity | | 4,91,785.67 | 4,46,801.81 | 4,03,760.61 |
| Total Liabilities And Equity | | 48,50,824.26 | 49,03,587.51 | 44,93,599.45 |
| Material Accounting Policies | 2 | | | |

The accompanying statement of material accounting policies and notes to the financial information are an integral part of this Balance Sheet.

For **M/s. OP TOTLA & Co.**
Chartered Accountants
(FRN 000734C)

Sd/-
(CA Naveen Kumar Somani)
(Partner)
M.No. 429100
UDIN: 24429100BKADAP5200

Sd/-
(Vallabhbai Maneklal Patel)
Independent Director and
Chairman Audit Committee
DIN :07713055

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

Sd/-
(Uma Ranade)
Chairman and
Managing Director,
(Addnl Charge), CEO
DIN: 10565537

Sd/-
(Shelly Verma)
Director (Finance)
DIN: 07935630

Sd/-
(Vijay Babulal Shirode)
Company Secretary
& JGM (Law)
FCS: 6876

Sd/-
(Sunil Kumar Goel)
CFO

Place: New Delhi
Date: 20th May 2024

Statement of Profit and Loss

for the Year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| Particulars | Notes | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|--|-------|-----------------------------|-----------------------------|
| I. Revenue From Operations | | | |
| (I) Interest Income | 23 | 88,238.32 | 75,472.85 |
| (II) Lease Income | 24 | 1,78,207.52 | 1,61,741.33 |
| II. Other Income | | 2,66,445.84 | 2,37,214.18 |
| (I) Dividend Income | | 7.76 | 5.55 |
| (II) Other Income | 25 | 105.57 | 407.98 |
| III. Total Income (I+II) | | 2,66,559.17 | 2,37,627.71 |
| Expenses | | | |
| (I) Finance Costs | 26 | 2,01,014.70 | 1,74,472.08 |
| (II) Impairment on Financial Instruments | 27 | (39.28) | (29.09) |
| (III) Employee Benefit Expense | 28 | 111.72 | 130.99 |
| (IV) Depreciation, Amortization and Impairment | 29 | 94.42 | 140.62 |
| (V) Other Expenses | 30 | 1,256.57 | 1,241.55 |
| IV. Total Expenses | | 2,02,438.13 | 1,75,956.15 |
| V. Profit Before Exceptional Items and Tax | | 64,121.04 | 61,671.56 |
| VI. Exceptional Items | | - | - |
| VII. Profit Before Tax | | 64,121.04 | 61,671.56 |
| Tax Expense | 31 | | |
| (I) Current Tax | | - | - |
| (II) Deferred Tax | | - | - |
| (III) Adjustment for Earlier Years | | - | - |
| VIII. Total Tax Expenses | | - | - |
| IX. Profit for the Period from Continuing Operations (VII-VIII) | | 64,121.04 | 61,671.56 |
| X. Profit from Discontinued Operations | | - | - |
| XI. Tax Expense of Discontinued Operations | | - | - |
| XII. Profit from Discontinued Operations (After Tax) (X-XI) | | - | - |
| XIII. Profit for the Period (From continuing & discontinuing operations) (IX+XII) | | 64,121.04 | 61,671.56 |
| Other Comprehensive Income | | | |
| (A) (i) Items that will not be reclassified to profit or loss | | | |
| - Remeasurement of defined benefit plans | | 4.47 | 6.06 |
| - Remeasurement of Equity Instrument | | 399.31 | 39.53 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | | |
| - Remeasurement of defined benefit plans | | - | - |
| - Remeasurement of Equity Instrument | | - | - |
| Subtotal (A) | | 403.78 | 45.59 |
| (B) (i) Items that will be reclassified to profit or loss | | - | - |
| (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - |
| Subtotal (B) | | - | - |
| XIV. Other Comprehensive Income (A + B) | | 403.78 | 45.59 |
| XV. Total comprehensive income for the period (comprising profit (loss) and other comprehensive income for the period) (XIII+XIV) | | 64,524.82 | 61,717.15 |
| XVI. Basic & Diluted EPS | | | |
| 1. Earnings per equity share (for continuing operations) | 32 | | |
| (I) Basic (Rs.) | | 4.91 | 4.72 |
| (II) Diluted (Rs.) | | 4.91 | 4.72 |
| 2. Earnings per equity share (for discontinued operations) | | | |
| (I) Basic (Rs.) | | - | - |
| (II) Diluted (Rs.) | | - | - |
| 3. Earnings per equity share (for continuing and discontinued operations) | 32 | | |
| (I) Basic (Rs.) | | 4.91 | 4.72 |
| (II) Diluted (Rs.) | | 4.91 | 4.72 |
| Material Accounting Policies | 2 | | |

The accompanying statement of material accounting policies and notes to the financial information are an integral part of this Balance Sheet.

For **M/s. OP TOTLA & Co.**

Chartered Accountants
(FRN 000734C)

Sd/-
(CA Naveen Kumar Somani)
(Partner)
M.No. 429100
UDIN: 24429100BKADAP5200

Sd/-
(Vallabhbhai Maneklal Patel)
Independent Director and
Chairman Audit Committee
DIN :07713055

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

Sd/-
(Uma Ranade)
Chairman and
Managing Director,
(Addnl Charge), CEO
DIN: 10565537

Sd/-
(Shelly Verma)
Director (Finance)
DIN: 07935630

Sd/-
(Vijay Babulal Shirode)
Company Secretary
& JGM (Law)
FCS: 6876

Sd/-
(Sunil Kumar Goel)
CFO

Place: New Delhi
Date: 20th May 2024

Statement of Cash Flow

for the Year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|--|-----------------------------|-----------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before taxes | 64,121.04 | 61,671.56 |
| Adjustments for: | | |
| Remeasurement of Defined Benefit Plans | 4.47 | 6.06 |
| Depreciation and Amortisation (including adjustment to ROU assets) | 94.42 | 140.62 |
| Provision of Interest on Income Tax | - | - |
| Loss on Sale of Fixed Assets | 0.43 | 0.17 |
| Discount of Commercial Paper | 445.75 | - |
| Adjustments Towards Effective Interest Rate | 833.30 | 974.66 |
| Gain on Derecognition of RoU Asset | (3.74) | - |
| Interest Expense on lease liabilities | 5.02 | 9.23 |
| Dividend Income Received | (7.76) | (5.55) |
| Operating Profit Before Working Capital Changes | 65,492.93 | 62,796.75 |
| Movements in Working Capital: | | |
| increase/(Decrease) in Payables | 27.49 | (114.10) |
| increase/(Decrease) in Provisions | 579.68 | 512.31 |
| increase/(Decrease) in Others Non Financial Liabilities | 2,982.26 | (3,885.66) |
| increase/(Decrease) in Other Financial Liabilities | (41,831.73) | 62,060.17 |
| Decrease/(Increase) in Receivables | (1,63,337.30) | (4,34,545.07) |
| Decrease/(Increase) in Loans and Advances | 9,886.18 | 8,916.79 |
| Decrease/(Increase) in Bank Balance Other Than Cash and Cash Equivalents | (655.79) | (1,820.73) |
| Decrease/(Increase) in Other Non Financial Assets | 25,445.68 | 21,378.54 |
| Decrease/(Increase) in Other Financial Assets | 1,80,312.59 | (3,875.46) |
| Cash Generated From Operations | 78,901.99 | (2,88,576.46) |
| Less: Direct Taxes Paid (Net of Refunds) | (238.99) | (2,692.85) |
| Net Cash Flow/(Used) in Operating Activities (A) | 79,140.98 | (2,85,883.61) |
| B. CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of Property Plant & Equipments and Intangible Assets | (83.27) | (7.75) |
| Proceeds From Sale of Property Plant & Equipment | 0.07 | 0.19 |
| Proceeds From Realization of Pass Through Certificates / Sale of Investments | - | 2.92 |
| Dividend Income Received | 7.76 | 5.55 |
| Net Cash Flow/(Used) in Investing Activities (B) | (75.44) | 0.91 |
| C. CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Issue of Debt Securities (Net of Redemptions) | 90,003.83 | 2,19,055.32 |
| Raising of Rupee Term Loans/ Foreign Currency Borrowings (Net of Repayments) | (1,50,409.74) | 86,197.29 |
| Issue of Commercial Paper (Net of Repayments) | (445.75) | - |
| Payments for lease liabilities (including interest) | (71.60) | (131.86) |
| Share Issue Expenses | 61.80 | 12.01 |
| Final Dividend Paid | (9,147.95) | (8,233.16) |
| Interim Dividend Paid | (10,454.81) | (10,454.80) |
| Net Cash Generated By/(Used In) Financing Activities (C) | (80,464.22) | 2,86,444.80 |
| Net Increase in Cash and Cash Equivalents (A+B+C) | (1,398.68) | 562.10 |
| Cash and Cash Equivalents at the beginning of the year | 1,626.38 | 1,064.28 |
| Cash and Cash Equivalents at the End of the Period | 227.70 | 1,626.38 |

Statement of Cash Flow

for the Year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|--|-----------------------------|-----------------------------|
| Components of cash and cash equivalents | | |
| Cash on hand | - | - |
| Balances with banks | | |
| - On current accounts | 227.60 | 1,626.28 |
| - Balance in RBI-PLA | 0.10 | 0.10 |
| | 227.70 | 1,626.38 |

Material Accounting Policies

2

The accompanying statement of material accounting policies and notes to the financial information are an integral part of this Balance Sheet.

For **M/s. OP TOTLA & Co.**

Chartered Accountants
(FRN 000734C)

Sd/-

(CA Naveen Kumar Somani)

(Partner)

M.No. 429100

UDIN: 24429100BKADAP5200

Sd/-

(Vallabhbai Maneklal Patel)

Independent Director and

Chairman Audit Committee

DIN :07713055

For and on behalf of the Board of Directors

Indian Railway Finance Corporation Limited

Sd/-

(Uma Ranade)

Chairman and

Managing Director,

(Addnl Charge), CEO

DIN: 10565537

Sd/-

(Shelly Verma)

Director (Finance)

DIN: 07935630

Sd/-

(Vijay Babulal Shirode)

Company Secretary

& JGM (Law)

FCS: 6876

Sd/-

(Sunil Kumar Goel)

CFO

Place: New Delhi

Date: 20th May 2024

Statement of Changes in Equity

for the Year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

A. Equity Share Capital

Equity shares of ₹ 10 each issued, subscribed and fully paid

| Particulars | Notes | Amount |
|--|-------|--------------------|
| Balance as at 1 April 2023 | | 1,30,685.06 |
| Changes in Equity Share Capital due to prior period errors | | - |
| Restated Balance as at 1 April 2023 | 21 | 1,30,685.06 |
| Changes in equity share capital during the period | | - |
| Balance as at 31st March 2024 | | 1,30,685.06 |
| Balance as at 1 April 2022 | | 1,30,685.06 |
| Changes in Equity Share Capital due to prior period errors | | - |
| Restated Balance as at 1 April 2022 | 21 | 1,30,685.06 |
| Changes in equity share capital during the period | | - |
| Balance as at 31st March 2023 | | 1,30,685.06 |

The accompanying statement of material accounting policies and notes to the financial information are an integral part of this Balance Sheet.

For **M/s. OP TOTLA & Co.**

Chartered Accountants

(FRN 000734C)

Sd/-

(CA Naveen Kumar Somani)

(Partner)

M.No. 429100

UDIN: 24429100BKADAP5200

Sd/-

(Vallabhbai Maneklal Patel)

Independent Director and

Chairman Audit Committee

DIN :07713055

For and on behalf of the Board of Directors

Indian Railway Finance Corporation Limited

Sd/-

(Uma Ranade)

Chairman and

Managing Director,

(Addnl Charge), CEO

DIN: 10565537

Sd/-

(Shelly Verma)

Director (Finance)

DIN: 07935630

Sd/-

(Vijay Babulal Shirode)

Company Secretary

& JGM (Law)

FCS: 6876

Sd/-

(Sunil Kumar Goel)

CFO

Place: New Delhi

Date: 20th May 2024

Statement of Changes in Equity

for the Year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

B. Other Equity

| Particulars | Share issue expenses | Reserve and surplus | | | | Equity instruments through other comprehensive income | Total other equity |
|---|----------------------|---------------------|---|--------------------------|-------------------|---|--------------------|
| | | General Reserve | Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934 | Security Premium Reserve | Retained Earnings | | |
| Balance as at 1 April 2023 | (365.86) | 1,74,032.28 | 45,580.31 | 19,008.74 | 77,754.70 | 106.58 | 3,16,116.75 |
| Changes in accounting policy/prior period Errors | - | - | - | - | - | - | - |
| Restated Balance as at 1 April 2023 | (365.86) | 1,74,032.28 | 45,580.31 | 19,008.74 | 77,754.70 | 106.58 | 3,16,116.75 |
| Total comprehensive income for the period | - | - | - | - | 64,125.51 | 399.31 | 64,524.82 |
| Addition during the period | 61.80 | - | - | - | - | - | 61.80 |
| Transfer to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934 | - | - | 12,824.21 | - | (12,824.21) | - | - |
| Interim Dividend | - | - | - | - | (10,454.81) | - | (10,454.81) |
| Final Dividend | - | - | - | - | (9,147.95) | - | (9,147.95) |
| Balance as at 31st March 2024 | (304.06) | 1,74,032.28 | 58,404.52 | 19,008.74 | 1,09,453.24 | 505.89 | 3,61,100.61 |
| Balance as at 1 April 2022 | (377.87) | 1,74,032.28 | 32,906.28 | 19,008.74 | 53,641.86 | 67.05 | 2,79,278.34 |
| Changes in accounting policy/prior period Errors | - | - | - | - | (6,202.79) | - | (6,202.79) |
| Restated Balance as at 1 April 2022 | (377.87) | 1,74,032.28 | 32,906.28 | 19,008.74 | 47,439.07 | 67.05 | 2,73,075.55 |
| Total comprehensive income for the period | - | - | - | - | 61,677.62 | 39.53 | 61,717.15 |
| Addition during the period | 12.01 | - | - | - | - | - | 12.01 |
| Transfer to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934 | - | - | 12,674.03 | - | (12,674.03) | - | - |
| Interim Dividend | - | - | - | - | (10,454.80) | - | (10,454.80) |
| Final Dividend | - | - | - | - | (8,233.16) | - | (8,233.16) |
| Balance as at 31 March 2023 | (365.86) | 1,74,032.28 | 45,580.31 | 19,008.74 | 77,754.70 | 106.58 | 3,16,116.75 |

The accompanying statement of material accounting policies and notes to the financial information are an integral part of this Balance Sheet.

For **M/s. OP TOTLA & Co.**
Chartered Accountants
(FRN 000734C)

For and on behalf of the **Board of Directors**

Sd/-
(CA Naveen Kumar Somani)
(Partner)
M.No. 429100
UDIN: 24429100BKADAP5200

Sd/-
(Vailabhbai Maneklal Patel)
Independent Director and
Chairman Audit Committee
DIN: 07713055

Sd/-
(Uma Ranade)
Chairman and
Managing Director,
(Addnl Charge), CEO
DIN: 10665537

Sd/-
(Shelly Verma)
Director (Finance)
DIN: 07935630

Sd/-
(Vijay Babulal Shirode)
Company Secretary
& JGM (Law)
FCS: 6876

Sd/-
(Sunil Kumar Goel)
CFO

Indian Railway Finance Corporation Limited

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

1. Background

Indian Railway Finance Corporation Ltd., referred to as “the Company” or “IRFC” was incorporated by the Government of India, Ministry of Railways, as a financing arm of Indian Railways, for the purpose of raising the necessary resources for meeting the developmental needs of Indian Railways. The Company’s principal business is to borrow funds from the financial markets to finance the acquisition / creation of assets which are then leased out to the Indian Railways as finance lease. IRFC is a Schedule ‘A’ Public Sector Enterprise under the administrative control of the Ministry of Railways, Govt. of India. It is also registered as Systemically Important Non-Deposit taking Non Banking Financial Company (NBFC – ND-SI) and Infrastructure Finance Company (NBFC- IFC) with Reserve Bank of India (RBI). The President of India along with his nominees holds 86.36% of the equity share capital.

UG - Floor, East Tower, NBCC Place, Bhisham Pitamah Marg, Lodhi Rd, Pragati Vihar, New Delhi, Delhi 110003.

2. Material Accounting Policies

A summary of the material accounting policies adopted in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

2.1 Statement of Compliance

The financial statements have been prepared on going concern basis following accrual system of accounting in accordance with the Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules 2015 and subsequent amendments thereto, read with Section 133 of the Companies Act, 2013 and other Accounting principles generally accepted in India. These Standalone Financial Statements have been approved by Board of Directors (BOD) of the company on 20.05.24.

2.2 Basis for preparation of financial statements

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Unless otherwise stated, all amounts are stated in Millions of Rupees.

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

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, regardless of whether that price is directly observable or estimated using another valuation technique. Fair value for measurement and/or disclosure purpose in these financial statements is determined on such basis except for, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value.

In addition, for financial reporting purposes fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs for the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- **Level 1** - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- **Level 2** - Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** - inputs are unobservable inputs for the asset or liability.

2.3 Use of estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management’s judgments are based on previous experience & other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the financial statements, information about material areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most material effect on the amounts recognized in the financial statements is as under:

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

a) Formulation of accounting policies

The accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

b) Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

c) Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37 'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

d) Income taxes

Material estimates are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions.

2.4 Revenue

Company's revenues arise from lease income, dividend income, interest on lease advance, loans, deposits and investments. Revenue from other income comprise miscellaneous income etc.

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Finance lease income in respect of finance leases is allocated to the accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. (Also see accounting policy on leases at 2.14).

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Pre-commencement lease-interest income is determined based on the MOU entered with Ministry of Railways and when it is probable that the economic benefits will flow to the Company and the amount can be determined reliably.

Dividend income is recognized in profit or loss only when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

2.5 Foreign Currency Transaction

Functional and presentation currency

Items included in the financial statements of entity are measured using currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is entity's functional and presentation currency.

Transactions and Balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

2.6 Employee Benefits

Defined contribution plan

A Defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions in respect of the employees into an independent fund administered by the government/ pension fund manager and will have no legal or constructive obligation to pay further amounts after its payment of the fixed contribution. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in statement of profit and loss in the period during which services are rendered by employees.

The company has a defined contribution plan which includes pension scheme and provident fund scheme. Company's contribution towards provident fund and pension scheme for the year are recognised as an expense and charged to the statement of profit and loss.

Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The company's liability towards gratuity and post-retirement benefits such as medical benefits are in the nature of defined benefits plans.

The company's net obligation in respect of defined benefit plans is determined using the projected unit credit method, with actuarial valuations being carried out at the end of reporting period. Actuarial gain/loss on re-measurement of gratuity and other post-employment defined plans are recognised in other comprehensive income (OCI). Past service cost is recognised in the statement of Profit and Loss account in the period of a plan amendment.

Other long-term employee benefits

The company's obligation towards leave encashment and employee family benefit scheme are in the nature of other long term employee benefits. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date and employee family benefit scheme are estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the period in which such gains or losses are determined.

Short-term employee benefits

Short term employee benefits such as salaries and wages are recognised on undiscounted basis in the statement of Profit and Loss account, on the basis of the amount paid or payable for the period during which services are rendered by the employee.

2.7 Taxation

Tax expense comprises Current Tax and Deferred Tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax is recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively.

The Company is exercising the irrevocable option as permitted by section 115BAA of the Income – tax Act, 1961 whereby by foregoing certain exemptions, deductions and allowances, the tax rate applicable to the Company is lower than the normal tax rate that would have been otherwise applicable to the Company. Henceforth, minimum alternate tax provisions of section 115JB of the Income – tax Act, 1961 are not applicable to the Company.

Deferred Tax

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The Company does not recognize deferred tax asset or deferred tax liability because as per Gazette Notification no. S.O. 529(E) dated 5th February 2018 as amended by notification no. S.O. 1465 dated 2 April 2018 issued by Ministry of Corporate Affairs, Government of India, read with their communication no. Eoffice F.No.17/32/2017 – CL – V dated 20th March 2020, the provisions of Indian Accounting Standards 12 relating to Deferred Tax Assets (DTA) or Deferred Tax Liability (DTL) does not apply to the Company.

2.8 Property, Plant and Equipment (PPE)

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

De-recognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined by comparing the proceeds from disposal, if any, with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

Depreciation

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

2.9 Intangible assets

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

De-recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains & losses on de-recognition of an item of intangible assets are determined by comparing the proceeds from disposal, if any, with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

Amortization

Software is amortized over 5 years on straight-line method.

2.10 Borrowing costs

Borrowing costs consist of interest expense calculated using the effective interest method as described in Ind AS 109 'Financial Instruments' and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction/development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of all borrowing that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset.

Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.

All other borrowing costs are recognized as an expense in the year in which they are incurred.

2.11 Cash and cash equivalents

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

2.12 Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

2.13 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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 amortization, if no impairment loss had been recognized.

2.14 Leases

At inception of a contract, the Company assesses whether the contract is, or contains a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessor

- The Company classifies each of its leases as either an operating lease or a finance lease.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. The depreciation policy for depreciable underlying assets subject to operating leases is consistent with the Company's normal depreciation policy for similar assets.

Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at 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 net investment outstanding in respect of the lease.

Company as a lessee

At the contract commencement date, the Company recognizes right-of-use asset and a lease liability. A right-of-use asset is an asset that represents a lessee's right to use an underlying asset for the lease term. The Company has elected not to apply the aforesaid requirements to short term leases (leases which at the commencement date has a lease term of 12 months or less) and leases for which the underlying asset is of low value as described in paragraphs B3 – B9 of Ind AS 116.

A right of use asset is initially measured at cost and subsequently applies the cost mode i.e. less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of lease liability. Ind AS 16, Property, Plant and Equipment is applied in depreciating the right-of-use asset.

A lease liability is initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Company's incremental borrowing rate is used. Subsequently, the carrying amount of the lease liability is increased to reflect interest on lease liability; reduced to reflect the lease payments; and remeasured to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

2.15 Securitisation of Finance Lease Receivable

Lease Receivables securitised out to Special Purpose Vehicle in a securitisation transactions are de-recognised in the balance sheet when they are transferred and consideration has been received by the Company.

The resultant gain/loss arising on securitization is recognised in the Statement of Profit & Loss in the year in which transaction takes place.

Lease Receivables assigned through direct assignment route are de-recognised in the balance sheet when they are transferred and consideration has been received by the Company. Profit or loss resulting from such assignment is accounted for in the year of transaction.

2.16 Leasing of Railway Infrastructure Assets

In terms of Indian Accounting Standard 116, the inception of lease takes place at the earlier of the date of the lease agreement and the date of a commitment by the parties to the principal provisions of the lease.

The commencement of the lease term is the date from which the lessee is entitled to exercise its right to use the leased asset. It is the date of initial recognition of the lease.

As such, in respect of Railway Infrastructure Assets, which are under construction and where the Memorandum of Understanding / terms containing the principal provisions of the lease are in effect with the Lessee, pending execution of the lease agreement, the transactions relating to the lease are:

- presented as "Advance against Railway Infrastructure Assets to be leased"; and thereafter
- transferred to "Project Infrastructure Assets under Finance Lease Arrangement" on receipt of utilization report from the lessee; and thereafter
- transferred to lease receivable as per Ind AS 116 on execution of lease agreement.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

2.17 Dividends

Dividends and interim dividends payable to the Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

2.18 Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

2.19 Earnings per share

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

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.20 Statement of Cash Flows

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of cashflows'.

2.21 Operating Segments

The Managing Director (MD) of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments".

The Company has identified 'Leasing and Finance' as its sole reporting segment.

2.22 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.22.1. Financial Assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

Subsequent measurement

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at Fair value through Other Comprehensive Income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss.

Debt instrument at Fair value through profit or loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments

All equity investments in entities other than subsidiaries and joint venture companies are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. The Company has decided to classify its investments into equity shares of IRCON International Limited through FVTOCI.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, 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.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and bank balance.
- Financial assets that are debt instruments and are measured as at FVTOCI.
- Lease receivables under Ind AS 116.
- Loan commitments which are not measured as at FVTPL.
- Financial guarantee contracts which are not measured as at FVTPL.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a material increase in the credit risk since initial recognition. If credit risk has not increased materially, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased materially, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a material increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

2.22.2. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risks are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, cross currency swaps and interest rate swaps to hedge its foreign currency risks and interest rate risks of foreign currency loans. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken to statement of profit and loss. Where the derivative is designated as a hedging instrument, the accounting for subsequent changes in fair value depends on the nature of item being hedged and the type of hedge relationship designated. Where the difference is a pass through the lessee, the amount is received/reimbursed to the lessee.

2.23 Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 3: Cash and Cash Equivalents

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|-------------------------------------|------------------------|------------------------|------------------------|
| Balances with banks | | | |
| - in current accounts | | | |
| - For Statutory Dues | 213.24 | 446.50 | 933.90 |
| - For Time Deposits | - | - | - |
| - For Other than above | 14.36 | 1,179.78 | 130.28 |
| Deposits with Reserve Bank of India | | | |
| - in public deposit account | 0.10 | 0.10 | 0.10 |
| Total | 227.70 | 1,626.38 | 1,064.28 |

Note 4: Bank Balances Other Than Cash and Cash Equivalents

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------------------------------------|------------------------|------------------------|------------------------|
| Balances with banks | | | |
| - in interest redemption accounts* | 298.74 | 107.62 | 117.62 |
| - in unspent CSR account | 787.60 | 433.90 | 400.64 |
| - in escrow pool account** | 3,338.55 | 3,236.89 | 1,441.26 |
| - in dividend payable account | 21.11 | 11.80 | 9.96 |
| Total | 4,446.00 | 3,790.21 | 1,969.48 |

* The Company discharges its obligation towards payment of interest and redemption of bonds for which warrants are issued, by depositing the respective amounts in the designated bank accounts.

** Related to allotment of Section 54EC bonds (Bonds from domestic capital market under note No. 15).

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 5: Derivative Financial Instruments

The Company enters into derivative contracts for Currency & Interest Rate risk. Derivative transactions include forwards, interest rate swaps, cross currency swaps, etc. to hedge the liabilities. These derivative transactions are done for hedging purpose and not for trading or speculative purposes.

| Particulars | As at 31 March 2024 | | | As at 31 March 2023 | | | As at 01 April 2022 | | |
|---|---------------------|---------------------|--------------------------|---------------------|---------------------|--------------------------|---------------------|---------------------|--------------------------|
| | Notional amounts | Fair value - assets | Fair value - liabilities | Notional amounts | Fair value - assets | Fair value - liabilities | Notional amounts | Fair value - assets | Fair value - liabilities |
| (i) Currency Derivatives | | | | | | | | | |
| Spot and forwards | 82,555.75 | 844.17 | 11,153.71 | 74,957.53 | 587.70 | 2,998.08 | 44,122.23 | - | 933.31 |
| Currency swaps | 34,176.68 | 3,130.69 | 7,378.17 | 33,683.09 | 3,327.07 | 6,074.73 | 31,072.31 | 1,612.16 | 4,736.02 |
| Subtotal (A) | 1,16,732.43 | 3,974.86 | 18,531.88 | 1,08,640.62 | 3,914.77 | 9,072.81 | 75,194.54 | 1,612.16 | 5,669.33 |
| (ii) Interest Rate Derivatives | | | | | | | | | |
| Forward rate agreements and interest rate swaps | 15,326.18 | 923.06 | - | 15,104.84 | 1,037.56 | - | 13,934.06 | 411.09 | - |
| Subtotal (B) | 15,326.18 | 923.06 | - | 15,104.84 | 1,037.56 | - | 13,934.06 | 411.09 | - |
| Total Derivative Financial Instruments (A+B) | 1,32,058.61 | 4,897.92 | 18,531.88 | 1,23,745.46 | 4,952.33 | 9,072.81 | 89,128.60 | 2,023.25 | 5,669.33 |

Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:

| Particulars | As at 31 March 2024 | | | As at 31 March 2023 | | | As at 01 April 2022 | | |
|---|---------------------|---------------------|--------------------------|---------------------|---------------------|--------------------------|---------------------|---------------------|--------------------------|
| | Notional amounts | Fair value - assets | Fair value - liabilities | Notional amounts | Fair value - assets | Fair value - liabilities | Notional amounts | Fair value - assets | Fair value - liabilities |
| (i) Fair Value Hedging | | | | | | | | | |
| Currency derivatives | 1,16,732.43 | 3,974.86 | 18,531.88 | 1,08,640.62 | 3,914.77 | 9,072.81 | 75,194.54 | 1,612.16 | 5,669.33 |
| Interest rate derivatives | - | - | - | - | - | - | - | - | - |
| Subtotal (A) | 1,16,732.43 | 3,974.86 | 18,531.88 | 1,08,640.62 | 3,914.77 | 9,072.81 | 75,194.54 | 1,612.16 | 5,669.33 |
| (ii) Cash Flow Hedging | | | | | | | | | |
| Currency derivatives | - | - | - | - | - | - | - | - | - |
| Interest rate derivatives | 15,326.18 | 923.06 | - | 15,104.84 | 1,037.56 | - | 13,934.06 | 411.09 | - |
| Subtotal (B) | 15,326.18 | 923.06 | - | 15,104.84 | 1,037.56 | - | 13,934.06 | 411.09 | - |
| Total Derivative Financial Instruments (A+B) | 1,32,058.61 | 4,897.92 | 18,531.88 | 1,23,745.46 | 4,952.33 | 9,072.81 | 89,128.60 | 2,023.25 | 5,669.33 |

Note : Refer note 38.5 & 38.6 for currency and interest rate risk management

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 6 : Lease Receivables

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---|------------------------|------------------------|------------------------|
| Lease Receivables* | | | |
| Rolling Stock Assets | 16,50,633.73 | 18,06,969.75 | 17,77,582.46 |
| Project Assets (Unsecured, considered good due from Ministry of Railways, Government of India) | 9,46,272.27 | 6,26,598.95 | 2,23,139.74 |
| Total | 25,96,906.00 | 24,33,568.70 | 20,00,722.20 |

*No impairment loss has been recognised as the entire lease receivables are from Ministry of Railways, Government of India, a sovereign receivable as per Reserve Bank of India letter no. DNRB (PD). CO.No.1271/03.10.001/2018-19 dated 21-December-2018. (Refer note- 18)

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 7 : Loan to Railway Companies

| Particulars | As at 31 March 2024 | | | | As at 31 March 2023 | | | | As at 01 April 2022 | | | | |
|--|--|----------------------------|--------------------|------------------|---|----------------------|--------------------|------------------|--|----------------------------|--------------------|------------------|---|
| | At Fair Value | | Amortised cost (A) | Total (A+B) | At Fair Value | | Amortised cost (A) | Total (A+B) | At Fair Value | | Amortised cost (A) | Total (A+B) | |
| | Through Other Comprehensive Income (B) | Through Profit or Loss (C) | | | Designated at Fair Value Through Profit or Loss (D) | Subtotal E = (B+C+D) | | | Through Other Comprehensive Income (B) | Through Profit or Loss (C) | | | Designated at Fair Value Through Profit or Loss (D) |
| Loans | | | | | | | | | | | | | |
| (A) Term Loans | | | | | | | | | | | | | |
| - Loan to Rail Vikas Nigam Limited | 49,643.65 | - | 49,643.65 | - | 53,416.47 | - | 53,416.47 | - | - | 56,216.00 | - | 56,216.00 | - |
| - Loan to Irocon International Limited | - | - | - | 6,153.07 | 6,153.07 | - | 6,153.07 | - | - | 12,306.14 | - | 12,306.14 | - |
| Total (A) - Gross | 49,643.65 | - | 49,643.65 | 59,569.54 | 59,569.54 | - | 59,569.54 | 68,522.14 | - | 68,522.14 | - | 68,522.14 | - |
| Less: Impairment loss allowance* | 198.57 | - | 198.57 | 238.28 | 238.28 | - | 238.28 | 274.09 | - | 274.09 | - | 274.09 | - |
| Total (A) - Net | 49,445.08 | - | 49,445.08 | 59,331.26 | 59,331.26 | - | 59,331.26 | 68,248.05 | - | 68,248.05 | - | 68,248.05 | - |
| (B)(i) Secured by tangible assets | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (ii) Secured by intangible assets | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (iii) Covered by Bank/ Government Guarantees | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (iv) Unsecured | 49,643.65 | - | 49,643.65 | 59,569.54 | 59,569.54 | - | 59,569.54 | 68,522.14 | - | 68,522.14 | - | 68,522.14 | - |
| Total (B) - Gross | 49,643.65 | - | 49,643.65 | 59,569.54 | 59,569.54 | - | 59,569.54 | 68,522.14 | - | 68,522.14 | - | 68,522.14 | - |
| Less: Impairment loss allowance* | 198.57 | - | 198.57 | 238.28 | 238.28 | - | 238.28 | 274.09 | - | 274.09 | - | 274.09 | - |
| Total (B) - Net | 49,445.08 | - | 49,445.08 | 59,331.26 | 59,331.26 | - | 59,331.26 | 68,248.05 | - | 68,248.05 | - | 68,248.05 | - |
| (C) (i) Loans in India | | | | | | | | | | | | | |
| (i) Public Sector | 49,643.65 | - | 49,643.65 | 59,569.54 | 59,569.54 | - | 59,569.54 | 68,522.14 | - | 68,522.14 | - | 68,522.14 | - |
| (ii) Others (to be specified) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total (C) - Gross | 49,643.65 | - | 49,643.65 | 59,569.54 | 59,569.54 | - | 59,569.54 | 68,522.14 | - | 68,522.14 | - | 68,522.14 | - |
| Less: Impairment loss allowance* | 198.57 | - | 198.57 | 238.28 | 238.28 | - | 238.28 | 274.09 | - | 274.09 | - | 274.09 | - |
| Total (C) (i) - Net | 49,445.08 | - | 49,445.08 | 59,331.26 | 59,331.26 | - | 59,331.26 | 68,248.05 | - | 68,248.05 | - | 68,248.05 | - |
| (C) (ii) Loans outside India | | | | | | | | | | | | | |
| Less: Impairment loss allowance* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total (C) (ii) - Net | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total (C) (i) and (ii) | 49,445.08 | - | 49,445.08 | 59,331.26 | 59,331.26 | - | 59,331.26 | 68,248.05 | - | 68,248.05 | - | 68,248.05 | - |

*The Company has computed expected credit loss as per Ind AS 109. Financial Instruments in accordance with the erstwhile Reserve Bank of India direction RBI/2019-20/170 DOR(NBFC). CC.PD.No. 109/22.10.106/2019-20 dated 13th March 2020 based on Reserve Bank of India circular no. RBI/2017-18/181_DNBR (PD) CC No. 092/03.10.001/2017-18 dated 31 May 2018 read with letter no. DNRB (PD) CO No. 1271/03.10.001/2018-19 dated 21 December 2018 which was earlier exempted vide notification DNBR.PD.008/03.10.119/2016-17 dated 1st September 2016 for all government NBFC company. (Refer note-18).

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 8 : Investments

| Particulars | As at 31 March 2024 | | | | | As at 31 March 2023 | | | | | As at 01 April 2022 | | | | | | | |
|--|---------------------|--|----------------------------|---|----------------------|---------------------|--------------------|--|----------------------------|---|----------------------|-------------|--------------------|--|----------------------------|---|----------------------|---------------|
| | At Fair Value | | | | | At Fair Value | | | | | At Fair Value | | | | | | | |
| | Amortised cost (A) | Through Other Comprehensive Income (B) | Through Profit or Loss (C) | Designated at Fair Value Through Profit or Loss (D) | Subtotal E = (B+C+D) | Total (A+B) | Amortised cost (A) | Through Other Comprehensive Income (B) | Through Profit or Loss (C) | Designated at Fair Value Through Profit or Loss (D) | Subtotal E = (B+C+D) | Total (A+B) | Amortised cost (A) | Through Other Comprehensive Income (B) | Through Profit or Loss (C) | Designated at Fair Value Through Profit or Loss (D) | Subtotal E = (B+C+D) | Total (A+B) |
| Debt Securities* | - | - | - | - | - | - | 2.93 | - | - | - | 2.93 | - | 2.93 | - | - | - | - | 2.93 |
| Equity Instruments# | 535.95 | - | - | - | 535.95 | 535.95 | 136.64 | - | - | 136.64 | 136.64 | - | 97.11 | - | - | - | 97.11 | 97.11 |
| Total (A) | 535.95 | - | - | - | 535.95 | 535.95 | 136.64 | - | - | 136.64 | 136.64 | - | 97.11 | - | - | - | 97.11 | 100.04 |
| Investments Outside India | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Investments in India | 535.95 | - | - | - | 535.95 | 535.95 | 136.64 | - | - | 136.64 | 136.64 | - | 97.11 | - | - | - | 97.11 | 100.04 |
| Total (B) | 535.95 | - | - | - | 535.95 | 535.95 | 136.64 | - | - | 136.64 | 136.64 | - | 97.11 | - | - | - | 97.11 | 100.04 |
| Less: Allowance for Impairment (C) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0.01 |
| Total (A)-(C) | 535.95 | - | - | - | 535.95 | 535.95 | 136.64 | - | - | 136.64 | 136.64 | - | 97.11 | - | - | - | 97.11 | 100.03 |
| Details of Debt securities* | | | | | | | | | | | | | | | | | | |
| Numbers of Senior Pass through Certificates of NOVO X Trust Locos | 5 | | | | | | | | | | | | | | | | | |
| Fair value of Senior Pass through Certificates of NOVO X Trust Locos | 2.93 | | | | | | | | | | | | | | | | | |
| Details of Equity Instruments# | | | | | | | | | | | | | | | | | | |
| Numbers of Equity Shares of IRCON International Limited | 24,40,000 | | | | | | | | | | | | | | | | | |
| Fair value of Equity Shares of IRCON International Limited | 136.64 | | | | | | | | | | | | | | | | | |

The Company holds nominal Equity (less than 0.26%) in IRCON International Limited. The Equity shares of IRCON International Limited were listed on National Stock Exchange with effect from 28 September 2018. The Company had elected to classify its investment in IRCON International Limited as fair value through other comprehensive income. The fair value as on 31 March 2023 and 31 March 2022 has been measured as per the quotation on National Stock Exchange (Level 1 Input).

As on 3rd April 2020, IRCON international Limited splits its one share into 5 share each by decreasing its face value to Rs. 2/- per share from Rs. 10/- per share.

As on 21st May 2021, IRCON international Limited issued bonus share in the ratio of 1:1.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 9 : Other Financial Assets

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---|------------------------|------------------------|------------------------|
| Amount recoverable from Ministry of Railways on account of exchange rate variation / derivatives# | 57,024.45 | 68,807.06 | 11,037.15 |
| Project Infrastructure Asset under Finance Lease Arrangements-EBR-IF (Refer Note No. 45) | 10,38,880.11 | 13,25,044.50 | 15,09,946.57 |
| Project Infrastructure Asset under Finance Lease Arrangements-EBR Special (Refer Note No. 45) | 6,61,914.74 | 6,28,381.41 | 5,40,173.59 |
| Advance Funding Against National Project (Refer Note No. 45) | - | - | 27,083.62 |
| Interest accrued but not due on advance for railway project to be leased | 2,99,266.91 | 2,15,156.96 | 1,45,867.60 |
| Security deposits | 48.97 | 48.51 | 54.57 |
| House building advance (secured)* | 15.73 | 8.83 | 2.34 |
| Advance to employees** | 15.19 | 10.50 | 6.00 |
| Interest accrued but not due on advance to employees*** | 1.92 | 1.92 | 1.30 |
| Interest accrued but not due on loans | 15,416.60 | 15,310.45 | 13,621.66 |
| Interest accrued but not due on investment | - | - | 5.10 |
| Interest accrued but not due on 54 EC bond application money | 16.81 | 8.83 | 28.80 |
| Interest accrued but not due on deposit | 0.08 | 1.54 | - |
| Amount recoverable from others | 10.17 | 28.86 | 5.39 |
| Gross Total | 20,72,611.68 | 22,52,809.37 | 22,47,833.69 |
| Less: Impairment on interest accrued and due on loans & deposits/ investments **** | 61.67 | 61.24 | 54.51 |
| Net Total | 20,72,550.01 | 22,52,748.13 | 22,47,779.18 |

*Includes Rs. 1.50 million for 31 March 2024, Rs. 1.69 million for 31 March 2023, Rs. 1.89 million for 01 April 2022 to Key Managerial Personnel.

**Includes Rs. 1.88 million for 31 March 2024, Rs. 0.18 million for 31 March 2023, Rs. 0.33 million for 01 April 2022 to Key Managerial Personnel.

***Includes Rs. 0.52 million for 31 March 2024, Rs. 0.42 million for 31 March 2023, 0.33 million for 01 April 2022 to Key Managerial Personnel.

**** The Company has computed expected credit loss as per Ind AS 109, Financial Instruments in accordance with the erstwhile Reserve Bank of India direction RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020 based on Reserve Bank of India circular no. RBI/2017-18/181_DNBR (PD) CC No. 092/03.10.001/2017-18 dated 31 May 2018 read with letter no. DNRB (PD) CO No. 1271/03.10.001/2018-19 dated 21 December 2018 which was earlier exempted vide notification DNBR.PD.008/03.10.119/2016-17 dated 1st September 2016 for all government NBFC company (Refer Note no. 42 (a) (i)).

Amount recoverable from Ministry of Railway on account of exchange rate variation / derivatives includes amount recoverable from Ministry of Railways on account of MTM derivatives of the respective period. (Refer Note No. 44).

Note 10 : Current Tax Assets (net)

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---|------------------------|------------------------|------------------------|
| TDS & advance tax | 3,441.24 | 3,680.23 | 6,497.70 |
| Less: Provision for tax (Refer note no. 31) | - | - | (124.62) |
| Total | 3,441.24 | 3,680.23 | 6,373.08 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 11 : Property, Plant and Equipment

| Particulars | Building | Leasehold Improvements | Office Equipment | Computer | Furniture and fixtures | Plant and equipment | Vehicles | Total |
|--|----------|------------------------|------------------|----------|------------------------|---------------------|----------|--------|
| Gross block | | | | | | | | |
| Balance as on 1 April 2022 | 112.32 | 27.33 | 8.50 | 10.76 | 9.60 | 0.03 | 3.99 | 172.53 |
| Additions | - | - | 4.46 | 1.00 | 2.29 | - | - | 7.75 |
| Acquisitions through business combinations | - | - | - | - | - | - | - | - |
| Amount of change due to revaluation | - | - | - | - | - | - | - | - |
| Disposals | - | - | (0.27) | (0.06) | (0.06) | - | - | (0.39) |
| Adjustment | - | - | - | - | - | - | - | - |
| Balance as on 31 March 2023 | 112.32 | 27.33 | 12.69 | 11.70 | 11.83 | 0.03 | 3.99 | 179.89 |
| Balance as on 1 April 2023 | 112.32 | 27.33 | 12.69 | 11.70 | 11.83 | 0.03 | 3.99 | 179.89 |
| Additions | - | 9.88 | 4.60 | 7.20 | 22.60 | - | - | 44.28 |
| Acquisitions through business combinations | - | - | - | - | - | - | - | - |
| Amount of change due to revaluation | - | - | - | - | - | - | - | - |
| Disposals | - | - | (0.94) | (0.41) | (0.01) | - | - | (1.36) |
| Adjustment | - | - | - | - | - | - | - | - |
| Balance as on 31 March 2024 | 112.32 | 37.21 | 16.36 | 18.49 | 34.42 | 0.03 | 3.99 | 222.81 |
| Accumulated depreciation | | | | | | | | |
| Balance as on 1 April 2022 | 14.75 | 10.18 | 1.98 | 3.97 | 1.36 | 0.03 | 1.40 | 33.67 |
| Depreciation expense | 3.05 | 10.15 | 1.86 | 3.12 | 1.10 | - | 0.47 | 19.75 |
| Elimination on disposals of assets | - | - | - | (0.02) | (0.01) | - | - | (0.03) |
| Impairment losses or reversals thereof | - | - | - | - | - | - | - | - |
| Balance as on 31 March 2023 | 17.80 | 20.33 | 3.84 | 7.07 | 2.45 | 0.03 | 1.87 | 53.39 |
| Balance as on 1 April 2023 | 17.80 | 20.33 | 3.84 | 7.07 | 2.45 | 0.03 | 1.87 | 53.39 |
| Depreciation expense | 3.05 | 9.42 | 2.51 | 3.84 | 2.81 | - | 0.49 | 22.11 |
| Elimination on disposals of assets | - | - | (0.45) | (0.41) | (0.00) | - | - | (0.86) |
| Impairment losses or reversals thereof | - | - | - | - | - | - | - | - |
| Balance as on 31 March 2024 | 20.85 | 29.75 | 5.90 | 10.50 | 5.26 | 0.03 | 2.36 | 74.64 |
| Carrying amount | | | | | | | | |
| Net Block 31 March 2023 | 94.52 | 7.00 | 8.85 | 4.63 | 9.38 | - | 2.12 | 126.50 |
| Net Block 31 March 2024 | 91.47 | 7.46 | 10.46 | 7.99 | 29.16 | - | 1.63 | 148.16 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 11.1 : Intangible assets under development

Intangible assets under development aging schedule as at 31 March 2024

| Particulars | Amount in CWIP for a period of | | | | Total |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 37.84 | - | - | - | 37.84 |
| Projects temporarily suspended | - | - | - | - | - |

Intangible assets under development aging schedule as at 31 March 2023

| Particulars | Amount in CWIP for a period of | | | | Total |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | - | - | - | - | - |
| Projects temporarily suspended | - | - | - | - | - |

Intangible assets under development aging schedule as at 01 April 2022

| Particulars | Amount in CWIP for a period of | | | | Total |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | - | - | - | - | - |
| Projects temporarily suspended | - | - | - | - | - |

Note 12 : Other Intangible Assets

| Particulars | Software |
|--|--------------|
| Gross block | |
| Balance as on 1 April 2022 | 19.62 |
| Additions | - |
| Acquisitions through business combinations | - |
| Amount of change due to revaluation | - |
| Disposals | - |
| Adjustment | - |
| Balance as on 31 March 2023 | 19.62 |
| Balance as on 1 April 2023 | 19.62 |
| Additions | 1.15 |
| Acquisitions through business combinations | - |
| Amount of change due to revaluation | - |
| Disposals | - |
| Adjustment | - |
| Balance as on 31 March 2024 | 20.77 |
| Accumulated Amortisation | |
| Balance as on 1 April 2022 | 3.11 |
| Amortisation expense | 3.88 |
| Elimination on disposals of assets | - |
| Impairment losses or reversals thereof | - |
| Balance as on 31 March 2023 | 6.99 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| Particulars | Software |
|--|--------------|
| Balance as on 1 April 2023 | 6.99 |
| Amortisation expense | 3.99 |
| Elimination on disposals of assets | - |
| Impairment losses or reversals thereof | - |
| Balance as on 31 March 2024 | 10.98 |
| Net Block 31 March 2023 | 12.63 |
| Net Block 31 March 2024 | 9.79 |

Note 13 : Other Non-Financial Assets

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---|------------------------|------------------------|------------------------|
| Capital Advances | | | |
| Advance to FA & CAO, Northern Railway | 25.30 | 25.30 | 25.30 |
| Advance to RLDA | 489.43 | 391.63 | - |
| Advance to KPMG | 0.80 | 0.80 | - |
| Advances other than capital advances | | | |
| Advance to others | - | - | 111.05 |
| Others | | | |
| Prepaid expenses | 21.98 | 1.16 | 4.36 |
| GST recoverable** | 14,664.47 | 14,664.47 | 14,664.47 |
| GST Input- Project Assets* | 1,02,896.42 | 1,28,462.73 | 1,50,123.59 |
| Leave Encashment Funded Assets (Net) | - | 0.01 | 0.06 |
| Gratuity Funded Assets (Net) | 17.66 | 15.64 | 11.45 |
| Total | 1,18,116.06 | 1,43,561.74 | 1,64,940.28 |

* Includes GST inputs on rolling stock and infrastructure assets.

** Please refer Note No.43(b)(i)

Note 14 : Payables

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---|------------------------|------------------------|------------------------|
| (I) 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 | - | - | - |
| (II) Other payables | | | |
| (i) Total outstanding dues of micro enterprises and small enterprises (Refer Note No. 50) | 11.07 | 9.80 | 10.02 |
| (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | 145.37 | 119.15 | 220.20 |
| Total | 156.44 | 128.95 | 230.22 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 14(a) Other Payables ageing schedule

Other Payables ageing schedule as at 31 March 2024

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|-----------------------------|--|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | 11.07 | | | | 11.07 |
| (ii) Others | 59.45 | 85.92 | | | 145.37 |
| (iii) Disputed dues-MSME | | | | | - |
| (iv) Disputed dues - Others | | | | | - |

Other Payables ageing schedule as at 31 March 2023

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|-----------------------------|--|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | 9.80 | | | | 9.80 |
| (ii) Others | 39.26 | 79.89 | | | 119.15 |
| (iii) Disputed dues-MSME | | | | | - |
| (iv) Disputed dues - Others | | | | | - |

Other Payables ageing schedule as at 1 April 2022

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|-----------------------------|--|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | 10.02 | | | | 10.02 |
| (ii) Others | 174.92 | 45.28 | | | 220.20 |
| (iii) Disputed dues-MSME | | | | | - |
| (iv) Disputed dues - Others | | | | | - |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 15 : Debt Securities

| Particulars | As at 31 March 2024 | | | As at 31 March 2023 | | | As at 01 April 2022 | | | | | |
|------------------------------------|---------------------|--------------------------------------|---|---------------------|---------------------|--------------------------------------|---|---------------------|---------------------|--------------------------------------|---|---------------------|
| | At Amortised cost | At Fair Value Through Profit or Loss | Designated at Fair Value Through Profit or Loss | Total | At amortised cost | At fair value through profit or loss | Designated at fair value through profit or loss | Total | At Amortised cost | At Fair Value Through Profit or Loss | Designated at Fair Value Through Profit or Loss | Total |
| Others | | | | | | | | | | | | |
| Bonds from domestic capital market | 19,78,677.69 | - | - | 19,78,677.69 | 18,92,292.51 | - | - | 18,92,292.51 | 16,94,491.39 | - | - | 16,94,491.39 |
| Bonds from overseas capital market | 2,72,264.59 | - | - | 2,72,264.59 | 2,68,649.82 | - | - | 2,68,649.82 | 2,47,258.14 | - | - | 2,47,258.14 |
| Commercial Paper | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | 22,50,942.28 | - | - | 22,50,942.28 | 21,60,942.33 | - | - | 21,60,942.33 | 19,41,749.53 | - | - | 19,41,749.53 |
| Debt securities in India | 19,78,677.69 | - | - | 19,78,677.69 | 18,92,292.51 | - | - | 18,92,292.51 | 16,94,491.39 | - | - | 16,94,491.39 |
| Debt securities outside India | 2,72,264.59 | - | - | 2,72,264.59 | 2,68,649.82 | - | - | 2,68,649.82 | 2,47,258.14 | - | - | 2,47,258.14 |
| Total | 22,50,942.28 | - | - | 22,50,942.28 | 21,60,942.33 | - | - | 21,60,942.33 | 19,41,749.53 | - | - | 19,41,749.53 |

The borrowings have been utilised for the specific purpose for which the same has been drawn.

The Ministry of Corporate Affairs has notified the Companies (Share Capital and Debentures) Amendments Rules, 2019 on 16th August, 2019 which exempts NBFC listed companies registered with Reserve Bank of India u/s 45-IA of the RBI Act, 1934 from creation of Debenture Redemption reserve.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Indian Railway Finance Corporation Limited Secured bonds from domestic capital market

The secured bonds issued in the domestic capital market are secured by first pari passu charge on the present/ future rolling stock assets/ lease receivables of the Company. Maturity profile and rate of interest of the bonds issued in the domestic capital market and amount outstanding as on various dates is as set out below:

| S.No | Series | Interest rate | Interest payment frequency | Terms of Repayment | Date of Maturity of Bond | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|--|---------------|----------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 1 | 157 th series 6.80% Sec Red Non Cum Taxable bonds | 6.80% | Annual | Bullet Repayment | 30-Apr-41 | 13,750.00 | 13,750.00 | 13,750.00 |
| 2 | 156 th series 7.21% sec Red Non-Cum Taxable Bonds | 7.21% | Annual | Bullet Repayment | 25-Feb-41 | 19,545.00 | 19,545.00 | 19,545.00 |
| 3 | 154 series 6.85% Secured Non-Cum Taxable | 6.85% | Annual | Bullet Repayment | 01-Dec-40 | 46,520.00 | 46,520.00 | 46,520.00 |
| 4 | 153 series 6.85% Taxable Bonds | 6.85% | Annual | Bullet Repayment | 29-Oct-40 | 59,912.00 | 59,912.00 | 59,912.00 |
| 5 | 104 th 'A' Series Tax Free Bonds Public Issue | 7.25%/7.50% | Annual | Bullet Repayment | 21-Dec-35 | 3,696.34 | 3,696.34 | 3,696.34 |
| 6 | 104 th Series Tax Free Bonds Public Issue | 7.25% | Annual | Bullet Repayment | 21-Dec-35 | 2,944.16 | 2,944.16 | 2,944.16 |
| 7 | 151 th Series Taxable Non-Cum. Bonds | 6.73% | Annual | Bullet Repayment | 06-Jul-35 | 30,000.00 | 30,000.00 | 30,000.00 |
| 8 | 150 Series Taxable Non-Cum. Bonds | 6.90% | Annual | Bullet Repayment | 05-Jun-35 | 25,650.00 | 25,650.00 | 25,650.00 |
| 9 | 71 st "E" Taxable Non-Cum. Bonds | 8.83% | Semi Annual | Bullet Repayment | 14-May-35 | 2,200.00 | 2,200.00 | 2,200.00 |
| 10 | 70 th "E" Taxable Non-Cum. Bonds | 8.72% | Semi Annual | Bullet Repayment | 04-May-35 | 150.00 | 150.00 | 150.00 |
| 11 | 141 th Taxable Non-Cum. Bonds | 7.48% | Annual | Bullet Repayment | 29-Aug-34 | 21,070.00 | 21,070.00 | 21,070.00 |
| 12 | 139 th Taxable Non-Cum. Bonds | 7.54% | Annual | Bullet Repayment | 29-Jul-34 | 24,556.00 | 24,556.00 | 24,556.00 |
| 13 | 138 th Taxable Non-Cum. Bonds | 7.85% | Annual | Bullet Repayment | 01-Jul-34 | 21,200.00 | 21,200.00 | 21,200.00 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| S.No | Series | Interest rate | Interest payment frequency | Terms of Repayment | Date of Maturity of Bond | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|--|---------------|----------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 14 | 71 st "D" Taxable Non-Cum. Bonds | 8.83% | Semi Annual | Bullet Repayment | 14-May-34 | 2,200.00 | 2,200.00 | 2,200.00 |
| 15 | 70 th "D" Taxable Non-Cum. Bonds | 8.72% | Semi Annual | Bullet Repayment | 04-May-34 | 150.00 | 150.00 | 150.00 |
| 16 | 71 st "C" Taxable Non-Cum. Bonds | 8.83% | Semi Annual | Bullet Repayment | 14-May-33 | 2,200.00 | 2,200.00 | 2,200.00 |
| 17 | 70 th "C" Taxable Non-Cum. Bonds | 8.72% | Semi Annual | Bullet Repayment | 04-May-33 | 150.00 | 150.00 | 150.00 |
| 18 | 71 st "B" Taxable Non-Cum. Bonds | 8.83% | Semi Annual | Bullet Repayment | 14-May-32 | 2,200.00 | 2,200.00 | 2,200.00 |
| 19 | 70 th "B" Taxable Non-Cum. Bonds | 8.72% | Semi Annual | Bullet Repayment | 04-May-32 | 150.00 | 150.00 | 150.00 |
| 20 | 71 st "A" Taxable Non-Cum. Bonds | 8.83% | Semi Annual | Bullet Repayment | 14-May-31 | 2,200.00 | 2,200.00 | 2,200.00 |
| 21 | 76 th "B" Taxable Non-Cum. Bonds | 9.47% | Semi Annual | Bullet Repayment | 10-May-31 | 9,950.00 | 9,950.00 | 9,950.00 |
| 22 | 70 th "A" Taxable Non-Cum. Bonds | 8.72% | Semi Annual | Bullet Repayment | 04-May-31 | 150.00 | 150.00 | 150.00 |
| 23 | 152 nd Series Taxable Non-Cum. Bonds | 6.41% | Annual | Bullet Repayment | 11-Apr-31 | 20,000.00 | 20,000.00 | 20,000.00 |
| 24 | 108 th "A" Series Tax Free Bonds Public Issue | 7.35%/7.64% | Annual | Bullet Repayment | 22-Mar-31 | 11,943.13 | 11,943.13 | 11,943.13 |
| 25 | 108 th Series Tax Free Bonds Public Issue | 7.35% | Annual | Bullet Repayment | 22-Mar-31 | 10,163.76 | 10,163.76 | 10,163.76 |
| 26 | 103 rd "A" Series Tax Free Bonds Public Issue | 7.28%/7.53% | Annual | Bullet Repayment | 21-Dec-30 | 10,742.17 | 10,742.17 | 10,742.17 |
| 27 | 103 rd Series Tax Free Bonds Public Issue | 7.28% | Annual | Bullet Repayment | 21-Dec-30 | 20,573.10 | 20,573.10 | 20,573.10 |
| 28 | 70 th "AA" Taxable Non-Cum. Bonds | 8.79% | Semi Annual | Bullet Repayment | 04-May-30 | 14,100.00 | 14,100.00 | 14,100.00 |
| 29 | 144 th Series Taxable Bonds (ETF) | 7.55% | Annual | Bullet Repayment | 12-Apr-30 | 15,800.00 | 15,800.00 | 15,800.00 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| S.No | Series | Interest rate | Interest payment frequency | Terms of Repayment | Date of Maturity of Bond | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|---|---------------|----------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 30 | 146 th Series Taxable Bonds | 7.08% | Annual | Bullet Repayment | 28-Feb-30 | 30,000.00 | 30,000.00 | 30,000.00 |
| 31 | 67 th "B" Taxable Non-Cum. Bonds | 8.80% | Semi Annual | Bullet Repayment | 03-Feb-30 | 3,850.00 | 3,850.00 | 3,850.00 |
| 32 | 143 rd Taxable Non-Cum. Bonds | 7.55% | Annual | Bullet Repayment | 06-Nov-29 | 24,549.00 | 24,549.00 | 24,549.00 |
| 33 | 142 th Taxable Non-Cum. Bonds | 7.50% | Annual | Bullet Repayment | 09-Sep-29 | 27,070.00 | 27,070.00 | 27,070.00 |
| 34 | 140 th Taxable Non-Cum. Bonds | 7.48% | Annual | Bullet Repayment | 13-Aug-29 | 25,920.00 | 25,920.00 | 25,920.00 |
| 35 | 136 th Series Taxable Bonds | 7.95% | Annual | Bullet Repayment | 12-Jun-29 | 30,000.00 | 30,000.00 | 30,000.00 |
| 36 | 135 Series Taxable Bonds | 8.23% | Annual | Bullet Repayment | 29-Mar-29 | 25,000.00 | 25,000.00 | 25,000.00 |
| 37 | 96 th Series Tax Free Bonds Public Issue | 8.63% | Annual | Bullet Repayment | 26-Mar-29 | 9,479.13 | 9,479.13 | 9,479.13 |
| 38 | 96 th A Series Tax Free Bonds Public Issue | 8.63%/8.88% | Annual | Bullet Repayment | 26-Mar-29 | 4,364.14 | 4,364.14 | 4,364.14 |
| 39 | 134 Series Taxable Bonds | 8.30% | Annual | Bullet Repayment | 25-Mar-29 | 30,000.00 | 30,000.00 | 30,000.00 |
| 40 | 133 Series Taxable Bonds | 8.35% | Annual | Bullet Repayment | 13-Mar-29 | 30,000.00 | 30,000.00 | 30,000.00 |
| 41 | 131 st Series Taxable Bonds | 8.55% | Annual | Bullet Repayment | 21-Feb-29 | 22,365.00 | 22,365.00 | 22,365.00 |
| 42 | 92 nd Series Tax Free Bonds Public Issue | 8.40% | Annual | Bullet Repayment | 18-Feb-29 | 10,901.87 | 10,901.87 | 10,901.87 |
| 43 | 92 nd A Series Tax Free Bonds Public Issue | 8.40%/8.65% | Annual | Bullet Repayment | 18-Feb-29 | 6,883.59 | 6,883.59 | 6,883.59 |
| 44 | 94 th A Series Tax Free Non-Cum Bonds | 8.55% | Annual | Bullet Repayment | 12-Feb-29 | 130.00 | 130.00 | 130.00 |
| 45 | 93 rd A Series Tax Free Non-Cum Bonds | 8.55% | Annual | Bullet Repayment | 10-Feb-29 | 16,500.00 | 16,500.00 | 16,500.00 |
| 46 | 130 th Series Taxable Bonds | 8.40% | Annual | Bullet Repayment | 08-Jan-29 | 28,454.00 | 28,454.00 | 28,454.00 |

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as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| S.No | Series | Interest rate | Interest payment frequency | Terms of Repayment | Date of Maturity of Bond | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|---|---------------|----------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 47 | 129 th Series Taxable Bonds | 8.45% | Annual | Bullet Repayment | 04-Dec-28 | 30,000.00 | 30,000.00 | 30,000.00 |
| 48 | 90 th A Series Tax Free Non-Cum Bonds | 8.48% | Annual | Bullet Repayment | 27-Nov-28 | 550.00 | 550.00 | 550.00 |
| 49 | 89 th A Series Tax Free Non-Cum Bonds | 8.48% | Annual | Bullet Repayment | 21-Nov-28 | 7,380.00 | 7,380.00 | 7,380.00 |
| 50 | 87 th 'A' Series (Non-Retail), Tax Free Bonds Public Issue | 7.04% | Annual | Bullet Repayment | 23-Mar-28 | 2,252.49 | 2,240.81 | 2,237.71 |
| 51 | 87 th 'A' Series (Retail), Tax Free Bonds Public Issue | 7.54% | Annual | Bullet Repayment | 23-Mar-28 | 386.35 | 398.03 | 401.13 |
| 52 | 86 th 'A' Series (Non-Retail), Tax Free Bonds Public Issue | 7.34% | Annual | Bullet Repayment | 19-Feb-28 | 23,416.03 | 23,350.16 | 23,301.34 |
| 53 | 86 th 'A' Series (Retail), Tax Free Bonds Public Issue | 7.84% | Annual | Bullet Repayment | 19-Feb-28 | 2,173.08 | 2,238.95 | 2,287.77 |
| 54 | 83 rd 'A' Tax Free Non-Cum. Bonds | 7.39% | Annual | Bullet Repayment | 06-Dec-27 | 950.00 | 950.00 | 950.00 |
| 55 | 82 nd 'A' Tax Free Non-Cum. Bonds | 7.38% | Annual | Bullet Repayment | 30-Nov-27 | 300.00 | 300.00 | 300.00 |
| 56 | 81 st 'A' Tax Free Non-Cum. Bonds | 7.38% | Annual | Bullet Repayment | 26-Nov-27 | 667.00 | 667.00 | 667.00 |
| 57 | 124 th Series Taxable Non-Cum Bonds | 7.54% | Annual | Bullet Repayment | 31-Oct-27 | 9,350.00 | 9,350.00 | 9,350.00 |
| 58 | 123 rd Series Taxable Non-Cum Bonds | 7.33% | Annual | Bullet Repayment | 28-Aug-27 | 17,450.00 | 17,450.00 | 17,450.00 |
| 59 | 121 st Taxable Non Cum - Bonds | 7.27% | Annual | Bullet Repayment | 15-Jun-27 | 20,500.00 | 20,500.00 | 20,500.00 |
| 60 | 54 th 'B' Taxable Non-Cum. Bonds | 10.04% | Semi Annual | Bullet Repayment | 07-Jun-27 | 3,200.00 | 3,200.00 | 3,200.00 |
| 61 | 120 th Taxable Non Cum - Bonds | 7.49% | Annual | Bullet Repayment | 30-May-27 | 22,000.00 | 22,000.00 | 22,000.00 |
| 62 | 118 th Taxable Non Cum - Bonds | 7.83% | Annual | Bullet Repayment | 21-Mar-27 | 29,500.00 | 29,500.00 | 29,500.00 |
| 63 | 80 th 'A' Series (Non-Retail), Tax Free Bonds Public Issue | 8.10% | Annual | Bullet Repayment | 23-Feb-27 | 28,104.22 | 28,039.39 | 27,971.49 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| S.No | Series | Interest rate | Interest payment frequency | Terms of Repayment | Date of Maturity of Bond | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|---|---------------|----------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 64 | 80 th 'A' Series (Retail), Tax Free Bonds Public Issue | 8.30% | Annual | Bullet Repayment | 23-Feb-27 | 2,852.30 | 2,917.13 | 2,985.03 |
| 65 | 53 rd 'C' Taxable Non-Cum. Bonds | 8.75% | Semi Annual | Bullet Repayment | 29-Nov-26 | 4,100.00 | 4,100.00 | 4,100.00 |
| 66 | 79 th 'A' Tax Free Non-Cum. Bonds | 7.77% | Annual | Bullet Repayment | 08-Nov-26 | 1,915.10 | 1,915.10 | 1,915.10 |
| 67 | 76 th 'A' Taxable Non-Cum. Bonds | 9.33% | Semi Annual | Bullet Repayment | 10-May-26 | 2,550.00 | 2,550.00 | 2,550.00 |
| 68 | 75 th Taxable Non-Cum. Bonds | 9.09% | Semi Annual | Bullet Repayment | 31-Mar-26 | 1,500.00 | 1,500.00 | 1,500.00 |
| 69 | 74 th Taxable Non-Cum. Bonds | 9.09% | Semi Annual | Bullet Repayment | 29-Mar-26 | 10,760.00 | 10,760.00 | 10,760.00 |
| 70 | 107 th 'A' Series Tax Free Bonds Public Issue | 7.04%/7.29% | Annual | Bullet Repayment | 22-Mar-26 | 1,907.14 | 1,907.14 | 1,907.14 |
| 71 | 107 th Series Tax Free Bonds Public Issue | 7.04% | Annual | Bullet Repayment | 22-Mar-26 | 485.97 | 485.97 | 485.97 |
| 72 | 106 th Series Tax Free Bonds | 7.04% | Annual | Bullet Repayment | 03-Mar-26 | 10,500.00 | 10,500.00 | 10,500.00 |
| 73 | 102 nd 'A' Series Tax Free Bonds Public Issue | 7.07%/7.32% | Annual | Bullet Repayment | 21-Dec-25 | 3,689.49 | 3,689.49 | 3,689.49 |
| 74 | 102 nd Series Tax Free Bonds Public Issue | 7.07% | Annual | Bullet Repayment | 21-Dec-25 | 3,674.74 | 3,674.74 | 3,674.74 |
| 75 | 100 th Series Tax Free Non-Cum Bonds | 7.15% | Annual | Bullet Repayment | 21-Aug-25 | 3,290.00 | 3,290.00 | 3,290.00 |
| 76 | 99 th Series Tax Free Non-Cum Bonds | 7.19% | Annual | Bullet Repayment | 31-Jul-25 | 11,390.00 | 11,390.00 | 11,390.00 |
| 77 | 147 th Series Taxable Bonds | 6.99% | Annual | Bullet Repayment | 19-Mar-25 | 8,470.00 | 8,470.00 | 8,470.00 |
| 78 | 69 th Taxable Non-Cum. Bonds | 8.95% | Semi Annual | Bullet Repayment | 10-Mar-25 | 6,000.00 | 6,000.00 | 6,000.00 |
| 79 | 67 th 'A' Taxable Non-Cum. Bonds | 8.65% | Semi Annual | Bullet Repayment | 03-Feb-25 | 2,000.00 | 2,000.00 | 2,000.00 |

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(All amounts in millions of ₹, unless stated otherwise)

| S.No | Series | Interest rate | Interest payment frequency | Terms of Repayment | Date of Maturity of Bond | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|---|---------------|----------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 80 | 65 th "O" Taxable Non-Cum. Bonds | 8.20% | Semi Annual | Bullet Repayment | 27-Apr-24 | 600.00 | 600.00 | 600.00 |
| 81 | 95 th Series Tax Free Bonds Public Issue | 8.19% | Annual | Bullet Repayment | 26-Mar-24 | - | 2,311.52 | 2,311.52 |
| 82 | 95 th A Series Tax Free Bonds Public Issue | 8.19%/8.44% | Annual | Bullet Repayment | 26-Mar-24 | - | 1,297.38 | 1,297.38 |
| 83 | 132 Series Taxable Bonds | 8.25% | Annual | Bullet Repayment | 28-Feb-24 | - | 25,000.00 | 25,000.00 |
| 84 | 91 st Series Tax Free Bonds Public Issue | 8.23% | Annual | Bullet Repayment | 18-Feb-24 | - | 17,783.21 | 17,783.21 |
| 85 | 91 st A Series Tax Free Bonds Public Issue | 8.23%/8.48% | Annual | Bullet Repayment | 18-Feb-24 | - | 5,262.55 | 5,262.55 |
| 86 | 63 rd "B" Taxable Non-Cum. Bonds | 8.65% | Semi Annual | Bullet Repayment | 15-Jan-24 | - | 3,150.00 | 3,150.00 |
| 87 | 62 nd "B" Taxable Non-Cum. Bonds | 8.50% | Semi Annual | Bullet Repayment | 26-Dec-23 | - | 2,850.00 | 2,850.00 |
| 88 | 90 th Series Tax Free Non-Cum Bonds | 8.35% | Annual | Bullet Repayment | 27-Nov-23 | - | 570.00 | 570.00 |
| 89 | 89 th Series Tax Free Non-Cum Bonds | 8.35% | Annual | Bullet Repayment | 21-Nov-23 | - | 4,870.00 | 4,870.00 |
| 90 | 61 st "A" Taxable Non-Cum. Bonds | 10.70% | Semi Annual | Bullet Repayment | 11-Sep-23 | - | 6,150.00 | 6,150.00 |
| 91 | 155 th series 5.04% Secured Bonds | 5.04% | Annual | Bullet Repayment | 05-May-23 | - | 30,000.00 | 30,000.00 |
| 92 | 149 Series Taxable Non-Cum. Bonds | 6.19% | Annual | Bullet Repayment | 28-Apr-23 | - | 31,900.00 | 31,900.00 |
| 93 | 65 th "N" Taxable Non-Cum. Bonds | 8.20% | Semi Annual | Bullet Repayment | 27-Apr-23 | - | 600.00 | 600.00 |
| 94 | 145 th Series Taxable Bonds | 6.59% | Annual | Bullet Repayment | 14-Apr-23 | - | 30,000.00 | 30,000.00 |
| 95 | 88 th Taxable Non-Cum. Bonds | 8.83% | Annual | Bullet Repayment | 25-Mar-23 | - | - | 11,000.00 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| S.No | Series | Interest rate | Interest payment frequency | Terms of Repayment | Date of Maturity of Bond | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|---|---------------|----------------------------|--|--------------------------|---------------------|---------------------|---------------------|
| 96 | 87 th Series (Non-Retail), Tax Free Bonds Public Issue | 6.88% | Annual | Bullet Repayment | 23-Mar-23 | - | - | 1,382.42 |
| 97 | 87 th Series (Retail), Tax Free Bonds Public Issue | 7.38% | Annual | Bullet Repayment | 23-Mar-23 | - | - | 269.29 |
| 98 | 86 th Series (Non-Retail), Tax Free Bonds Public Issue | 7.18% | Annual | Bullet Repayment | 19-Feb-23 | - | - | 26,717.90 |
| 99 | 86 th Series (Retail), Tax Free Bonds Public Issue | 7.68% | Annual | Bullet Repayment | 19-Feb-23 | - | - | 1,426.90 |
| 100 | 85 th Tax Free Non-Cum. Bonds | 7.19% | Annual | Bullet Repayment | 14-Dec-22 | - | - | 950.00 |
| 101 | 84 th Tax Free Non-Cum. Bonds | 7.22% | Annual | Bullet Repayment | 07-Dec-22 | - | - | 4,999.00 |
| 102 | 83 rd Tax Free Non-Cum. Bonds | 7.22% | Annual | Bullet Repayment | 06-Dec-22 | - | - | 300.00 |
| 103 | 82 nd Tax Free Non-Cum. Bonds | 7.22% | Annual | Bullet Repayment | 30-Nov-22 | - | - | 410.00 |
| 104 | 81 st Tax Free Non-Cum. Bonds | 7.21% | Annual | Bullet Repayment | 26-Nov-22 | - | - | 2,560.00 |
| 105 | 58 th "A" Taxable Non-Cum. Bonds | 9.20% | Semi Annual | Bullet Repayment | 29-Oct-22 | - | - | 5,000.00 |
| 106 | 57 th Taxable Non-Cum. Bonds | 9.66% | Semi Annual | Redeemable on 28.09.2022, being the due date for the last instalment | 28-Sep-22 | - | - | 2,000.00 |
| 107 | 54 th "A" Taxable Non-Cum. Bonds | 9.95% | Semi Annual | Bullet Repayment | 07-Jun-22 | - | - | 1,500.00 |
| 108 | 55 th "O" Taxable Non-Cum. Bonds | 9.86% | Semi Annual | Bullet Repayment | 07-Jun-22 | - | - | 330.00 |
| 109 | 65 th "M" Taxable Non-Cum. Bonds | 8.20% | Semi Annual | Bullet Repayment | 27-Apr-22 | - | - | 600.00 |
| | Total | | | | | 9,93,196.30 | 11,54,940.96 | 12,14,386.47 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

54 EC Bonds Secured in markets

The 54 EC bonds issued in the domestic capital market are secured by first pari passu charge on the present/ future rolling stock assets/ lease receivables of the Company

Maturity Profile and Rate of Interest of the 54EC secured bonds issued in the domestic capital market and amount outstanding as on various dates is as set out below:-

| S.No | Series | Interest rate | Interest payment frequency | Terms of Repayment | Date of Maturity of Bond | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|------------------------------|---------------|----------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 1 | 54 EC, Mar 2024 Bond Series | 5.25% | Annual | Bullet Repayment | 31-Mar-29 | 3,329.68 | - | - |
| 2 | 54 EC, Feb 2024 Bond Series | 5.25% | Annual | Bullet Repayment | 28-Feb-29 | 2,011.50 | - | - |
| 3 | 54 EC, Jan 2024 Bond Series | 5.25% | Annual | Bullet Repayment | 31-Jan-29 | 1,734.34 | - | - |
| 4 | 54 EC, Dec 2023 Bond Series | 5.25% | Annual | Bullet Repayment | 31-Dec-28 | 1,573.74 | - | - |
| 5 | 54 EC, Nov 2023 Bond Series | 5.25% | Annual | Bullet Repayment | 30-Nov-28 | 1,329.67 | - | - |
| 6 | 54 EC, Oct 2023 Bond Series | 5.25% | Annual | Bullet Repayment | 31-Oct-28 | 1,464.86 | - | - |
| 7 | 54 EC, Sep 2023 Bond Series | 5.25% | Annual | Bullet Repayment | 30-Sep-28 | 1,533.24 | - | - |
| 8 | 54 EC, Aug 2023 Bond Series | 5.25% | Annual | Bullet Repayment | 31-Aug-28 | 1,328.06 | - | - |
| 9 | 54 EC, July 2023 Bond Series | 5.25% | Annual | Bullet Repayment | 31-Jul-28 | 2,272.72 | - | - |
| 10 | 54 EC, Jun 2023 Bond Series | 5.25% | Annual | Bullet Repayment | 30-Jun-28 | 1,405.89 | - | - |
| 11 | 54 EC, May 2023 Bond Series | 5.25% | Annual | Bullet Repayment | 31-May-28 | 1,542.27 | - | - |
| 12 | 54 EC, Apr 2023 Bond Series | 5.25% | Annual | Bullet Repayment | 30-Apr-28 | 1,117.44 | - | - |
| 13 | 54 EC, Mar 2023 Bond Series | 5.00% | Annual | Bullet Repayment | 31-Mar-28 | 3,208.63 | 3,208.53 | - |
| 14 | 54 EC, Feb 2023 Bond Series | 5.00% | Annual | Bullet Repayment | 29-Feb-28 | 1,389.88 | 1,216.67 | - |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| S.No | Series | Interest rate | Interest payment frequency | Terms of Repayment | Date of Maturity of Bond | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|------------------------------|---------------|----------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 15 | 54 EC, Jan 2023 Bond Series | 5.00% | Annual | Bullet Repayment | 31-Jan-28 | 1,216.67 | 1,389.88 | - |
| 16 | 54 EC, Dec 2022 Bond Series | 5.00% | Annual | Bullet Repayment | 31-Dec-27 | 1,541.24 | 1,541.24 | - |
| 17 | 54 EC, Nov 2022 Bond Series | 5.00% | Annual | Bullet Repayment | 30-Nov-27 | 1,326.48 | 1,326.48 | - |
| 18 | 54 EC, Oct 2022 Bond Series | 5.00% | Annual | Bullet Repayment | 31-Oct-27 | 1,093.36 | 1,093.35 | - |
| 19 | 54 EC, Sep 2022 Bond Series | 5.00% | Annual | Bullet Repayment | 30-Sep-27 | 1,189.47 | 1,189.47 | - |
| 20 | 54 EC, Aug 2022 Bond Series | 5.00% | Annual | Bullet Repayment | 31-Aug-27 | 840.60 | 840.60 | - |
| 21 | 54 EC, July 2022 Bond Series | 5.00% | Annual | Bullet Repayment | 31-Jul-27 | 1,671.01 | 1,671.01 | - |
| 22 | 54 EC, Jun 2022 Bond Series | 5.00% | Annual | Bullet Repayment | 30-Jun-27 | 1,352.31 | 1,352.31 | - |
| 23 | 54 EC, May 2022 Bond Series | 5.00% | Annual | Bullet Repayment | 31-May-27 | 1,258.97 | 1,258.97 | - |
| 24 | 54 EC, Apr 2022 Bond Series | 5.00% | Annual | Bullet Repayment | 30-Apr-27 | 1,205.18 | 1,205.18 | - |
| 25 | 54 EC, Mar 2022 Bond Series | 5.00% | Annual | Bullet Repayment | 31-Mar-27 | 2,088.60 | 2,088.60 | 2,088.60 |
| 26 | 54 EC, Feb 2022 Bond Series | 5.00% | Annual | Bullet Repayment | 28-Feb-27 | 945.57 | 945.57 | 943.20 |
| 27 | 54 EC, Jan 2022 Bond Series | 5.00% | Annual | Bullet Repayment | 31-Jan-27 | 926.35 | 926.35 | 926.35 |
| 28 | 54 EC, Dec 2021 Bond Series | 5.00% | Annual | Bullet Repayment | 31-Dec-26 | 1,122.29 | 1,122.29 | 1,122.29 |
| 29 | 54 EC, Nov 2021 Bond Series | 5.00% | Annual | Bullet Repayment | 30-Nov-26 | 645.61 | 645.61 | 645.61 |
| 30 | 54 EC, Oct 2021 Bond Series | 5.00% | Annual | Bullet Repayment | 31-Oct-26 | 832.21 | 832.21 | 832.21 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| S.No | Series | Interest rate | Interest payment frequency | Terms of Repayment | Date of Maturity of Bond | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|------------------------------|---------------|----------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 31 | 54 EC, Sep 2021 Bond Series | 5.00% | Annual | Bullet Repayment | 30-Sep-26 | 1,203.22 | 1,203.22 | 1,203.22 |
| 32 | 54 EC, Aug 2021 Bond Series | 5.00% | Annual | Bullet Repayment | 31-Aug-26 | 887.12 | 887.12 | 887.12 |
| 33 | 54 EC, July 2021 Bond Series | 5.00% | Annual | Bullet Repayment | 31-Jul-26 | 1,050.55 | 1,050.55 | 1,050.55 |
| 34 | 54 EC, Jun 2021 Bond Series | 5.00% | Annual | Bullet Repayment | 30-Jun-26 | 838.14 | 838.14 | 838.14 |
| 35 | 54 EC, May 2021 Bond Series | 5.00% | Annual | Bullet Repayment | 31-May-26 | 507.06 | 507.06 | 507.06 |
| 36 | 54 EC, Apr 2021 Bond Series | 5.00% | Annual | Bullet Repayment | 30-Apr-26 | 565.74 | 565.74 | 565.74 |
| 37 | 54 EC, Mar 2021 Bond Series | 5.00% | Annual | Bullet Repayment | 31-Mar-26 | 2,098.79 | 2,098.79 | 2,098.79 |
| 38 | 54 EC, Feb 2021 Bond Series | 5.00% | Annual | Bullet Repayment | 28-Feb-26 | 821.50 | 822.50 | 822.50 |
| 39 | 54 EC, Jan 2021 Bond Series | 5.00% | Annual | Bullet Repayment | 31-Jan-26 | 629.66 | 629.66 | 629.66 |
| 40 | 54 EC, Dec 2020 Bond Series | 5.00% | Annual | Bullet Repayment | 31-Dec-25 | 685.27 | 685.27 | 685.27 |
| 41 | 54 EC, Nov 2020 Bond Series | 5.00% | Annual | Bullet Repayment | 30-Nov-25 | 412.82 | 412.82 | 412.82 |
| 42 | 54 EC, Oct 2020 Bond Series | 5.00% | Annual | Bullet Repayment | 31-Oct-25 | 458.81 | 458.81 | 458.81 |
| 43 | 54 EC, Sep 2020 Bond Series | 5.00% | Annual | Bullet Repayment | 30-Sep-25 | 529.70 | 529.70 | 529.70 |
| 44 | 54 EC, Aug 2020 Bond Series | 5.00% | Annual | Bullet Repayment | 31-Aug-25 | 343.87 | 343.87 | 343.87 |
| 45 | 54 EC, July 2020 Bond Series | 5.75% | Annual | Bullet Repayment | 31-Jul-25 | 774.33 | 774.33 | 774.33 |
| 46 | 54 EC, Jun 2020 Bond Series | 5.75% | Annual | Bullet Repayment | 30-Jun-25 | 1,160.16 | 1,160.16 | 1,160.16 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| S.No | Series | Interest rate | Interest payment frequency | Terms of Repayment | Date of Maturity of Bond | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|------------------------------|---------------|----------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 47 | 54 EC, May 2020 Bond Series | 5.75% | Annual | Bullet Repayment | 31-May-25 | 378.92 | 378.92 | 378.92 |
| 48 | 54 EC, Apr 2020 Bond Series | 5.75% | Annual | Bullet Repayment | 30-Apr-25 | 131.17 | 131.17 | 131.17 |
| 49 | 54 EC, Mar 2020 Bond Series | 5.75% | Annual | Bullet Repayment | 31-Mar-25 | 1,429.69 | 1,429.69 | 1,429.69 |
| 50 | 54 EC, Feb 2020 Bond Series | 5.75% | Annual | Bullet Repayment | 28-Feb-25 | 881.04 | 881.04 | 881.04 |
| 51 | 54 EC, Jan 2020 Bond Series | 5.75% | Annual | Bullet Repayment | 31-Jan-25 | 823.75 | 823.75 | 823.75 |
| 52 | 54 EC, Dec 2019 Bond Series | 5.75% | Annual | Bullet Repayment | 31-Dec-24 | 926.28 | 926.28 | 926.28 |
| 53 | 54 EC, Nov 2019 Bond Series | 5.75% | Annual | Bullet Repayment | 30-Nov-24 | 711.59 | 711.59 | 711.59 |
| 54 | 54 EC, Oct 2019 Bond Series | 5.75% | Annual | Bullet Repayment | 31-Oct-24 | 669.18 | 669.18 | 669.18 |
| 55 | 54 EC, Sep 2019 Bond Series | 5.75% | Annual | Bullet Repayment | 30-Sep-24 | 543.41 | 543.41 | 543.41 |
| 56 | 54 EC, Aug 2019 Bond Series | 5.75% | Annual | Bullet Repayment | 31-Aug-24 | 571.15 | 571.15 | 571.15 |
| 57 | 54 EC, July 2019 Bond Series | 5.75% | Annual | Bullet Repayment | 31-Jul-24 | 633.99 | 633.99 | 633.99 |
| 58 | 54 EC, June 2019 Bond Series | 5.75% | Annual | Bullet Repayment | 30-Jun-24 | 596.14 | 596.14 | 596.14 |
| 59 | 54 EC, May 2019 Bond Series | 5.75% | Annual | Bullet Repayment | 31-May-24 | 436.60 | 436.60 | 436.60 |
| 60 | 54 EC, Apr 2019 Bond Series | 5.75% | Annual | Bullet Repayment | 30-Apr-24 | 249.71 | 249.71 | 249.71 |
| 61 | 54EC Bond Mar 2019 Series | 5.75% | Annual | Bullet Repayment | 31-Mar-24 | - | 692.68 | 692.68 |
| 62 | 54EC Bond Feb 2019 Series | 5.75% | Annual | Bullet Repayment | 29-Feb-24 | - | 145.31 | 145.31 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| S.No | Series | Interest rate | Interest payment frequency | Terms of Repayment | Date of Maturity of Bond | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|------------------------------|---------------|----------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 63 | 54EC Bond Jan 2019 Series | 5.75% | Annual | Bullet Repayment | 31-Jan-24 | - | 133.35 | 133.35 |
| 64 | 54 EC, Dec 2018 Bond Series | 5.75% | Annual | Bullet Repayment | 31-Dec-23 | - | 135.12 | 135.12 |
| 65 | 54 EC, Nov 2018 Bond Series | 5.75% | Annual | Bullet Repayment | 30-Nov-23 | - | 98.69 | 98.69 |
| 66 | 54 EC, Oct 2018 Bond Series | 5.75% | Annual | Bullet Repayment | 31-Oct-23 | - | 116.94 | 116.94 |
| 67 | 54 EC, Sep 2018 Bond Series | 5.75% | Annual | Bullet Repayment | 30-Sep-23 | - | 71.01 | 71.01 |
| 68 | 54 EC, Aug 2018 Bond Series | 5.75% | Annual | Bullet Repayment | 31-Aug-23 | - | 81.17 | 81.17 |
| 69 | 54 EC, July 2018 Bond Series | 5.75% | Annual | Bullet Repayment | 31-Jul-23 | - | 137.02 | 137.02 |
| 70 | 54 EC, June 2018 Bond Series | 5.75% | Annual | Bullet Repayment | 30-Jun-23 | - | 127.56 | 127.56 |
| 71 | 54 EC, May 2018 Bond Series | 5.75% | Annual | Bullet Repayment | 31-May-23 | - | 83.58 | 83.58 |
| 72 | 54 EC, Apr 2018 Bond Series | 5.75% | Annual | Bullet Repayment | 30-Apr-23 | - | 54.52 | 54.52 |
| | Total | | | | | 66,447.20 | 47,681.63 | 30,385.57 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Unsecured bonds from domestic capital market

The Unsecured bonds issued in the domestic capital market and outstanding as on various dates is as set out below:-

| S.No | Series | Interest rate* | Interest payment frequency | Terms of Repayment | Date of Maturity of Bond | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|---|----------------|----------------------------|---|--------------------------|---------------------|---------------------|---------------------|
| 1 | 148 th Series Taxable Bonds* | 6.58% p.a. | Semi Annual | Redeemable in forty equal half yearly instalments commencing from 15 October 2030 | 31-Mar-50 | 25,000.00 | 25,000.00 | 25,000.00 |
| 2 | 137 th Series Taxable Bonds* | 7.30% p.a. | Semi Annual | Redeemable in forty equal half yearly instalments commencing from 15 April 2030 | 18-Jun-49 | 18,000.00 | 18,000.00 | 18,000.00 |
| 3 | 125 th Series Taxable Bonds* | 7.41% p.a. | Semi Annual | Redeemable in forty equal half yearly instalments commencing from 15 April 2028 | 22-Dec-47 | 29,812.00 | 29,812.00 | 21,000.00 |
| 4 | 122 nd Series Taxable Bonds* | 6.77% p.a. | Semi Annual | Redeemable in forty equal half yearly instalments commencing from 15 April 2028 | 27-Jun-47 | 56,446.00 | 56,446.00 | 41,000.00 |
| 5 | 110 th Series Taxable Bonds* | 7.80% p.a. | Semi Annual | Redeemable in forty equal half yearly instalments commencing from 15 April 2027 | 22-Jun-46 | 43,364.00 | 43,364.00 | 43,364.00 |
| 6 | 109 th Series Taxable Bonds* | 8.02% p.a. | Semi Annual | Redeemable in forty equal half yearly instalments commencing from 15 October 2026 | 30-Mar-46 | 74,335.00 | 74,335.00 | 74,335.00 |
| 7 | 101 st Series Taxable Bonds* | 7.87% p.a. | Semi Annual | Redeemable in forty equal half yearly instalments commencing from 15 April 2026 | 27-Oct-45 | 29,347.00 | 29,347.00 | 29,347.00 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| S.No | Series | Interest rate* | Interest payment frequency | Terms of Repayment | Date of Maturity of Bond | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|--|----------------|----------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 8 | 158 th Series Taxable Bonds | 6.99% p.a. | Annual | Bullet Repayment | 04-Jun-41 | 19,940.00 | 19,940.00 | 19,940.00 |
| 9 | 170 th B Series Bonds | 7.74% Pa | Annual | Bullet Repayment | 15-Apr-38 | 28,250.00 | 28,250.00 | - |
| 10 | 165 th Series Taxable Bonds | 7.64% Pa | Annual | Bullet Repayment | 28-Nov-37 | 39,552.00 | 39,552.00 | - |
| 11 | 162 nd Series Taxable Bonds | 6.95% Pa | Annual | Bullet Repayment | 24-Nov-36 | 50,000.00 | 50,000.00 | 50,000.00 |
| 12 | 160 th Series Taxable Bonds | 7.03% Pa | Annual | Bullet Repayment | 30-Jul-36 | 46,930.00 | 46,930.00 | 46,930.00 |
| 13 | 176 th Series Bonds | 7.48% Pa | Annual | Bullet Repayment | 16-Feb-34 | 30,000.00 | - | - |
| 14 | 177 th Series Bonds | 7.44% Pa | Annual | Bullet Repayment | 28-Feb-34 | 30,000.00 | - | - |
| 15 | 174 th Series Bonds | 7.67% Pa | Annual | Bullet Repayment | 15-Dec-33 | 29,800.00 | - | - |
| 16 | 168 B Series Taxable Bonds | 7.65% Pa | Annual | Bullet Repayment | 18-Apr-33 | 25,000.00 | 25,000.00 | - |
| 17 | 166 th Series Taxable Bonds (ETF) | 7.47% Pa | Annual | Bullet Repayment | 15-Apr-33 | 5,000.00 | 5,000.00 | - |
| 18 | 169 Series Taxable Bonds | 7.75% Pa | Annual | Bullet Repayment | 15-Apr-33 | 24,430.00 | 24,430.00 | - |
| 19 | 167 th Series Taxable Bonds | 7.65% Pa | Annual | Bullet Repayment | 30-Dec-32 | 25,105.00 | 25,105.00 | - |
| 20 | 164 th Series Taxable Bonds | 7.69% Pa | Annual | Bullet Repayment | 11-Oct-32 | 25,000.00 | 25,000.00 | - |
| 21 | 163 rd Series Taxable Bonds (ETF) | 6.87% Pa | Annual | Bullet Repayment | 14-Apr-32 | 11,800.00 | 11,800.00 | 11,800.00 |
| 22 | 161 st Series Taxable Bonds | 6.92% Pa | Annual | Bullet Repayment | 31-Aug-31 | 40,000.00 | 40,000.00 | 40,000.00 |
| 23 | 159 th Series Taxable Bonds | 6.89% Pa | Annual | Bullet Repayment | 19-Jul-31 | 29,809.00 | 29,809.00 | 29,809.00 |
| 24 | 178 th Series Bonds | 7.46% Pa | Annual | Bullet Repayment | 18-Jun-29 | 26,160.00 | - | - |
| 25 | 175 th Series Bonds | 7.57% Pa | Annual | Bullet Repayment | 18-Apr-29 | 25,000.00 | - | - |
| 26 | 172 nd B Series Bonds | 7.45% Pa | Annual | Bullet Repayment | 13-Oct-28 | 19,400.00 | - | - |
| 27 | 173 rd Series Bonds | 7.68% Pa | Annual | Bullet Repayment | 24-Nov-26 | 24,040.00 | - | - |
| 28 | 171 st Series Bonds | 7.23% Pa | Annual | Bullet Repayment | 15-Oct-26 | 25,000.00 | - | - |
| 29 | 172 nd A Series Bonds | 7.41% Pa | Annual | Bullet Repayment | 15-Oct-26 | 20,000.00 | - | - |
| 30 | 168 A Series Taxable Bonds | 7.40% Pa | Annual | Bullet Repayment | 18-Apr-26 | 25,000.00 | 25,000.00 | - |
| 31 | 170 th A Series Bonds | 7.51% Pa | Annual | Bullet Repayment | 15-Apr-26 | 18,250.00 | 18,250.00 | - |
| | Total | | | | | 9,19,770.00 | 6,90,370.00 | 4,50,525.00 |

*Fixed Interest rate for 10 years. The interest rate would be reset at the end of each subsequent 10th year to the then prevailing benchmark 10 Year G-Sec Yield.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Reconciliation

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---|--------------------------------|--------------------------------|--------------------------------|
| Secured Bonds from Domestic Capital Market | 9,93,196.30 | 11,54,940.96 | 12,14,386.47 |
| 54EC Bonds Secured in Market | 66,447.20 | 47,681.63 | 30,385.57 |
| Unsecured Bonds from Domestic Capital Market | 9,19,770.00 | 6,90,370.00 | 4,50,525.00 |
| Bonds in Domestic Market as per IGAAP | 19,79,413.50 | 18,92,992.59 | 16,95,297.04 |
| Less: Unamortised transaction cost | (735.81) | (700.08) | (805.65) |
| Bonds in Domestic Market as per Ind AS | 19,78,677.69 | 18,92,292.51 | 16,94,491.39 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Unsecured bonds from overseas capital market

The Unsecured bonds issued from overseas capital market and outstanding as on various dates is as set out below:-

| S.No | Series | Interest rate* | Interest payment frequency | Terms of Repayment | Date of Maturity of Bond | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|---|----------------|----------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 1 | REG-S/144A BONDS USD 300M 3.95% GMTM-2050 | 3.95% Pa | Semi Annual | Bullet Repayment | 13-Feb-50 | 25,134.00 | 24,771.00 | 22,851.00 |
| 2 | REG-S/144A GREEN BONDS USD 500M | 3.57% p.a. | Semi Annual | Bullet Repayment | 21-Jan-32 | 41,890.00 | 41,285.00 | 38,085.00 |
| 3 | REG-S/144A BONDS USD 750 MILLION UNDER GMTN | 2.80% p.a | Semi Annual | Bullet Repayment | 10-Feb-31 | 62,835.00 | 61,927.50 | 57,127.50 |
| 4 | REG-S/144A BONDS USD 700M 3.249% GMTM-2030 | 3.249% Pa | Semi Annual | Bullet Repayment | 13-Feb-30 | 58,646.00 | 57,799.00 | 53,319.00 |
| 5 | Reg-S Bonds Green Bond 1 st Series (USD 500 Million) | 3.835% p.a | Semi Annual | Bullet Repayment | 13-Dec-27 | 41,890.00 | 41,285.00 | 38,085.00 |
| 6 | Reg S Bonds USD 500M-EMTN | 3.73% p.a | Semi Annual | Bullet Repayment | 02-Apr-24* | 41,890.00 | 41,285.00 | 38,085.00 |
| Total Overseas bonds as per IGAAP | | | | | | 2,72,285.00 | 2,68,352.50 | 2,47,552.50 |
| Less: Unamortised transaction cost | | | | | | (184.86) | (216.71) | (248.63) |
| Less: Fair value hedge adjustment- recoverable from Ministry of Railways | | | | | | 164.45 | 514.03 | (45.73) |
| Total Overseas bonds as per IND AS | | | | | | 2,72,264.59 | 2,68,649.82 | 2,47,258.14 |
| Total Indian Bonds | | | | | | 19,78,677.69 | 18,92,292.51 | 16,94,491.39 |
| Total Overseas Bonds | | | | | | 2,72,264.59 | 2,68,649.82 | 2,47,258.14 |
| Commercial Paper | | | | | | - | - | - |
| Total Debt Borrowings | | | | | | 22,50,942.28 | 21,60,942.33 | 19,41,749.53 |

*Maturity date as per agreement is 29th March, 2024, which being a public holiday, the revised maturity comes to 2nd April, 2024 as per holiday convention.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 16: Borrowings (Other than Debt Securities)

| Particulars | As at 31 March 2024 | | | As at 31 March 2023 | | | As at 01 April 2022 | | |
|------------------------------------|---------------------|--------------------------------------|---------------------|---------------------|--------------------------------------|---------------------|---------------------|--------------------------------------|---------------------|
| | At amortised cost | At fair value through profit or loss | Total | At amortised cost | At fair value through profit or loss | Total | At amortised cost | At Fair Value Through Profit or Loss | Total |
| Term Loans | | | | | | | | | |
| Secured Loans | | | | | | | | | |
| (i) From Banks (Indian) | 12,27,194.18 | - | 12,27,194.18 | 13,67,317.18 | - | 13,67,317.18 | 12,81,444.40 | - | 12,81,444.40 |
| (ii) From Bank (Foreign) | 18,356.97 | - | 18,356.97 | 18,072.02 | - | 18,072.02 | 16,645.27 | - | 16,645.27 |
| (ii) From Other* | 1,75,000.00 | - | 1,75,000.00 | 1,75,000.00 | - | 1,75,000.00 | 1,75,000.00 | - | 1,75,000.00 |
| Unsecured Loans | | | | | | | | | |
| (i) From Banks (Indian) | 15,970.00 | - | 15,970.00 | 13,100.00 | - | 13,100.00 | 59,067.38 | - | 59,067.38 |
| (ii) From Banks (Foreign) | 3,97,857.58 | - | 3,97,857.58 | 4,19,861.05 | - | 4,19,861.05 | 4,00,259.60 | - | 4,00,259.60 |
| (ii) From Other* | 35,000.00 | - | 35,000.00 | 35,000.00 | - | 35,000.00 | 10,000.00 | - | 10,000.00 |
| Total (A) | 18,69,378.73 | - | 18,69,378.73 | 20,28,350.25 | - | 20,28,350.25 | 19,42,416.65 | - | 19,42,416.65 |
| Borrowings in India | 14,53,164.18 | - | 14,53,164.18 | 15,90,417.18 | - | 15,90,417.18 | 15,25,511.78 | - | 15,25,511.78 |
| Borrowings outside India | 4,16,214.55 | - | 4,16,214.55 | 4,37,933.07 | - | 4,37,933.07 | 4,16,904.87 | - | 4,16,904.87 |
| Total (B) to tally with (A) | 18,69,378.73 | - | 18,69,378.73 | 20,28,350.25 | - | 20,28,350.25 | 19,42,416.65 | - | 19,42,416.65 |

* These loans are from National Small Saving Fund and India Infrastructure Finance Company Limited.

The borrowings have been utilised for the specific purpose for which the same has been drawn.

Notes to Financial Statements

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(All amounts in millions of ₹, unless stated otherwise)

Secured Rupee Term Loan

Rupee Term Loans availed from banks are secured by first pari passu charge on the present/future rolling stock assets/ lease receivables of the Company. Terms of repayment of secured term loans and amount outstanding as on various dates is as set out below :-

| S.No | Description | Interest Type | Terms of Repayment | Next Installment Date | Date of Maturity of Loan | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|-------------------------|-------------------------------------|--|-----------------------|--------------------------|---------------------|---------------------|---------------------|
| 1 | Karnataka Bank | 3M T-Bill + Spread | Bullet repayment at the end of 7 Years | 09-Feb-31 | 09-Feb-31 | 10,000.00 | - | - |
| 2 | South Indian Bank-TL-II | 3M T-Bill + Spread | Bullet repayment at the end of 7 Years | 09-Feb-31 | 09-Feb-31 | 3,500.00 | - | - |
| 3 | South Indian Bank TL-I | Repo Rate + Operating Cost + Spread | Bullet repayment at the end of 7 Years | 27-Mar-30 | 27-Mar-30 | 2,500.00 | 2,500.00 | - |
| 4 | Deutsche Bank TL-2 | 3M T-Bill + Spread | Bullet repayment at the end of 7 Years | 28-Jun-29 | 28-Jun-29 | 20,000.00 | 20,000.00 | - |
| 5 | Bank of Baroda-III | Overnight MCLR | 18 Equal Half Yearly Instalment (₹388.8 Million) and last instalment is due for payment on 20.12.2037 with 6 Years Moratorium | 20-Jun-29 | 20-Dec-37 | 7,000.00 | 7,000.00 | - |
| 6 | HDFC TL-X | 1M T-Bill + Spread | 20 equal semi annual installment of Rs. 1000 Million each starting 24-05-2029 after the end of moratorium of 5 Years | 24-May-29 | 24-Nov-38 | 20,000.00 | - | - |
| 7 | NaBFID (TRCH-I,II,III) | 6M NLR | 14 equal annual instalment of Rs. 2668 Million starting from 18-02-2029 and 15 and last instalment of Rs. 2648 Million due on 18-02-2043, the first instalment will become due 12 months after the end of the moratorium period of 5 Years | 18-Feb-29 | 18-Feb-43 | 40,000.00 | 40,000.00 | - |
| 8 | HDFC TL IX (TRCH-I) | 1M T-Bill + Spread | 20 equal semi annual installment of Rs. 1185.00 Million starting from 30.09.2028 after the end of moratorium period of 5 Years | 30-Sep-28 | 31-Mar-38 | 23,700.00 | 23,700.00 | - |
| 9 | HDFC TL IX (TRCH-II) | 1M T-Bill + Spread | 20 equal semi annual installment of Rs. 1315.00 Million starting from 30.09.2028 after the end of moratorium period of 5 Years | 30-Sep-28 | 31-Mar-38 | 26,300.00 | - | - |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| S.No | Description | Interest Type | Terms of Repayment | Next Installment Date | Date of Maturity of Loan | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|----------------------------|--------------------|---|-----------------------|--------------------------|---------------------|---------------------|---------------------|
| 10 | J & K BANK TL-III | Repo Rate + Spread | 20 equal half yearly instalment of Rs. 250 Million starting from 27.09.2028 after a moratorium period of 5 years | 27-Sep-28 | 27-Mar-38 | 5,000.00 | 5,000.00 | - |
| 11 | Axis Bank TL-II | Repo Rate + Spread | 20 equal half yearly instalment of Rs. 1000 Million starting from 27.09.2028 after a moratorium of 5.5 Years | 27-Sep-28 | 27-Mar-38 | 20,000.00 | 20,000.00 | - |
| 12 | Punjab & Sind Bank | Repo Rate + Spread | 20 Equal Half Yearly Instalment Commencing from 30-06-2028 (₹500 Million) and last instalment is due for payment on 31-12-2037 with 5Years Moratorium | 30-Jun-28 | 31-Dec-37 | 10,000.00 | 10,000.00 | - |
| 13 | UNION BANK OF INDIA TL-III | Overnight MCLR | 20 Equal Half Yearly Instalment Commencing from 29-06-2028 (₹600 Million) and last instalment is due for payment on 29-12-2037 with 5 Years Moratorium | 29-Jun-28 | 29-Dec-37 | 12,000.00 | 12,000.00 | - |
| 14 | SBI TL-VII* | 3M MCLR | Repayable in 20 half yearly Instalments of Rs. 25 Million Commencing from 14.06.2028 after the moratorium period of 5 Years from the date of disbursement | - | 14-Dec-37 | - | 500.00 | - |
| 15 | J & K BANK TL-II | Repo Rate + Spread | 20 Equal Half Yearly Instalment Commencing from 31-03-2028 (₹375 Million) with 5Years Moratorium | 31-Mar-28 | 31-Dec-37 | 7,500.00 | 7,500.00 | - |
| 16 | PNB-VIII | Repo Rate + Spread | 9 Equal Annual instalments of Rs. 800 Million each commencing from 31 March 2028. 10 th and final instalment (Residual) of Rs. 800 Million | 31-Mar-28 | 31-Mar-37 | 8,000.00 | 8,000.00 | 7,999.99 |
| 17 | Bank of Baroda-TL-VI | Overnight MCLR | 18 Equal Half Yearly instalments of Rs. 1944.44 Million each commencing from 15 January 2028 | 15-Jan-28 | 15-Jul-36 | 35,000.00 | 35,000.00 | 35,000.00 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| S.No | Description | Interest Type | Terms of Repayment | Next Installment Date | Date of Maturity of Loan | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|--|--------------------|--|-----------------------|--------------------------|---------------------|---------------------|---------------------|
| 18 | Canara Bank VII | Repo Rate + Spread | 9 equal annual instalments of Rs. 4,700 Million commencing from 30 December 2027. 10 th and final instalment (Residual) of ₹4700 Million | 30-Dec-27 | 30-Dec-36 | 47,000.00 | 47,000.00 | 46,999.93 |
| 19 | Central bank of India | Repo Rate + Spread | 20 equal half yearly instalments of Rs. 1000 Million commencing from 28.12.2027 after moratorium period of 5.5 Years | 28-Dec-27 | 28-Jun-37 | 20,000.00 | 20,000.00 | - |
| 20 | Canara Bank VI- Tranch (i), (ii) & (iii) | Repo Rate + Spread | 9 Equal Annual instalments of Rs. 7000 Million commencing from 8 November 2027. 10 th and final instalment (Residual) of ₹7000 Million | 08-Nov-27 | 08-Nov-36 | 70,000.00 | 70,000.00 | 69,999.89 |
| 21 | Union Bank of India TL-II (TRCH-I) | 3M T-BILL + Spread | Sanctioned Amount: Rs. 35,000 Million Initial Drawdown: Rs. 25,500 Million 20 Equal Half Yearly instalments of Rs. 1275 Million each commencing from 23 September 2027 | 23-Sep-27 | 23-Mar-37 | 25,500.00 | 25,500.00 | 25,500.00 |
| 22 | Union Bank of India TL-II (TRCH-II) | Overnight MCLR | 20 Equal Half Yearly Instalment Commencing from 23-09-2027 (₹475 Million) and last instalment is due for payment on 23-03-2037 with 5Years Moratorium | 23-Sep-27 | 23-Mar-37 | 9,500.00 | 9,500.00 | - |
| 23 | Bank of Baroda-IV & V | Overnight MCLR | 17 Half yearly equal instalments of ₹6,667 Million commencing from 12 th September 2027. 18 th and final instalment (Residual) of ₹6661 Million | 12-Sep-27 | 12-Mar-36 | 1,20,000.00 | 1,20,000.00 | 1,20,000.00 |
| 24 | HDFC TL-VIII | 3M T-Bill + Spread | 20 Equal Half Yearly instalments of Rs. 1250 Million each commencing from 22 August 2027 | 22-Aug-27 | 22-Feb-37 | 25,000.00 | 25,000.00 | 25,000.00 |
| 25 | UCO Bank I Tranch (i) & (ii) | Repo Rate + Spread | 20 Equal Half Yearly instalments of ₹1000 Million each commencing from 30 June 2027 | 30-Jun-27 | 30-Dec-36 | 20,000.00 | 20,000.00 | 20,000.00 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| S.No | Description | Interest Type | Terms of Repayment | Next Installment Date | Date of Maturity of Loan | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|--|--------------------|--|-----------------------|--------------------------|---------------------|---------------------|---------------------|
| 26 | PNB-VII | 3Y G-Sec + Spread | 9 Equal Yearly instalments of ₹750 Million each commencing from 30 th June 2027. 10 th and final instalment (Residual) of ₹750 Million | 30-Jun-27 | 30-Jun-36 | 7,500.00 | 7,500.00 | 7,499.98 |
| 27 | Union bank of India I Tranch (i), (ii) & (iii) | 3M T-BILL + Spread | Sanctioned Amount: Rs. 50,000 Million 1 st Drawdown: Rs. 5,000 Million on 23 Dec 2021 2 nd Drawdown: Rs. 10,000 Million on 22 Feb 2022 Last Drawdown: Rs. 35,000 Million on 23 March 2022 19 Equal Half Yearly instalments of Rs. 2500 Million each commencing from 23 June 2027. 20 th and last instalment (Residual) of Rs. 2500 Million" | 23-Jun-27 | 23-Dec-36 | 50,000.00 | 50,000.00 | 49,999.19 |
| 28 | HDFC TL-VII | Repo Rate + Spread | 20 Equal Half Yearly instalments of Rs. 1250 Million each commencing from 16 April 2027 | 16-Apr-27 | 16-Oct-36 | 25,000.00 | 25,000.00 | 25,000.00 |
| 29 | State Bank Of India VI Tranch (i) & (ii) | 3M T-BILL + Spread | 19 Equal Half Yearly instalments of Rs. 3500 Million each commencing from 15 April 2027. 20 th and final instalment (Residual) of ₹3500 Million | 15-Apr-27 | 15-Oct-36 | 70,000.00 | 70,000.00 | 69,999.88 |
| 30 | Bank of India-(IV) | Repo Rate + Spread | 19 Equal Half Yearly instalments of Rs. 550 Million each commencing from 11 April 2027. 20 th and last instalment (Residual) of Rs. 550 Million | 11-Apr-27 | 11-Oct-36 | 11,000.00 | 11,000.00 | 10,998.18 |
| 31 | Deutsche Bank TL-1 | 3M T-Bill + Spread | One Bullet payment on maturity of loan | 28-Mar-27 | 28-Mar-27 | 20,000.00 | 20,000.00 | 20,000.00 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| S.No | Description | Interest Type | Terms of Repayment | Next Installment Date | Date of Maturity of Loan | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|--------------------------|--------------------|--|-----------------------|--------------------------|---------------------|---------------------|---------------------|
| 32 | Punjab National Bank-VI | 3Y G-Sec + Spread | 9 Equal yearly instalments of ₹3,000 Million commencing from 31 st December 2026. 10 th and last instalment (Residual) of Rs. 3000 Million | 31-Dec-26 | 31-Dec-35 | 30,000.00 | 30,000.00 | 29,999.39 |
| 33 | Punjab National Bank (V) | 3Y G-Sec + Spread | 9 Equal Yearly instalments of ₹2,500 Million each commencing from 30 th September 2026. 10 th and last instalment (Residual) of Rs. 2500 Million | 30-Sep-26 | 30-Sep-35 | 25,000.00 | 25,000.00 | 24,999.92 |
| 34 | ICICI Bank TL-V | 3M T-BILL + Spread | 20 Equal Half Yearly instalments of ₹1750 Million each commencing from 15 th September 2026 | 15-Sep-26 | 15-Mar-36 | 35,000.00 | 35,000.00 | 35,000.00 |
| 35 | Bank of India TL-I | Repo Rate + Spread | 18 Half yearly equal instalments of ₹1,500 Million commencing from 27 th July 2026. 19 th and last instalment (Residual) of Rs. 1000 Million | 27-Jul-26 | 27-Jan-36 | 28,000.00 | 30,000.00 | 29,995.02 |
| 36 | Bank of India TL-II* | Repo Rate + Spread | 19 Half yearly equal instalments of ₹1,150 Million commencing from 27 th July 2026. 20 th and last instalment (Residual) of Rs. 1,146.19 Million | - | 27-Jan-36 | - | 23,000.00 | 22,996.19 |
| 37 | ICICI Bank TL-III & (IV) | 3M T-BILL + Spread | 13 Equal Half Yearly instalments of ₹5000 Million each commencing from 27 th May 2026 | 27-May-26 | 27-Nov-35 | 65,000.00 | 1,00,000.00 | 1,00,000.00 |
| 38 | ICICI Bank TL-II* | 3M T-BILL + Spread | 20 Equal Half Yearly instalments of ₹2500 Million each commencing from 22 nd April 2026 | - | 22-Oct-35 | - | 50,000.00 | 50,000.00 |
| 39 | HDFC Bank LTD (VI)-II | Repo Rate + Spread | 20 Half yearly equal instalments of Rs. 182.50 Million commencing from 1 th March 2026 | 11-Mar-26 | 11-Sep-35 | 3,650.00 | 3,650.00 | 3,650.00 |
| 40 | HDFC Bank LTD (VI)-I | Repo Rate + Spread | 20 Half yearly equal instalments of Rs. 817.50 Million commencing from 1 th March 2026 | 11-Mar-26 | 11-Sep-35 | 16,350.00 | 16,350.00 | 16,350.00 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| S.No | Description | Interest Type | Terms of Repayment | Next Installment Date | Date of Maturity of Loan | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|---------------------------|--------------------|--|-----------------------|--------------------------|---------------------|---------------------|---------------------|
| 41 | Indian Overseas Bank** | Repo Rate + Spread | Repayable in 20 Equal Instalments of Rs. 1000 Million starting from 28.02.2026 after the moratorium period of 5.5 Years from the date of disbursement | - | 31-Aug-35 | - | 20,000.00 | - |
| 42 | ICICI Bank TL-I* | 3M T-BILL + Spread | 20 Equal Half Yearly instalments of ₹2,500 Million each commencing from 19 th February 2026 | - | 19-Aug-35 | - | 30,000.00 | 50,000.00 |
| 43 | Punjab National Bank(IV) | 1M MCLR | 5 Equal yearly instalments of Rs. 1,000 Million commencing from 30 th March 2025. 6 th and final instalment (Residual) of ₹1000 Million | 30-Mar-25 | 30-Mar-30 | 6,000.00 | 7,000.00 | 7,999.85 |
| 44 | Punjab National Bank(III) | 1M MCLR | 5 Equal yearly instalments of Rs. 3,000 Million commencing from 17 th February 2025. 6 th and last instalment (Residual) of Rs. 3000 Million | 17-Feb-25 | 17-Feb-30 | 18,000.00 | 21,000.00 | 23,999.64 |
| 45 | HDFC-V-II | Repo Rate + Spread | 16 Equal Half Yearly instalments of ₹1,125 Million commencing from 30 th December 2024 | 30-Dec-24 | 30-Jun-32 | 18,000.00 | 18,000.00 | 18,000.00 |
| 46 | HDFC-V-I | Repo Rate + Spread | 16 Equal Half Yearly instalments of ₹3,250 Million commencing from 30 th December 2024 | 30-Dec-24 | 30-Jun-32 | 52,000.00 | 52,000.00 | 52,000.00 |
| 47 | HDFC-I | 3M T-BILL + Spread | 11 Equal Half Yearly instalments of Rs. 500 Million each commencing from 30 Sept. 2024 | 30-Sep-24 | 30-Sep-29 | 5,500.00 | 6,500.00 | 7,500.00 |
| 48 | HDFC-IV | Repo Rate + Spread | 16 Equal Half Yearly instalments of Rs. 3,125 Million commencing from 26 th September 2024 | 26-Sep-24 | 26-Mar-32 | 50,000.00 | 50,000.00 | 50,000.00 |
| 49 | Punjab National Bank | 1M MCLR | Total no. of Half Yearly Instalments : 11 10 Equal Half Yearly instalments of Rs. 1,071.40 Million commencing from 17 th Aug. 2024 11 th Half Yearly instalment (Residual) of Rs. 1,071.80 Million | 17-Aug-24 | 17-Feb-30 | 11,785.50 | 13,928.50 | 14,990.54 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| S.No | Description | Interest Type | Terms of Repayment | Next Installment Date | Date of Maturity of Loan | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|---------------------------------------|--------------------|---|-----------------------|--------------------------|---------------------|---------------------|---------------------|
| 50 | State Bank of India (II) | 3M MCLR + Spread | Sanctioned Amount: Rs. 90,000 Million with 20 Equal Half Yearly instalments of Rs. 4,500 Million each commencing 3 July 2019 Initial Drawdown: Rs. 80,000 Million Final Drawdown: Rs. 10,000 Million on 26.12.2019 Balance Instalments: 3 Equal Half Yearly instalments Rs. 4500 Million commencing from 3 rd July 2024. 4 th Half Yearly instalment (Residual) of ₹2807.78 Million. | 03-Jul-24 | 03-Jan-29 | 16,307.78 | 41,757.78 | 50,756.68 |
| 51 | HDFC-III | 3M T-BILL + Spread | 12 Equal Half Yearly instalments of Rs. 1,000 Million each commencing from 24 June 2024 | 24-Jun-24 | 24-Dec-29 | 12,000.00 | 14,000.00 | 16,000.00 |
| 53 | State bank of India (V) Tranch I & II | 1M MCLR | 10 Equal half yearly instalments of Rs. 3,890 Million commencing from 15 th April 2024. 12 th and last instalment (Residual) of Rs. 2700.90 Million | 15-Apr-24 | 28-Jan-30 | 41,600.90 | 54,430.90 | 62,210.34 |
| 54 | J & K BANK* | Repo Rate + Spread | 20 Equal Half Yearly instalments of Rs. 250 Million each commencing from 18 August 2027 | - | 18-Aug-27 | - | - | 5,000.00 |
| 55 | Axis Bank TL1** | Repo Rate + Spread | 19 Equal Half Yearly instalments of Rs.2,000 Million each commencing from 28 February 2026 and last instalment (Residual) of Rs. 1,999.79 Million | - | 31-Aug-27 | - | - | 39,999.79 |
| | Total | | | | | 12,17,194.18 | 13,67,317.18 | 12,61,444.40 |

* Loan Prepaid

** Axis Bank Loan to the extent of Rs. 19,999.79 million was prepaid. The balance ₹20,000 million was downsell to IOB by Axis Bank now prepaid (S.No- 41).

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as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Secured Rupee Short Term Loan

Rupee Short Term Loans availed from banks are secured by first pari passu charge on the present/future rolling stock assets/ lease receivables of the Company. Terms of repayment of secured short term loans and amount outstanding as on various dates is as set out below :-

| S.No | Description | Interest rate | Interest Type | Terms of Repayment | Date of Maturity of Loan | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|---------------------------------|---------------|---------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 1 | Bank of India | 6.80% | Fixed Rate | Bullet Repayment | 26-Apr-24 | 1,770.00 | | |
| 2 | Bank of India | 6.80% | Fixed Rate | Bullet Repayment | 25-Apr-24 | 8,230.00 | | |
| 3 | State Bank of India Tranch (i) | 3.79% | Fixed Rate | Bullet Repayment | 28-Apr-22 | - | - | 8,200.00 |
| 4 | State Bank of India Tranch (ii) | 3.99% | Fixed Rate | Bullet Repayment | 28-Apr-22 | - | - | 11,800.00 |
| | Total | | | | | 10,000.00 | - | 20,000.00 |

Secured foreign currency term loan

Foreign Currency Loan are secured by first pari passu charge on the present/ future rolling stock assets/ lease receivables of the Company. Terms of Repayment of the foreign currency term loan and amount outstanding as on various dates is as set out below:-

| S.No | Description | Interest rate | Interest Payment Frequency | Terms of Repayment | Date of Maturity of Loan | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|--|---------------------------|----------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 1 | SBI USD 2BN-II MAR'21-7 YRS | Overnight SOFR + 1.45% pa | Quarterly | Bullet Repayment | 24-Mar-28 | 18,431.60 | 18,165.40 | 16,757.40 |
| | Total as per IGAAP | | | | | 18,431.60 | 18,165.40 | 16,757.40 |
| | Unamortised transaction cost | | | | | (74.63) | (93.38) | (112.13) |
| | Secured Foreign Currency Term Loan as per Ind AS | | | | | 18,356.97 | 18,072.02 | 16,645.27 |

Secured rupee term loan from Others

Rupee term loan from National Small Saving fund is secured by the first pari passu charge on the present/ future rolling stock assets/ lease receivables of the Company. Terms of repayment and the amount outstanding as on various dates is as set out below:-

| S.No | Description | Interest rate | Interest Payment Frequency | Terms of Repayment | Date of Maturity of Loan | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|--------------------------------------|---------------|----------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 1 | National Small Saving Fund (NSSF)-II | 8.11% | Semi Annual | Bullet Repayment | 07-Feb-29 | 75,000.00 | 75,000.00 | 75,000.00 |
| 2 | National Small Saving Fund (NSSF)-I | 8.01% | Semi Annual | Bullet Repayment | 28-Mar-28 | 1,00,000.00 | 1,00,000.00 | 1,00,000.00 |
| | Total | | | | | 1,75,000.00 | 1,75,000.00 | 1,75,000.00 |

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as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Unsecured Rupee Short Term Loan

Terms of repayment of the Unsecured Rupee Term Loans from banks and amount outstanding as on various dates is as set out below:-

| S.No | Description | Interest rate | Interest Type | Terms of Repayment | Date of Maturity of Loan | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|----------------------------|---------------|--|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 1 | IndusInd Bank New | 6.88% | Fixed Rate | Bullet Repayment | 27-Apr-24 | 4,880.00 | - | - |
| 2 | IndusInd Bank New | 6.88% | Fixed Rate | Bullet Repayment | 26-Apr-24 | 1,210.00 | - | - |
| 3 | IndusInd Bank New | 6.84% | Fixed Rate | Bullet Repayment | 13-Apr-24 | 3,910.00 | - | - |
| 4 | Central Bank of India | 7.00% | Fixed Rate | Bullet Repayment | 13-Apr-24 | 5,970.00 | - | - |
| 5 | RBL Bank | 6.85% | Fixed Rate | Bullet Repayment | 29-Apr-23 | - | 3,000.00 | - |
| 6 | IndusInd Bank Tranch (iv) | 6.75% | Fixed Rate | Bullet Repayment | 26-Apr-23 | - | 1,265.00 | - |
| 7 | Union Bank Tranch (i) | 6.88% | Fixed Rate | Bullet Repayment | 26-Apr-23 | - | 2,100.00 | - |
| 8 | IndusInd Bank Tranch (ii) | 6.75% | Fixed Rate | Bullet Repayment | 21-Apr-23 | - | 1,860.00 | - |
| 9 | IndusInd Bank Tranch (iii) | 6.75% | Fixed Rate | Bullet Repayment | 21-Apr-23 | - | 4,510.00 | - |
| 10 | IndusInd Bank Tranch (i) | 6.75% | Fixed Rate | Bullet Repayment | 21-Apr-23 | - | 365.00 | - |
| 11 | Karnataka Bank | 3.98% | Linked to 3 Month T Bill | Bullet Repayment | 26-Jun-22 | - | - | 7,500.00 |
| 12 | Union Bank Tranch (i) | 4.00% | 3M T-Bill | Bullet Repayment | 26-Jun-22 | - | - | 8,699.03 |
| 13 | IDBI Bank Tranch (ii) | 4.00% | Fixed Rate | Bullet Repayment | 05-May-22 | - | - | 3,000.00 |
| 14 | HDFC Bank Tranch (ii) | 4.00% | Linked to 2M T-Bill Rate with bi monthly reset. Benchmark to be taken on T-1 basis | Bullet Repayment | 03-May-22 | - | - | 2,500.00 |
| 15 | HDFC Bank Tranch (i) | 4.00% | Linked to 2M T-Bill Rate with bi monthly reset. Benchmark to be taken on T-1 basis | Bullet Repayment | 02-May-22 | - | - | 5,770.00 |
| 16 | IndusInd Bank | 4.00% | Linked to 1M T-Bill | Bullet Repayment | 30-Apr-22 | - | - | 3,000.00 |
| 17 | ICICI Bank Ltd Tranch (ii) | 4.00% | Linked to REPO Rate | Bullet Repayment | 29-Apr-22 | - | - | 1,200.00 |
| 18 | ICICI Bank Ltd Tranch (i) | 4.00% | Linked to REPO Rate | Bullet Repayment | 28-Apr-22 | - | - | 5,900.00 |
| 19 | IDBI Bank Tranch (i) | 4.00% | Fixed Rate | Bullet Repayment | 28-Apr-22 | - | - | 1,999.99 |
| 20 | RBL Bank | 3.99% | Linked to 14 Days MIBOR | Bullet Repayment | 13-Apr-22 | - | - | 4,700.00 |
| 21 | Union Bank Tranch (iv) | 3.79% | Linked to 3Month T Bill | Bullet Repayment | 13-Apr-22 | - | - | 1,369.84 |
| 22 | Union Bank Tranch (iii) | 3.79% | Linked to 3Month T Bill | Bullet Repayment | 12-Apr-22 | - | - | 12,998.56 |
| 23 | Union Bank Tranch (ii) | 3.79% | Linked to 3Month T Bill | Bullet Repayment | 08-Apr-22 | - | - | 429.96 |
| | Total | | | | | 15,970.00 | 13,100.00 | 59,067.38 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Unsecured rupee term loan from Others

Terms of repayment of the unsecured rupee term loan from others and amount outstanding as on various dates is as set out below:

| S.No | Description | Interest rate (p.a.) | Interest payment frequency | Terms of Repayment | Next Installment Date | Date of Maturity of Loan | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--------------|--------------------|-----------------------------|----------------------------|---|-----------------------|--------------------------|---------------------|---------------------|---------------------|
| 1 | IIFCL I (TRCH III) | Base rate of IIFCL + Spread | Semi Annual | 18 equal semi installments commencing from 5.5 years | 30-Sep-27 | 31-Mar-36 | 13,800.00 | 13,800.00 | - |
| 2 | IIFCL I (TRCH II) | Base rate of IIFCL + Spread | Semi Annual | 18 equal semi installments commencing from 5.5 years | 30-Sep-27 | 31-Mar-36 | 11,200.00 | 11,200.00 | - |
| 3 | IIFCL I (TRCH I) | 3M T-Bill + Spread | Semi Annual | 18 equal semi installments commencing from 30 th Sep 2027 (555.56 Million) | 30-Sep-27 | 31-Mar-36 | 10,000.00 | 10,000.00 | 10,000.00 |
| Total | | | | | | | 35,000.00 | 35,000.00 | 10,000.00 |

Unsecured foreign currency term loan

Terms of repayment of the unsecured foreign currency loan from banks and amount outstanding as on various dates is as set out below:

| S.No | Description | Interest rate (p.a.) | Interest payment frequency | Terms of Repayment | Date of Maturity of Loan | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------|---|---------------------------|----------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 1 | SYND GREEN FCL JPY EQ. USD 700M MAR22 | 6M TONA + 0.93% pa | Semi Annual | Bullet Repayment | 24-Mar-32 | 46,256.59 | 51,959.69 | 52,101.02 |
| 2 | SYND FCL JPY-IV EQ USD 325M MAR21 | 3M TONA + 0.85% pa | Quarterly | Bullet Repayment | 31-Mar-31 | 19,696.91 | 22,125.39 | 22,185.57 |
| 3 | USD 1BN-II FCL MAR21-10 YRS PS | Overnight SOFR + 1.75% pa | Semi Annual | Bullet Repayment | 10-Mar-31 | 83,780.00 | 82,570.00 | 76,170.00 |
| 4 | Syndicated Foreign Currency Loan-JPY 33,189 Mio SBI-SMBC (Equivalent to USD 300M) | 3M TONA + 0.935% pa | Quarterly | Bullet Repayment | 31-Mar-30 | 18,466.36 | 20743.13 | 20799.55 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| S.No | Description | Interest rate (p.a.) | Interest payment frequency | Terms of Repayment | Date of Maturity of Loan | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|--|---------------------------|----------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| 5 | Foreign Currency Loan-USD 300M-SBI BAHRAIN | Overnight SOFR + 1.70% pa | Semi Annual | Bullet Repayment | 26-Mar-30 | 25,134.00 | 24771.00 | 22851.00 |
| 6 | SYND GREEN FCL JPY EQ. USD 400M MAR22 | 6M TONA +0.81% pa | Semi Annual | Bullet Repayment | 24-Mar-29 | 26,432.34 | 29691.25 | 29772.01 |
| 7 | Syndicated Foreign Currency Loan-JPY 26231.25 Mio (Equivalent to USD 250M) | 3M TONA +0.80% | Quarterly | Bullet Repayment | 28-Mar-28 | 14,595.07 | 16394.53 | 16439.12 |
| 8 | SBI USD 2BN-II FCL MAR21-7 YRS PS | Overnight SOFR + 1.45% pa | Quarterly | Bullet Repayment | 24-Mar-28 | 1,49,128.40 | 146974.60 | 135582.60 |
| 9 | Syndicated Foreign Currency Loan-JPY 32,856 (Equivalent to USD 300M) | 3M TONA + 0.90% pa | Quarterly | Bullet Repayment | 04-Jun-26 | 18,281.08 | 20535.00 | 20590.86 |
| 10 | Loan From AFLAC-2 (Equivalent to JPY 3 Bn) | 2.90% | Semi Annual | Bullet Repayment | 30-Mar-26 | 3,102.96 | 3,058.15 | 2,821.11 |
| 11 | Loan From AFLAC-1 (Equivalent to JPY 12 Bn) | 2.85% | Semi Annual | Bullet Repayment | 10-Mar-26 | 12,223.22 | 12,046.69 | 11,112.95 |
| Total as per IGAAP | | | | | | 4,17,096.93 | 4,30,869.43 | 4,10,425.79 |
| Less: Unamortised transaction cost | | | | | | (4,517.88) | (5,336.31) | (6,154.75) |
| Less: Fair value hedge adjustment- recoverable from Ministry of Railways | | | | | | (14,721.47) | (5,672.07) | (4,011.44) |
| Unsecured Foreign Currency Term Loan as per Ind AS | | | | | | 3,97,857.58 | 4,19,861.05 | 4,00,259.60 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 17 : Other Financial Liabilities

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|------------------------|------------------------|------------------------|
| Amount payable to Ministry of Railways-Leased Assets | 6,897.85 | 52,080.50 | 31,350.88 |
| Amount payable to Ministry of Railways -Project Assets | 1,05,750.18 | 1,08,874.53 | 57,136.98 |
| Amount payable to Ministry of Railways | 1,12,648.03 | 1,60,955.03 | 88,487.86 |
| Interest accrued but not due | 1,01,511.02 | 95,236.54 | 1,05,636.33 |
| Liability for matured and unclaimed bonds and interest accrued thereon | 298.74 | 107.62 | 117.62 |
| Liability for unclaimed dividend | 21.11 | 11.80 | 9.96 |
| Security Deposits | 1.58 | 1.14 | 0.19 |
| PRP Incentive payable | 23.92 | 24.01 | 15.41 |
| Interest Payable | - | 0.04 | 0.08 |
| Total | 2,14,504.40 | 2,56,336.18 | 1,94,267.45 |

Note 18 : Provisions

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|------------------------|------------------------|------------------------|
| Provision for employee benefits | 30.73 | 24.17 | 16.99 |
| Provision for corporate social responsibility* | 1,596.97 | 1,023.85 | 518.72 |
| Total | 1,627.70 | 1,048.02 | 535.71 |

Provision on asset as per Reserve Bank of India norms presented as a reduction being impairment loss allowance from

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|-----------------------------------|------------------------|------------------------|------------------------|
| - Note 7 - Loans | 198.57 | 238.28 | 274.09 |
| - Note 8 - Investments | - | - | 0.01 |
| - Note 9 - Other financial assets | 61.67 | 61.24 | 54.51 |
| Total | 260.24 | 299.52 | 328.61 |

* refer note 49 for Movement in Provision for corporate social responsibility

Note 20 : Other Non-Financial Liabilities

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---|------------------------|------------------------|------------------------|
| Statutory dues | 3,291.85 | 61.01 | 3,592.19 |
| GST Payable under RCM* | - | 274.31 | - |
| Tax deducted at source payable-Income Tax | 540.80 | 402.01 | 763.56 |
| Tax deducted at source payable-GST | 0.38 | 113.44 | 380.68 |
| Total | 3,833.03 | 850.77 | 4,736.43 |

* On account of Project Infrastructure Asset under Finance Lease Arrangements-EBR IF

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 21: Share Capital

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---------------------------------|------------------------|------------------------|------------------------|
| Authorised Share Capital | | | |
| No. of shares | 25,00,00,00,000 | 25,00,00,00,000 | 25,00,00,00,000 |
| Par value per share (Rs.) | 10 | 10 | 10 |
| Amount (in millions) | 2,50,000 | 2,50,000 | 2,50,000 |

The authorised share capital of the company was enhanced from Rs. 150,000 millions comprising 15,000 millions share of Rs. 10 each to Rs. 250,000 millions comprising 25,000 millions share of Rs. 10 each in the annual general meeting held on 30th September 2020.

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---|------------------------|------------------------|------------------------|
| Issued, Subscribed and Fully Paid-Up | | | |
| No of Shares | 13,06,85,06,000 | 13,06,85,06,000 | 13,06,85,06,000 |
| Issued during the period | - | - | - |
| Total no of shares | 13,06,85,06,000 | 13,06,85,06,000 | 13,06,85,06,000 |
| Par value per share (Rs.) | 10 | 10 | 10 |
| Amount (in millions) | 1,30,685.06 | 1,30,685.06 | 1,30,685.06 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

- (i) Reconciliation of the number of shares outstanding is set out below

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | | As at 01 April 2022 | |
|--|------------------------|----------------------|------------------------|----------------------|------------------------|----------------------|
| | Number of shares | Amount (in millions) | Number of shares | Amount (in millions) | Number of shares | Amount (in millions) |
| Shares outstanding at the beginning of the period | 13,06,85,06,000 | 1,30,685.06 | 13,06,85,06,000 | 1,30,685.06 | 13,06,85,06,000 | 1,30,685.06 |
| Shares issued during the period | - | - | - | - | - | - |
| Shares outstanding at the end of the period | 13,06,85,06,000 | 1,30,685.06 | 13,06,85,06,000 | 1,30,685.06 | 13,06,85,06,000 | 1,30,685.06 |

- (ii) The Company has only one class of equity shares having face value of ₹10 each and the holder of the equity share is entitled to one vote per share. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.

- (iii) Details of shares held by shareholders holding more than 5% of shares:

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | | As at 01 April 2022 | |
|--|---------------------|-----------|---------------------|-----------|---------------------|-----------|
| | Number of shares | % Holding | Number of shares | % Holding | Number of shares | % Holding |
| The President of India acting through Ministry of Railways | 11,28,64,37,000 | 86.36% | 11,28,64,37,000 | 86.36% | 11,28,64,37,000 | 86.36% |

- (iv) Details of shares held by Promoters :

| Particulars | As at 31 March 2024 | | | As at 31 March 2023 | | | As at 01 April 2022 | | |
|--|---------------------|-----------|--------------------------|---------------------|-----------|--------------------------|---------------------|-----------|--------------------------|
| | Number of shares | % Holding | % Change During the Year | Number of shares | % Holding | % Change During the Year | Number of shares | % Holding | % Change During the Year |
| The President of India acting through Ministry of Railways | 11,28,64,37,000 | 86.36% | 0.00% | 11,28,64,37,000 | 86.36% | 0.00% | 11,28,64,37,000 | 86.36% | 0.00% |

- (v) The company has not, for a period of 5 years immediately preceding the balance sheet date:- issued equity share without payment being received in cash.

- issued equity share by way of bonus share.

- bought back any of its share.

- (vi) The company has no equity share reserve for issue under options/contracts

- (vii) The Company has completed its Initial Public Offering (IPO) of 1,78,20,69,000 equity shares of face value of ₹10/- each at an issue price of ₹26/- per equity share aggregating to Rs. 46,333.79 millions, consisting of fresh issue 1,18,80,46,000 equity shares aggregating to Rs. 30,889.20 millions and an offer for sale of 59,40,23,000 equity shares aggregating to Rs. 15,444.60 millions by the Government of India. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on 29th January 2021.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 22 : Other Equity

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---|------------------------|------------------------|------------------------|
| Share issue expenses | (304.06) | (365.86) | (377.87) |
| Securities Premium Reserve-Equity | 19,008.74 | 19,008.74 | 19,008.74 |
| Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934 | 58,404.52 | 45,580.31 | 32,906.28 |
| General reserve | 1,74,032.28 | 1,74,032.28 | 1,74,032.28 |
| Retained earnings | 1,09,453.24 | 77,754.70 | 47,439.07 |
| Equity instruments through other comprehensive income | 505.89 | 106.58 | 67.05 |
| Total | 3,61,100.61 | 3,16,116.75 | 2,73,075.55 |

Note 22.1: Share Issue Expenses

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|------------------------|------------------------|------------------------|
| Balance at the beginning of the period | (365.86) | (377.87) | (377.87) |
| Changes in accounting policy/prior period Errors | - | - | - |
| Restated balance at the beginning of the period | (365.86) | (377.87) | (377.87) |
| Addition during the period* | 61.80 | 12.01 | - |
| Closing balance at the end of the period | (304.06) | (365.86) | (377.87) |

*Share issue expenses includes stamp duty fees and listing fees for the amount of Rs. 123.84 millions (As at 31 March 2023: ₹123.84 Million, As at 01 April 2022 :Rs. 123.84 millions) and 180.22 millions (As at 31 March 2023: 242.02 millions, As at 01 April 2022: 254.03 millions), respectively.

Note 22.2: Securities Premium Reserve-Equity

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|------------------------|------------------------|------------------------|
| Balance at the beginning of the period | 19,008.74 | 19,008.74 | 19,008.74 |
| Changes in accounting policy/prior period Errors | - | - | - |
| Restated balance at the beginning of the period | 19,008.74 | 19,008.74 | 19,008.74 |
| Addition during the period | - | - | - |
| Closing balance at the end of the period | 19,008.74 | 19,008.74 | 19,008.74 |

Securities Premium Reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purpose such as issuance of bonus shares, writing off the preliminary expenses in accordance with the provisions of section 52 the Companies Act, 2013.

Note 22.3: Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|------------------------|------------------------|------------------------|
| Balance at the beginning of the period | 45,580.31 | 32,906.28 | 32,906.28 |
| Changes in accounting policy/prior period Errors | - | - | - |
| Restated balance at the beginning of the period | 45,580.31 | 32,906.28 | 32,906.28 |
| Addition during the period | 12,824.21 | 12,674.03 | - |
| Closing balance at the end of the period | 58,404.52 | 45,580.31 | 32,906.28 |

* Refer Note 42 (a) (ii)

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 22.4: General Reserve

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|------------------------|------------------------|------------------------|
| Balance at the beginning of the period | 1,74,032.28 | 1,74,032.28 | 1,74,032.28 |
| Changes in accounting policy/prior period Errors | - | - | - |
| Restated balance at the beginning of the period | 1,74,032.28 | 1,74,032.28 | 1,74,032.28 |
| Addition during the period | - | - | - |
| Closing balance at the end of the period | 1,74,032.28 | 1,74,032.28 | 1,74,032.28 |

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of other equity to another and is not an item of other comprehensive income.

Note 22.5: Retained Earnings

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---|------------------------|------------------------|------------------------|
| Balance at the beginning of the period | 77,754.70 | 47,439.07 | 53,641.86 |
| Changes in accounting policy/prior period Errors | - | - | (6,202.79) |
| Restated balance at the beginning of the period | 77,754.70 | 47,439.07 | 47,439.07 |
| Profit for the year | 64,125.51 | 61,677.62 | - |
| Transfer to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934 | (12,824.21) | (12,674.03) | - |
| Final Dividend | (9,147.95) | (8,233.16) | - |
| Interim Dividend | (10,454.81) | (10,454.80) | - |
| Closing balance at the end of the period | 1,09,453.24 | 77,754.70 | 47,439.07 |

Retained earnings represent the amount of accumulated earnings of the Company.

The Board of Directors of the Company have declared that the final dividend of ₹9147.95 Million (31st March 2023: Rs. 9147.95 Million) in the board meeting held on 20th May 2024 subject to approval of shareholders in the forthcoming Annual General Meeting.

Note 22.6: Equity instruments Through Other Comprehensive Income

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|------------------------|------------------------|------------------------|
| Balance at the beginning of the period | 106.58 | 67.05 | 67.05 |
| Changes in accounting policy/prior period Errors | - | - | - |
| Restated balance at the beginning of the period | 106.58 | 67.05 | 67.05 |
| Total comprehensive income for the period | 399.31 | 39.53 | - |
| Closing balance at the end of the period | 505.89 | 106.58 | 67.05 |

The change in fair value of equity instrument as at FVTOCI excluding dividends, are recognized in the OCI.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 23 : Interest Income

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| On financial assets measured at amortised cost : | | |
| - Interest on loans | 5,059.39 | 5,860.28 |
| - Interest income from deposits | 1,018.40 | 646.45 |
| - Interest income from investments | - | 0.02 |
| - Pre commencement lease - Interest Income | 82,036.32 | 68,904.19 |
| - Interest income on application money | 124.21 | 61.91 |
| Total | 88,238.32 | 75,472.85 |

Note 24 : Lease Income

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|---------------------|-----------------------------|-----------------------------|
| Lease income | | |
| Rolling Stock | 1,29,115.84 | 1,26,830.69 |
| Project Assets | 49,091.68 | 34,910.64 |
| Total | 1,78,207.52 | 1,61,741.33 |

Note 25 : Other Income

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Exchange rate variation | 0.05 | 0.10 |
| Interest Income on security deposit given towards lease | 1.07 | 1.18 |
| Miscellaneous income | 104.45 | 406.70 |
| Total | 105.57 | 407.98 |

Note 26: Finance Cost

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|--|-----------------------------|-----------------------------|
| On financial liabilities measured at amortised cost : | | |
| Interest on debt securities | 1,52,126.01 | 1,41,615.82 |
| Interest on borrowings | 1,43,200.92 | 1,23,127.63 |
| Discount on commercial paper | 445.75 | - |
| Interest on delayed payments to Ministry of Railways | - | 1,189.97 |
| Interest Expenses Accrued on Lease Liabilities | 5.02 | 9.23 |
| Other borrowing cost | 137.21 | 193.82 |
| Sub-Total | 2,95,914.91 | 2,66,136.47 |
| Less: Borrowing costs capitalized on Railway Infrastructure Assets | 94,900.21 | 91,664.39 |
| Total | 2,01,014.70 | 1,74,472.08 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 27: Impairment on Financial Instruments Measured at Amortised Cost

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|----------------------------------|-----------------------------|-----------------------------|
| Loans & Interest accrued thereon | (39.28) | (29.09) |
| Total | (39.28) | (29.09) |

* The Company being a government owned NBFC, hitherto exempt, is subject to provisioning norms vide the erstwhile notification of Reserve Bank of India circular no. RBI/2017-18/181_DNBR (PD) CC. No. 092/03.10.001/2017-18 dated 31 May 2018. Income Recognition and Asset Classification (IRAC) norms to be complied by 31 March 2019. However RBI had vide letter no DNRB (PD), CO.No.1271/03.10.001/2018-19 dated 21 December 2018 had exempted the Company from the aforesaid requirements to the extent of its direct exposure on the sovereign. Therefore the company had not applied impairment requirements to its exposure with MOR. The computation of impairment is as under:

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|-------------------------------------|-----------------------------|-----------------------------|
| Loan to IRCON International Limited | - | 6,153.07 |
| Loan to Rail Vikas Nigam Limited | 49,643.65 | 53,416.47 |
| Interest accrued on above | 15,416.60 | 15,310.45 |
| Total | 65,060.25 | 74,879.99 |
| Provision @ 0.4% | 260.24 | 299.52 |
| Less: ECL already created | 299.52 | 328.61 |
| Change in impairment | (39.28) | (29.09) |

The Company apart from the above is of the view that no further impairment is required as per expected credit loss model prescribed in IND AS 109, Financial Instruments as Ircon International Limited and Rail Vikas Nigam Limited, both, are under the Ministry of Railways, Government of India and the Company do not expect any concern in the repayment of aforesaid loans.

Note 28 : Employee Benefit Expense

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|--|-----------------------------|-----------------------------|
| Salaries and wages | 92.36 | 105.15 |
| Contribution to provident and others funds | 17.76 | 24.87 |
| Staff welfare expenses | 1.60 | 0.97 |
| Total | 111.72 | 130.99 |

Note 29: Depreciation, Amortisation and Impairment

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Depreciation on property, plant and equipment | 22.11 | 19.75 |
| Amortisation on ROU Assets | 68.32 | 116.99 |
| Amortisation of intangible assets | 3.99 | 3.88 |
| Total | 94.42 | 140.62 |

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as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 30 : Other Expenses

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|--|-----------------------------|-----------------------------|
| Fee & subscription | 2.02 | 2.27 |
| Travelling | 4.34 | 7.12 |
| Rent | 1.31 | 2.62 |
| Printing & stationery | 1.61 | 1.64 |
| Director's fees, allowances and expenses | 1.72 | 1.54 |
| Transport hire charges | 4.40 | 4.83 |
| Insurance | 1.44 | 1.69 |
| Manpower Services | 29.82 | 30.94 |
| Legal & professional charge | 16.00 | 24.51 |
| Loss on sale of fixed assets | 0.43 | 0.17 |
| Payment to auditors (refer note (i) below) | 3.18 | 4.03 |
| Property tax | 0.43 | 1.48 |
| Office maintenance charges | 9.63 | 7.67 |
| Office equipment maintenance | 0.20 | 0.55 |
| Advertisement & publicity | 36.80 | 30.57 |
| Sponsorship/Donation | 0.83 | 0.99 |
| Newspaper, books and periodicals | 0.38 | 0.37 |
| Electricity charges | 2.49 | 2.28 |
| Business promotion | - | 0.14 |
| Miscellaneous expenses | 16.84 | 19.70 |
| Corporate social responsibility expenses (Refer note no. 48) | 1,122.70 | 1,096.44 |
| Total | 1,256.57 | 1,241.55 |

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|--|-----------------------------|-----------------------------|
| (i) Payment to the Auditors Comprises net of GST input credit, where applicable) | | |
| (a) Annual Audit fees | 1.25 | 1.50 |
| (b) Tax audit fees | 0.41 | 0.49 |
| (c) Quarterly Review fees | 0.94 | 1.13 |
| (d) Internal Financial Control Audit fee | 0.41 | 0.49 |
| (e) Certification fees | 0.17 | 0.42 |
| Total | 3.18 | 4.03 |

Note 31: Income Taxes

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|--|-----------------------------|-----------------------------|
| Income Taxes Recognised in Profit and Loss | | |
| Current Tax | | |
| In respect of the current period | - | - |
| Adjustments for prior periods | - | - |
| | - | - |
| Deferred Tax | | |
| In respect of the current period | - | - |
| | - | - |
| Total Income Tax Expense Recognised in the Current Period | - | - |

Notes to Financial Statements

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(All amounts in millions of ₹, unless stated otherwise)

The Company has decided to exercise the option permitted under section 115BAA of the Income Tax Act, 1961. After exercising the option of Section 115BAA, the taxable income under the provisions of Income Tax Act, 1961 comes to nil. Further after adoption of Section 115BAA, the Company is outside the scope and applicability of MAT provisions under Section 115JB of Income Tax Act, 1961. Hence, no provision for tax has been made in the financial statements.

The income tax expense for the year can be reconciled to the accounting profit as follows:

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Profit before tax | 64,121.04 | 61,671.56 |
| Tax rate | 0.25 | 0.25 |
| Tax thereon | 16,137.98 | 15,521.50 |
| Tax impact on account of unabsorbed depreciation as per computation under normal provisions of the Income tax Act, 1961 under the head 'Profit and Gains of Business' | (16,137.98) | (15,521.50) |
| Minimum alternate tax on book profits as per section 115JB(1) of Income Tax Act, 1961 (see note 1 below) | - | - |
| Proportionate minimum alternate tax on accretion to other equity on date of transition to Ind-AS as per Section 115JB (2C) of the Income Tax Act, 1961 (see note 2 below) | - | - |
| Tax on items recognised in other comprehensive income | - | - |
| Tax on adjustment for earlier years on finalization of assessments by the assessing authorities | - | - |
| Total tax expense | - | - |

Note -1

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|---|--|--|
| Profit for the period as per Ind AS | As the Company has opted for section 115BAA of the Income - tax Act, 1961, the MAT provisions of section 115JB of the Income - tax Act, 1961 are no longer applicable to the Company | As the Company has opted for section 115BAA of the Income - tax Act, 1961, the MAT provisions of section 115JB of the Income - tax Act, 1961 are no longer applicable to the Company |
| Less: Ind AS adjustments | | |
| Total (A) | | |
| Add:- | | |
| Expenses u/s 14A of Income Tax Act | | |
| Interest u/s 234 B & C | | |
| Provision for post retirement employee benefits | | |
| Standard asset provision | | |
| Total (B) | | |
| Total (A+B) | | |
| Less:- | | |
| Dividend income | | |
| Total (C) | | |
| Book Profit((A+B)-C) | | |
| Tax rate | | |
| Tax thereon | | |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note -2

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Other equity as per Ind AS on date of conversion i.e., 01 April 2018 | - | - |
| Adjustment on account of fair value change in the value of investments measured at FVTOCI | - | - |
| Total | - | - |
| Other equity as per AS on date of conversion i.e., 01 April 2018 | - | - |
| Difference | - | - |
| Tax rate | - | - |
| Tax thereon | - | - |
| Proportionate amount of tax payable during the period ended | - | - |

Income Tax Recognised in Other Comprehensive Income

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|--|-----------------------------|-----------------------------|
| Remeasurement of defined benefit obligation | - | - |
| Total Income Tax Recognised in Other Comprehensive Income | - | - |

Note 32: Earning Per Share

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 |
|--|-----------------------------|-----------------------------|
| Net Profit | 64,121.04 | 61,671.56 |
| Weighted average number of equity shares outstanding | | |
| Opening balance at the beginning of the period | 13,06,85,06,000.00 | 13,06,85,06,000.00 |
| Issued during the period | - | - |
| Brought back during the period | - | - |
| Add: Number of potential equity shares on account of receipt of share application money pending allotment | - | - |
| Weighted average number of equity shares [including diluted equity share] outstanding at the end of the period | 13,06,85,06,000.00 | 13,06,85,06,000.00 |
| Earning per share- Basic [Face value of Rs. 10/- per share] | 4.91 | 4.72 |
| Earning per share- Diluted [Face value of Rs. 10/- per share] | 4.91 | 4.72 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 33: Leases

Receivables (Note No. 6) include lease receivables representing the present value of future Lease Rentals receivables on the finance lease transactions entered into by the Company.

The lease agreement in respect of these assets is executed at the year-end based on the lease rentals and Implicit rate of return (IRR) with reference to average cost of annual incremental borrowings plus margin decided at that time. Any variation in the lease rental rate or the implicit rate of return for the year is accordingly adjusted at the year end.

Reconciliation of the lease receivable amount on the gross value of leased assets worth Rs. 39,56,061.73 millions (31 March 2023 : Rs. 36,09,576.41 millions, 1st April 2022: Rs. 30,12,490.62 millions) owned by the Company and leased to the Ministry of Railways(MoR) is as under:

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 | As at 01 April 2022 |
|---|-----------------------------|-----------------------------|------------------------|
| Gross value of assets leased upto the end of previous financial year | 36,09,576.01 | 30,12,490.62 | 25,23,718.29 |
| Less: Capital recovery provided upto last Year | (11,76,007.31) | (10,11,768.39) | (8,68,028.78) |
| Capital recovery outstanding on leased assets as at the end of last year | 24,33,568.70 | 20,00,722.23 | 16,55,689.51 |
| Add: Gross value of assets leased during the period | 3,46,485.72 | 5,97,085.39 | 4,88,772.33 |
| | 27,80,054.42 | 25,97,807.62 | 21,44,461.84 |
| Less: Capital recovery for the period | (1,83,148.42) | (1,64,238.92) | (1,43,739.61) |
| Net investment in Lease Receivables | 25,96,906.00 | 24,33,568.70 | 20,00,722.23 |

The value of contractual maturity of leases as per Ind AS-116 is as under:-

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 | As at 01 April 2022 |
|--|-----------------------------|-----------------------------|------------------------|
| Gross investment in lease | 38,76,805.20 | 36,15,064.76 | 29,68,531.92 |
| Unearned finance income | 12,79,899.20 | 11,81,496.06 | 9,67,809.69 |
| Present value of minimum lease payment (MLP) | 25,96,906.00 | 24,33,568.70 | 20,00,722.23 |

Gross investment in lease and present value of minimum lease payments (MLP) for each of the periods are as under:

Gross investment in lease

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 | As at 01 April 2022 |
|---|-----------------------------|-----------------------------|------------------------|
| Not later than one year | 3,93,790.32 | 3,63,078.59 | 3,07,574.52 |
| Later than one year and not later than two years | 3,81,802.66 | 3,52,082.39 | 2,97,228.27 |
| Later than two year and not later than three years | 3,67,156.98 | 3,40,094.73 | 2,86,232.08 |
| Later than three year and not later than four years | 3,49,855.13 | 3,25,449.05 | 2,74,244.41 |
| Later than four year and not later than five years | 3,32,802.23 | 3,08,147.20 | 2,59,598.74 |
| Later than five years | 20,51,397.88 | 19,26,212.80 | 15,43,653.90 |
| Total | 38,76,805.20 | 36,15,064.76 | 29,68,531.92 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Present value of MLP

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 | As at 01 April 2022 |
|---|-----------------------------|-----------------------------|------------------------|
| Not later than one year | 1,99,624.41 | 1,82,861.71 | 1,54,442.37 |
| Later than one year and not later than two years | 2,04,941.60 | 1,87,676.15 | 1,60,073.62 |
| Later than two year and not later than three years | 2,07,627.08 | 1,91,925.11 | 1,63,094.92 |
| Later than three year and not later than four years | 2,07,460.62 | 1,93,458.29 | 1,65,430.22 |
| Later than four year and not later than five years | 2,06,133.94 | 1,92,037.44 | 1,64,889.33 |
| Later than five years | 15,71,118.35 | 14,85,610.00 | 11,92,791.77 |
| Total | 25,96,906.00 | 24,33,568.70 | 20,00,722.23 |

Unearned Finance Income & Unguaranteed Residual Income

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 | As at 01 April 2022 |
|------------------------------|-----------------------------|-----------------------------|------------------------|
| Unearned finance income | 12,79,899.20 | 11,81,496.06 | 9,67,809.69 |
| Unguaranteed residual income | NIL | NIL | NIL |

A separate lease agreement for each year of lease has been executed and as per the terms of the lease agreements, lease rentals are received half yearly in advance. The leases are non-cancellable and shall remain in force until all amounts due under the lease agreements are received.

Further, the company has executed lease agreements for following railway projects:

| Particulars | Year of Disbursement | Year of Execution of Lease Agreement |
|-----------------------|-------------------------|--|
| Project Asset 2011-12 | 2011-12 | 2014-15 |
| EBR_IF 2015-16 | 2015-16 | 2021-22 |
| EBR_IF 2016-17 | 2016-17 | 2021-22 |
| EBR_IF 2017-18 | 2017-18 | 2023-24 |
| NP 2018-19 | 2018-19 | 2022-23 |
| NP 2019-20 | 2019-20 | 2022-23 |

Also, the execution of Lease Agreement for EBR IF 2018-19 is under process and the lease receivables have been recognised with effect from 24th March 2024 as per Ind AS 116 based on approved WACC and Margin.

Note 33.1

Company as a Lessee

The Company has lease contracts for office premises. The Company has recognised Right of Use Asset and Lease Liability for all the leases. Refer to Note 2.14 material accounting policy on leases.

Lease term includes the renewal term wherever the lessee has the option to renew the lease as it is reasonably certain for the lessee to exercise the option. However, the Company is not reasonably certain to exercise the termination option after the expiry of lock in period. There are no restrictions imposed by lease arrangements.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Set out below are the carrying amounts of right of use assets recognised during and movement during the year

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 | As at 01 April 2022 |
|-------------------------------------|-----------------------------|-----------------------------|------------------------|
| Closing Net Carrying Balance | 62.51 | 52.76 | 224.25 |
| Movement during the period | | | |
| Opening Net Carrying Value | 52.76 | 224.25 | 343.71 |
| Additions | 93.76 | - | - |
| Deletions | 15.69 | - | - |
| Depreciation | 68.32 | 116.99 | 119.46 |
| Impairment/Adjustment | - | 54.50 | - |
| Closing Net Carrying Balance | 62.51 | 52.76 | 224.25 |

Set out below are the carrying amounts of lease liabilities and movement during the year.

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 | As at 01 April 2022 |
|-------------------------------------|-----------------------------|-----------------------------|------------------------|
| Closing Net Carrying Balance | 64.13 | 56.39 | 233.52 |
| Movement during the period | | | |
| Opening Net Carrying Value | 56.39 | 233.52 | 345.88 |
| Additions | 93.76 | - | - |
| Deletions | 19.42 | 54.50 | - |
| Accretion of Interest | 5.02 | 9.23 | 16.48 |
| Payments | 71.62 | 131.86 | 128.84 |
| Closing Net Carrying Balance | 64.13 | 56.39 | 233.52 |

Cash Flows

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 | As at 01 April 2022 |
|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Total Cash Outflow of Lease | 71.62 | 131.86 | 128.84 |

Amount Recognised in statement of Profit & Loss

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 | As at 01 April 2022 |
|--|-----------------------------|-----------------------------|------------------------|
| Depreciation Expenses | | | |
| Depreciation | 68.32 | 116.99 | 119.46 |
| Finance Cost | | | |
| Interest Expenses on lease liabilities | 5.02 | 9.23 | 16.48 |

Current and non-current lease liabilities

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 | As at 01 April 2022 |
|-------------|-----------------------------|-----------------------------|------------------------|
| Current | 31.22 | 37.69 | 122.05 |
| Non Current | 32.91 | 18.70 | 111.47 |
| | 64.13 | 56.39 | 233.52 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Maturity Profile of Company's future lease liabilities based on contractual undiscounted payments

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 | As at 01 April 2022 |
|---------------------|-----------------------------|-----------------------------|------------------------|
| Less than 12 Months | 33.70 | 39.19 | 131.85 |
| 1 to 3 Years | 33.70 | 6.47 | 98.68 |
| 3 to 5 years | - | 7.82 | 7.11 |
| > 5 years | - | 8.40 | 12.50 |
| | 67.40 | 61.89 | 250.14 |

Note 34: Contingent liabilities and Commitments

a.

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 | As at 01 April 2022 |
|--|-----------------------------|-----------------------------|------------------------|
| Claims against the Company not acknowledged as debt – Claims by bondholders in the consumer / civil courts | 0.10 | 0.23 | 4.22 |

- b. Claims against the Company not acknowledge as debt – relating to service matter pending in Court - amount not ascertainable.
- c. The procurement/acquisition of assets leased out by the Company to the Indian Railways is done by Ministry of Railways (MOR), Government of India. As per the lease agreements entered into between the Company and MOR, the Sales Tax/ VAT liability, if any, on procurement/acquisition and leasing is recoverable from MOR. Since, there is no sales tax/ VAT demand and the amount is unascertainable, no provision is considered necessary.
- d. Director-General of GST Intelligence (DGGI), Chennai Zonal unit has served a show cause notice dated 16-4-2019 on the company alleging contravention of the provision of sec 67,68 and 70 of the Finance Act, 1994 by the company and as to why service tax of ₹26,537.65 million along with interest and penalty be not demanded from the company. The company has submitted a reply to Commissioner, CGST, Delhi East (Adjudicating Authority) stating that there is no contravention of the provision of any of the above-stated sections of the Finance Act, 1994. Further, the company has also filed counter comments against the comments given by the department and the hearing is going on. Management is of the view that the company is not liable to pay the tax. However, if any liability arises that would be recoverable from the Ministry of Railways, Government of India.
- e. The disputed demand of tax (including interest thereon) for the AY 2015-16 was Rs. 9.48 million. Against the said demand, the company has filed a rectification application u/s 154. Based on the decisions of the Appellate Authority in similar matters and the interpretation of relevant provisions, the Company is confident that the demand will be either deleted or substantially reduced, and accordingly, no provision is considered necessary. However, the said demand of ₹9.48 million has been adjusted by the department, out of the refund to IRFC for the AY 2016-17.
- f. During the Financial year 2021-22, an intimation u/s 143(1) for AY 2019-20 was received from the CPC. In the said intimation, TDS credit has been short-granted by Rs. 1502.46 million despite it appearing in Form 26AS. Further Book Profit has been increased by Rs. 1462.42 million without any reason and additional tax and interest thereon has been raised. The demand of Rs. 2043.26 million has been adjusted against the refund claimed for AY 2020-21. Against the said demand issued by the CPC u/s 143 (1), an appeal was filed at CIT (A) on 28-1-2022, which has considered TDS credit which was short granted and also made an addition of Rs. 6135.12 million on account of income tax paid (the company has already added provision for tax in the computation of taxable income) and Rs. 154790.38 million on account of General reserves, etc, in book profit, against which the company has filed an appeal before the Honourable Income Tax Appellate Tribunal (ITAT) on 17-4-23 for the total addition of Rs. 162387.93 million. During the hearings, the company submitted all the details and documents against the additional demands raised. Management is of the view that no provision is required.

Notes to Financial Statements

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(All amounts in millions of ₹, unless stated otherwise)

- g. An intimation u/s 143 (1) for AY 2022-23 was received from the CPC on 16-3-23. During the year, the company also received a notice u/s 142 (1) on 20-10-23 for the submission of information. Order u/s 143(3) dt 19-3-24 was received which, disallowed certain expenditures amounting to ₹7.59 million, and raised the demand of ₹2.14 million. Against the order, the company has filed an appeal before the CIT (Appeal) on 18-4-24, and Management is of the view that no provision is required.
- h. During the FY 23-24, Asst. Commissioner, State Tax, Chennai issued a demand order of ₹3531.79 million in respect of ITC available in GSTR-2A but not claimed (lapsed), ITC availed on RCM invoices, etc for the FY 20-21. The company filed a writ and stay petition before the Hon'ble High Court of Madras in June-23 against the said demand order. The Honourable High Court of Madras, through its order dt 04-07-23 granted a Stay on the demand order and the proceedings are still ongoing. Further, Asst. Commissioner, State Tax, Chennai also issued a demand order of ₹2370.35 million for disallowance of partial ITC for the year 21-22. The Company filed an appeal before the Dy. Commissioner, State Tax, Appeal, Chennai on 22-02-24. At the personal hearing conducted on 14-3-24, the company elucidated that the ITC was claimed in accordance with the GST law and adequate amount of ITC is also available in the electronic credit ledger. The management holds the perspective that no provision is deemed necessary in either scenario.
- i. During the FY 23-24, The Assistant Commissioner, State Tax, Chennai issued show cause notices for FY 20-21 to FY 22-23 for Rs. 6689.78 million on the grounds of excess/wrong ITC availment, short payment of tax etc. along with interest and penalty thereon. The company filed replies against the said notices during Oct-23 and Nov-23 stating that ITC has been claimed as per GST law and no interest and penalty shall be applicable. The Company also elucidated the same during personal hearings held in the above matter. The management holds the perspective that no provision is deemed necessary for the above.
- j. Commitments:

| Particulars | Year Ended 31 March 2024 | Year Ended 31 March 2023 | As at 01 April 2022 |
|---|-----------------------------|-----------------------------|------------------------|
| - Contracts remaining to BE executed on capital accounts | | | |
| - Towards Property, Plant & Equipment | 1,476.68 | 1,574.47 | 9.15 |
| - Towards Intangible Assets | 193.87 | 214.48 | 7.97 |
| - Other Commitments | | | |
| - Other Commitments | - | - | - |

Note 35: Expenditure in Foreign Currency

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| a) Interest/Swap Cost on foreign currency borrowings | 30,873.03 | 20,737.82 |
| b) Processing agent/ fiscal Agent/ admin fees | 13.31 | 14.12 |
| c) Underwriting/ arranger fees | - | - |
| d) International credit rating agencies fees | 15.07 | 29.60 |
| e) Others | - | 15.98 |
| Total | 30,901.41 | 20,797.52 |

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(All amounts in millions of ₹, unless stated otherwise)

Note 36: Segment reporting

The Company has identified "Leasing and Finance" as its sole reporting segment. Thus, there is no inter-segment revenue and the entire revenue is presented in the statement of profit and loss is derived from external customers all of whom are domiciled in India, the Company's country of domicile.

All non-current assets other than financial instruments are also located in India.

The Company derives more than 10% of its revenue from a single customer (ie. Ministry of Railways, Government of India (MOR) and entities under the control of MOR). The break up of the revenue is as under:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Revenue from MOR & entities under the control of MOR | | |
| - Lease Income | 1,78,207.52 | 1,61,741.33 |
| - Interest Income | 5,059.39 | 5,860.28 |
| - Pre Commencement lease interest income | 82,036.32 | 68,904.19 |
| Total | 2,65,303.23 | 2,36,505.80 |

Note 37: Employee benefits

37.1

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Contribution to provident fund and National Pension Fund | 10.50 | 14.30 |
| Contribution to gratuity | 0.12 | 0.59 |
| Contribution to leave encasement | 0.44 | 3.85 |
| Contribution to post retirement medical and pension | 2.49 | 2.16 |
| Contribution to family benefit scheme | 0.97 | 0.84 |

37.2 The Company operates a funded gratuity benefit plan.

A) Actuarial Assumptions

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--------------------------------|---------------------------|---------------------------|
| Economic Assumptions | | |
| Discount rate | 7.2% p.a. | 7.4% p.a. |
| Salary escalation | 6.00% p.a. | 6.00% p.a. |
| Demographic Assumptions | | |
| Retirement age | 60 | 60 |
| Attrition rate | 0.00% | 0.00% |
| Mortality table used | 100% of IALM (2012-14) | 100% of IALM (2012-14) |

Notes:

- The discount rate is based on the prevailing market yield of India Government securities as at the balance sheet date for the estimated term of obligations.
- The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and in the employment market.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

3. The expected return is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

B) Movements in present value of the defined benefit obligation

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Present value of obligation as at the beginning of the year | 13.27 | 15.49 |
| Transfer in/(out) Obligation | 0.23 | - |
| Interest cost | 0.95 | 1.06 |
| Past service cost | - | - |
| Current service cost | 1.32 | 1.42 |
| Benefit paid | (0.89) | (2.21) |
| Components of actuarial gain/losses on obligations: | | |
| Actuarial (gain)/loss on obligations due to change in financial assumptions | 0.20 | (0.48) |
| Actuarial (gain)/loss on obligations- due to experience | (0.15) | (2.02) |
| Actuarial (gain)/loss on obligations- demographic changes | - | - |
| Liability at the end of the year | 14.92 | 13.27 |

C) Movements in the fair value of plan assets

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Fair value of plan assets at the beginning of the year | 28.91 | 26.94 |
| Contribution from the employer | 0.23 | - |
| Interest income | 2.15 | 1.90 |
| Return on plan assets excluding amounts included in interest income | 1.30 | 0.06 |
| Benefits paid | - | - |
| Reimbursement paid by the insurer | - | - |
| Actuarial gain/(loss) for the year on asset | - | - |
| Fair value of the plan assets for the period ending | 32.59 | 28.90 |

D) Amount recognised in the Balance Sheet

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Present value of funded obligation at the end of the year | 14.92 | 13.27 |
| Fair value of plan assets at the end of the year | (32.59) | (28.90) |
| Net liability/ (assets) recognised in the Balance Sheet | (17.67) | (15.63) |

E) Expenses recognised in the Statement of Profit and Loss during the year:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Current service cost | 1.32 | 1.42 |
| Past service cost | - | - |
| Net interest cost (Income) | (1.20) | (0.84) |
| Expected return on plan assets | - | - |
| Expense recognised in the Statement of Profit and Loss | 0.12 | 0.59 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

F) Expenses recognised in Other Comprehensive Income during the year:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Actuarial (gain) / loss for the year on PBO | 0.05 | (2.50) |
| Actuarial (gain) / loss for the year on Asset | (1.30) | (0.06) |
| Unrecognised actuarial (gain) / loss for the year end | (1.25) | (2.56) |

G) Composition of the plan assets:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---------------------|------------------------|------------------------|
| Policy of insurance | 100.00% | 100.00% |

H) Change in Net benefit obligations:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Net defined benefit liability at the start of the year | (15.64) | (11.45) |
| Acquisition adjustment | - | - |
| Total service cost | 0.12 | 0.59 |
| Net interest cost (income) | - | - |
| Re-measurements | (1.25) | (2.56) |
| Reimbursement paid by the insurer | | |
| Contribution to the plan assets | - | - |
| Benefit paid directly by the enterprise | (0.89) | (2.21) |
| Net defined benefit liability/ (assets) for the period ending | (17.66) | (15.64) |

I) Bifurcation of PBO at the end of year as current and non current:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Current liability (Amount due within one year) | (1.39) | (1.38) |
| Non-Current liability (Amount due over one year) | (16.28) | (14.26) |
| Total PBO at the end of year | (17.66) | (15.64) |

J) Bifurcation of defined benefit obligation

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------|------------------------|------------------------|
| Vested | 13.41 | 11.73 |
| Non- Vested | 1.52 | 1.54 |
| | 14.92 | 13.27 |

Notes to Financial Statements

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K) Sensitivity analysis of the defined benefit obligation

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| a) Impact of the change in discount rate | | |
| - Impact due to increase of 0.50 % | 14.43 | 12.82 |
| - Impact due to decrease of 0.50 % | 15.45 | 13.75 |
| b) Impact of the change in salary increase | | |
| - Impact due to increase of 0.50 % | 15.06 | 13.50 |
| - Impact due to decrease of 0.50 % | 14.67 | 12.98 |

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

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 being a lump sum benefit on retirement.

L) The employer's best estimate of contribution expected to be paid during the next year:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Expected contribution of the next year | 1.39 | 1.38 |

M) These plans typically expose the Company to Actuarial Risks such as Investment Risk, Liquidity Risk, Market Risk and Legislative Risk.

| | |
|------------------------|--|
| Actuarial Risk | <p>It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:</p> <p>Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.</p> <p>Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.</p> <p>Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.</p> |
| Investment Risk | <p>For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.</p> |
| Liquidity Risk | <p>Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.</p> |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| | |
|-------------------------|---|
| Market Risk | Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date. |
| Legislative Risk | Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective. |

37.3 The Company operates a funded leave benefit plan.

A) Actuarial Assumptions

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------------|---------------------------|
| Economic Assumptions | | |
| Discount rate | 7.2% p.a. | 7.4% p.a. |
| Salary escalation | 6.00% p.a. | 6.00% p.a. |
| Demographic Assumptions | | |
| Retirement age | 60 Years | 60 Years |
| Attrition rate | 0.00% p.a. | 0.00% p.a. |
| Mortality table used | 100% of IALM (2012-14) | 100% of IALM (2012-14) |
| Leave Availment and Encashment Rate | | |
| Leave Availment Rate | 10% p.a. | 10% p.a. |
| Encashment in service | 0.00% p.a. | 0.00% p.a. |

B) Movements in present value of the defined benefit obligation

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Present value of obligation as at the beginning of the year | 18.15 | 16.96 |
| Transfer in/(out) Obligation | 0.66 | - |
| Interest cost | 1.34 | 1.17 |
| Past service cost | - | - |
| Current service cost | 3.03 | 3.23 |
| Benefit paid | (2.61) | (3.79) |
| Actuarial (gain)/loss on obligations- due to change in financial assumptions | 0.18 | (0.43) |
| Actuarial (gain)/loss on obligations- due to experience adjustments | (3.21) | 1.01 |
| Actuarial (gain)/loss on obligations- due to change in demographic assumption | - | - |
| Liability at the end of the year | 17.55 | 18.15 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

C) Movements in the fair value of plan assets

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Fair value of plan assets at the beginning of the year | 18.15 | 17.01 |
| Contribution by employer | 0.66 | - |
| Interest income | 1.47 | 1.39 |
| Return on plan assets excluding amounts included in interest income | (0.57) | (0.25) |
| Benefits paid | (5.12) | - |
| Actuarial gain/(loss) for the year on asset | - | - |
| Fair value of the plan assets at the end of the year | 14.60 | 18.15 |

D) Amount recognised in the Balance Sheet

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Present value of funded obligation at the end of the year | 17.55 | 18.15 |
| Fair value of plan assets at the end of the year | 14.60 | 18.15 |
| Net liability recognised in the Balance Sheet | 2.94 | - |

E) Expenses recognised in the Statement of Profit and Loss during the year:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Current service cost | 3.03 | 3.23 |
| Past service cost | - | - |
| Net interest cost (Income) | (0.13) | (0.22) |
| Net value of re measurements on the obligation and planned assets | (2.46) | 0.83 |
| Expense recognised in the Statement of Profit and Loss | 0.44 | 3.85 |

F) Components of actuarial gain/loss on obligation

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Due to change in financial assumptions | 0.18 | (0.43) |
| Due to change in demographic assumption | - | - |
| Due to experience adjustments | (3.21) | 1.01 |
| Return on plan assets excluding amounts included in interest income | 0.57 | 0.25 |
| Unrecognised actuarial (gain) / loss for the year end | (2.46) | 0.83 |

G) Composition of the plan assets:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---------------------|------------------------|------------------------|
| Policy of insurance | 100% | 100% |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

H) Change in Net benefit obligations

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Net defined benefit liability at the start of the year | (0.01) | (0.06) |
| Acquisition adjustment | 0.00 | - |
| Total service cost | 3.03 | 3.23 |
| Net interest cost (Income) | (0.13) | (0.22) |
| Re-measurements | (2.46) | 0.83 |
| Contribution paid to the fund | - | - |
| Benefit paid directly by the enterprise | - | (3.79) |
| Reimbursement from Insurer | 2.50 | - |
| Net defined benefit liability at the end of the year | 2.94 | (0.01) |

I) Bifurcation of PBO at the end of year as current and non current:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Current liability (Amount due within one year) | 2.94 | (0.01) |
| Non-Current liability (Amount due over one year) | - | - |
| Total PBO at the end of year | 2.94 | (0.01) |

K) Sensitivity analysis of the defined benefit obligation

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| a) Impact of the change in discount rate | | |
| - Impact due to increase of 0.50 % | 17.10 | 17.73 |
| - Impact due to decrease of 0.50 % | 17.99 | 18.57 |
| b) Impact of the change in salary increase | | |
| - Impact due to increase of 0.50 % | 18.00 | 18.57 |
| - Impact due to decrease of 0.50 % | 17.09 | 17.72 |

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

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 being a lump sum benefit on retirement.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

L) These plans typically expose the Company to actuarial risks such as Investment Risk, Liquidity Risk and Market Risk.

| | |
|------------------------|---|
| Actuarial Risk | <p>It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:</p> <p>Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the leave benefit will be paid earlier than expected. The acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.</p> <p>Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the leave benefit will be paid earlier than expected. The impact of this will depend on the relative values of the assumed salary growth and discount rate.</p> <p>Variability in Availment rates: If actual Availment rates are higher than assumed Availment rate assumption then leave balances will be utilised earlier than expected. This will result in reduction in leave balances and Obligation.</p> |
| Investment Risk | <p>For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.</p> |
| Liquidity Risk | <p>Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.</p> |
| Market Risk | <p>Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.</p> |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

37.4 The Company operates a Family Benefit Scheme Plan.

A) Actuarial Assumptions

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--------------------------------|---------------------------|---------------------------|
| Economic Assumptions | | |
| Discount rate | 7.2% p.a | 7.5% p.a |
| Salary escalation | 6.00% p.a | 6.00% p.a |
| Demographic Assumptions | | |
| Retirement age | 60 Years | 60 Years |
| Attrition rate | 0.00% p.a. | 0.00% p.a. |
| Mortality table used | 100% of IALM (2012-14) | 100% of IALM (2012-14) |

B) Movements in present value of the defined benefit obligation

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Present value of obligation as at the beginning of the year | 4.31 | 4.56 |
| Acquisition adjustment out | - | - |
| Interest cost | 0.29 | 0.28 |
| Past service cost | - | - |
| Current service cost | 0.68 | 0.56 |
| Benefit paid | - | - |
| Actuarial (gain)/loss on obligations- due to change in financial assumptions | 0.14 | (0.25) |
| Actuarial (gain)/loss on obligations- due to experience adjustments | (0.60) | (0.84) |
| Actuarial (gain)/loss on obligations- due to change in demographic assumption | - | - |
| Liability at the end of the year | 4.81 | 4.31 |

C) Movements in the fair value of plan assets

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Fair value of plan assets at the beginning of the year | - | - |
| Contribution by employer | - | - |
| Interest income | - | - |
| Return on plan assets excluding amounts included in interest income | - | - |
| Benefits paid | - | - |
| Actuarial gain/(loss) for the year on asset | - | - |
| Fair value of the plan assets at the end of the year | - | - |

D) Amount recognised in the Balance Sheet

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Present value of funded obligation at the end of the year | 4.81 | 4.31 |
| Fair value of plan assets at the end of the year | - | - |
| Net liability recognised in the Balance Sheet | 4.81 | 4.31 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

E) Expenses recognised in the Statement of Profit and Loss during the year:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Current service cost | 0.68 | 0.56 |
| Past service cost | - | - |
| Net interest cost (Income) | 0.29 | 0.28 |
| Net value of re measurements on the obligation and planned assets | - | - |
| Expense recognised in the Statement of Profit and Loss | 0.97 | 0.84 |

F) Components of actuarial gain/loss on obligation

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Due to change in financial assumptions | 0.14 | (0.25) |
| Due to change in demographic assumption | - | - |
| Due to experience adjustments | (0.60) | (0.84) |
| Return on plan assets excluding amounts included in interest income | - | - |
| Unrecognised actuarial (gain) / loss for the year end | (0.46) | (1.09) |

G) Composition of the plan assets:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---------------------|------------------------|------------------------|
| Policy of insurance | 0% | 0% |

H) Change in Net benefit obligations

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Net defined benefit liability at the start of the year | 4.31 | 4.56 |
| Acquisition adjustment | - | - |
| Total service cost | 0.97 | 0.84 |
| Net interest cost (Income) | (0.00) | - |
| Re-measurements | (0.46) | (1.08) |
| Contribution paid to the fund | - | - |
| Benefit paid directly by the enterprise | - | - |
| Net defined benefit liability at the end of the year | 4.81 | 4.31 |

I) Bifurcation of PBO at the end of year as current and non current:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Current liability (Amount due within one year) | 0.96 | 0.95 |
| Non-Current liability (Amount due over one year) | 3.85 | 3.36 |
| Total PBO at the end of year | 4.81 | 4.31 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

K) Sensitivity analysis of the defined benefit obligation

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| a) Impact of the change in discount rate | | |
| - Impact due to increase of 0.50 % | 4.59 | 4.12 |
| - Impact due to decrease of 0.50 % | 5.05 | 4.51 |
| b) Impact of the change in salary increase | | |
| - Impact due to increase of 0.50 % | 4.94 | 4.41 |
| - Impact due to decrease of 0.50 % | 4.69 | 4.21 |
| c) Impact of the change in withdrawal rate | | |
| - Impact due to increase of 0.50 % | 4.81 | 4.31 |
| - Impact due to decrease of 0.50 % | 4.81 | 4.31 |

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

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 being a lump sum benefit on retirement.

L) These plans typically expose the Company to actuarial risks such as Investment Risk, Liquidity Risk and Market Risk.

| | |
|------------------------|--|
| Actuarial Risk | <p>It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:</p> <p>Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.</p> <p>Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Employees' Family Benefit Scheme will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.</p> <p>Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Employees' Family Benefit Scheme will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.</p> |
| Investment Risk | For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period. |
| Liquidity Risk | Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows. |
| Market Risk | Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date. |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| | |
|-------------------------|--|
| Legislative Risk | Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective. |
|-------------------------|--|

37.5 The Company operates a Post Medical Retirement Benefits

A) Actuarial Assumptions

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--------------------------------|---------------------------|---------------------------|
| Economic Assumptions | | |
| Discount rate | 7.20% p.a | 7.40% p.a |
| Salary escalation | 6.00% p.a | 6.00% p.a |
| Medical Inflation Rate | 7.20% p.a | 7.40% p.a. |
| Demographic Assumptions | | |
| Retirement age | 60 Years | 60 Years |
| Attrition rate | 0.00% p.a. | 0.00% p.a. |
| Mortality table used | 100% of IALM (2012-14) | 100% of IALM (2012-14) |

B) Movements in present value of the defined benefit obligation

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Present value of obligation as at the beginning of the year | 12.18 | 12.43 |
| Acquisition adjustment out | - | - |
| Interest cost | 0.90 | 0.91 |
| Past service cost | - | - |
| Current service cost | 1.59 | 1.25 |
| Benefit paid | - | - |
| Actuarial (gain)/loss on obligations- due to change in financial assumptions | 0.51 | (0.26) |
| Actuarial (gain)/loss on obligations- due to experience adjustments | (3.27) | (2.15) |
| Actuarial (gain)/loss on obligations- due to change in demographic assumption | - | - |
| Liability at the end of the year | 11.91 | 12.18 |

C) Movements in the fair value of plan assets

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Fair value of plan assets at the beginning of the year | - | - |
| Contribution by employer | - | - |
| Interest income | - | - |
| Return on plan assets excluding amounts included in interest income | - | - |
| Benefits paid | - | - |
| Actuarial gain/(loss) for the year on asset | - | - |
| Fair value of the plan assets at the end of the year | - | - |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

D) Amount recognised in the Balance Sheet

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Present value of funded obligation at the end of the year | 11.91 | 12.18 |
| Fair value of plan assets at the end of the year | - | - |
| Net liability recognised in the Balance Sheet | 11.91 | 12.18 |

E) Expenses recognised in the Statement of Profit and Loss during the year:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Current service cost | 1.59 | 1.25 |
| Past service cost | - | - |
| Net interest cost (Income) | 0.90 | 0.91 |
| Net value of re measurements on the obligation and planned assets | - | - |
| Expense recognised in the Statement of Profit and Loss | 2.49 | 2.16 |

F) Components of actuarial gain/loss on obligation

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Due to change in financial assumptions | 0.51 | (0.26) |
| Due to change in demographic assumption | - | - |
| Due to experience adjustments | (3.27) | (2.15) |
| Return on plan assets excluding amounts included in interest income | - | - |
| Unrecognised actuarial (gain) / loss for the year end | (2.76) | (2.41) |

G) Composition of the plan assets:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---------------------|------------------------|------------------------|
| Policy of insurance | 0% | 0% |

H) Change in Net benefit obligations

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Net defined benefit liability at the start of the year | 12.18 | 12.43 |
| Acquisition adjustment | - | - |
| Total service cost | 2.49 | 2.16 |
| Net interest cost (Income) | - | - |
| Re-measurements | (2.76) | (2.41) |
| Contribution paid to the fund | - | - |
| Benefit paid directly by the enterprise | - | - |
| Net defined benefit liability at the end of the year | 11.91 | 12.18 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

I) Bifurcation of PBO at the end of year as current and non current:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Current liability (Amount due within one year) | - | - |
| Non-Current liability (Amount due over one year) | 11.91 | 12.18 |
| Total PBO at the end of year | 11.91 | 12.18 |

K) Sensitivity analysis of the defined benefit obligation

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| a) Impact of the change in discount rate | | |
| - Impact due to increase of 0.50 % | 10.68 | 10.98 |
| - Impact due to decrease of 0.50 % | 13.31 | 13.55 |
| b) Impact of the Change Medical inflation rate | | |
| - Impact due to increase of 0.50 % | 13.32 | 13.56 |
| - Impact due to decrease of 0.50 % | 10.67 | 10.96 |
| c) Impact of the change in Mortality rate | | |
| - Impact due to increase of 10% | 11.31 | 11.58 |
| - Impact due to decrease of 10% | 12.57 | 12.85 |

L) These plans typically expose the Company to actuarial risks such as Investment Risk, Liquidity Risk and Market Risk.

| | |
|------------------------|--|
| Actuarial Risk | <p>It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:</p> <p>Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.</p> <p>Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Employees' Family Benefit Scheme will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.</p> <p>Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Employees' Family Benefit Scheme will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date. "</p> |
| Investment Risk | <p>For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.</p> |
| Liquidity Risk | <p>Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.</p> |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| | |
|-------------------------|---|
| Market Risk | Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date. |
| Legislative Risk | Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective. |

Note 38: Financial Instruments

38.1: Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximizing the return to shareholders and also complying with the ratios stipulated in the loan agreements through the optimization of the debt and equity balance.

The capital structure of the Company consists of net debt (Debt Securities & Borrowings as detailed in Note 15 & 16 offset by cash and bank balances as detailed in Note 3) and total equity of the Company.

38.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 |
|--|------------------------|------------------------|------------------------|
| Debt (See note 'i' below) | 41,20,321.01 | 41,89,292.58 | 38,84,166.18 |
| Cash and cash equivalents | 227.70 | 1,626.38 | 1,064.28 |
| Net debt | 41,20,093.31 | 41,87,666.20 | 38,83,101.90 |
| Total equity | 4,91,785.67 | 4,46,801.81 | 4,03,760.61 |
| Net debt to equity ratio (in times) | 8.38 | 9.37 | 9.62 |

38.1.2 Net Worth

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 |
|-------------------|------------------------|------------------------|------------------------|
| Total Assets | 48,50,824.26 | 49,03,587.51 | 44,93,599.45 |
| Total Liabilities | 43,59,038.59 | 44,56,785.70 | 40,89,838.84 |
| Net Worth | 4,91,785.67 | 4,46,801.81 | 4,03,760.61 |

38.1.3 Debt Equity Ratio

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 |
|-------------|------------------------|------------------------|------------------------|
| Debt | 41,20,321.01 | 41,89,292.58 | 38,84,166.18 |
| Equity | 4,91,785.67 | 4,46,801.81 | 4,03,760.61 |
| | 8.38 | 9.38 | 9.62 |

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(All amounts in millions of ₹, unless stated otherwise)

Note:

i) Debt computed as under:

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 |
|--|------------------------|------------------------|------------------------|
| Debt Securities (Note 15) | 22,50,942.28 | 21,60,942.33 | 19,41,749.53 |
| Borrowing (other than debt securities) (Note 16) | 18,69,378.73 | 20,28,350.25 | 19,42,416.65 |
| Total Debt | 41,20,321.01 | 41,89,292.58 | 38,84,166.18 |

38.2 Financial Instruments - Accounting classification and fair value measurement

38.2.1 Categories of financial instruments

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 |
|---|------------------------|------------------------|------------------------|
| Financial assets | | | |
| Measured at amortised cost | | | |
| Cash and cash equivalents | 227.70 | 1,626.38 | 1,064.28 |
| Bank balance other than above | 4,446.00 | 3,790.21 | 1,969.48 |
| Investments (Pass through certificates) | - | - | 2.92 |
| Loans | 49,445.08 | 59,331.26 | 68,248.05 |
| Other financial assets | 20,72,550.01 | 22,52,748.13 | 22,47,779.18 |
| Receivables (Lease Receivables) | 25,96,906.00 | 24,33,568.70 | 20,00,722.20 |
| Measured at fair value through Profit and Loss | | | |
| Derivative financial instruments | 4,897.92 | 4,952.33 | 2,023.25 |
| Measured at fair value through Other Comprehensive Income | | | |
| Investments (IRCON) | 535.95 | 136.64 | 97.11 |
| Financial liabilities | | | |
| Measured at amortised cost | | | |
| Payables | | | |
| (I) 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 | - | - | - |
| (II) Other payables | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | 11.07 | 9.80 | 10.02 |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 145.37 | 119.15 | 220.20 |
| Debt securities | 22,50,942.28 | 21,60,942.33 | 19,41,749.53 |
| Borrowings (Other than debt securities) | 18,69,378.73 | 20,28,350.25 | 19,42,416.65 |
| Other financial liabilities (Interest accrued but not due, amount payable to MoR etc.) | 2,14,504.40 | 2,56,336.18 | 1,94,267.45 |
| Measured at fair value through Profit and Loss | | | |
| Derivative financial instruments | 18,531.88 | 9,072.81 | 5,669.33 |

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38.2.2: Fair value measurements

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

In order to show how fair value have been derived, financial instruments are classified based on hierarchy of valuation techniques as explained below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices in markets that are not active) or indirectly (i.e. quoted prices for similar assets or liabilities);

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

Set below is a comparison, by class, of the carrying amounts and fair value of the financial instruments. This table does not include the fair value of non-financial assets and non-financial liabilities.

The following table presents the comparison of carrying value of financial instruments vis-à-vis their carrying amount as at 31st March 2024

| Particulars | Carrying Value As at 31 March 2024 | Fair Value measurement at end of the reporting year | | | |
|---|------------------------------------|---|---------|--------------|--------------|
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | |
| Measured at amortised cost | | | | | |
| Cash and cash equivalents | 227.70 | 227.70 | - | - | 227.70 |
| Bank balance other than above | 4,446.00 | 4,446.00 | - | - | 4,446.00 |
| Investments (Pass through certificates) | - | - | - | - | - |
| Loans | 49,445.08 | - | - | 49,445.08 | 49,445.08 |
| Other financial assets | 20,72,550.01 | - | - | 20,72,550.01 | 20,72,550.01 |
| Receivables (Lease Receivables) | 25,96,906.00 | - | - | 25,96,906.00 | 25,96,906.00 |
| Measured at fair value through Profit and Loss | | | | | |
| Derivative financial instruments | 4,897.92 | 4,897.92 | - | - | 4,897.92 |
| Measured at fair value through Other Comprehensive Income | | | | | |
| Investments (IRCON) | 535.95 | 535.95 | - | - | 535.95 |
| Financial liabilities | | | | | |
| Measured at amortised cost | | | | | |
| Payables | | | | | |
| (I) 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 | - | - | - | - | - |
| (II) Other payables | | | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | 11.07 | - | - | 11.07 | 11.07 |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 145.37 | - | - | 145.37 | 145.37 |

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| Particulars | Carrying Value As at 31 March 2024 | Fair Value measurement at end of the reporting year | | | |
|--|------------------------------------|---|---------|--------------|--------------|
| | | Level 1 | Level 2 | Level 3 | Total |
| Debt securities | 22,50,942.28 | - | - | 22,50,942.28 | 22,50,942.28 |
| Borrowings (Other than debt securities) | 18,69,378.73 | - | - | 18,69,378.73 | 18,69,378.73 |
| Lease Liabilities | 64.13 | - | - | 64.13 | 64.13 |
| Other financial liabilities (Interest accrued but not due, amount payable to MoR etc.) | 2,14,504.40 | - | - | 2,14,504.40 | 2,14,504.40 |
| Measured at fair value through Profit and Loss | | | | | |
| Derivative financial instruments | 18,531.88 | 18,531.88 | - | - | 18,531.88 |

The following table presents the comparison of carrying value of financial instruments vis-à-vis their carrying amount as at 31st March 2023

| Particulars | Carrying Value As at 31 March 2023 | Fair Value measurement at end of the reporting year | | | |
|---|------------------------------------|---|---------|--------------|--------------|
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | |
| Measured at amortised cost | | | | | |
| Cash and cash equivalents | 1,626.38 | 1,626.38 | - | - | 1,626.38 |
| Bank balance other than above | 3,790.21 | 3,790.21 | - | - | 3,790.21 |
| Investments (Pass through certificates) | - | - | - | - | - |
| Loans | 59,331.26 | - | - | 59,331.26 | 59,331.26 |
| Other financial assets | 22,52,748.13 | - | - | 22,52,748.13 | 22,52,748.13 |
| Receivables (Lease Receivables) | 24,33,568.70 | - | - | 24,33,568.70 | 24,33,568.70 |
| Measured at fair value through Profit and Loss | | | | | |
| Derivative financial instruments | 4,952.33 | 4,952.33 | - | - | 4,952.33 |
| Measured at fair value through Other Comprehensive Income | | | | | |
| Investments (IRCON) | 136.64 | 136.64 | - | - | 136.64 |
| Financial liabilities | | | | | |
| Measured at amortised cost | | | | | |
| Payables | | | | | |
| (I) 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 | - | - | - | - | - |
| (II) Other payables | | | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | 9.80 | - | - | 9.80 | 9.80 |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 119.15 | - | - | 119.15 | 119.15 |
| Debt securities | 21,60,942.33 | - | - | 21,60,942.33 | 21,60,942.33 |
| Borrowings (Other than debt securities) | 20,28,350.25 | - | - | 20,28,350.25 | 20,28,350.25 |
| Lease Liabilities | 56.39 | - | - | 56.39 | 56.39 |
| Other financial liabilities (Interest accrued but not due, amount payable to MoR etc.) | 2,56,336.18 | - | - | 2,56,336.18 | 2,56,336.18 |
| Measured at fair value through Profit and Loss | | | | | |
| Derivative financial instruments | 9,072.81 | 9,072.81 | - | - | 9,072.81 |

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The following table presents the comparison of carrying value of financial instruments vis-à-vis their carrying amount as at 01 April 2022

| Particulars | Carrying Value As at 31 March 2022 | Fair Value measurement at end of the reporting year | | | |
|---|------------------------------------|---|---------|--------------|--------------|
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | |
| Measured at amortised cost | | | | | |
| Cash and cash equivalents | 1,464.92 | 1,464.92 | - | - | 1,464.92 |
| Bank balance other than above | 1,568.84 | 1,568.84 | - | - | 1,568.84 |
| Investments (PTC) | 2.92 | - | - | 2.92 | 2.92 |
| Loans | 68,248.05 | - | - | 68,248.05 | 68,248.05 |
| Other financial assets | 22,47,779.18 | - | - | 22,47,779.18 | 22,47,779.18 |
| Receivables (Lease Receivables) | 20,00,722.20 | - | - | 20,00,722.20 | 20,00,722.20 |
| Measured at fair value through Profit and Loss | | | | | |
| Derivative financial instruments | 2,023.25 | 2,023.25 | - | - | 2,023.25 |
| Measured at fair value through Other Comprehensive Income | | | | | |
| Investments (IRCON) | 97.11 | 97.11 | - | - | 97.11 |
| Financial liabilities | | | | | |
| Measured at amortised cost | | | | | |
| Payables | | | | | |
| (I) 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 | - | - | - | - | - |
| (II) Other payables | | | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | 10.02 | - | - | 10.02 | 10.02 |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 220.20 | - | - | 220.20 | 220.20 |
| Debt securities | 19,41,749.53 | - | - | 19,41,749.53 | 19,41,749.53 |
| Borrowings (Other than debt securities) | 19,42,416.65 | - | - | 19,42,416.65 | 19,42,416.65 |
| Lease Liabilities | 233.52 | - | - | 233.52 | 233.52 |
| Other financial liabilities (Interest accrued but not due, amount payable to MoR etc.) | 1,94,267.45 | - | - | 1,94,267.45 | 1,94,267.45 |
| Measured at fair value through Profit and Loss | | | | | |
| Derivative financial instruments | 5,669.33 | 5,669.33 | - | - | 5,669.33 |

Valuation technique used to determine fair value

For financial assets and financial liabilities that have a short term maturity (less than twelve months), the carrying amount which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, balance other than cash and cash equivalents, trade payables, short term loans and borrowings.

The fair value of Investment in IRCON International Limited is measured as per the quoted on National Stock Exchange (Level 1 Input) as on 31 March 2024, 31 March 2023 & 01 April 2022

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Dividend received

| Particulars | For the Year ended 31 March 2024 | For the Year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Dividend received (IRCON International Limited) | 7.76 | 5.55 |

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required).

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

38.3 Financial risk management

The Company's activities expose it to a variety of financial risks which includes market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company's focus is to ensure liquidity which is sufficient to meet the Company's operational requirements. The Company monitors and manages key financial risks so as to minimise potential adverse effects on its financial Performance. The Company has a risk management policy which covers the risks associated with the financial assets and liabilities. The details for managing each of these risks are summarised ahead.

38.4: Market risk

Market risk is the risk that the expected cash flows or fair value of a financial instrument could change owing to changes in market prices. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Company use derivative instruments to manage market risk against the volatility in foreign exchange rates and interest rates in order to minimize their impact on its results and financial position. Company policy is not to utilize any derivative financial instruments for trading or speculative purposes.

38.5: Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

| Particulars | Liabilities | | | Assets | | |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 |
| Secured foreign currency term loan | 18,356.97 | 18,072.02 | 16,645.27 | - | - | - |
| Unsecured bonds from overseas capital market | 2,72,264.59 | 2,68,649.82 | 2,47,258.14 | - | - | - |
| Unsecured foreign currency term loans | 3,97,857.58 | 4,19,861.05 | 4,00,259.60 | - | - | - |
| Total | 6,88,479.14 | 7,06,582.89 | 6,64,163.01 | - | - | - |

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Foreign currency sensitivity analysis

The following table details the company's sensitivity to a 10% increase and decrease in the INR against the relevant outstanding foreign currency denominated monetary items. 10% sensitivity indicates management's assessment of the reasonable possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where Rupee appreciates 10% against the relevant currency. A negative number below indicates a decrease in profit or equity where the Rupee depreciates 10% against the relevant currency.

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | | As at 01 April 2022 | |
|------------------|------------------------|----------------------|------------------------|----------------------|------------------------|----------------------|
| | INR strengthens by 10% | INR weakening by 10% | INR strengthens by 10% | INR weakening by 10% | INR strengthens by 10% | INR weakening by 10% |
| Profit or (loss) | 6,81,847.91 | (6,81,847.91) | 70,658.29 | (70,658.29) | 66,416.30 | (66,416.30) |

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

38.6: Interest rate risk management

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. Company use financial instruments to manage its exposure to changing interest rates and to adjust its mix of fixed and floating interest rate debt on long-term debt.

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/ lower and all other variables were held constant, the Company's:

- Profit for the year ended 31 March 2024 would decrease/increase by Rs. 11029.71 millions (31 March 2023: decrease increase Rs. 10,256.73 millions, 01 April 2022: decrease/increase Rs. 9,318.74 millions). This is mainly attributable to the Company's exposure to interest rates on its rate debt securities;
- Profit for the year ended 31 March 2024 would decrease/increase by Rs. 9744.32 millions (31 March 2023: decrease increase Rs. 9,926.92 millions, 01 April 2022: decrease/increase Rs. 8,469.44 millions). This is mainly attributable to the Company's exposure to interest rates on its rate borrowings.

Interest Rate Benchmark Reform:

Exposure directly affected by the interest rate benchmark reform as required by Ind-AS 107, para 24-I and 24-J

The total amount of exposure that is directly affected by Interest Rate Benchmark Reform (IBOR) i.e. after June 2023 is USD 3,300 million (Amount in ₹ 2,77,357.32million) as on 31.03.2024. Out of this, the amount of the derivative exposure linked with such liabilities and accounted for under hedge accounting is USD 225 million (Amount in ₹ 3,130.70 million)

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Following is the detail of the foreign currency borrowings after interset rate benchmark transition during the year 2023-24.

| Benchmark | As at 31.03.2024 | | | |
|---|---|-------------------------|---|-------------------------|
| | Amount in respective currency (million) | Amount (Rs. in million) | Of which, have yet to transition to an alternative benchmark rate | |
| | | | Amount in respective currency (million) | Amount (Rs. in million) |
| Non-derivative financial liabilities | | | | |
| Overnight SOFR | 3,300.00 | 2,77,357.32 | - | - |
| Derivatives | | | | |
| Overnight SOFR | 225.00 | 3,130.70 | - | - |

Following is the detail of the foreign currency borrowings which will be impacted based on LIBOR transition from 6 month USD LIBOR as planned after June 2023:

| Benchmark | As at 31.03.2023 | | | |
|---|---|-------------------------|---|-------------------------|
| | Amount in respective currency (million) | Amount (Rs. in million) | Of which, have yet to transition to an alternative benchmark rate | |
| | | | Amount in respective currency (million) | Amount (Rs. in million) |
| Non-derivative financial liabilities | | | | |
| Overnight SOFR | - | - | 3,300.00 | 2,73,155.57 |
| Derivatives | | | | |
| Overnight SOFR | - | - | 225.00 | 3,327.07 |

| Benchmark | As at 01.04.2022 | | | |
|---|---|-------------------------|---|-------------------------|
| | Amount in respective currency (million) | Amount (Rs. in million) | Of which, have yet to transition to an alternative benchmark rate | |
| | | | Amount in respective currency (million) | Amount (Rs. in million) |
| Non-derivative financial liabilities | | | | |
| Overnight SOFR | - | - | 3,300.00 | 2,49,915.53 |
| Derivatives | | | | |
| Overnight SOFR | - | - | 225.00 | 1,612.16 |

Managing the process of transition to alternative benchmark rates.

The Standard ISDA IBOR Fallback Protocol has been followed by the Company for transition from USD LIBOR to alternate reference rate/benchmark. For certain facilities, the Company has executed bilateral agreements with the lender to transition from USD LIBOR. For these bilaterally negotiated agreements, the Company has negotiated slight alterations in certain standard terms mentioned in the ISDA IBOR Fallback Protocol for operational purposes.

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Significant assumptions for exposure affected by the interest rate benchmark reform

The alternative reference rate/benchmarks for the LIBOR linked loans and their derivatives have been agreed with the lenders and the derivative bankers. As a result of such reform there has been no change in the relationship of the hedged items, hedged instruments and its corresponding hedge effectiveness.

The hedge accounting relationships that are affected by the adoption of the temporary exceptions are presented in the balance sheet in note 5, 'Derivatives Financial Instruments'.

38.7: Other price risks

The Company has a small amount of investment in equity instruments, price risk of which is not considered material.

38.8: Credit risk management

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company consider the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is significant increase in credit risk, it considers reasonable and supportive forward looking information such as:

- (i) Actual or expected significant adverse change in business.
- (ii) Actual or expected significant changes in the operating results of the counterparty.
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation.
- (iv) Significant increase in credit risk and other financial instruments of the same counterparty.
- (v) Significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.

RBI vide its circular dated 13 March 2020 "Implementation of Indian Accounting Standards by Non-Banking Financial Companies and assets Reconstruction Companies", required the Board of Directors to approve sound methodologies for computation of Expected Credit Losses (ECL). As such company has formed a ECL policy to manage its credit risk.

The Company's major exposure is from lease receivables from Ministry of Railways, Government of India and loans to Rail Vikas Nigam Limited and IRCON International Limited which are under the control of Ministry of Railways. There is no credit risk on lease receivables being due from sovereign. With respect to loan given to Rail Vikas Nigam Limited and IRCON International Limited, the company consider the Reserve Bank of India MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY –SCALE BASED REGULATION) DIRECTIONS, 2023), DOR.FIN.REC.NO.45/03.10.119/2023-24, DATED 19/10/2023, to be adequate compliance with the impairment norms as per Ind AS 109, Financial Instruments, as IRCON International Limited and Rail Vikas Nigam Limited, both, are under Ministry of Railways, Government of India and the Company do not expect any concern in the repayment of aforesaid loans.

38.9: Liquidity risk management

Liquidity risk is defined as the potential risk that the Company cannot meet the cash obligations as they become due.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short, medium, and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Besides, there is a provision in the lease agreements with the Ministry of Railways (MOR) whereby MOR undertakes to provide lease rentals in advance (to be adjusted from future payments) in case the Company doesn't have adequate liquidity to meet its debt service obligations.

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Liquidity and interest risk tables

The following tables detail the company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the company may be required to pay.

| Particulars | 0-1 year | 1-3 years | 3-5 years | 5+ years | Total | Recognition of borrowings at unamortised cost using effective interest rate method | Fair value hedge adjustment-recoverable from Ministry of Railways | Carrying Amount (Balance Sheet amount as per IND AS) |
|--|--------------------|--------------------|--------------------|---------------------|---------------------|--|---|--|
| 31 March 2024 | | | | | | | | |
| Trade Payables-Other Payables | 156.44 | - | - | - | 156.44 | - | - | 156.44 |
| - Lease Liabilities | 31.23 | 32.91 | - | - | 64.14 | - | - | 64.14 |
| Other Financial Liabilities | 2,07,106.55 | 7,397.85 | - | - | 2,14,504.40 | - | - | 2,14,504.40 |
| - Interest accrued but not due | 94,113.17 | 7,397.85 | - | - | 1,01,511.02 | - | - | 1,01,511.02 |
| - Amount payable to Ministry of Railways | 1,12,648.03 | - | - | - | 1,12,648.03 | - | - | 1,12,648.03 |
| - Liability for unclaimed dividend | 21.11 | - | - | - | 21.11 | - | - | 21.11 |
| - Security Deposits | 1.58 | - | - | - | 1.58 | - | - | 1.58 |
| - PRP incentive payable | 23.92 | - | - | - | 23.92 | - | - | 23.92 |
| - Unclaimed mature debentures and interest accrued thereon | 298.74 | - | - | - | 298.74 | - | - | 298.74 |
| Debt Securities | 67,432.53 | 2,51,872.16 | 4,42,897.47 | 14,89,496.34 | 22,51,698.50 | (920.67) | 164.45 | 22,50,942.28 |
| - Bonds in Domestic Market | 25,542.53 | 2,51,872.16 | 4,01,007.47 | 13,00,991.34 | 19,79,413.50 | (735.81) | - | 19,78,677.69 |
| - Commercial Paper | - | - | - | - | - | - | - | - |
| - Bonds in Overseas Market | 41,890.00 | - | 41,890.00 | 1,88,505.00 | 2,72,285.00 | (184.86) | 164.45 | 2,72,264.59 |
| Borrowing (Other than Debt Securities) | 64,498.54 | 1,52,570.98 | 6,25,094.79 | 10,46,528.41 | 18,88,692.71 | (4,592.51) | (14,721.47) | 18,69,378.73 |
| Borrowings in India | 64,498.54 | 1,18,963.71 | 4,16,507.38 | 8,53,194.55 | 14,53,164.18 | - | - | 14,53,164.18 |
| Borrowings outside India | - | 33,607.26 | 2,08,587.41 | 1,93,333.86 | 4,35,528.53 | (4,592.51) | (14,721.46) | 4,16,214.56 |

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| Particulars | 0-1 year | 1-3 years | 3-5 years | 5+ years | Total | Recognition of borrowings at unamortised cost using effective interest rate method | Fair value hedge adjustment-recoverable from Ministry of Railways | Carrying Amount (Balance Sheet amount as per IND AS) |
|--|--------------------|------------------|--------------------|---------------------|---------------------|--|---|--|
| 31 March 2023 | | | | | | | | |
| Trade Payables-Other Payables | 128.95 | - | - | - | 128.95 | - | - | 128.95 |
| - Lease Liabilities | 37.69 | 4.35 | 6.40 | 7.95 | 56.39 | - | - | 56.39 |
| Other Financial Liabilities | 2,45,359.43 | 10,976.75 | - | - | 2,56,336.18 | - | - | 2,56,336.18 |
| - Interest accrued but not due | 84,259.79 | 10,976.75 | - | - | 95,236.54 | - | - | 95,236.54 |
| - Amount payable to Ministry of Railways | 1,60,955.03 | - | - | - | 1,60,955.03 | - | - | 1,60,955.03 |
| Liability for unclaimed dividend | 11.80 | - | - | - | 11.80 | - | - | 11.80 |
| - Security Deposits | 1.14 | - | - | - | 1.14 | - | - | 1.14 |
| - PRP incentive payable | 24.01 | - | - | - | 24.01 | - | - | 24.01 |
| - Interest Payable | 0.04 | - | - | - | 0.04 | - | - | 0.04 |
| - Unclaimed mature debentures and interest accrued thereon | 107.62 | - | - | - | 107.62 | - | - | 107.62 |
| Debt Securities | 2,04,906.65 | 81,165.83 | 2,95,784.77 | 15,79,487.84 | 21,61,345.09 | (916.79) | 514.03 | 21,60,942.33 |
| - Bonds in Domestic Market | 1,63,621.65 | 81,165.83 | 2,54,499.77 | 13,93,705.34 | 18,92,992.59 | (700.08) | - | 18,92,292.51 |
| - Commercial Paper | - | - | - | - | - | - | - | - |
| - Bonds in Overseas Market | 41,285.00 | - | 41,285.00 | 1,85,782.50 | 2,68,352.50 | (216.71) | 514.03 | 2,68,649.82 |
| Borrowing (Other than Debt Securities) | 41,022.90 | 98,575.54 | 5,27,398.04 | 13,72,455.53 | 20,39,452.01 | (5,429.69) | (5,672.07) | 20,28,350.25 |
| Borrowings in India | 41,022.90 | 83,470.70 | 3,25,328.50 | 11,40,595.08 | 15,90,417.18 | - | - | 15,90,417.18 |
| Borrowings outside India | - | 15,104.84 | 2,02,069.54 | 2,31,860.45 | 4,49,034.83 | (5,429.69) | (5,672.07) | 4,37,933.07 |

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as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| Particulars | 0-1 year | 1-3 years | 3-5 years | 5+ years | Total | Recognition of borrowings at unamortised cost using effective interest rate method | Fair value hedge adjustment-recoverable from Ministry of Railways | Carrying Amount (Balance Sheet amount as per IND AS) |
|--|--------------------|--------------------|--------------------|---------------------|---------------------|--|---|--|
| 01 April 2022 | | | | | | | | |
| Trade Payables-Other Payables | 230.22 | - | - | - | 230.22 | - | - | 230.22 |
| - Lease Liabilities | 122.05 | 94.72 | 5.31 | 11.44 | 233.52 | - | - | 233.52 |
| Other Financial Liabilities | 1,86,822.43 | 3,984.54 | 3,460.48 | - | 1,94,267.45 | - | - | 1,94,267.45 |
| - Interest accrued but not due | 98,191.31 | 3,984.54 | 3,460.48 | - | 1,05,636.33 | - | - | 1,05,636.33 |
| - Amount payable to Ministry of Railways | 88,487.86 | - | - | - | 88,487.86 | - | - | 88,487.86 |
| Liability for unclaimed dividend | 9.96 | - | - | - | 9.96 | - | - | 9.96 |
| - Security Deposits | 0.19 | - | - | - | 0.19 | - | - | 0.19 |
| - PRP incentive payable | 15.41 | - | - | - | 15.41 | - | - | 15.41 |
| - Interest Payable | 0.08 | - | - | - | 0.08 | - | - | 0.08 |
| - Unclaimed mature debentures and interest accrued thereon | 117.62 | - | - | - | 117.62 | - | - | 117.62 |
| Debt Securities | 59,445.50 | 2,08,429.66 | 1,38,363.91 | 15,36,610.46 | 19,42,849.53 | (1,054.27) | (45.73) | 19,41,749.53 |
| - Bonds in Domestic Market | 59,445.50 | 1,70,344.66 | 1,38,363.91 | 13,27,142.96 | 16,95,297.03 | (805.64) | - | 16,94,491.39 |
| - Commercial Paper | - | - | - | - | - | - | - | - |
| - Bonds in Overseas Market | - | 38,085.00 | - | 2,09,467.50 | 2,47,552.50 | (248.63) | (45.73) | 2,47,258.14 |
| Borrowing (Other than Debt Securities) | 1,04,847.35 | 66,470.60 | 1,86,170.51 | 15,95,206.51 | 19,52,694.97 | (6,266.88) | (4,011.44) | 19,42,416.65 |
| Borrowings in India | 1,04,847.35 | 66,470.60 | 1,51,645.60 | 12,02,548.23 | 15,25,511.78 | - | - | 15,25,511.78 |
| Borrowings outside India | - | - | 34,524.91 | 3,92,658.28 | 4,27,183.19 | (6,266.88) | (4,011.44) | 4,16,904.87 |

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as at and for year ended 31 March 2024

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38.10: Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The objective of hedges is to minimize the volatility of INR cash flows of highly probable forecast transaction.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

As on 31 March 2024

| Types of hedge and risks | Nominal value (Foreign Currency) | | Carrying/ Fair amount of hedging instruments | Maturity date | Hedge ratio | Weighted average strike price/rate |
|--------------------------|-------------------------------------|-----------|---|------------------|----------------|---------------------------------------|
| | USD/JPY | | | | | USD/JPY |
| | No. of Outstanding Contracts | Amount | | | | |
| Forward Contract | | | | | | |
| 1. Sell | | | | | | |
| 2. Buy (USD) | 12 | 500.00 | 257.26 | 2-Apr-24 | 1:1 | 82.88 |
| 3. Buy (JPY) | 11 | 32,856.00 | (4,953.62) | 3-Jun-26 | 1:1 | 0.8449 |
| 4. Buy (JPY) | 5 | 26,231.25 | (4,224.61) | 27-Mar-28 | 1:1 | 0.9208 |
| 5. Buy (JPY) | 7 | 14,000.00 | (1,388.57) | 31-Mar-30 | 1:1 | 0.9524 |
| Swap Contracts | | | | | | |
| 1. Buy | 2 | 291.79 | (5,129.09) | 10-Mar-26 | 1:1 | N/A |
| 2. Buy | 2 | 74.07 | (1,326.03) | 30-Mar-26 | 1:1 | N/A |
| 3. Buy | 1 | 25.00 | 379.37 | 26-Mar-30 | 1:1 | N/A |
| 4. Buy | 1 | 25.00 | 354.35 | 26-Mar-30 | 1:1 | N/A |
| 5. Buy | 1 | 25.00 | 361.79 | 26-Mar-30 | 1:1 | N/A |
| 6. Buy | 1 | 25.00 | 384.83 | 26-Mar-30 | 1:1 | N/A |
| 7. Buy | 1 | 25.00 | 386.60 | 26-Mar-30 | 1:1 | N/A |
| 8. Buy | 1 | 25.00 | 388.81 | 26-Mar-30 | 1:1 | N/A |
| 9. Buy | 1 | 25.00 | 332.05 | 26-Mar-30 | 1:1 | N/A |
| 10. Buy | 1 | 25.00 | 283.92 | 26-Mar-30 | 1:1 | N/A |
| 11. Buy | 1 | 25.00 | 258.98 | 26-Mar-30 | 1:1 | N/A |

As on 31 March 2023

| Types of hedge and risks | Nominal value (Foreign Currency) | | Carrying/ Fair amount of hedging instruments | Maturity date | Hedge ratio | Weighted average strike price/rate |
|--------------------------|-------------------------------------|-----------|---|------------------|----------------|---------------------------------------|
| | USD/JPY | | | | | USD/JPY |
| | No. of Outstanding Contracts | Amount | | | | |
| Forward Contract | | | | | | |
| 1. Sell | - | - | - | - | - | - |
| 2. Buy (USD) | 8 | 400.00 | 514.03 | 2-Apr-24 | 1:1 | 82.78 |
| 3. Buy (JPY) | 11 | 32,856.00 | (1,939.43) | 3-Jun-26 | 1:1 | 0.8449 |
| 4. Buy (JPY) | 5 | 26,231.25 | (987.85) | 27-Mar-28 | 1:1 | 0.9204 |

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as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| Types of hedge and risks | Nominal value (Foreign Currency) | | Carrying/ Fair amount of hedging instruments | Maturity date | Hedge ratio | Weighted average strike price/rate |
|--------------------------|-------------------------------------|----------|---|------------------|----------------|---------------------------------------|
| | USD/JPY | | | | | USD/JPY |
| | No. of Outstanding Contracts | Amount | | | | |
| 5. Buy (JPY) | 4 | 8,000.00 | 2.87 | 31-Mar-30 | 1:1 | 0.9967 |
| Swap Contracts | | | | | | |
| 1. Buy | 2 | 291.79 | (3,996.18) | 10-Mar-26 | 1:1 | N/A |
| 2. Buy | 2 | 74.07 | (1,041.00) | 30-Mar-26 | 1:1 | N/A |
| 3. Buy | 1 | 25.00 | 411.35 | 26-Mar-30 | 1:1 | N/A |
| 4. Buy | 1 | 25.00 | 376.89 | 26-Mar-30 | 1:1 | N/A |
| 5. Buy | 1 | 25.00 | 392.32 | 26-Mar-30 | 1:1 | N/A |
| 6. Buy | 1 | 25.00 | 411.19 | 26-Mar-30 | 1:1 | N/A |
| 7. Buy | 1 | 25.00 | 413.26 | 26-Mar-30 | 1:1 | N/A |
| 8. Buy | 1 | 25.00 | 400.38 | 26-Mar-30 | 1:1 | N/A |
| 9. Buy | 1 | 25.00 | 348.08 | 26-Mar-30 | 1:1 | N/A |
| 10. Buy | 1 | 25.00 | 300.82 | 26-Mar-30 | 1:1 | N/A |
| 11. Buy | 1 | 25.00 | 272.77 | 26-Mar-30 | 1:1 | N/A |

As on 01 April 2022

| Types of hedge and risks | Nominal value (Foreign Currency) | | Carrying/ Fair amount of hedging instruments | Maturity date | Hedge ratio | Weighted average strike price/rate |
|--------------------------|-------------------------------------|-----------|---|------------------|----------------|---------------------------------------|
| | USD/JPY | | | | | USD/JPY |
| | No. of Outstanding Contracts | Amount | | | | |
| Forward Contract | | | | | | |
| 1. Sell | - | - | - | - | - | - |
| 2. Buy (USD) | 4 | 200.00 | (45.73) | 02 April 2024 | 1:1 | 81.81 |
| 3. Buy (JPY) | 11 | 32,856.00 | (887.57) | 3-Jun-26 | 1:1 | 0.8449 |
| 4. Buy (JPY) | | | | | | |
| 5. Buy (JPY) | | | | | | |
| Swap Contracts | | | | | | |
| 1. Buy | 2 | 291.79 | (3,424.97) | 10-Mar-26 | 1:1 | N/A |
| 2. Buy | 2 | 74.07 | (899.95) | 30-Mar-26 | 1:1 | N/A |
| 3. Buy | 1 | 25.00 | 220.42 | 26-Mar-30 | 1:1 | N/A |
| 4. Buy | 1 | 25.00 | 214.24 | 26-Mar-30 | 1:1 | N/A |
| 5. Buy | 1 | 25.00 | 222.73 | 26-Mar-30 | 1:1 | N/A |
| 6. Buy | 1 | 25.00 | 217.73 | 26-Mar-30 | 1:1 | N/A |
| 7. Buy | 1 | 25.00 | 219.74 | 26-Mar-30 | 1:1 | N/A |
| 8. Buy | 1 | 25.00 | 208.05 | 26-Mar-30 | 1:1 | N/A |
| 9. Buy | 1 | 25.00 | 148.03 | 26-Mar-30 | 1:1 | N/A |
| 10. Buy | 1 | 25.00 | 96.67 | 26-Mar-30 | 1:1 | N/A |
| 11. Buy | 1 | 25.00 | 64.56 | 26-Mar-30 | 1:1 | N/A |

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as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Disclosure of effects of hedge accounting on financial performance

| Cash Flow hedge | Opening | Changes during the year | Closing | Receivables/ (Payables) from MOR | Impact on financial performance |
|-----------------|----------|-------------------------|----------|----------------------------------|---------------------------------|
| 31-Mar-24 | 1,037.56 | 923.06 | 1,960.62 | (923.06) | - |
| 31-Mar-23 | 411.09 | 626.47 | 1,037.56 | (626.47) | - |
| 01-Apr-22 | 298.34 | 112.75 | 411.09 | (112.75) | - |

Note 39: Capital Funds, Risk Weighted Assets and Capital Risk Adjusted Ratio (CRAR), Liquidity Coverage Ratio of Company are given below:

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 |
|---|---------------------|---------------------|---------------------|
| Capital Fund-Tier I | 4,91,210.17 | 4,46,681.44 | 4,03,672.69 |
| Capital Fund-Tier II | - | - | - |
| Risk weighted assets along-with adjusted value of off balance sheet items | 79,722.08 | 92,121.73 | 93,195.33 |
| CRAR | | | |
| CRAR-Tier I Capital | 616.15% | 484.88% | 433.15% |
| CRAR-Tier II Capital | NA | NA | NA |
| Liquidity Coverage Ratio with total Weighted value | 0.76% | 2.81% | 0.50% |
| Liquidity Coverage Ratio with total Unweighted value | 1.71% | 0.00% | 0.58% |
| Amount of subordinated debt raised as Tier-II capital | - | - | - |
| Amount raised by issue of Perpetual Debt Instruments | - | - | - |

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as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 40: The particulars of loans given as required by section 186 (4) of Companies Act, 2013 are as below:

| S.No. | Name of Party | As at 31 March 2024 | | | As at 31 March 2023 | | | As at 01 April 2022 | | | | | |
|-------|------------------------------------|----------------------------|----------------------------|--------------|-------------------------------------|----------------------------|----------------------------|---------------------|-------------------------------------|----------------------------|----------------------------|--------------|-------------------------------------|
| | | Amount of loan outstanding | Loan Given during the year | Terms | Purpose of Utilization by Recipient | Amount of loan outstanding | Loan Given during the year | Terms | Purpose of Utilization by Recipient | Amount of loan outstanding | Loan Given during the year | Terms | Purpose of Utilization by Recipient |
| 1 | Rail Vikas Nigam Limited (RVNL)-I | 41,593.65 | - | 3 + 12 years | Regular Project Work | 44,561.47 | - | 3 + 12 years | Regular Project Work | 39,556.00 | 7,000.00 | 3 + 12 years | Regular Project Work |
| 2 | IFCON International Limited | - | - | 5 years | Station Development | 6,153.07 | - | 5 years | Station Development | 12,306.14 | - | 5 years | Station Development |
| 3 | Rail Vikas Nigam Limited (RVNL)-II | 8,050.00 | - | 3 + 12 years | Regular Project Work | 8,855.00 | - | 3 + 12 years | Regular Project Work | 9,660.00 | - | 3 + 12 years | Regular Project Work |
| | Total | 49,643.65 | - | | | 59,569.54 | - | | | 61,522.14 | 7,000.00 | | |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 41: Other Disclosures

- (a) Lease rental is charged on the assets leased from the first day of the month in which the Rolling Stock assets have been identified and placed on line as per the Standard Lease Agreements executed between the Company and MOR from year to year.
- (b) Ministry of Railways (MOR) charges interest on the value of the assets identified prior to the payments made by the Company, from the first day of the month in which the assets have been identified and placed on line to the first day of the month in which the money is paid to the MOR. However, no interest is charged from the MOR on the amount paid by the company prior to identification of Rolling stock by them.
- (c) (i) Interest rate variation on the floating rate linked rupee borrowings and interest rate and exchange rate variations on interest payments in the case of foreign currency borrowings are adjusted against the lease income/ pre-commencement lease income in terms of the variation clauses in the lease agreements for Rolling Stock/ memorandum of understanding (MoU) for funding of Infrastructure assets executed with the Ministry of Railways. During the year ended 31 March 2024, such differential has resulted in an amount of Rs. 36,581.97 millions refundable to the Company (31 March 2023: Rs. Rs. 17,928.97 millions, 1 April 2022: Rs. 684.66 millions refundable to MoR) which has been accounted for in the lease income/ pre-commencement lease income.
- (ii) In respect of foreign currency borrowings, which have not been hedged, variation clause have been incorporated in the lease agreements specifying notional hedging cost adopted for working out the cost of funds on the leases executed with MOR. Hedging cost in respect of these foreign currency borrowings is compared with the amount recovered by the company on such account on notional cost basis and accordingly, the same is adjusted against the lease income. During the year ended 31 March 2024 in respect of these foreign currency borrowings, the Company has recovered a sum of Rs. 15,835.43 millions (31 March 2023: Rs. 17,148.78 millions, 1 April 2022: ₹14,117.53 millions) on this account from MOR against a sum of Rs. Nil millions (31 March 2023: Rs. Nil millions, 1 April 2022 :Rs. NIL millions) incurred towards hedging cost and the balance amount of Rs. 15,799.76 millions (31 March 2023: Rs. 17,148.78 million, 1 April 2022: Rs. 14,117.53 millions) is refundable to MOR.
- (d) (d)For computing the Lease Rental, in respect of the rolling stock assets acquired and leased to the Ministry of Railways amounting to Rs. Nil millions during the period ended 31st Mar 2024 (31st Mar 2023: Rs. 1,66,341.94 millions, Year ended 1st April 2022: Rs. 2,84,930.23 millions), the Lease Rental Rate and the Internal Rate of Return have been worked out with reference to the average cost of incremental borrowings made during the year plus the margin.
- (e) The Leases executed for Rolling Stock in the year 1993-94, 1992-93,1991-92, 1990-91, 1989-90 and 1988-89 for Rs. 9003.80 millions, Rs. 9,618.24 millions, Rs. 15,004. 92 millions, Rs. 11,700.35 millions, Rs. 10,725.60 millions & Rs. 8607.27 millions have expired on 31 March 2024, 31 March 2023, 31 March 2022, 31 March 2021, 31 March 2020 & 31 March 2019 respectively. During the primary and secondary lease periods full value of assets (including interest) has been recovered from the lessee (MOR). These assets have outlived their useful economic life.

Note 42:

- (a) (i) The Reserve Bank of India has issued Master Direction – Non- Banking Financial Company- Scale Based Regulation) Directions, 2023 vide notification DoR.FIN.REC.No.45/03.10.119/2023-24 dated 19th October 2023 (updated as on November 10, 2023). The Reserve Bank of India has granted exemption to the Company in respect of classification of asset, provisioning norms and credit concentration norms to the extent of direct exposure to sovereign.
- (a) (ii) Till the financial year 2017-18, the Company, being a government NBFC, was exempt from creation and maintenance of Reserve Fund as specified u/s 45-IC of Reserve Bank of India Act, 1934. However, the said exemption has been withdrawn by the erstwhile Reserve Bank of India (RBI) vide Notification No. DNBR (PD) CC.NO.092/0310.001/2017-18 dated 31st May 2018. Accordingly, the Company is now creating the Reserve Fund as required u/s 45IC of RBI Act, 1934, wherein at least 20% of net profit every year will be transferred before the declaration of dividend. No appropriation is allowed to be made from the reserve fund except for the purpose as may be specified by the Bank from time to time and further, any such appropriation is also required to be reported to the Bank within 21 days from the date of such withdrawal.

The Company created a reserve of ₹12824.21 millions for the year ended 31st March 2024 (Rs. 12674.03 in 31 March 2023) u/s 45IC.

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Note 43:

- (a) (i) The Finance Act, 2001 provides for levy of service tax on the finance and interest charges recovered through lease rental instalments on the Financial Leases entered on or after 16-07-2001. The Central Government vide Order No.1/1/2003-ST dated 30 April 2003 and subsequent clarification dated 15-12-2006 issued by Ministry of Finance has exempted the Lease Agreements entered between the Company and Ministry of Railways from levy of Service Tax thereon u/s 93(2) of Finance Act, 1994.
- (ii) The GST Council in their meeting held on 19 May, 2017 has exempted the services of leasing of assets (rolling stock assets including wagons, coaches, locos) by Indian Railways Finance Corporation to Indian Railways from the levy of Goods & Service Tax (GST), Notification No. 12/2017 (Heading 9973) which has been made applicable with effect from 1 July, 2017. Vide notification no. 07/2021 dated 30.09.2021 issued by Ministry of Finance, the said GST exemption on leasing of rolling stock by Indian Railways Finance Corporation to Indian Railways is withdrawn w.e.f. 01.10.2021
- (b) (i) The Company had deposited a sum of ₹14,664.47 million towards GST under reverse charge mechanism for funds transferred to MoR for making payments on behalf of Company to contractors for construction of projects for the period November 2017 to June 2018. As opined by the tax consultant, the above transaction did not involve any supply from MoR to the company and accordingly, no GST under RCM was payable by the Company and hence, refund applications were filed with the GST department for the refund of said deposit of ₹14,664.47 millions. However, vide orders dated 22-09-2020 and 30-09-2020, the said refund applications have been rejected by the additional commissioner (Department of Trade and Taxes), GNCT of Delhi. The Company has filed 6 appeals before first appellate authority through its attorney, New Delhi against the rejection of refund orders on 24 December 2020 and 29 December 2020.
- (ii) In the ultimate event of non-admissibility of refund claims by the GST department, the amount would be adjusted by the Company against the GST liability on lease rentals from infrastructure assets to be lease to MoR or other GST liability in future.

Note 44:

Increase/(Decrease) in liability due to exchange rate variation on foreign currency loans for purchase of leased assets/creation of Infrastructure assets amounting to Rs. 9573.79 millions (31 March 2023: Rs. 42,651.63 millions (recoverable), 01 April 2022 : Rs. 11,188.84 million (recoverable)) has not been charged to the Statement of Profit and Loss as the same is recoverable from the Ministry of Railways (lessee) separately as per lease agreements in respect of rolling stock assets/memorandum of understanding (MoU) for funding of Infrastructure assets to be leased. The notional hedging cost on external commercial borrowings inbuilt into the Lease Rentals amounting to Rs. 2,323.26 millions (31 March 2023: Rs. 817.80 millions, 01 April 2022 : Rs. 16,441.20 millions) is refundable to Ministry of Railways for the year ended 31 March 2023 (Ref of Note 41 C (ii)). Further, a sum of Rs. NIL (31 March 2023: ₹Nil millions, 01 April 2022 : Rs. 105.87 millions) has been recovered towards crystallised exchange rate variation on foreign currency loans repaid during the year ended 31st March 2024. The amount recoverable from MoR on account of exchange rate variation net of notional hedging cost and crystallised exchange rate variation is Rs. 57,947.51 million (31 March 2023: Rs. 69,844.62 millions, 01 April 2022: Rs. 11,448.24 million).

Effective portion of (loss)/gain on account of decrease/increase in the fair value of the derivative assets (hedging instruments) amounting to Rs. 923.06 millions (31 March 2023: ₹626.47 million, 1 April 2022: ₹112.75 million) classified as cash flow hedges has not been recognised in the other comprehensive income as the same is recoverable/refundable to the MOR (Lessee) since the derivatives have been contracted to hedge the financial risk of MOR (Lessee).

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Note 45:

The Ministry of Railways (MOR) vide letter dated 23 July 2015 had authorized the Company to draw funds from Life Insurance Corporation of India (LIC) in consultation with MOR for funding of Railway Projects in line with finance leasing methodology adopted by Company for funding Railway Projects in past. In addition to funds raised from LIC, the Company has also funded MoR from other borrowings and internal accruals. Pending execution of the Lease Documents, the Company had entered into a Memorandum of Understanding with the Ministry of Railways on 23 May 2017 containing principal terms of the lease transactions. The Company has now entered a fresh Memorandum of Understanding with Ministry of Railways on 2 March 2021 superseding all earlier MoU/arrangement.

During FY 2021-22, the Lease Agreement(s) for Project assets funded under EBR IF 2015-16 and National Projects 2018-19 between MOR and the Company with respect to aforesaid infrastructure assets was executed on 28th March 2022. Similarly, during financial year 2022-23, the Lease Agreement(s) for EBR IF 2016-17 and National Projects 2019-20 and in Financial Year 2023-24, the Lease Agreement for EBR IF 2017-18, between MOR and the Company with respect to infrastructure assets have been executed. Also, the execution of the Lease Agreement for EBR IF 2018-19 is under process and accordingly, the lease receivables have been recognised with effect from 24th March 2024. The accounting as per Ind AS 116 has been carried out for the same during the current financial year

During the year ended 31 March 2024 a sum of Rs. 94,900.21 millions (31 March 2023 Rs. 91,664.39 millions) incurred by the Company on account of interest cost on the funds borrowed for the purpose of making aforesaid advances has been capitalised and added to the 'Project Infrastructure Asset under Finance Lease Arrangements-EBR-IF', 'Project Infrastructure Asset under Finance Lease Arrangements-EBR Special' and 'Advance funding against National Project'. The same would be recovered through lease rentals in future over the life of the leases as per lease agreement(s) to be entered. Details are as under:

Project Infrastructure Asset under Finance Lease Arrangements-EBR-IF

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 |
|--|------------------------|------------------------|------------------------|
| Opening Balance | 13,25,044.50 | 15,09,946.57 | 13,07,795.17 |
| Add: Advance paid against infrastructure assets to be leased* | 459.92 | 1,53,377.70 | 3,10,631.09 |
| Add: Borrowing cost capitalised on borrowed funds | 61,366.87 | 58,222.68 | 45,512.80 |
| Add: Exchange variation to be recoverable from MOR | 180.25 | 167.35 | 81.39 |
| Add: Transfer from Project Infrastructure Asset under Finance Lease Arrangements-EBR-Special | - | - | 356.51 |
| Add: Transfer from Advance Funding Against National Project | - | 21.59 | - |
| Add: Advance for GST Liability under RCM** | 341.89 | 333.37 | - |
| Less: Interest capitalised during Moratorium period recovered | (6,136.99) | (5,017.44) | - |
| Total | 13,81,256.44 | 17,17,051.82 | 16,64,376.96 |
| Less: Transferred to Lease Receivables | (3,42,376.33) | (3,92,007.32) | (1,54,430.39) |
| Total | 10,38,880.11 | 13,25,044.50 | 15,09,946.57 |

*Disbursement for FY 2022-23

**Including Rs. 59.05 million deposited during FY 2021-22

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(All amounts in millions of ₹, unless stated otherwise)

Project Infrastructure Asset under Finance Lease Arrangements-EBR-Special

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 |
|--|------------------------|------------------------|------------------------|
| Opening Balance | 6,28,381.41 | 5,40,173.59 | 5,07,088.39 |
| Add :Advance paid against infrastructure assets to be leased | - | - | - |
| Add: Borrowing cost capitalised on borrowed funds | 33,533.33 | 33,441.71 | 33,441.71 |
| Add: Advance for GST Liability under RCM** | - | 54,766.11 | - |
| Total | 6,61,914.74 | 6,28,381.41 | 5,40,530.10 |
| Less: Transferred to Project Infrastructure Assets under leasing arrangement | - | - | - |
| Less: Transfer to Project Infrastructure Asset under Finance Lease Arrangements-EBR-IF | - | - | -356.51 |
| Total | 6,61,914.74 | 6,28,381.41 | 5,40,173.59 |

**Deposited during FY 2021-22

National Projects

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 |
|--|------------------------|------------------------|------------------------|
| Opening Balance | 0.00 | 27,083.62 | 84,815.82 |
| Advance funding against National Project | - | - | - |
| Add: Borrowing cost capitalised during the year on borrowed funds | - | - | 1,770.00 |
| Total | 0.00 | 27,083.62 | 86,585.82 |
| Less: Transferred to Lease Receivables | - | 27,062.03 | 59,502.20 |
| Less: Transfer to Project Infrastructure Asset under Finance Lease Arrangements-EBR-IF | - | 21.59 | - |
| Total | 0.00 | 0.00 | 27,083.62 |

Capitalisation rate used to determine the borrowing cost for 'Advance against Railway Infrastructure Projects to be leased' & 'Advance against Railway Infrastructure Projects – Special - to be leased' & 'National Projects':

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 |
|---------------------|------------------------|------------------------|------------------------|
| Capitalisation rate | 4.75% | 4.85% | 4.62% |

Note 46:

- i Ministry of Railways, Government of India is the Parent of the Company. The Company leases various assets including rolling stock, locomotives, project infrastructure assets such as railway tracks, signaling system, railways stations, bridges etc to Ministry of Railways under finance lease model as per IndAS 116. The computation of lease income requires estimation of a number of financial metrics such as source of borrowings, weighted average cost of capital, approved margins, exchange and interest rate variations etc which is determined on a continuous basis in consultation with Ministry of Railways. The weighted average cost of capital and margin have been finalised for the disbursement made till FY 2022-23. No disbursement made to the MoR for the FY 2023-24.
- ii The reconciliation with the Ministry of Railways uptill FY 2022-2023 has been completed. The reconciliation of balances with MoR as on 31st March 2024 will be carried out in due course based on audited accounts of FY 2023-24. The disbursement to MoR for project infrastructure assets for which Lease Agreements are yet to be executed stand at Rs. 17,00,794.85 millions as on 31st March 2024 against which utilisation statement has been received from MoR.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

iii Impact of material prior period adjustments

IRFC's principal business is to borrow funds from the financial markets to finance acquisition/creation of rolling stock/ project assets which are then leased out to the Indian Railways (i.e., MoR).

IRFC is currently in the process of implementing the ERP. During the transition of data from the legacy system to the ERP, it was observed that there was an overstatement by Rs. 7901.36 million in lease receivables, due to variances in capital recovery in the terminal year of the lease agreements which have completed their primary lease period.

Accordingly, the lease receivables and retained earnings as at 1 April 2022 were overstated by ₹6202.79 million each. The error has also resulted in reduction of profit for the year ended 31 March 2023 by ₹1698.57 million. The lease receivable and retained earnings as at 31 March 2023 were overstated each by Rs. 7901.36 million and the comparative figures as at 31 March 2023 and 01 April 2022 have been restated.

The error has been corrected by restating each of the affected financial statement line items for the prior periods as follows:

| Balance Sheet | 31 March 2023 (as previously reported) | Increase/ (decrease) due to correction of error/ reclassification | 31 March 23 | 1 April 2022 | Increase/ (decrease) due to correction of error | 01-Apr-22 |
|-------------------------------------|---|---|---------------------|--------------------------|---|---------------------|
| | | | (Restated) | (as previously reported) | | (Restated) |
| Lease Receivable | 24,41,470.06 | (7,901.36) | 24,33,568.70 | 20,06,924.99 | (6,202.79) | 20,00,722.20 |
| Other Financial Assets* | 22,52,726.74 | 21.39 | 22,52,748.13 | 22,47,779.18 | - | 22,47,779.18 |
| Total Financial Assets | 47,64,033.62 | (7,879.97) | 47,56,153.65 | 43,28,109.26 | (6,202.79) | 43,21,906.47 |
| Retained Earning | 85,656.06 | (7,901.36) | 77,754.70 | 53,641.86 | (6,202.79) | 47,439.07 |
| Other Equity | 3,24,018.11 | (7,901.36) | 3,16,116.75 | 2,79,278.34 | (6,202.79) | 2,73,075.55 |
| Total Equity | 4,54,703.17 | (7,901.36) | 4,46,801.81 | 4,09,963.40 | (6,202.79) | 4,03,760.61 |
| Other Payables* | 131.61 | (2.66) | 128.95 | 245.71 | (15.49) | 230.22 |
| Other Financial Liabilities* | 2,56,312.13 | 24.05 | 2,56,336.18 | 1,94,251.96 | 15.49 | 1,94,267.45 |
| Total Financial Liabilities* | 44,54,865.52 | 21.39 | 44,54,886.91 | 40,84,566.70 | - | 40,84,566.70 |

* Variation is due to regrouping and reclassification during the FY.

| Statement of Profit and Loss | 31 March 2023 (as previously reported) | Increase/ (decrease) due to correction of error | 31 March 2023 (Restated) |
|------------------------------|---|--|-----------------------------|
| Lease Income | 1,63,439.90 | (1,698.57) | 1,61,741.33 |
| Total Income | 2,39,326.28 | (1,698.57) | 2,37,627.71 |
| Profit for the year | 63,370.13 | (1,698.57) | 61,671.56 |

Basic and diluted earnings per share for the prior year have also been restated. The amount of the correction for both basic and diluted earnings per share was a decrease by ₹0.13 per share for 2022-23.

| Statement of Profit and Loss | 31 March 2023 (as previously reported) | Increase/ (decrease) due to correction of error/re- classification adjustment | 31 March 2023 (Restated) |
|------------------------------|---|---|-----------------------------|
| Earning Per Share | 4.85 | (0.13) | 4.72 |
| Diluted Earning Per Share | 4.85 | (0.13) | 4.72 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 47:

- (a) The Company discharges its obligation towards payment of interest, redemption of bonds and payment of dividend, by depositing the respective amounts in the designated bank accounts. Reconciliation of such accounts is an ongoing process and has been completed upto 31 March 2024. The Company does not foresee any additional liability on this account. The total balance held in such specified bank accounts as on 31 March 2024 is Rs. 319.85 millions (31 March 2023 is Rs. 119.43 millions, 01 April 2022: Rs. 127.58 millions)
- (b) The Company is required to transfer any amount remaining unclaimed and unpaid in such interest and redemption accounts after completion of 7 years to Investor Education Protection Fund (IEPF) administered by the Ministry of Corporate Affairs, Government of India. During the year ended 31 March 2024, a sum of ₹28.10 millions (31 March 2023: ₹7.52 millions, 01 April 2022: Rs. 5.30 million) was deposited in IEPF.

Note 48: Corporate Social Responsibility

As required under section Section 135 of the Companies Act 2013, the Company has formed a Corporate Social Responsibility Committee. The Company has undertaken Corporate Social Responsibility activities during the year, which have been approved by the CSR Committee and are specified in Schedule VII of the Companies Act 2013.

In the year 2020-21, the Ministry of Corporate Affairs (MCA) issued the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (the "Amendment"), and the effective date of the amendments to Section 135 of the Companies Act, as made by the Companies Amendment Act, 2019 and Companies Amendment Act, 2020, was notified as 22.01.2021. In accordance with the amendment under the said notifications, any unspent CSR amount, other than for any ongoing project, shall be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Any unspent amount pursuant to any ongoing project must be transferred to unspent CSR Account in any scheduled bank within a period of thirty days from the end of the financial year, to be utilised within a period of three financial years, failing which it shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year. Further, if the company spends an amount in excess of the requirement under statute, the excess amount may be set off for three succeeding financial years against the amount to be spent.

As the notification became effective during the FY 2020-21, the Company is complying with the amended provisions of Section 135 of the Companies Act, 2013 from the financial year 2021-22 onwards. Consequently, the Company has set aside provisions for an unspent amount related to ongoing projects totaling ₹809.38 million for the FY 2023-24 (₹590.05 million in FY 2022-23).

- (i) For the financial year ended 31.03.2024, the Company paid a gross amount of Rs. 549.58 million (Rs. 236.26 million relates to prior years), while for the year ended 31.03.2023, the Company paid a gross amount of Rs. 675.31 million (Rs. 352.27 million relates to prior years) towards CSR projects. The gross amount required to be spent for the year ended 31.03.2024 was Rs. 1122.70 million, for which the Board approved an amount of Rs. 1122.70 million, which includes ₹809.38 million towards the CSR projects, ₹223.32 million towards PM CARES, ₹45 million each towards Swach Bharat Kosh and Clean Ganga Fund. For the year ended 31/03/2023, the gross amount required to be spent was ₹913.10 million, for which the Board approved an amount of ₹913.10 million, which includes ₹590.05 million towards the CSR projects, ₹303.05 million towards PM CARES, ₹10 million each towards Swach Bharat Kosh and Clean Ganga Fund.

As of 31.03.2024, the unspent CSR amount allocated towards various CSR Projects for the Financial Year(s) 2020-21, 2021-22, 2022-23 and 2023-24 are ₹158.92 million, ₹141.25 million, ₹487.42 million and 809.38 respectively.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

ii) Amount spent during the year on:

As on 31 March 2024

| Sl. No | Particulars | In cash | Yet to be paid in cash* | Total |
|--------|---|---------------|-------------------------|-----------------|
| i) | Construction/Acquisition of any assets | - | - | - |
| ii) | On Purpose other than (i) above | | | |
| ii.a) | Sanitation and safe drinking water (including Swachh Bharat Kosh) (Item No. (i) of Schedule - VII) | 45.00 | - | 45.00 |
| ii.b) | Health Care (Item No. (i) of Schedule - VII) | 30.11 | 486.89 | 517.00 |
| ii.c) | Promoting Education (Item No. (ii) of Schedule – VII) | 89.29 | 16.40 | 105.69 |
| ii.d) | Social Welfare, Promoting Gender equality/Women Empowerment (Item No.(iii) of Schedule-VII) | 6.69 | 126.00 | 132.69 |
| ii.e) | Forest & Environment, animal welfare etc. (Item No. (iv) of Schedule-VII) | - | - | - |
| ii.f) | "Contribution to'Clean Ganga Fund' (Item No.(iv) of Schedule-VII)" | 45.00 | - | 45.00 |
| ii.g) | Ensuring environment sustainability item No. (iv) of Schedule - (VII) | - | 30.99 | 30.99 |
| ii.h) | Measures for armed forces veterans, (Item No. (vi) of ScheduleVII) | 14.15 | 30.00 | 44.15 |
| ii.i) | Training to promote sports | | 119.10 | 119.10 |
| ii.j) | Disaster Management (Item No. (xii) of Schedule - VII) | - | - | - |
| ii.k) | Contribution to the Prime minister's CARE fund (Item No (viii) of Schedule-VII) | 319.44 | - | 319.44 |
| | Grand Total (i+ii) | 549.68 | 809.38 | 1,359.06 |

*Sanctioned to various projects where disbursement is being made as per agreed terms

Details in respect of amount deposited in Specified Fund of Schedule VII, for the financial years per section 135 (5) of the Companies Act, 2013.

| Opening Balance | Amount deposited in Specified Fund of Schedule VII within 6 Months | Amount required to be spent during the year | Amount spent during the year | Closing Balance |
|-----------------|--|---|------------------------------|-----------------|
| Nil | Nil | 1122.70 | 1,122.70 | Nil |

Details in respect of excess amount spent for the financial year as per section 135 (5) of the Companies Act, 2013.

| Opening Balance | Amount required to be spent during the year | Amount spent during the year | Closing Balance |
|-----------------|---|------------------------------|-----------------|
| Nil | 1,122.70 | 1,122.70 | Nil |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Details in respect of ongoing projects for the financial year as per section 135 (5) of the Companies Act, 2013.

| Financial Year | Opening Balance | | Amount required to be spent during the year | **Total Transferred to Separate CSR Unspent Bank Account | Amount spent during the year | | Closing Balance | |
|----------------|-----------------|-----------------------------|---|--|------------------------------|-------------------------------|-----------------|-----------------------------|
| | *with company | In Separate CSR Unspent A/c | | | From Company's bank A/c | From Separate CSR Unspent A/c | with Company* | In Separate CSR Unspent A/c |
| 2022-23 | 250.42 | 400.64 | 913.10 | 250.42 | 323.05 | 217.16 | 590.05 | 433.90 |
| 2023-24 | 590.047791 | 433.90 | 1,122.70 | 590.05 | 313.32 | 236.36 | 809.38 | 787.59 |

*Gross amount required to be spent for the year ended 31.03.2024 amounting of Rs. 1122.70 million against which the Board has approved total CSR projects worth amounting to Rs. 1122.70 million. Out of them, Rs. 313.32 million spent in the same financial year and balance against ongoing projects for the financial year amounting of Rs. 809.38 million is transferred on 30.04.2024 to separate bank A/c named as "Unspent CSR Account". Whereas Gross amount required to be spent for the year ended 31.03.2023 amounting of ₹913.10 million against which the Board has approved total CSR projects worth amounting to ₹913.10 million. Out of them, ₹323.05 million spent in the same financial year and balance against ongoing projects for the financial year amounting of ₹590.05 million is transferred on 29.04.2023 to separate bank A/c named as "Unspent CSR Account".

**During the FY 2023-24, funds amounting of Rs. 590.05 million maintained with company as the amount allocated against the CSR projects of FY 2022-23 is transferred to Separate Unspent CSR Account.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

As on 31 March 2023

| Sl. No | Particulars | In cash | Yet to be paid in cash* | Total |
|---------------------------|---|---------------|-------------------------|-----------------|
| i) | Construction/Acquisition of any assets | - | - | - |
| ii) | On Purpose other than (i) above | | | |
| ii.a) | Sanitation and safe drinking water (including Swachh Bharat Kosh) (Item No. (i) of Schedule - VII) | 10.00 | 9.27 | 19.27 |
| ii.b) | Health Care (Item No. (i) of Schedule - VII) | 109.27 | 253.07 | 362.34 |
| ii.c) | Promoting Education (Item No. (ii) of Schedule – VII) | 16.01 | 201.50 | 217.51 |
| ii.d) | Social Welfare, Promoting Gender equality/Women Empowerment (Item No.(iii) of Schedule-VII) | - | 9.56 | 9.56 |
| ii.e) | Forest & Environment, animal welfare etc. (Item No. (iv) of Schedule-VII) | - | - | - |
| ii.f) | Contribution to'Clean Ganga Fund' (Item No.(iv) of Schedule-VII) | 10.00 | - | 10.00 |
| ii.g) | Ensuring environment sustainability item No. (iv) of Schedule - (VII) | - | - | - |
| ii.h) | Measures for armed forces veterans, (Item No. (vi) of ScheduleVII) | - | 10.00 | 10.00 |
| ii.i) | Disaster Management (Item No. (xii) of Schedule - VII) | - | 106.65 | 106.65 |
| ii.j) | Contribution to the Prime minister's CARE fund (Item No (viii) of Schedule-VII) | 530.03 | - | 530.03 |
| Grand Total (i+ii) | | 675.31 | 590.05 | 1,265.36 |

* Sanctioned to various projects where disbursement is being made as per agreed terms

Details in respect of amount deposited in Specified Fund of Schedule VII, for the financial years per section 135 (5) of the Companies Act, 2013.

| Opening Balance | Amount deposited in Specified Fund of Schedule VII within 6 Months | Amount required to be spent during the year | Amount spent during the year | Closing Balance |
|-----------------|--|---|------------------------------|-----------------|
| Nil | Nil | 913.10 | 913.10 | Nil |

Details in respect of excess amount spent for the financial year as per section 135 (5) of the Companies Act, 2013.

| Opening Balance | Amount required to be spent during the year | Amount spent during the year | Closing Balance |
|-----------------|---|------------------------------|-----------------|
| Nil | 913.10 | 913.10 | Nil |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Details in respect of ongoing projects for the financial year as per section 135 (5) of the Companies Act, 2013.

| Opening Balance | | Amount required to be spent during the year | Transferred to Separate CSR Unspent Bank Account | Amount spent during the year | | Closing Balance | |
|-----------------|-----------------------------|---|--|------------------------------|-------------------------------|-----------------|-----------------------------|
| with company | In Separate CSR Unspent A/c | | | From Company's bank A/c | From Separate CSR Unspent A/c | *with Company | In Separate CSR Unspent A/c |
| 250.42 | 400.64 | 913.10 | 250.42 | 323.05 | 217.16 | 590.05 | 433.90 |

* Gross amount required to be spent for the year ended 31.03.2023 amounting of Rs. 913.10 million against which the Board has approved total CSR projects worth amounting to Rs. 913.10 million. Out of them, Rs. 323.05 million spent in the same financial year and balance against ongoing projects for the financial year amounting of Rs. 590.05 million is transferred on 29.04.2023 to separate bank A/c named as "Unspent CSR Account". Whereas Gross amount required to be spent for the year ended 31.03.2023 amounting of Rs. 700.60 million against which the Board has approved total CSR projects worth amounting to Rs. 700.60 million. Out of them, Rs. 450.18 million spent in the same financial year and balance against ongoing projects for the financial year amounting of Rs. 250.42 million is transferred on 29.04.2022 to separate bank A/c named as "Unspent CSR Account".

As on 01 April 2022

| Sl. No | Particulars | In cash | Yet to be paid in cash | Total |
|---------------------------|---|---------------|------------------------|---------------|
| i) | Construction/Acquisition of any assets | | | - |
| ii) | On Purpose other than (i) above | 700.30 | 256.29 | 956.59 |
| ii a) | Sanitation and safe drinking water (Item No. (i) of Schedule - VII) | 20.00 | - | 20.00 |
| ii b) | Health Care (Item No. (i) of Schedule - VII) | 46.44 | 188.16 | 234.61 |
| ii c) | Promoting Education (Item No. (ii) of Schedule - VII) | 14.68 | 34.13 | 48.81 |
| ii d) | Social Welfare (Item No. (iii) of Schedule-VII) | - | - | - |
| ii e) | Forest & Environment, animal welfare etc. (Item No. (iv) of Schedule-VII) | 2.10 | 24.00 | 26.09 |
| ii f) | Contribution to 'Clean Ganga Fund' (Item No. (iv) of Schedule-VII) | 30.00 | - | 30.00 |
| ii g) | Ensuring environment sustainability item No. (iv) of Schedule - (VII) | - | - | - |
| ii h) | Measures for armed forces veterans, (Item No. (vi) of ScheduleVII) | - | 10.00 | 10.00 |
| ii i) | Contribution to the prime minister's CARE fund (Item No (viii) of Schedule-VII) | 587.08 | - | 587.08 |
| Grand Total (i+ii) | | 700.30 | 256.29 | 956.59 |

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as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Additional requirement in pursuant to schedule III of the companies act 2013.

| Sl. No | Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--------|--|---|--------------------------|
| (a) | Amount required to be spent by the company during the year | 1,122.70 | 913.10 |
| (b) | Amount of expenditure incurred, | 1,122.70 | 913.10 |
| (c) | Shortfall at the end of the year, | - | - |
| (d) | Total of previous years shortfall | - | - |
| (e) | Reason for shortfall | Not Applicable | |
| (f) | Nature of CSR activities | Promoting Healthcare, Sanitation & Education, Skill Development, Women Empowerment and Measures for the benefit of armed forces | |
| (g) | Details of related party transactions | Not Applicable | |
| (h) | Movements in provision with respect to a liability incurred by entering into a contractual obligation during the year is as under: | | |
| | Particulars | Amount in Million | Amount in Million |
| | Opening Balance | 927.75 | 518.72 |
| | Add : Provisions made during the year | 809.38 | 590.05 |
| | Add/Less: Adjustment of provision from FY 2019-20 | 96.11 | 96.11** |
| | Add/Less: Adjustment of provision from FY 2020-21 | - | - |
| | Less : Provision withdrawn/Payment made during the year | (236.24) | (181.02) |
| | Closing Balance | 1,597.00 | 927.75 |

* The unspent amount of Rs. 158.92 million from a project in the year 2020-21 will be transferred to PM CARES due to the project being foreclosed on account of the three-year period ending on 31.03.2024. Any remaining unspent amount, including interest, with the implementing agency and the same will be transferred to specified funds upon final submission of reports or documents.

** The unspent amount of Rs. 96.1 million from a project in the year 2019-20 has been transferred in FY 2023-24 to PM CARES due to the project being foreclosed on account of the three-year period ending on 31.03.2023.

Note 49: Interest on deposit & Investment includes Tax Deducted at Source amounting to Rs. 52.35 million for the year ended 31 March 2024 (31 March 2023: Rs. 17.95 million, 1 April 2022: ₹5.87 Millions). Ministry of Railways has also deducted tax at source amounting to Rs. 353.49 million (31 March 2023: Rs. 626.89 million, 1 April 2022: Rs. Nil) on lease rentals.

Note 50: Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 |
|---|------------------------|------------------------|------------------------|
| Principal amount remaining unpaid as at year end | 11.07 | 9.80 | 10.02 |
| Interest due thereon remaining unpaid as at year end | - | - | - |
| Interest paid by the company in terms of Section 16 of MSME Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year. | - | - | - |
| Interest due and payable for the period of delay in making payment but without adding the interest specified under MSME Development Act, 2006. | - | - | - |
| Interest accrued and remaining unpaid as at year end. | - | - | - |
| Further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises. | - | - | - |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 51: In respect of physical verification of assets given on lease, Ministry of Railways (Lessee) is required to maintain the leased assets in good working condition as per laid down norms, procedures and standards, as detailed & agreed in standard lease agreement. In the opinion of the management, the aforesaid system is satisfactory considering the fact that the assets are maintained and operated by the Central Government.

52.1 Related party disclosures

Related parties and their relationships

i. Transaction with Key Management personnel

Key Management Personnel

Relationship:

As on 31.03.2024

| Designation | Name | Period |
|---|---------------------------------|-------------------------------------|
| Chairman & Managing Director (Addl. Charge) & (CEO) | Ms. Uma Ranade | (From 27 th March 2024)* |
| Director (Finance) | Ms. Shelly Verma | (From 1 September 2020)** |
| Govt Nominee Director | Sh. Baldeo Purushartha | (From 03 June 2020) |
| Govt Nominee Director | Sh. Bhaskar Choradia | (From 27 November 2020)**** |
| Non- Official Independent Director | Sh. Vallabhbbhai Maneklal Patel | (From 10 November 2021) |
| Non- Official Independent Director | Smt. Sheela Pandit | (From 22 November 2021) |
| Chief Financial Officer (CFO) | Sh. Sunil Kumar Goel | (From 25 May 2023) *** |
| Company Secretary (CS) | Sh. Vijay Babulal Shirode | (From 9 March 2018) |

* Ministry of Railways, Government of India vide its order No. 2018/E(O)II/40/19 dated 26.03.2024.

** Ms. Shelly Verma was appointed as Director (Finance) & CFO of IRFC on 01.09.2020 vide MoR Order No. 2018/E(O)II/40/8 dated 31.08.2020. Ms. Verma has been entrusted with additional charge of the post of Chairman & Managing Director/ IRFC vide Ministry of Railways order(s) from 15.10.2022 to 26.03.2024.

***Mr. Sunil Kumar Goel has appointed as a CFO w.e.f 25.05.2023.

**** Shri. Bhaskar Choradia, Govt Nominee Director has relinquished the charge of post of Executive Director Finance/Budget, Railway Board on 15.04.2024. Accordingly, he has ceased to hold the office of Government Nominee Director on the Board of IRFC w.e.f. 15.04.2024.

As on 31.03.2023

| Designation | Name | Period |
|--|---------------------------------|---|
| Chairman & Managing Director(CEO) | Sh. Amitabh Banerjee | (From 12 October 2019 to 15 October 2022)* |
| Chairman & Managing Director (Addl. Charge) (CEO) and Director - Finance (CFO) | Ms. Shelly Verma | (From 1 September 2020) ** (From 15 October 2022)* |
| Govt Nominee Director | Sh. Baldeo Purushartha | (From 03 June 2020) |
| Govt Nominee Director | Sh. Bhaskar Choradia | (From 27 November 2020) |
| Non- Official Independent Director | Sh. Vallabhbbhai Maneklal Patel | (From 10 November 2021) |
| Non- Official Independent Director | Smt. Sheela Pandit | (From 22 November 2021) |
| Company Secretary | Sh. Vijay Babulal Shirode | (From 9 March 2018) |

*Ministry of Railways, Government of India vide its order No. 2018/E(O)II/40/19 dated 6th May, 2023 communicated following:-

- Pre-mature termination of the services of Shri Amitabh Banerjee from the post of CMD, Indian Railway Finance Corporation Limited (IRFC) w.e.f. 15.10.2022 by payment of 03 months' salary in lieu of three months' notice;
- ex-post facto approval for entrustment of the additional charge of the post of CMD, IRFC to Ms Shelly Verma, Director (Finance), IRFC due to divestment of the charge of the regular incumbent i.e., Shri Amitabh Banerjee, for a period of one-year w.e.f. 15.10.2022 or until further orders, whichever is earlier.

** Ms. Shelly Verma was appointed as Director Finance on the IRFC Board on 1st September, 2020 vide MoR Order No. 2018/E(O)II/40/8 dated August 31, 2020.

Note: Mr. Sunil Kumar Goel has appointed as a CFO w.e.f 25th May 2023.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

As on 01.04.2022

| Designation | Name | Period |
|------------------------------------|--------------------------------|---------------------------------------|
| Chairman & Managing Director | Sh. Amitabh Banerjee | (From 12 October 2019)* |
| Director - Finance | Ms. Shelly Verma | (From 1 September 2020) |
| Govt Nominee Director | Sh. Baldeo Purushartha | (From 03 June 2020) |
| Govt Nominee Director | Sh. Bhaskar Choradia | (From 27 November 2020) |
| Non- Official Independent Director | Sh. Ashok Kumar Singhal | (From 20 July 2018 to 20 July 2021)** |
| Non- Official Independent Director | Sh. Vallabhbhai Maneklal Patel | (From 10 November 2021) |
| Non- Official Independent Director | Smt. Sheela Pandit | (From 22 November 2021) |
| Company Secretary | Sh. Vijay Babulal Shirode | (From 9 March 2018) |

* Shri Amitabh Banerjee was appointed as Managing Director on the IRFC Board on 12th October, 2019. He took over the charge of Chairman & Managing Director on the IRFC Board on 21st May, 2020.

** Sh. Ashok Kumar Singhal ceased to be Non official Independent Director of IRFC w.e.f 20th July 2021 due to completion of his tenure.

Transactions:

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 |
|-------------------|------------------------|------------------------|------------------------|
| Salary/Allowances | 14.43 | 10.77 | 14.13 |
| Reimbursements | 0.18 | 0.39 | 0.56 |
| Incentives | 4.04 | 6.25 | 5.63 |
| Sitting Fees | 1.74 | 1.54 | 0.82 |
| Totals | 20.40 | 18.96 | 21.14 |

ii. Details of Material transactions and outstanding balances with Ministry of Railways are as under

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 |
|---|------------------------|------------------------|------------------------|
| Lease Receivables | 25,96,906.00 | 24,33,568.70 | 20,00,722.20 |
| Project Infrastructure Asset under Finance Lease Arrangements-EBR-IF | 10,38,880.11 | 13,25,044.50 | 15,09,946.57 |
| Project Infrastructure Asset under Finance Lease Arrangements-EBR Special | 6,61,914.74 | 6,28,381.41 | 5,40,173.59 |
| Advance for National Project | - | - | 27,083.62 |
| Interest accrued but not due on advance for railway project to be leased | 2,99,266.91 | 2,15,156.96 | 1,45,867.60 |
| Other (Payable) | 1,12,280.06 | 1,60,955.03 | (88,487.86) |
| Other Receivables | 57,024.45 | 68,807.06 | 11,037.15 |

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| - Lease Income | 1,78,207.52 | 1,61,741.33 |
| - Pre-commencement Lease-interest income | 82,036.32 | 68,904.19 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

52.2 Transaction with Government related entities

- i. The Company is a Government related entity as 86.36% of equity shareholding of the Company is held by the President of India through Ministry of Railways, Government of India. The Company is also related to Rail Vikas Nigam Limited and IRCON International Limited which are also government related entities and with whom the Company has transactions. The Company has exempted from disclosure in para 25 of Ind AS 24, 'Related Party Transactions' being a government related entity.
- ii. Details of material transactions with Rail Vikas Nigam Limited and IRCON International Limited.

| Particulars | As at | As at | As at |
|--|---------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 | 31 March 2022 |
| - Closing Balances of Loan to Rail Vikas Nigam Ltd | 49,643.65 | 53,416.47 | 56,216.00 |
| - Closing Balances of Loan to IRCON International Ltd. | - | 6,153.07 | 12,306.14 |
| - Interest Income received thereon | 5,059.39 | 5,860.28 | 6,392.05 |
| - Interest Receivables | 15,416.60 | 15,310.45 | 13,621.66 |

Note 53: Current and non current classification

As required by the paragraph 61 of Ind As 1, Presentation of financial statements, the classification into current and non current of line item of assets and liabilities as in the balance sheet is as under:

a) Classification of balance sheet as at 31 March 2024

| Particulars Line Item | As at 31 March 2024 | | |
|-------------------------------------|---------------------|--------------------|---------------------|
| | Amount | Current | Non-current |
| Assets | | | |
| Financial Assets | | | |
| Cash and cash equivalents | 227.70 | 227.70 | - |
| Bank balance other than (a) above | 4,446.00 | 4,446.00 | - |
| Derivative financial instruments | 4,897.92 | - | 4,897.92 |
| Loans | | | |
| - Loan to Railway Companies | 49,445.08 | 4,720.07 | 44,725.01 |
| - Lease receivables | 25,96,906.00 | 1,99,624.41 | 23,97,281.59 |
| Investments | 535.95 | - | 535.95 |
| Other financial assets | 20,72,550.01 | 5,774.38 | 20,66,775.63 |
| Total financial assets | 47,29,008.66 | 2,14,792.56 | 45,14,216.10 |
| Non-financial assets | | | |
| Current tax assets (net) | 3,441.24 | 3,441.24 | - |
| Property, plant and equipment | 148.16 | - | 148.16 |
| Right of Use Assets | 62.51 | - | 62.51 |
| Intangible assets under development | 37.84 | - | 37.84 |
| Other Intangible assets | 9.79 | - | 9.79 |
| Other non-financial assets | 1,18,116.06 | 1,17,562.28 | 553.78 |
| Total non-financial assets | 1,21,815.60 | 1,21,003.52 | 812.08 |
| Total Assets | 48,50,824.26 | 3,35,796.08 | 45,15,028.18 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| Particulars Line Item | As at 31 March 2024 | | |
|---|---------------------|--------------------|---------------------|
| | Amount | Current | Non-current |
| Liabilities | | | |
| Financial liabilities | | | |
| Derivative financial instruments | 18,531.88 | - | 18,531.88 |
| Payables | 156.44 | 156.44 | - |
| Debt securities | 22,50,942.28 | 67,597.59 | 21,83,344.69 |
| Borrowings (other than debt securities) | 18,69,378.73 | 58,892.80 | 18,10,485.93 |
| Lease Liabilities | 64.13 | 31.22 | 32.91 |
| Other financial liabilities | 2,14,504.40 | 2,14,504.40 | - |
| Total financial liabilities | 43,53,577.86 | 3,41,182.45 | 40,12,395.41 |
| Non-financial liabilities | | | |
| Provisions | 1,627.70 | 3.90 | 1,623.80 |
| Other non-financial liabilities | 3,833.03 | 3,833.03 | - |
| Total non-financial liabilities | 5,460.73 | 3,836.93 | 1,623.80 |
| Total liabilities | 43,59,038.59 | 3,45,019.38 | 40,14,019.21 |
| Equity | | | |
| Equity share capital | 1,30,685.06 | - | 1,30,685.06 |
| Other equity | 3,61,100.61 | - | 3,61,100.61 |
| Total equity | 4,91,785.67 | - | 4,91,785.67 |
| Total Liabilities and Equity | 48,50,824.26 | 3,45,019.38 | 45,05,804.88 |

b) Classification of balance sheet as at 31 March 2023

| Particulars Line Item | As at 31 March 2023 | | |
|-------------------------------------|---------------------|--------------------|---------------------|
| | Amount | Current | Non-current |
| Assets | | | |
| Financial Assets | | | |
| Cash and cash equivalents | 1,626.38 | 1,626.38 | - |
| Bank balance other than (a) above | 3,790.21 | 3,790.21 | - |
| Derivative financial instruments | 4,952.33 | - | 4,952.33 |
| Loans | | | |
| - Loan to Railway Companies | 59,331.26 | 9,925.90 | 49,405.36 |
| - Lease receivables | 24,33,568.70 | 1,82,861.71 | 22,50,706.99 |
| Investments | 136.64 | - | 136.64 |
| Other financial assets | 22,52,748.13 | 5,116.94 | 22,47,631.19 |
| Total financial assets | 47,56,153.65 | 2,03,321.14 | 45,52,832.51 |
| Non-financial assets | | | |
| Current tax assets (net) | 3,680.23 | 3,680.23 | - |
| Property, plant and equipment | 126.50 | - | 126.50 |
| Right of Use Assets | 52.76 | - | 52.76 |
| Intangible assets under development | - | - | - |
| Other Intangible assets | 12.63 | - | 12.63 |
| Other non-financial assets | 1,43,561.74 | 1,43,129.75 | 431.99 |
| Total non-financial assets | 1,47,433.86 | 1,46,809.98 | 623.88 |
| Total Assets | 49,03,587.51 | 3,50,131.12 | 45,53,456.39 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| Particulars Line Item | As at 31 March 2023 | | |
|---|---------------------|--------------------|---------------------|
| | Amount | Current | Non-current |
| Liabilities | | | |
| Financial liabilities | | | |
| Derivative financial instruments | 9,072.81 | - | 9,072.81 |
| Payables | 128.95 | 128.95 | - |
| Debt securities | 21,60,942.33 | 1,63,752.00 | 19,97,190.33 |
| Borrowings (other than debt securities) | 20,28,350.25 | 76,022.80 | 19,52,327.45 |
| Lease Liabilities | 56.39 | 37.69 | 18.70 |
| Other financial liabilities | 2,56,336.18 | 2,56,336.18 | - |
| Total financial liabilities | 44,54,886.91 | 4,96,277.62 | 39,58,609.29 |
| Non-financial liabilities | | | |
| Provisions | 1,048.02 | 0.95 | 1,047.07 |
| Other non-financial liabilities | 850.77 | 850.77 | - |
| Total non-financial liabilities | 1,898.79 | 851.72 | 1,047.07 |
| Total liabilities | 44,56,785.70 | 4,97,129.34 | 39,59,656.36 |
| Equity | | | |
| Equity share capital | 1,30,685.06 | - | 1,30,685.06 |
| Other equity | 3,16,116.75 | - | 3,16,116.75 |
| Total equity | 4,46,801.81 | - | 4,46,801.81 |
| Total Liabilities and Equity | 49,03,587.51 | 4,97,129.34 | 44,06,458.17 |

c) Classification of balance sheet as at 01 April 2022

| Particulars Line Item | As at 31 March 2023 | | |
|-------------------------------------|---------------------|--------------------|---------------------|
| | Amount | Current | Non-current |
| Assets | | | |
| Financial Assets | | | |
| Cash and cash equivalents | 1,064.28 | 1,064.28 | - |
| Bank balance other than (a) above | 1,969.48 | 1,969.48 | - |
| Derivative financial instruments | 2,023.25 | - | 2,023.25 |
| Loans | | | |
| - Loan to Railway Companies | 68,248.05 | 8,916.78 | 59,331.27 |
| - Lease receivables | 20,00,722.20 | 1,54,442.37 | 18,46,279.83 |
| Investments | 100.03 | 2.92 | 97.11 |
| Other financial assets | 22,47,779.18 | 7,452.73 | 22,40,326.45 |
| Total financial assets | 43,21,906.47 | 1,73,848.56 | 41,48,057.91 |
| Non-financial assets | | | |
| Current tax assets (net) | 6,373.08 | 6,373.08 | - |
| Property, plant and equipment | 138.86 | - | 138.86 |
| Right of Use Assets | 224.25 | - | 224.25 |
| Intangible assets under development | - | - | - |
| Other Intangible assets | 16.51 | - | 16.51 |
| Other non-financial assets | 1,64,940.28 | 1,64,904.94 | 35.34 |
| Total non-financial assets | 1,71,692.98 | 1,71,278.02 | 414.96 |
| Total Assets | 44,93,599.45 | 3,45,126.58 | 41,48,472.87 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| Particulars Line Item | As at 31 March 2023 | | |
|---|---------------------|--------------------|---------------------|
| | Amount | Current | Non-current |
| Liabilities | | | |
| Financial liabilities | | | |
| Derivative financial instruments | 5,669.33 | - | 5,669.33 |
| Payables | 230.22 | 230.22 | - |
| Debt securities | 19,41,749.53 | 59,429.90 | 18,82,319.63 |
| Borrowings (other than debt securities) | 19,42,416.65 | 1,04,847.35 | 18,37,569.30 |
| Lease Liabilities | 233.52 | 122.05 | 111.47 |
| Other financial liabilities | 1,94,267.45 | 1,86,822.43 | 7,445.02 |
| Total financial liabilities | 40,84,566.70 | 3,51,451.95 | 37,33,114.75 |
| Non-financial liabilities | | | |
| Provisions | 535.71 | 519.66 | 16.05 |
| Other non-financial liabilities | 4,736.43 | 4,736.43 | - |
| Total non-financial liabilities | 5,272.14 | 5,256.09 | 16.05 |
| Total liabilities | 40,89,838.84 | 3,56,708.04 | 37,33,130.80 |
| Equity | | | |
| Equity share capital | 1,30,685.06 | - | 1,30,685.06 |
| Other equity | 2,73,075.55 | - | 2,73,075.55 |
| Total equity | 4,03,760.61 | - | 4,03,760.61 |
| Total Liabilities and Equity | 44,93,599.45 | 3,56,708.04 | 41,36,891.41 |

For the purpose of this note:-

- i) The Company classifies an assets as current when,
- It expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
 - It holds the asset primarily for the purpose of trading;
 - It expects to realise the asset within twelve months after the reporting period or;
 - The asset is cash or a cash equivalents (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non current.

- ii) The Company classifies a liability as current when,
- It expects to settle the liability in its normal operating cycle;
 - It holds the liability primarily for the purpose of trading;
 - The liability is due to be settled within twelve months after the reporting period or;
 - It does not have an unconditional right to defer settlements of the liability for at least twelve months after the reporting period (see paragraph 73). Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not affects its classification.

All other liabilities are classified as non current.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note No. 54: Additional Regulatory Information

- (i) The company holds Office building including parking area which has been capitalised from the date of taking possession. However, the sale/transfer deed is still pending for execution in favour of the Company. The required details are as under:

| Sl. No | Relevant line item in the Balance sheet | Gross carrying value | Title deeds held in the name of | Whether title deed holder is promoter, director or relative # of promoter/director or employee of promoter/director | Description of item of property | Property held since which date | Reason for not being held in the name of the company** |
|--------|---|----------------------|---------------------------------|---|---|--------------------------------|--|
| (a) | Property, Plant and Equipment* | 112.32 | MMTC Limited and NBCC Limited | No | Upper Ground Floor, East Tower, NBCC Place, Pragati Vihar, Lodhi Road, New Delhi-110003 | April 11, 2002 | Required permission of the Government |

* Stamp duty payable on the registration of office building works out to about Rs. 9.15 millions (as certified by approved valuer) (31 March 2023: Rs. 9.15 millions, 1 April 2023:Rs. 9.15 millions) which will be accounted for on registration.

- (ii) The company does not hold any Investment Property in its books of accounts, so fair valuation of investment property is not applicable.
- (iii) During the year the company has not revalued any of its Property, plant and equipment.
- (iv) During the year, the company has not revalued any of its Intangible assets.
- (v) The company has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.
- (vi) The company does not hold any Capital Work-in-Progress in its books of accounts, so ageing of Capital Work-in-Progress is not applicable.
- (vii) No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988.
- (viii) The quarterly returns / statement of current assets filed by the company with banks / financial institutions are in agreement with the books of accounts.
- (ix) The company has not been declared as a wilful defaulter by any bank or financial institution or any other lender.

(x) Relationship with Struck off Companies

| Sl. No | Name of Struck off Company | Nature of transactions | Transactions during the year | Balance outstanding at the end of the year as at March 31, 2024 | Relationship with the Struck off company, if any, to be disclosed |
|--------|---|--------------------------|------------------------------|---|---|
| (a) | VISUCIUS ADVISORY SOLUTIONS PRIVATE LIMITED CIN-(U74999HR2017PTC071399) (PAN- AAGCV1634C) | Interim Dividend 2023-24 | NIL | Rs. 21 | NIL |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

- (xi) The company has no cases of any charges or satisfaction yet to be registered with ROC beyond the statutory time limits.
- (xii) There is no investment made by the company involving layers as per provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 hence are not applicable to the company as per Section 2(45) of the Companies Act, 2013.

(xiii) Analytical Ratios

| Ratio | Numerator | Denominator | FY 2023-24 | FY 2022-23 | % Variance | Reason for Variance (if more than 25%) |
|--|-----------------------------------|--|------------|------------|------------|--|
| Capital to risk-weighted asset ratio | Total Capital Fund | Risk weighted assets along-with adjusted value of off balance sheet items | 616.15% | 484.88% | 27.07 | Not Applicable |
| Tier I CRAR | Capital Fund-Tier I | | 616.15% | 484.88% | 27.07 | Not Applicable |
| Tier II CRAR | Capital Fund-Tier II | | 0.00% | 0.00% | - | Not Applicable |
| Liquidity Coverage Ratio with total Weighted value | High Quality Liquid Assets (HQLA) | Total Net Cash Outflows (Weighted Value of Total Cash Outflows(-) Minimum of (Weighted Value Total Cash Inflows, 75% of Weighted Value of Total Cash Outflows) | 0.76% | 2.81% | -72.86 | Refer to note below* |
| Liquidity Coverage Ratio with total Unweighted value | High Quality Liquid Assets (HQLA) | Total Net Cash Outflows (Unweighted Value of Total Cash Outflows(-) Minimum of (Unweighted Value Total Cash Inflows, 75% Of Unweighted Value of Total Cash Outflows) | 1.71% | 0.00% | - | Refer to note below* |

Note: RBI vide its erstwhile liquidity framework dated 04th November, 2019 has stipulated the implementation of liquidity coverage ratio (LCR) for non-deposit taking NBFCs with asset size of more than Rs. 10,000 crore w.e.f. 01 December, 2020. LCR aims to ensure that company has an adequate stock of unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash easily and immediately to meet its liquidity needs for a 30 calendar day liquidity stress scenario.

However with reference to the RBI's letter no. S62/21.07.007/2021/22 dated April 26, 2021, IRFC is exempted from applicability of Liquidity Coverage Ratio (LCR) Norms.

- (xiv) No scheme of Arrangements has been approved by competent authority in terms of sections 230 to 237 of the Companies Act, 2013 in respect of the Company.
- (xv) The company has not provided nor taken any loan or advance to/from any other person or entity with the understanding that benefit of the transaction will go to a third party, the ultimate beneficiary.
- (xvi) The Company records all the transaction in the books of accounts properly and has no undisclosed income during the year or in previous years in the tax assessments under the Income Tax Act, 1961.
- (xvii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 55: SCHEDULE TO THE BALANCE SHEET OF A NON-BANKING FINANCIAL COMPANY AS REQUIRED BY ANNEX-VIII OF MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY –SCALE BASED REGULATION) DIRECTIONS, 2023), DOR.FIN.REC.NO.45/03.10.119/2023-24, DATED 19/10/2023

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | | As at 31 March 2022 | |
|--|---------------------|----------------|---------------------|----------------|---------------------|----------------|
| | Amount Outstanding | Amount Overdue | Amount Outstanding | Amount Overdue | Amount Outstanding | Amount Overdue |
| Liabilities Side: | | | | | | |
| a) Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid : | | | | | | |
| (a) Debentures/ Bonds : | | | | | | |
| - Secured | 10,59,152.67 | - | 12,02,066.94 | - | 12,44,110.82 | - |
| - Unsecured | 11,91,789.60 | - | 9,58,875.39 | - | 6,97,638.71 | - |
| (b) Deferred Credits | - | - | - | - | - | - |
| (c) Term Loans | 18,69,378.73 | - | 20,28,350.25 | - | 19,42,416.65 | - |
| (d) Inter-corporate loans and Other Borrowings | - | - | - | - | - | - |
| (e) Commercial Paper | - | - | - | - | - | - |
| (f) Public Deposits | - | - | - | - | - | - |
| (g) Fixed Deposits accepted from Corporates | - | - | - | - | - | - |
| (h) FCNR Loans | - | - | - | - | - | - |
| (i) External Commercial Borrowings | - | - | - | - | - | - |
| (j) Associated liabilities in respect of securitization transactions | - | - | - | - | - | - |
| (k) Subordinate debt (including NCDs issued through Public issue) | - | - | - | - | - | - |
| (l) Other Short Term Loans and credit facilities from banks | - | - | - | - | - | - |
| b) Break-up of (a) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) : | | | | | | |
| (a) In the form of Unsecured debentures - | - | - | - | - | - | - |
| (b) In the form of partly secured debentures i.e. Debentures where there is a shortfall in the value of security | - | - | - | - | - | - |
| (c) Other public deposits | - | - | - | - | - | - |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| Asset side: | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 |
|---|------------------------|------------------------|------------------------|
| | Amount Outstanding | Amount Outstanding | Amount Outstanding |
| c) Break-up of Loans and Advances including bills receivables [other than those included in (d) below] : | | | |
| (a) Secured | - | - | - |
| (b) Unsecured | 22,34,166.28 | 24,72,925.43 | 23,15,923.75 |
| d) Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities : | | | |
| (i) Lease assets including lease rentals under sundry debtors : | | | |
| (a) Financial lease | 25,96,906.00 | 24,33,568.70 | 20,00,722.20 |
| (b) Operating lease | - | - | - |
| (ii) Stock on hire including hire charges under sundry debtors : | | | |
| (a) Assets on hire | - | - | - |
| (b) Repossessed Assets | - | - | - |
| (iii) Other loans counting towards AFC activities: | | | |
| (a) Loans where assets have been repossessed | - | - | - |
| (b) Loans other than (a) above | - | - | - |
| e) Break-up of Investments : | | | |
| Current Investments : | | | |
| 1. Quoted : | | | |
| (i) Shares: (a) Equity | - | - | - |
| (b) Preference | - | - | - |
| (ii) Debentures and Bonds | - | - | - |
| (iii) Units of mutual funds | - | - | - |
| (iv) Government Securities | - | - | - |
| 2. Unquoted : | | | |
| (i) Shares: (a) Equity | - | - | - |
| (b) Preference | - | - | - |
| (ii) Debentures and Bonds | - | - | - |
| (iii) Units of mutual funds | - | - | - |
| (iv) Government Securities | - | - | - |
| (v) Investments in Pass Through Certificates under securitization transactions | - | - | - |
| (vi) Commercial Papers | - | - | - |
| (vii) Investments in Pass Through Certificates under securitization transactions | - | - | - |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| Asset side: | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 |
|--|------------------------|------------------------|------------------------|
| | Amount Outstanding | Amount Outstanding | Amount Outstanding |
| Long Term Investments : | | | |
| 1. Quoted : | | | |
| (i) Shares: (a) Equity | 535.95 | 136.64 | 97.11 |
| (b) Preference | - | - | - |
| (ii) Debentures and Bonds | - | - | - |
| (iii) Units of mutual funds | - | - | - |
| (iv) Government Securities | - | - | - |
| 2. Unquoted : | - | - | - |
| (i) Shares: (a) Equity | - | - | - |
| (b) Preference | - | - | - |
| (ii) Debentures and Bonds | - | - | - |
| (iii) Units of mutual funds | - | - | - |
| (iv) Government Securities | - | - | - |
| (v) Investments in Pass Through Certificates under securitization transactions | - | - | 2.93 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

f) Borrower group-wise classification assets financed

| Category | As at 31 March 2024 | | As at 31 March 2023 | | As at 31 March 2022 | |
|--------------------------------------|-------------------------|---------------------|-------------------------|---------------------|-------------------------|---------------------|
| | Amount of Net provision | | Amount of Net provision | | Amount of Net provision | |
| | Unsecured | Total | Unsecured | Total | Unsecured | Total |
| 1. Related Parties | | | | | | |
| (a) Subsidiaries | - | - | - | - | - | - |
| (b) Companies in the same group | - | - | - | - | - | - |
| (c) Other related parties | 48,31,072.28 | 48,31,072.28 | 49,06,494.13 | 49,06,494.13 | 43,16,645.95 | 43,22,848.74 |
| 2. Other than related parties | - | - | - | - | - | - |
| Total | 48,31,072.28 | 48,31,072.28 | 49,06,494.13 | 49,06,494.13 | 43,16,645.95 | 43,22,848.74 |

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

| Category | As at 31 March 2024 | | As at 31 March 2023 | | As at 31 March 2022 | |
|--------------------------------------|--|-------------------------------------|--|-------------------------------------|--|-------------------------------------|
| | Market value/ Break up/or fair value of NAV | Book value (net of provision) | Market value/ Break up/or fair value of NAV | Book value (net of provision) | Market value/ Break up/or fair value of NAV | Book value (net of provision) |
| | | | | | | |
| 1. Related Parties | | | | | | |
| (a) Subsidiaries | - | - | - | - | - | - |
| (b) Companies in the same group | - | - | - | - | - | - |
| (c) Other related parties | 535.95 | 535.95 | 136.64 | 136.64 | 97.11 | 97.11 |
| 2. Other than related parties | - | - | - | - | 2.93 | 2.92 |
| Total | 535.95 | 535.95 | 136.64 | 136.64 | 100.04 | 100.03 |

h) Other information:

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | | As at 01 April 2022 | |
|---|---------------------|---|---------------------|---|---------------------|---|
| | | | | | | |
| i) Gross Non-Performing Assets : | | | | | | |
| (a) Related parties | - | - | - | - | - | - |
| (b) Other than related parties | - | - | - | - | - | - |
| ii) Net Non-Performing Assets : | | | | | | |
| (a) Related parties | - | - | - | - | - | - |
| (b) Other than related parties | - | - | - | - | - | - |
| iii) Assets acquired in satisfaction of debt : | | | | | | |
| | - | - | - | - | - | - |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 55(b) DISCLOSURE AS REQUIRED UNDER Annex XXII OF MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY –SCALE BASED REGULATION) DIRECTIONS, 2023), DOR.FIN. REC.NO.45/03.10.119/2023-24, DATED 19/10/2023

(a) Investments

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|------------------------|------------------------|------------------------|
| 1 Value of investments | | | |
| i Gross value of investments | | | |
| (a) In India | 535.95 | 136.64 | 100.04 |
| (b) Outside India | - | - | - |
| ii Provisions for depreciation | | | |
| (a) In India | - | - | 0.01 |
| (b) Outside India | - | - | - |
| iii Net value of investments | | | |
| (a) In India | 535.95 | 136.64 | 100.03 |
| (b) Outside India | - | - | - |
| 2 Movement of provisions held towards depreciation on investments | | | |
| i Opening balance | - | 0.01 | 0.05 |
| ii Add: Provisions made during the year | - | (0.01) | (0.04) |
| iii Less: Write-off/ write-back of excess provisions during the year | - | - | - |
| iv Closing balance | - | - | 0.01 |

(b): Derivatives

A) Forward rate agreement/ Interest rate swap

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---|------------------------|------------------------|------------------------|
| i The notional principal of swap agreements | 49,502.87 | 48,787.92 | 45,006.37 |
| ii Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements | 4,053.75 | 4,364.63 | 2,023.25 |
| iii Collateral required by the NBFC upon entering into swaps | - | - | - |
| iv Concentration of credit risk arising from the swaps | - | - | - |
| v The fair value of the swap book | (3,324.22) | (1,710.11) | (2,712.77) |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

B) Exchange Traded Interest Rate (IR) Derivatives

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|------------------------|------------------------|------------------------|
| i Notional Principal amount of exchange traded IR Derivatives undertaken during the year | - | - | - |
| ii Notional Principal amount of exchange traded IR Derivatives Outstanding | - | - | - |
| iii Notional Principal amount of exchange traded IR Derivatives Outstanding and not highly effective | - | - | - |
| iv Mark to Market Value of exchange traded IR Derivatives outstanding and not highly effective | - | - | - |
| | | | |

c) Risk Exposure in Derivatives (currency and interest rate derivatives)

Qualitative disclosure

The Company enters into derivatives for the purpose of hedging and not for trading/speculation purposes.

The Company has framed a risk management policy duly approved by the board in respect of its External Commercial Borrowings (ECBs). A risk management committee comprising the Managing Director and Director Finance has been formed to monitor, analyse and control the currency and interest rate risk in respect of ECBs.

The Company avails various derivative products like currency forwards, Cross Currency swap, Interest rate swap etc. for hedging the risks associated with its ECBs.

Quantitative disclosures

As at 31 March 2024

| Sl. No | Name of Struck off Company | Currency derivatives | Cross Currency & Interest Rate Derivatives | Interest rate derivatives | Total |
|--------|---|----------------------|--|---------------------------|-------------|
| i | Derivatives (notional principal amount) | 82,555.75 | 34,176.68 | 15,326.18 | 1,32,058.61 |
| | For hedging | | | | - |
| ii | Marked to market positions | | | | - |
| | a) Asset | | - | 923.06 | 923.06 |
| | b) Liability | 10,309.53 | 4,247.48 | - | 14,557.01 |
| iii | Credit exposure | 6,143.18 | 7,481.00 | 1,075.97 | 14,700.15 |
| iv | Unhedged exposure | 6,73,636.84 | | 6,25,257.78 | 5,91,081.10 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

As at 31 March 2023

| SI. No | Name of Struck off Company | Currency derivatives | Cross Currency & Interest Rate Derivatives | Interest rate derivatives | Total |
|--------|---|----------------------|--|---------------------------|-------------|
| i | Derivatives (notional principal amount) | 74,957.53 | 33,683.09 | 15,104.84 | 1,23,745.45 |
| | For hedging | | | | |
| ii | Marked to market positions | | | | |
| | a) Asset | | - | 1,037.56 | 1,037.56 |
| | b) Liability | 2,410.38 | 2,747.66 | - | 5,158.04 |
| iii | Credit exposure | 8,333.45 | 7,624.29 | 1,188.60 | 17,146.34 |
| iv | Unhedged exposure | 6,42,429.79 | | 6,83,704.24 | 6,08,746.70 |

As at 01 April 2022

| SI. No | Name of Struck off Company | Currency derivatives | Cross Currency & Interest Rate Derivatives | Interest rate derivatives | Total |
|--------|---|----------------------|--|---------------------------|-------------|
| i | Derivatives (notional principal amount) | 44,122.23 | 31,072.31 | 13,934.06 | 89,128.60 |
| | For hedging | | | | |
| ii | Marked to market positions | | | | |
| | a) Asset | - | - | 411.09 | 411.09 |
| | b) Liability | 933.31 | 3,123.86 | - | 4,057.17 |
| iii | Credit exposure | 4,612.03 | 5,576.30 | 550.43 | 10,738.76 |
| iv | Unhedged exposure | 6,38,910.83 | - | 6,43,663.38 | 6,07,838.52 |

d) Derivative Instruments

The Company judiciously contracts financial derivative instruments in order to hedge currency and / or interest rate risk. All derivative transactions contracted by the Company are in the nature of hedging instruments with a defined underlying liability. The Company does not deploy any financial derivative for speculative or trading purposes.

- (a) The Company uses foreign currency forward contracts to hedge its risk associated with foreign currency fluctuations in respect its External Commercial Borrowings.

Outstanding foreign exchange forward contracts entered into by the Company which have been used for hedging the foreign currency risk on repayment of external commercial borrowings (principal portion):

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| No. of Contracts | As at 31 March 2024 | | | As at 31 March 2023 | | | As at 31 March 2022 | | | | |
|------------------|---|----------|--------------------------|---------------------|---|----------|--------------------------|------------------|---|----------|--------------------------|
| | Borrowing outstanding in foreign Currency (USD/JPY Million) | Currency | INR equivalent (million) | No. of Contracts | Borrowing outstanding in foreign Currency (USD Million) | Currency | INR equivalent (million) | No. of Contracts | Borrowing outstanding in foreign Currency (Million) | Currency | INR equivalent (million) |
| 12 | 500.00 | USD | 41,890.00 | 8 | 400.00 | USD | 33,028.00 | 4 | 200.00 | USD | 15,234.00 |
| 11 | 32,856.00 | JPY | 18,281.08 | 11 | 32,856.00 | JPY | 20,535.00 | 11 | 32,856.00 | JPY | 20,590.86 |
| 5 | 26,231.25 | JPY | 14,595.07 | 5 | 26,231.25 | JPY | 16,394.53 | | | | |
| 7 | 14,000.00 | JPY | 7,789.60 | 4 | 8,000.00 | JPY | 5,000.00 | | | | |

(b) In respect of following External Commercial Borrowings, the Company has executed cross currency swap to hedge the foreign exchange exposure in respect of both principal outstanding and interest payments and converted its underlying liability from one foreign currency to another:

| No. of Contracts | As at 31 March 2024 | | | As at 31 March 2023 | | | As at 31 March 2022 | | | Remarks |
|------------------|---|-------------------------|------------------|---|-------------------------|------------------|---|-------------------------|------------------|---|
| | Borrowing outstanding in foreign Currency | Notional USD equivalent | No. of Contracts | Borrowing outstanding in foreign Currency | Notional USD equivalent | No. of Contracts | Borrowing outstanding in foreign Currency | Notional USD equivalent | No. of Contracts | |
| 1 | JPY 12000 Million | 145.90 Million | 1 | JPY 12000 Million | 145.90 Million | 1 | JPY 12000 Million | 145.90 Million | 1 | Back to back recovery of INR/USD exchanges rate variation from MOR. |
| 1 | JPY 3000 Million | 37.04 Million | 1 | JPY 3000 Million | 37.04 Million | 1 | JPY 3000 Million | 37.04 Million | 1 | Back to back recovery of INR/USD exchange rate variation from MOR. |
| 1 | USD 25 Million | 25 Million | 1 | USD 25 Million | 25 Million | 1 | USD 25 Million | 25 Million | 1 | Back to back recovery of INR/USD exchange rate variation from MOR. |
| 1 | USD 25 Million | 25 Million | 1 | USD 25 Million | 25 Million | 1 | USD 25 Million | 25 Million | 1 | Back to back recovery of INR/USD exchange rate variation from MOR. |
| 1 | USD 25 Million | 25 Million | 1 | USD 25 Million | 25 Million | 1 | USD 25 Million | 25 Million | 1 | Back to back recovery of INR/USD exchange rate variation from MOR. |
| 1 | USD 25 Million | 25 Million | 1 | USD 25 Million | 25 Million | 1 | USD 25 Million | 25 Million | 1 | Back to back recovery of INR/USD exchange rate variation from MOR. |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| As at 31 March 2024 | | As at 31 March 2023 | | As at 31 March 2022 | | Remarks | |
|---------------------|---|---------------------|---|---------------------|---|------------|--|
| No. of Contracts | Borrowing outstanding in foreign Currency | No. of Contracts | Borrowing outstanding in foreign Currency | No. of Contracts | Borrowing outstanding in foreign Currency | | Notional USD equivalent |
| 1 | USD 25 Million | 1 | USD 25 Million | 1 | USD 25 Million | 25 Million | Back to back recovery of INR/USD exchange rate variation from MOR. |
| 1 | USD 25 Million | 1 | USD 25 Million | 1 | USD 25 Million | 25 Million | Back to back recovery of INR/USD exchange rate variation from MOR. |
| 1 | USD 25 Million | 1 | USD 25 Million | 1 | USD 25 Million | 25 Million | Back to back recovery of INR/USD exchange rate variation from MOR. |
| 1 | USD 25 Million | 1 | USD 25 Million | 1 | USD 25 Million | 25 Million | Back to back recovery of INR/USD exchange rate variation from MOR. |

(c) The foreign currency borrowings which have not been hedged, are as follows:

| As at 31 March 2024 | | As at 31 March 2023 | | As at 31 March 2022 | | Remarks |
|---------------------|---|---------------------|--|---------------------|--|--|
| No. of Contracts | Borrowing outstanding in foreign Currency | No. of Contracts | Borrowing outstanding in foreign Currency | No. of Contracts | Borrowing outstanding in foreign Currency | |
| 1 | REG S/144A GREEN BONDS USD 500 MILLION Jan 2022 | 1 | REG S/144A GREEN BONDS USD 500 MILLION Jan 2022 | 1 | REG S/144A GREEN BONDS USD 500 MILLION Jan 2022 | |
| 1 | USD 500 Million | 1 | USD 500 Million | 1 | USD 500 Million | |
| 1 | USD 300 Million | 1 | USD 100 million | 1 | USD 500 Million | |
| 1 | USD 700 Million | 1 | USD 300 Million | 1 | USD 300 Million | |
| 1 | USD 75 Million | 1 | USD 700 Million | 1 | USD 700 Million | |
| 1 | " JPY 25,189 million (Equivalent to USD 300 Million)" | 1 | USD 75 Million | 1 | USD 75 Million | Back to back recovery of exchange rate variation from MOR. |
| 1 | USD 750 Million | 1 | JPY 25,189 million (Equivalent to USD 300 Million) | 1 | JPY 33,189 million (Equivalent to USD 300 Million) | |
| 1 | USD 1 Billion | 1 | USD 750 Million | 1 | USD 750 Million | |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| As at 31 March 2024 | | As at 31 March 2023 | | As at 31 March 2022 | | Remarks |
|---------------------|---|---------------------|---|---------------------|---|--|
| No. of Contracts | Borrowing outstanding in foreign Currency | No. of Contracts | Borrowing outstanding in foreign Currency | No. of Contracts | Borrowing outstanding in foreign Currency | |
| 1 | USD 2 Billion | 1 | USD 1 Billion | 1 | USD 1 Billion | |
| 1 | JPY 35,400.63 Million (Equivalent to USD 325 Million) | 1 | USD 2 Billion | 1 | USD 2 Billion | |
| 1 | SYND GREEN FCL JPY EQ. USD 400M MAR'22 | 1 | JPY 35,400.63 Million (Equivalent to USD 325 Million) | 1 | JPY 35,400.63 Million (Equivalent to USD 325 Million) | Back to back recovery of exchange rate variation from MOR. |
| 1 | SYND GREEN FCL JPY EQ. USD 700M MAR'22 | 1 | SYND GREEN FCL JPY EQ. USD 400M MAR'22 | 1 | SYND GREEN FCL JPY EQ. USD 400M MAR'22 | |
| | | 1 | SYND GREEN FCL JPY EQ. USD 700M MAR'22 | 1 | SYND GREEN FCL JPY EQ. USD 700M MAR'22 | |
| | | | | 1 | JPY 26,231.25 Million (Equivalent to USD 250 Million) | |

d) Other than currency forward contracts, the Company also resorts to interest rate derivatives like Cross Currency Interest Rate Swap and Interest Rate Swap for hedging the interest rate risk associated with its external commercial borrowings.

The Company recognizes these derivatives in its Financial Statements at their Fair Values. Further, in view of the fact that these derivatives are Over the Counter (OTC) contracts customized to match the residual tenor and value of the underlying liability, the Company relies on the valuations done by the counter parties to the derivative transactions using the theoretical valuation models.

| No. of transaction | Description of Derivative | Notional Principal | Fair Value Asset / (liability) at 31 March 2024 | Fair Value Asset / (liability) at 31 March 2023 | Fair Value Asset / (liability) at 01 April 2022 |
|--------------------|--|---|---|---|---|
| 2 | Cross Currency Interest Rate Swap (JPY Fixed Interest Rate Liability to USD Floating Rate Liability) | JPY 12 Bn. / USD Mio 145.90; JPY 3 Bn. / USD Mio 37.04 | (7,378.17) | (6,074.73) | (4,736.02) |
| 2 | Foreign Currency Interest Rate Swap (Floating Rate USD Libor to Fixed Rate) | JPY 12 Bn. / USD Mio 145.90; JPY 3 Bn. / USD Mio 37.04 | 923.06 | 1,037.56 | 411.09 |
| 1 | Cross Currency Interest Rate Swap (USD Floating to INR Fixed) | USD 25 Million | 384.83 | 411.35 | 220.42 |
| 1 | Cross Currency Interest Rate Swap (USD Floating to INR Fixed) | USD 25 Million | 354.35 | 376.89 | 214.24 |
| 1 | Cross Currency Interest Rate Swap (USD Floating to INR Fixed) | USD 25 Million | 361.79 | 392.32 | 222.73 |
| 1 | Cross Currency Interest Rate Swap (USD Floating to INR Fixed) | USD 25 Million | 386.60 | 411.19 | 217.73 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| No. of transaction | Description of Derivative | Notional Principal | Fair Value Asset / (liability) at 31 March 2024 | Fair Value Asset / (liability) at 31 March 2023 | Fair Value Asset / (liability) at 01 April 2022 |
|--------------------|---|--------------------|---|---|---|
| 1 | Cross Currency Interest Rate Swap (USD Floating to INR Fixed) | USD 25 Million | 388.81 | 413.26 | 219.74 |
| 1 | Cross Currency Interest Rate Swap (USD Floating to INR Fixed) | USD 25 Million | 379.37 | 400.38 | 208.05 |
| 1 | Cross Currency Interest Rate Swap (USD Floating to INR Fixed) | USD 25 Million | 332.05 | 348.08 | 148.03 |
| 1 | Cross Currency Interest Rate Swap (USD Floating to INR Fixed) | USD 25 Million | 283.92 | 300.82 | 96.67 |
| 1 | Cross Currency Interest Rate Swap (USD Floating to INR Fixed) | USD 25 Million | 258.98 | 272.77 | 64.56 |

e) Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)

As at 31 March 2024

| Particulars | 1 To 7 days | 8 to 14 days | 15 to 30/31 days | Over one month upto 2 months | Over 2 months upto 3 months | Over 3 months upto 6 months | Over 6 months & upto 1 year | Over 1 year & upto 3 year | Over 3 years & upto 5 years | Over 5 years | Total |
|---|-------------|--------------|------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|---------------------------|-----------------------------|--------------|--------------|
| i) Deposits | - | - | - | - | - | - | - | - | - | - | - |
| ii) Advances | - | 80,463.12 | 4,720.07 | - | - | 19,081.20 | 1,00,080.09 | 5,01,179.16 | 6,03,141.87 | 33,37,747.35 | 46,46,412.84 |
| Term Loan to Railway Companies | - | - | 4,720.07 | - | - | - | - | 9,906.80 | 9,556.97 | 25,261.25 | 49,445.08 |
| Inflow from Asset on Lease | - | 80,463.12 | - | - | - | 19,081.20 | 1,00,080.09 | 4,91,272.36 | 5,93,584.90 | 33,12,486.10 | 45,96,967.76 |
| iii) Investments | - | - | - | - | - | - | - | - | - | 535.95 | 535.95 |
| Investment in Equity Instruments | - | - | - | - | - | - | - | - | - | 535.95 | 535.95 |
| iv) Borrowings | - | 9,880.00 | 20,819.49 | 1,000.00 | 2,032.74 | 10,935.88 | 45,372.96 | 3,70,835.87 | 8,17,514.85 | 21,53,450.08 | 34,31,841.87 |
| Bonds from Domestic Capital Market | - | - | 849.71 | - | 1,032.74 | 1,748.55 | 21,911.53 | 2,51,872.16 | 4,01,007.47 | 13,00,255.53 | 19,78,677.69 |
| Long Term Loan from Banks | - | - | 3,879.78 | 1,000.00 | 1,000.00 | 9,187.33 | 23,461.43 | 1,18,963.71 | 2,41,507.38 | 8,53,194.55 | 12,52,194.18 |
| Short Term Loan from Banks | - | 9,880.00 | 16,090.00 | - | - | - | - | - | - | - | 25,970.00 |
| Loan from Others | - | - | - | - | - | - | - | - | 1,75,000.00 | - | 1,75,000.00 |
| v) Foreign Currency Assets | - | - | - | - | - | - | - | - | - | - | - |
| vi) Foreign Currency Liabilities | 41,890.00 | - | - | - | - | - | - | 33,607.26 | 2,50,477.41 | 3,62,504.47 | 6,88,479.14 |
| Bonds from Overseas capital Market | 41,890.00 | - | - | - | - | - | - | - | 41,890.00 | 1,88,484.59 | 2,72,264.59 |
| Foreign Currency Borrowings | - | - | - | - | - | - | - | 33,607.26 | 2,08,587.41 | 1,74,019.88 | 4,16,214.55 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

As at 31 March 2023

| Particulars | 1 To 7 days | 8 to 14 days | 15 to 30/31 days | Over one month upto 2 months | Over 2 months upto 3 months | Over 3 months upto 6 months | Over 6 months & upto 1 year | Over 1 year & upto 3 year | Over 3 years & upto 5 years | Over 5 years | Total |
|---|-------------|--------------|------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|---------------------------|-----------------------------|--------------|--------------|
| i) Deposits | - | - | - | - | - | - | - | - | - | - | - |
| ii) Advances | - | - | 81,518.39 | - | - | 23,147.93 | 95,288.48 | 4,46,742.85 | 6,12,918.69 | 34,01,886.50 | 46,61,482.83 |
| Term Loan to Railway Companies | - | - | - | - | - | 9,925.89 | - | 9,715.13 | 9,733.55 | 29,956.69 | 59,331.26 |
| Inflow from Asset on Lease | - | - | 81,518.39 | - | - | 13,222.04 | 95,288.48 | 4,37,027.71 | 6,03,185.14 | 33,71,929.81 | 46,02,151.57 |
| iii) Investments | - | - | - | - | - | - | - | - | - | 136.64 | 136.64 |
| Investment in Equity Instruments | - | - | - | - | - | - | - | - | - | 136.64 | 136.64 |
| iv) Borrowings | - | 30,000.00 | 49,544.52 | 31,083.58 | 1,127.56 | 12,510.63 | 80,378.18 | 1,64,636.58 | 5,79,829.32 | 25,33,599.32 | 34,82,709.69 |
| Bonds from Domestic Capital Market | - | 30,000.00 | 32,554.52 | 30,083.58 | 127.56 | 6,439.20 | 64,416.75 | 81,165.87 | 2,54,500.81 | 13,93,004.22 | 18,92,292.51 |
| Long Term Loan from Banks | - | - | 3,890.00 | 1,000.00 | 1,000.00 | 6,071.43 | 15,961.43 | 83,470.71 | 2,25,328.51 | 10,65,595.10 | 14,02,317.18 |
| Short Term Loan from Banks | - | - | 13,100.00 | - | - | - | - | - | - | - | 13,100.00 |
| Loan from Others | - | - | - | - | - | - | - | - | 1,00,000.00 | 75,000.00 | 1,75,000.00 |
| v) Foreign Currency Assets | - | - | - | - | - | - | - | - | - | - | - |
| vi) Foreign Currency Liabilities | - | - | - | - | - | - | 41,285.00 | 15,104.84 | 2,43,354.53 | 4,06,838.52 | 7,06,582.89 |
| Bonds from Overseas capital Market | - | - | - | - | - | - | 41,285.00 | - | 41,285.00 | 1,86,079.82 | 2,68,649.82 |
| Foreign Currency Borrowings | - | - | - | - | - | - | - | 15,104.84 | 2,02,069.53 | 2,20,758.70 | 4,37,933.07 |

As at 01 April 2022

| Particulars | 1 To 7 days | 8 to 14 days | 15 to 30/31 days | Over one month upto 2 months | Over 2 months upto 3 months | Over 3 months upto 6 months | Over 6 months & upto 1 year | Over 1 year & upto 3 year | Over 3 years & upto 5 years | Over 5 years | Total |
|---|-------------|--------------|------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|---------------------------|-----------------------------|--------------|--------------|
| i) Deposits | - | - | - | - | - | - | - | - | - | - | - |
| ii) Advances | - | 85,863.30 | - | - | - | - | 80,394.74 | 3,68,173.42 | 4,35,438.19 | 33,22,171.99 | 42,92,041.63 |
| Term Loan to Railway Companies | - | 8,952.59 | - | - | - | - | - | 14,645.96 | 9,906.80 | 34,742.70 | 68,248.05 |
| Inflow from Asset on Lease | - | 76,910.71 | - | - | - | - | 80,394.74 | 3,53,527.46 | 4,25,531.39 | 32,87,429.29 | 42,23,793.58 |
| iii) Investments | - | - | 2.93 | - | - | - | - | - | - | 97.10 | 100.03 |
| Investment in Equity Instruments | - | - | - | - | - | - | - | - | - | 97.10 | 97.10 |
| Investment in Debt Instruments | - | - | 2.93 | - | - | - | - | - | - | - | 2.93 |
| iv) Borrowings | - | 19,498.36 | 36,589.99 | 12,270.00 | 19,029.03 | 7,000.00 | 69,905.50 | 2,39,384.48 | 2,91,916.64 | 25,24,409.17 | 32,20,003.17 |
| Bonds from Domestic Capital Market | - | - | 600.00 | - | 1,830.00 | 2,000.00 | 55,015.50 | 1,80,693.88 | 1,48,051.04 | 13,06,300.97 | 16,94,491.39 |
| Long Term Loan from Banks | - | - | 3,890.00 | 1,000.00 | 1,000.00 | 5,000.00 | 14,890.00 | 58,690.60 | 1,43,865.60 | 10,43,108.20 | 12,71,444.40 |
| Short Term Loan from Banks | - | 19,498.36 | 32,099.99 | 11,270.00 | 16,199.03 | - | - | - | - | - | 79,067.38 |
| Loan from Others | - | - | - | - | - | - | - | - | - | 1,75,000.00 | 1,75,000.00 |
| v) Foreign Currency Assets | - | - | - | - | - | - | - | - | - | - | - |
| vi) Foreign Currency Liabilities | - | - | - | - | - | - | - | 38,085.00 | 34,524.91 | 5,91,553.09 | 6,64,163.01 |
| Bonds from Overseas capital Market | - | - | - | - | - | - | - | 38,085.00 | - | 2,09,173.14 | 2,47,258.14 |
| Foreign Currency Borrowings | - | - | - | - | - | - | - | - | 34,524.91 | 3,82,379.96 | 4,16,904.87 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

(f) Details of non-Performing financial assets purchased or sold

Company has neither purchased nor sold any non-performing financial assets during the year ended on 31 March 2024. (31 March 2023: Rs. NIL, 1 April 2022)

(g) Exposures

(I): Exposure to real Estate sector

The Company does not have any exposure to real estate sector.

(II): Exposure to capital market

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|------------------------|------------------------|------------------------|
| 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 (includes investment in fully convertible preference shares | | | |
| - At Cost | 19.99 | 19.99 | 19.99 |
| - At Fair Value | 535.95 | 136.64 | 97.11 |
| ii Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds | - | - | - |
| iii Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security | - | - | - |
| iv Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances (excluding loans where security creation is under process) | - | - | - |
| v Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers | - | - | - |
| vi Loans sanctioned to corporates against the security of shares/ bonds / debentures or other securities or on clean basis for meeting promoters contribution to the equity of new companies in anticipation of raising resources | - | - | - |
| vii Bridge loans to companies against expected equity flows / issues | - | - | - |
| viii Underwriting commitments taken up by the NBFCS in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds | - | - | - |
| ix Financing to stockbrokers for margin trading | - | - | - |
| x All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III | - | - | - |
| xi All exposures to Venture Capital Funds (both registered and unregistered) | - | - | - |
| Total exposure to capital market | 535.95 | 136.64 | 97.11 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

(h) Details of financing of parent company product

The company has no parent company hence this detail is not applicable to company.

(i) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

As per erstwhile notification of Reserve Bank of India has issued Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 vide notification no.DNBR.009/CGM(CDS)-2015 dated 27th March 2015. The Company, being a Government Company, these Directions, except the provisions contained in Paragraph 25 thereof, are not applicable to the Company.

(j) Details of unsecured loans, advances, lease income and interest income receivables

The outstanding amounts against unsecured loans, advances & lease receivables are as under:

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---|------------------------|------------------------|------------------------|
| Ministry of Railways, Government of India | | | |
| - Lease receivables | 25,96,906.00 | 24,33,568.70 | 20,00,722.20 |
| - Other receivables/(payables) | - | - | - |
| Rail Vikas Nigam Limited, a wholly owned entity of Ministry of Railways, Govt. of India | 49,643.65 | 53,416.47 | 56,216.00 |
| IRCON International Limited | - | 6,153.07 | 12,306.14 |
| Interest accrued thereon (RVNL & IRCON) | 15,416.60 | 15,310.45 | 13,621.66 |
| Total | 26,61,966.25 | 25,08,448.69 | 20,89,068.79 |

(k) Registration obtained from other financial regulator sector

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|------------------------|------------------------|------------------------|
| Registration obtained from other financial sector regulators | NIL | NIL | NIL |

(l) Disclosure of penalties imposed by RBI and other financial regulator

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---|------------------------|------------------------|------------------------|
| Disclosure of Penalties imposed by RBI and other regulators | NIL | NIL | NIL |

(m) Related Party Transactions

For Related party transactions, refer note no. 52 of the financial statements

(n) Remuneration of Directors

For Remuneration of directors, refer note no. 52 of the financial statements

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

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

a. Rating assigned by credit rating agencies and migration of ratings during the year:

| S.No | Rating Agencies | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--------------------------|-----------------|------------------------|------------------------|------------------------|
| Long Term Rating | | | | |
| 1 | CRISIL | CRISIL AAA / Stable | CRISIL AAA / Stable | CRISIL AAA / Stable |
| 2 | ICRA | ICRA AAA / Stable | ICRA AAA / Stable | ICRA AAA / Stable |
| 3 | CARE | CARE AAA / Stable | CARE AAA / Stable | CARE AAA / Stable |
| Short Term Rating | | | | |
| 1 | CRISIL | CRISIL A1+ | CRISIL A1+ | CRISIL A1+ |
| 2 | ICRA | ICRA A1+ | ICRA A1+ | ICRA A1+ |
| 3 | CARE | CARE A1+ | CARE A1+ | CARE A1+ |

b. Long term foreign currency issuer rating assigned to the Company

| S.No | Rating Agencies | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|-------------------------|-------------------------------|------------------------|------------------------|------------------------|
| Long Term Rating | | | | |
| 1 | Fitch Rating | BBB-/ Stable | BBB-/ Stable | BBB-/ Negative |
| 2 | Standard & Poor | BBB-/ Stable | BBB-/ Stable | BBB-/ Stable |
| 3 | Moody's | Baa3/Stable | Baa3/Stable | Baa3/Negative |
| 4 | Japanese Credit Rating Agency | BBB+/Stable | BBB+/Stable | BBB+/Stable |

(p) Revenue Recognition

Refer accounting policy in note no. 2 for Significant Accounting Policies.

(q) Provisions & Contingencies

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|------------------------------|------------------------|------------------------|------------------------|
| Provisions and Contingencies | Refer Note 34 | Refer Note 34 | Refer Note 34 |

(r) Draw-Down from Reserves

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--------------------------|------------------------|------------------------|------------------------|
| Drawn down from reserves | NIL | NIL | NIL |

(s) Concentration of advances, exposures and NPAs

(i) Concentration of Deposits

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|---|---|---|
| Concentration of Deposits (for deposit taking NBFCs) | Company is a non deposit accepting NBFC | Company is a non deposit accepting NBFC | Company is a non deposit accepting NBFC |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

(II) Concentration of advances

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|------------------------|------------------------|------------------------|
| Total advances to twenty largest borrowers | 43,47,145.93 | 44,46,325.87 | 41,46,174.03 |
| Percentage of advances to twenty largest borrowers to total advances of the NBFC | 100% | 100% | 100% |

(III) Concentration of exposures

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---|------------------------|------------------------|------------------------|
| Total exposure to twenty largest borrowers/ customers | 43,47,681.88 | 44,46,462.51 | 41,46,271.14 |
| Percentage of exposure to twenty largest borrowers/ customers to total exposure of the NBFC on borrowers/ customers | 100% | 100% | 100% |

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|-----------------------------------|------------------------|------------------------|------------------------|
| (IV) Concentration of NPAs | NIL | NIL | NIL |
| (V) Sector-wise NPAs | NIL | NIL | NIL |
| (VI) Movement of NPAs | NIL | NIL | NIL |

(VII): Disclosure of complaints

Investor complaints

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|------------------------|------------------------|------------------------|
| (a) No. of complaints pending at the beginning of the year | - | - | - |
| (b) No. of complaints received during the year | 2,345 | 2,486 | 2,641 |
| (c) No. of complaints redressed during the year | 2,345 | 2,486 | 2,641 |
| (d) No. of complaints pending at the end of the year | - | - | - |

Note: The above figure includes complaints lodged by Equity Shareholders also post listing of the Company.

| Particulars | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---|------------------------|------------------------|------------------------|
| (t) Overseas Assets | NIL | NIL | NIL |
| (u) Off-balance sheet SPVs sponsored | NIL | NIL | NIL |

(v) There are been no fraud reported during the year ended 31 March 2024 and 31 March 2023.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 56 DISCLOSURE AS REQUIRED UNDER RBI NOTIFICATION NO. RBI/2019-20/170 DOR (NBFC).CC .PD .NO .109/22.10.106/2019-20 DATED 13 MARCH 2020 ON IMPLEMENTATION OF INDIAN ACCOUNTING STANDARDS

- (i) A comparison between provisions required under extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109 for the year ended 31 March 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) |
| Performing Assets | | | | | | |
| Standard * | Stage 1 | 26,62,502.20 | 260.24 | 26,62,241.96 | 260.24 | - |
| | Stage 2 | - | - | - | - | - |
| Subtotal for standard | | 26,62,502.20 | 260.24 | 26,62,241.96 | 260.24 | - |
| Non-Performing Assets (NPA) | | | | | | |
| Substandard | Stage 3 | | | | | |
| Doubtful - up to 1 year | Stage 3 | - | - | - | - | - |
| 1 to 3 years | Stage 3 | - | - | - | - | - |
| More than 3 years | Stage 3 | - | - | - | - | - |
| Subtotal for doubtful | | | | | | |
| Loss | Stage 3 | | | | | |
| Subtotal for NPA | | - | - | - | - | - |
| Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms | Stage 1 | - | - | - | - | - |
| | Stage 2 | | | | | |
| | Stage 3 | | | | | |
| Subtotal | | - | - | - | - | - |
| Total | Stage 1 | 26,62,502.20 | 260.24 | 26,62,241.96 | 260.24 | - |
| | Stage 2 | - | - | - | - | - |
| | Stage 3 | - | - | - | - | - |
| Total | | 26,62,502.20 | 260.24 | 26,62,241.96 | 260.24 | - |

* Standard assets includes amount recoverable from ministry of railways being due from sovereign. The Reserve Bank of India has granted exemption to the Company in respect of classification of asset, provisioning norms and credit concentration norms to the extent of direct exposure to sovereign (refer note no. 42(a) (i))

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

- (ii) A comparison between provisions required under extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109 for the year ended 31 March 2023

| 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) |
| Performing Assets | | | | | | |
| Standard * | Stage 1 | 25,08,585.33 | 299.52 | 25,08,285.81 | 299.52 | - |
| | Stage 2 | - | - | - | - | - |
| Subtotal for standard | | 25,08,585.33 | 299.52 | 25,08,285.81 | 299.52 | - |
| Non-Performing Assets (NPA) | | | | | | |
| Substandard | Stage 3 | | | | | |
| Doubtful - up to 1 year | Stage 3 | - | - | - | - | - |
| 1 to 3 years | Stage 3 | - | - | - | - | - |
| More than 3 years | Stage 3 | - | - | - | - | - |
| Subtotal for doubtful | | | | | | |
| Loss | Stage 3 | | | | | |
| Subtotal for NPA | | - | - | - | - | - |
| Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms | Stage 1 | - | - | - | - | - |
| | Stage 2 | | | | | |
| | Stage 3 | | | | | |
| Subtotal | | - | - | - | - | - |
| Total | Stage 1 | 25,08,585.33 | 299.52 | 25,08,285.81 | 299.52 | - |
| | Stage 2 | - | - | - | - | - |
| | Stage 3 | - | - | - | - | - |
| Total | | 25,08,585.33 | 299.52 | 25,08,285.81 | 299.52 | - |

* Standard assets includes amount recoverable from ministry of railways being due from sovereign. The Reserve Bank of India has granted exemption to the Company in respect of classification of asset, provisioning norms and credit concentration norms to the extent of direct exposure to sovereign (refer note no. 42(a) (i))

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

- (iii) A comparison between provisions required under extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109 for the year ended 01 April 2022

| 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) |
| Performing Assets | | | | | | |
| Standard * | Stage 1 | 20,82,971.14 | -328.61 | 20,82,642.53 | -328.61 | - |
| | Stage 2 | - | - | - | - | - |
| Subtotal for standard | | 20,82,971.14 | -328.61 | 20,82,642.53 | -328.61 | - |
| Non-Performing Assets (NPA) | | | | | | |
| Substandard | Stage 3 | | | | | |
| Doubtful - up to 1 year | Stage 3 | - | - | - | - | - |
| 1 to 3 years | Stage 3 | - | - | - | - | - |
| More than 3 years | Stage 3 | - | - | - | - | - |
| Subtotal for doubtful | | | | | | |
| Loss | Stage 3 | | | | | |
| Subtotal for NPA | | - | - | - | - | - |
| Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms | Stage 1 | - | - | - | - | - |
| | Stage 2 | | | | | |
| | Stage 3 | | | | | |
| Subtotal | | - | - | - | - | - |
| Total | Stage 1 | 20,89,173.93 | 328.61 | 20,88,845.32 | 328.61 | - |
| | Stage 2 | - | - | - | - | - |
| | Stage 3 | - | - | - | - | - |
| Total | | 20,89,173.93 | 328.61 | 20,88,845.32 | 328.61 | - |

* Standard assets includes amount recoverable from ministry of railways being due from sovereign. The Reserve Bank of India has granted exemption to the Company in respect of classification of asset, provisioning norms and credit concentration norms to the extent of direct exposure to sovereign (refer note no. 42(a) (i))

Since the total impairment allowances under Ind AS 109 is equal to the total provisioning required under IRACP (including standard asset provisioning) as at 31 March 2024, no amount is required to be transferred to 'Impairment Reserve'. The gross carrying amount of asset as per Ind AS 109 and Loss allowances (Provisions) thereon includes interest accrual on net carrying value of stage - 3 assets as permitted under Ind AS 109. While, the provisions required as per IRACP norms does not include any such interest as interest accrual on NPAs is not permitted under IRACP norms.

The balance in the 'Impairment Reserve' (as and when created) shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI.

- (ii) In terms of recommendations as per above referred notification, the Company has adopted the same definition of default for accounting purposes as guided by the definition used for regulatory purposes.

As at 31 March 2024, there are no loan accounts that are past due beyond 90 days but not treated as impaired.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 57 DISCLOSURES AS REQUIRED UNDER GUIDELINES ON LIQUIDITY RISK MANAGEMENT FRAMEWORK FOR NBFCs ISSUED BY RBI MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY –SCALE BASED REGULATION) DIRECTIONS, 2023), DOR.FIN.REC.NO.45/03.10.119/2023-24, DATED 19/10/2023

Public Disclosures on Liquidity Risk:

A. Funding Concentration based on significant counterparty

| Particular | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|------------------------|------------------------|------------------------|
| Number of Significant Counterparties* | 19.00 | 20.00 | 21.00 |
| Amount in (Millions) | 19,27,915.62 | 21,12,977.08 | 21,31,682.58 |
| Percentage of Funding Concentration of Total Deposits | - | - | - |
| Percentage of Funding Concentration of Total Liabilities | 44.23% | 47.41% | 52.12% |
| Total Liabilities | 43,59,038.59 | 44,56,785.70 | 40,89,838.84 |

* Significant counterparty/significant instrument/product is defined as a single counterparty or group of connected or affiliated counter parties accounting in aggregate for more than 1% of the total liabilities.

As per the erstwhile RBI Notification No. RBI/2019-20/88 DOR.NBFC (PD) CC. NO. 102 /03.10.001/2019-20 DATED 4 November 2019 A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

B. Top 10 Borrowings

| Particular* | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---|------------------------|------------------------|------------------------|
| Total Amount of Top 10 Borrowings | 14,24,161.09 | 15,43,147.45 | 15,43,084.00 |
| Percentage of Amount of Top 10 Borrowings to total borrowings (%) | 34.56% | 36.73% | 39.61% |
| Total Borrowings | 41,20,321.01 | 41,89,292.58 | 38,84,166.18 |

* Significant counterparty/significant instrument/product is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the total liabilities.

C. Funding Concentration based on significant instrument/product

| Particular* | As at 31 March 2024 | Percentage(%) of Total Liabilities | As at 31 March 2023 | Percentage(%) of Total Liabilities | As at 01 April 2022 | Percentage(%) of Total Liabilities |
|---|---------------------------|--|---------------------------|--|---------------------------|--|
| Significant instrument/Product | | | | | | |
| Non-convertible debentures | 19,78,677.69 | 45.39% | 18,92,293.53 | 42.46% | 16,94,491.39 | 41.43% |
| Term loan from Banks (including FCNR loans) (Domestic) | 14,53,164.18 | 33.34% | 15,90,417.18 | 35.69% | 15,25,511.78 | 37.30% |
| External Commercial Borrowings | 6,88,479.14 | 15.79% | 7,06,582.87 | 15.85% | 6,64,163.01 | 16.24% |
| Associated liabilities in respect of securitization transactions | - | - | - | - | - | - |
| Public deposits | - | - | - | - | - | - |
| Subordinated redeemable non-convertible debentures | - | - | - | - | - | - |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

As per the erstwhile RBI Notification No. RBI/2019-20/88 DOR.NBFC (PD) CC. NO. 102 /03.10.001/2019-20 DATED 4 November 2019 A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

D. Stock Ratios

| Particular | As at 31 March 2024 | Percentage(%) of Total Public Funds | Percentage(%) of Total Assets | Percentage(%) of Total Liabilities |
|--|------------------------|---|----------------------------------|--|
| Commercial Papers (CPs) | - | NA | 0.00% | 0.00% |
| Non-convertible debentures (NCDs) with original maturity of less than one year | - | NA | NA | NA |
| Other short-term liabilities | 25,970.00 | NA | 0.54% | 0.60% |

| Particular | As at 31 March 2023 | Percentage(%) of Total Public Funds | Percentage(%) of Total Assets | Percentage(%) of Total Liabilities |
|--|------------------------|---|----------------------------------|--|
| Commercial Papers (CPs) | - | NA | 0.00% | 0.00% |
| Non-convertible debentures (NCDs) with original maturity of less than one year | - | NA | NA | NA |
| Other short-term liabilities | 13,100.00 | NA | 0.27% | 0.29% |

| Particular | As at 31 March 2022 | Percentage(%) of Total Public Funds | Percentage(%) of Total Assets | Percentage(%) of Total Liabilities |
|--|------------------------|---|----------------------------------|--|
| Commercial Papers (CPs) | - | NA | 0.00% | 0.00% |
| Non-convertible debentures (NCDs) with original maturity of less than one year | - | NA | NA | NA |
| Other short-term liabilities | 79,067.38 | NA | 1.76% | 1.93% |

As per erstwhile RBI Notification No. RBI/2019-20/88 DOR.NBFC (PD) CC. NO. 102 /03.10.001/2019-20 DATED 4 November 2019 A "Other short-term liabilities" is defined as a all short-term borrowings other than CPs and NCDs with original maturity less than 12 months.

E. Institutional set-up for liquidity risk management

| Particular | Year Ended 31.03.2024 | | Year Ended 31.03.2023 | | Year Ended 01.04.2022 | |
|---|---|---|---|---|---|---|
| | Total Weighted Value (Average) | Total Unweighted Value (Average) | Total Weighted Value (Average) | Total Unweighted Value (Average) | Total Weighted Value (Average) | Total Unweighted Value (Average) |
| Total High Quality Liquid Assets (HQLA) | 282.34 | 550.31 | 1,248.09 | 1,316.41 | 178.83 | 227.39 |
| Cash Outflows | | | | | | |
| Outflows Related to Derivative Exposures and Other Collateral Requirement | | | | | | |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| Particular | Year Ended 31.03.2024 | | Year Ended 31.03.2023 | | Year Ended 01.04.2022 | |
|---|--------------------------------|----------------------------------|--------------------------------|----------------------------------|--------------------------------|----------------------------------|
| | Total Weighted Value (Average) | Total Unweighted Value (Average) | Total Weighted Value (Average) | Total Unweighted Value (Average) | Total Weighted Value (Average) | Total Unweighted Value (Average) |
| Other Contractual Funding Obligation | 1,48,352.25 | 1,29,001.96 | 1,75,402.52 | 1,52,523.93 | 1,42,534.52 | 1,23,943.06 |
| Other Contingent Funding Obligation | | | | | | |
| Total Cash Outflows | 1,48,352.25 | 1,29,001.96 | 1,75,402.52 | 1,52,523.93 | 1,42,534.52 | 1,23,943.06 |
| Cash Inflows | | | | | | |
| Inflows From Fully Performing Exposures | 1,11,388.42 | 1,48,517.89 | 1,30,908.09 | 1,74,544.12 | 1,32,567.59 | 1,76,756.78 |
| Other Cash Inflows | | | | | | |
| Total Cash Inflows | 1,11,388.42 | 1,48,517.89 | 1,30,908.09 | 1,74,544.12 | 1,32,567.59 | 1,76,756.78 |
| Total HQLA | 282.34 | 550.31 | 1,248.09 | | 178.83 | |
| Total Net Cash Outflows (Weighted Value of Total Cash Outflows(-) Minimum of (Weighted Value Total Cash Inflows, 75% of Weighted Value of Total Cash Outflows) | 37,088.06 | 32,250.49 | 44,494.43 | | 35,633.63 | |
| Liquidity Coverage Ratio (%)* | 0.76% | 1.71% | 2.81% | | 0.50% | |

*RBI vide its erstwhile liquidity framework dated 04th November, 2019 has stipulated the implementation of liquidity coverage ratio (LCR) for non-deposit taking NBFCs with asset size of more than Rs. 10,000 crore w.e.f. 01 December, 2020. LCR aims to ensure that company has an adequate stock of unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash easily and immediately to meet its liquidity needs for a 30 calendar day liquidity stress scenario.

However, with reference to the RBI's letter no. S62/21.07.007/2021/22 dated April 26, 2021, IRFC is exempted from applicability of Liquidity Coverage Ratio (LCR) Norms.

NOTE 58 DISCLOSURES TO FINANCIAL STATEMENTS – NOTES TO ACCOUNTS OF NBFCs ANNEX VII AS REQUIRED BY MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY –SCALE BASED REGULATION) DIRECTIONS, 2023), DOR.FIN.REC.NO.45/03.10.119/2023-24, DATED 19/10/2023

(A) Exposures

1: Exposure to real Estate sector

The Company does not have any exposure to real estate sector.

2: Exposure to capital market

| Particular | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|---------------------|---------------------|---------------------|
| 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 (includes investment in fully convertible preference shares | | | |
| - At Cost | 19.99 | 19.99 | 19.99 |
| - At Fair Value | 535.95 | 136.64 | 97.11 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| Particular | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|---|------------------------|------------------------|------------------------|
| ii. Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds | - | - | - |
| iii. Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security | - | - | - |
| iv. Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances | - | - | - |
| v. Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers | - | - | - |
| vi. Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources | - | - | - |
| vii. Bridge loans to companies against expected equity flows / issues | - | - | - |
| viii. Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds | - | - | - |
| ix. Financing to stockbrokers for margin trading | - | - | - |
| x. All exposures to Alternative Investment Funds: | | | |
| (i) Category I | - | - | - |
| (ii) Category II | - | - | - |
| (iii) Category III | - | - | - |
| xi. All exposures to Venture Capital Funds (both registered and unregistered) | - | - | - |
| Total exposure to Capital market | 555.94 | 156.63 | 117.1 |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

3: Sectoral Exposure

| S. No. | Sector | As at 31 st March 2024 | | | As at 31 st March 2023 | | | As at 01 April 2022 | | |
|--------|-----------------------------------|-----------------------------------|-----------|--|-----------------------------------|-----------|--|---------------------|-----------|--|
| | | Gross Advance | Gross NPA | % of Gross NPAs to gross advances in that sector | Gross Advance | Gross NPA | % of Gross NPAs to gross advances in that sector | Gross Advance | Gross NPA | % of Gross NPAs to gross advances in that sector |
| 1 | Agriculture and allied activities | - | - | - | - | - | - | - | - | - |
| 2 | Industry | - | - | - | - | - | - | - | - | - |
| 3 | Services | - | - | - | - | - | - | - | - | - |
| 4 | (i) Railway Infra Sector | 43,47,681.88 | - | - | 44,46,462.51 | - | - | 41,52,473.93 | - | - |
| 5 | Personal Loan | - | - | - | - | - | - | - | - | - |
| | Others | - | - | - | - | - | - | - | - | - |
| | Total | 43,47,681.88 | - | - | 44,46,462.51 | - | - | 41,52,473.93 | - | - |

4. Intra-group exposures

| Particular* | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|--|---------------------|---------------------|---------------------|
| Total amount of intra-group exposures | Nil | Nil | Nil |
| Total amount of top 20 intra-group exposures | Nil | Nil | Nil |
| Percentage of intra-group exposures to total exposure of the Bank on borrowers / customers | Nil | Nil | Nil |

5. Unhedged foreign currency exposure

The Company has framed a risk management policy duly approved by the board in respect of its External Commercial Borrowings (ECBs). A risk management committee comprising the Managing Director and Director Finance has been formed to monitor, analyse and control the currency and interest rate risk in respect of ECBs. The Company avails various derivative products like currency forwards, Cross Currency swap, Interest rate swap etc. for hedging the risks associated with its ECBs.

| As at 31 st March 2024 | | As at 31 st March 2023 | | As at 01 April 2022 | |
|-----------------------------------|---|-----------------------------------|---|---------------------|---|
| No. of contract | Borrowing Amount in foreign currency | No. of contract | Borrowing Amount in foreign currency | No. of contract | Borrowing Amount in foreign currency |
| 1 | REG S/144A GREEN BONDS USD 500 MILLION Jan 2022 | 1 | REG S/144A GREEN BONDS USD 500 MILLION Jan 2022 | 1 | REG S/144A GREEN BONDS USD 500 MILLION Jan 2022 |
| 1 | USD 500 Million | 1 | USD 500 Million | 1 | USD 500 Million |

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

| As at 31 st March 2024 | | As at 31 st March 2023 | | As at 01 April 2022 | |
|-----------------------------------|---|-----------------------------------|---|---------------------|---|
| No. of contract | Borrowing Amount in foreign currency | No. of contract | Borrowing Amount in foreign currency | No. of contract | Borrowing Amount in foreign currency |
| 1 | USD 300 Million (Bonds Feb2020) | 1 | USD 100 million (Bonds under EMTN) | 1 | USD 500 Million |
| 1 | USD 700 Million (Bonds Feb2020) | 1 | USD 300 Million (Bonds Feb2020) | 1 | USD 300 Million |
| 1 | USD 75 Million (SBI - Bahrain) | 1 | USD 700 Million (Bonds Feb2020) | 1 | USD 700 Million |
| 1 | JPY 25,189 million (JPY Equivalent to USD 300 Million Loan Mar2020) | 1 | USD 75 Million (SBI - Bahrain) | 1 | USD 75 Million |
| 1 | USD 750 Million (Bonds Feb2021) | 1 | JPY 25,189 million (JPY Equivalent to USD 300 Million Loan Mar2020) | 1 | JPY 33,189 million (Equivalent to USD 300 Million) |
| 1 | USD 1 Billion(SBI-HK) | 1 | USD 750 Million (Bonds Feb2021) | 1 | USD 750 Million |
| 1 | USD 2 Billion(SBI-HK) | 1 | USD 1 Billion(SBI-HK) | 1 | USD 1 Billion |
| 1 | JPY 35,400.63 Million (Equivalent to USD 325 Million) | 1 | USD 2 Billion(SBI-HK) | 1 | USD 2 Billion |
| 1 | SYND GREEN FCL JPY EQ. USD 400M MAR22 | 1 | JPY 35,400.63 Million (Equivalent to USD 325 Million) | 1 | JPY 35,400.63 Million (Equivalent to USD 325 Million) |
| 1 | SYND GREEN FCL JPY EQ. USD 700M MAR22 | 1 | SYND GREEN FCL JPY EQ. USD 400M MAR22 | 1 | SYND GREEN FCL JPY EQ. USD 400M MAR22 |
| | | 1 | SYND GREEN FCL JPY EQ. USD 700M MAR22 | 1 | SYND GREEN FCL JPY EQ. USD 700M MAR22 |
| | | | | 1 | JPY 26,231.25 Million (Equivalent to USD 250 Million) |

* Back to back recovery of exchange rate variation from MOR.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

(B) Related Party Disclosure

| Irems/ Related Party | As at 31 st March 2024 | | | | | |
|----------------------|-----------------------------------|---------------------------------------|-----------|------------------------|----------------|--------------|
| | Key Management Personnel | Relatives of Key Management Personnel | Directors | Relatives of Directors | Related Party* | Total |
| Borrowings taken | - | - | - | - | - | - |
| Borrowings given | 3.39 | - | - | - | 49,643.65 | 49,643.65 |
| Advances given | - | - | - | - | 17,00,794.85 | 17,00,794.85 |
| Investments | - | - | - | - | 535.95 | 535.95 |
| Purchase of Assets | - | - | - | - | - | - |
| Sale of Assets | - | - | - | - | - | - |
| Lease Receivables | - | - | - | - | 25,96,906.00 | 25,96,906.00 |
| Lease Income | - | - | - | - | 1,78,207.52 | 1,78,207.52 |
| Interest Paid | - | - | - | - | - | - |
| Interest Received | 0.12 | - | - | - | 5,059.39 | 5,059.51 |

* Related Parties Includes MOR, RVNL and IRCON

| Irems/ Related Party | As at 31 st March 2023 | | | | | |
|----------------------|-----------------------------------|---------------------------------------|-----------|------------------------|----------------|--------------|
| | Key Management Personnel | Relatives of Key Management Personnel | Directors | Relatives of Directors | Related Party* | Total |
| Borrowings taken | - | - | - | - | - | - |
| Borrowings given | 1.87 | - | - | - | 59,569.54 | 59,571.41 |
| Advances given | - | - | - | - | 19,53,425.91 | 19,53,425.91 |
| Investments | - | - | - | - | 136.64 | 136.64 |
| Purchase of Assets | - | - | - | - | 3,30,084.45 | 3,30,084.45 |
| Sale of Assets | - | - | - | - | 9.21 | 9.21 |
| Lease Receivables | - | - | - | - | 24,33,568.70 | 24,33,568.70 |
| Lease Income | - | - | - | - | 1,61,741.33 | 1,61,741.33 |
| Interest Paid | - | - | - | - | 1,189.97 | 1,189.97 |
| Interest Received | 0.09 | - | - | - | 5,860.28 | 5,860.37 |

* Related Parties Includes MOR, RVNL and IRCON

| Irems/ Related Party | As at 31 st March 2022 | | | | | |
|----------------------|-----------------------------------|---------------------------------------|-----------|------------------------|----------------|--------------|
| | Key Management Personnel | Relatives of Key Management Personnel | Directors | Relatives of Directors | Related Party* | Total |
| Borrowings taken | - | - | - | - | - | - |
| Borrowings given | 2.22 | - | - | - | 68,522.14 | 68,524.36 |
| Advances given | - | - | - | - | 20,77,203.78 | 20,77,203.78 |
| Investments | - | - | - | - | 97.11 | 97.11 |
| Purchase of Assets | - | - | - | - | 5,85,827.33 | 5,85,827.33 |
| Sale of Assets | - | - | - | - | 0.14 | 0.14 |
| Lease Receivables | - | - | - | - | 20,06,924.99 | 20,06,924.99 |
| Lease Income | - | - | - | - | 1,30,035.96 | 1,30,035.96 |
| Interest Paid | - | - | - | - | 796.22 | 796.22 |
| Interest Received | 0.10 | - | - | - | 6,392.05 | 6,392.15 |

* Related Parties Includes MOR, RVNL and IRCON

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

(C) Disclosure of complaints

Investor complaints

| S. No | Rating Agencies | As at 31 March 2024 | As at 31 March 2023 | As at 01 April 2022 |
|-------|--|------------------------|------------------------|------------------------|
| (a) | No. of complaints pending at the beginning of the year | - | - | - |
| (b) | No. of complaints received during the year | 2,345 | 2,486 | 2,641 |
| (c) | No. of complaints redressed during the year | 2,345 | 2,486 | 2,641 |
| (d) | No. of complaints pending at the end of the year | - | - | - |

(D) Corporate governance

Refer Annexure-II of Corporate Governance.

(E) Breach of covenant

Company has not defaulted in making repayment of loans or borrowing or in the payment of interest thereon from a Financial Institution, Banks or dues to debenture holders/bond holders or government as at Balance Sheet date. Further there are no instances of breach of covenant of loan availed or debt securities issued.

(F) Divergence in Asset Classification and Provisioning

| S. No | Rating Agencies | As at 31 March 2024 | As at 31 March 2023 |
|-------|---|------------------------|------------------------|
| 1 | Gross NPAs as reported by the NBFC | - | - |
| 2 | Gross NPAs as assessed by the Reserve Bank of India | - | - |
| 3 | Divergence in Gross NPAs (2-1) | - | - |
| 4 | Net NPAs as reported by the NBFC | - | - |
| 5 | Net NPAs as assessed by Reserve Bank of India | - | - |
| 6 | Divergence in Net NPAs (5-4) | - | - |
| 7 | Provisions for NPAs as reported by the NBFC | - | - |
| 8 | Provisions for NPAs as assessed by Reserve Bank of India | - | - |
| 9 | Divergence in provisioning (8-7) | - | - |
| 10 | Reported Profit before tax and impairment loss on financial instruments | 64,081.76 | 61,642.47 |
| 11 | Reported Net Profit after Tax (PAT) | 64,121.04 | 61,671.56 |
| 12 | Adjusted (notional) Net Profit after Tax (PAT) after considering the divergence in provisioning | 64,121.04 | 61,671.56 |

Note 59: DISCLOSURES TO FINANCIAL STATEMENTS – NOTES TO ACCOUNTS OF NBFCs ANNEX-X AS REQUIRED BY MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY –SCALE BASED REGULATION) DIRECTIONS, 2023), DOR.FIN.REC.NO.45/03.10.119/2023-24, DATED 19/10/2023

(a) Data on Pledged Securities

The Company does not have any pledged securities.

Notes to Financial Statements

as at and for year ended 31 March 2024

(All amounts in millions of ₹, unless stated otherwise)

Note 60: DISCLOSURES TO FINANCIAL STATEMENTS – NOTES TO ACCOUNTS OF NBFCS ANNEX-XI AS REQUIRED BY MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY –SCALE BASED REGULATION) DIRECTIONS, 2023), DOR.FIN.REC.NO.45/03.10.119/2023-24, DATED 19/10/2023

(a) Loans to Directors, Senior Officers and Relatives of Directors

The Company has not given any loan to directors, senior officers and relatives of directors.

Note 61: Applicability of approvals/acknowledgements previously given by the Reserve Bank of India

The Reserve Bank of India has issued Master Directions – Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023, DOR.FIN.REC.NO.45/03.10.119/2023-24, Dated 19/10/2023 (referred to as 'the new Directions'). With the issue of 'the new Directions', the instructions/ guidelines contained in various circulars/ Directions issued earlier by Reserve Bank of India stand repealed (list as provided in section XI of 'the new Directions').

However, all approvals/acknowledgements given under Circulars/Directions mentioned in the repealed list as provided in section XI of 'the new Directions' shall be deemed as given under 'the new Directions'. Notwithstanding such repeal, any action taken/ purported to have been taken or initiated under the instructions/guidelines having repealed shall continue to be guided by the provisions of said instructions/guidelines.

Note 62: Disclosure as per Ind AS 8 - 'Accounting Policies, Changes in Accounting Estimates and Errors'

Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Note 63:

- a) Previous year figures have been regrouped/ rearranged, whenever necessary, in order to make them comparable with those of the current year.

The accompanying statement of material accounting policies and notes to the financial information are an integral part of this Balance Sheet.

For **M/s. OP TOTLA & Co.**

Chartered Accountants
(FRN 000734C)

Sd/-
(CA Naveen Kumar Somani)
(Partner)
M.No. 429100
UDIN: 24429100BKADAP5200

Place: New Delhi
Date: 20th May 2024

**For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited**

Sd/-
(Vallabhshai Maneklal Patel)
Independent Director and
Chairman Audit Committee
DIN :07713055

Sd/-
(Vijay Babulal Shirode)
Company Secretary
& JGM (Law)
FCS: 6876

Sd/-
(Uma Ranade)
Chairman and
Managing Director,
(Addnl Charge), CEO
DIN: 10565537

Sd/-
(Sunil Kumar Goel)
CFO

Sd/-
(Shelly Verma)
Director (Finance)
DIN: 07935630

Independent Auditor's Report

To
The Members,
Indian Railway Finance Corporation Limited,

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the Standalone Ind AS Financial Statements of Indian Railway Finance Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2024 and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and the Statement of Cash Flows for the year then ended, and Notes to the Standalone Ind AS Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024 and the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our Audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We

believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

We draw attention to the following matters relevant to the standalone Ind AS financial statements:

1. Attention is drawn to Note No. 46(iv), wherein adjustment for prior period errors has been done due to incorrect classification of lease rentals between capital recovery and lease income in respect of lease of rolling stocks whose primary lease period has completed. As a result of this, the lease receivables and retained earnings as of April 1st, 2022 were each overstated by ₹6,202.79 Million and as at March 31st, 2023 by ₹7,901.36 Million. This error has been corrected and comparative figures of each affected line item of financial statements has been restated accordingly.
2. We draw attention to Note- 41(d) of the standalone Ind AS financial statements which depicts no fresh acquisition and leasing of rolling stock assets during the year ended 31st March, 2024.

Our opinion is not modified in respect of matters stated above.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS 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.

| Sr. No. | Key Audit Matters | Auditor's Response |
|---------|--|--|
| i) | <p>Lease Income and Lease Receivables</p> <p>The primary business of company involves financial leasing of rolling stock assets, railway infrastructure assets and national projects.</p> | <p>Principal audit procedures performed included the following:</p> <ul style="list-style-type: none"> • We have obtained an understanding of the processes and controls for finalization of lease terms and conditions and formulation of lease agreement. |

| Sr. No. | Key Audit Matters | Auditor's Response |
|---------|---|--|
| | <p>The company borrows funds from financial market and finances the acquisition/creation of railway assets and then lease out the same to Ministry of Railways (MoR) as finance lease. The lease period is typically for 30 years, comprising a primary period of 15 years followed by a secondary period of 15 years. As part of the lease, recovery of the principal component and interest is effected during the primary lease period and at the end of the lease period, assets are transferred to the MoR at a nominal price. The company adopts cost plus lease arrangement which ensures a net interest margin for company.</p> <p>We have identified assessment of lease income as a key audit matter because income from leased asset contributes a significant portion to the total income of the company.</p> | <ul style="list-style-type: none"> • We have examined the lease agreement for determination of identifiable assets, lease term, internal rate of return, moratorium periods etc. • We have verified the measurement and recognition of lease rentals into lease income and lease receivables in the statement of profit and loss and balance sheet. • We have reviewed the measurement and recognition of various other expenses related to borrowed funds recovered/paid from/to MoR and adjusted with the lease income. • We have reviewed the adequacy of disclosures with respect to lease income and lease receivable assets in the financial statements. <p>Our audit procedure did not identify any significant material exception other than Para 1 of Emphasis of Matter.</p> |

Information Other than the Standalone Ind AS Financial Statements and Auditor's Report thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the Directors' report, Corporate Governance report, Business responsibility report and Management Discussion and Analysis etc. in the Annual report but does not include the standalone Ind AS financial statements and our report thereon. Such other information is expected to be made available to us after the date of this Auditor's Report.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act")

with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act read with relevant rules, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the 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.
- 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 Ind AS 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatement in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the 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 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 standalone Ind AS 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.

Other Matters

1. Reconciliation & Balance Confirmation from Ministry of Railway (MoR) has been completed upto Financial (FY) 2022-23 and effect of such reconciliation has been accounted for in Financial Year 2023-24. Reconciliation of account of MoR for FY 2023-24 is to be completed.
2. The comparative financial information of the Company for the year ended 31st March, 2023 included in these standalone Ind AS financial statements, are based on the standalone Ind AS financial statements for the year ended 31st March, 2023 audited by predecessor auditor, KBDS & Co. Chartered Accountants, whose report for the year ended 31st March, 2023 dated 25th May, 2023 expressed

unmodified opinion on those standalone Ind AS financial statements. Reliance has been placed by us on the said standalone Ind AS financial statements and the report issued thereupon.

Our opinion is not modified in respect of these matters.

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 Section 143(11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "**Annexure – A**" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. On the basis of information and explanations given to us by the company we are enclosing our report in "**Annexure – B**" on the directions/ sub-directions issued by Comptroller and Auditor General of India in terms of Section 143(5) of the Act.
3. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the statement of changes in equity and the statement of cash flow dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules.
 - e) In terms of Notification no. G.S.R. 463 (E) dated 05th June, 2015 issued by the Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualifications of the Directors are not applicable, as 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 as referred in "**Annexure – C**" of Audit Report.
 - g) Pursuant to Notification no. G.S.R. 463 (E) dated 5th June, 2015 issued by the Ministry of Corporate Affairs, provisions of section 197 of the Act regarding managerial remuneration are not applicable, as it is a Government Company.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Disclosure Note 34 to the standalone Ind AS financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 38 to the standalone Ind AS 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-Refer Disclosure Note 47(b) to the standalone Ind AS financial statements;
 - iv.
 - a) The Company has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 Company has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("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 such audit procedures that we have 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 (a) and (b) contain any material mis-statement.
- v. Regarding dividend declared or paid by the company during the year;
 - a) The final dividend proposed in the previous year, declared and paid by the Company during the year is compliance with Section 123 of the Act, as applicable.
 - b) The interim dividend declared and paid by the Company during the year is in compliance with Section 123 of the Act.
 - c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General

Meeting. The amount of dividend proposed is in compliance with section 123 of the Act, as applicable.

- vi. Based on our examination, which includes test checks, the company has used accounting software Tally ERP for maintaining its books of account for the financial year ended 31st March 2024 which has a feature of recording audit trail (edit log) facility. The audit trail facility has been operating throughout the year for all transactions recorded in the software. During the course of our audit we did not come across any instance of audit trail feature being tampered with. Further the same has been preserved as per the statutory requirements.

For **O P Totla & Co.**
Chartered Accountants
FRN : 000734C

CA. Naveen Kumar Somani
Partner
M. No. : 429100
UDIN : 24429100BKADAP5200

Place : New Delhi
Date : 20th May, 2024

Annexure “A”

to the Independent Auditor’s Report on the Financial Statements

(Referred to in Para 1 under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Indian Railway Finance Corporation Limited on the standalone Ind AS financial Statements for the year ended 31st March, 2024).

- i) a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- B. The company is maintaining proper records showing full particulars of Intangible Assets;
- b) The Company has a program of physical verification of Property, Plant and Equipment so as to cover all the assets in phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- 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 deed of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the company except the title deed of office building is yet to be executed in favor of the company.

Details of Office Premises are as below :

| Description of Property | Gross Carrying Value | Held in Name of | Whether Promotor, Director or their Relative or Employee | Period Held | Reason for not being held in Name of Company |
|--|-------------------------------------|---|--|----------------------|---|
| Office Building at NBCC Place including parking area | ₹112.32 Million (as per book value) | Occupied by IRFC Ltd. on the basis of Agreement to Sale under lease hold from NBCC Ltd. and MMTC Ltd. | No | Since April 11 2002. | Property held by NBCC Ltd. and MMTC Ltd. under leasehold agreement from DDA. Thereafter, DDA constructed building and given to IRFC Ltd. on lease basis under Agreement to Sale /Transfer. It will be transferred as and when it will be freehold in the hand of NBCC Ltd. & MMTC Ltd. |

- d) According to the information and explanation given to us, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both for the year ending 31st March, 2024.
- e) As informed to us, no proceeding has been initiated or is pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) a) The Company is a Non-Banking Finance Company and not in the business of any trading, manufacturing, mining or processing. Accordingly, it does not hold any inventory. Therefore, the provisions of paragraph 3 (ii)(a) of the Order are not applicable to the Company.
- b) According to the information and explanation given to us, for the year ended 31st March, 2024, the company has not been sanctioned working capital limits in excess of five crores rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Hence, there is no requirement of filling of quarterly returns or statements;
- iii) According to information and explanations given to us, during the year ended 31st March, 2024 the Company has made investments in, provided any granted or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year:
- a) The company is a registered NBFC with Reserve Bank of India with principal business of giving loans hence clause 3(iii)(a) of the Order is not applicable;

- b) 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 are, prima facie, not prejudicial to the company's interest;
- c) Being a registered Non-Banking Financial Company (NBFC), the company grants its loans on stipulated terms and conditions for repayment of principal and interest. In respect of Loan assets, the repayments of principal amounts and receipts of interest are generally regular as per stipulation.
- d) There is no overdue amount in respect of remaining outstanding amount as at the balance sheet date;
- e) No loan or advance, in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties;
- f) 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.
- iv) In our opinion and according to information & explanations given to us with respect to the provisions of Section 185 of the Act, the Company has not granted any loan or guarantee covered under Section 185. Further, in our opinion and according to information & explanations given to us, the Company, being a NBFC, is exempt from the provisions of Section 186 of the Act and the relevant rules in respect of loans and guarantees. In respect of the investments, the Company has complied with the provisions of section 186 (1) of the Act.
- v) According to the information and explanations given to us, the Company has not accepted any deposits from public to which the directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed thereunder are applicable.
- vi) Being an NBFC company, clause 3(vi) of the Order is not applicable regarding maintenance of cost records under Companies (Cost Records and Audit) Rules, 2014, prescribed by the Central Government under Section 148 of the Companies Act, 2013.

- vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed 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 other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities except the following:

| Name of the Statute | Nature of the Dues | Amount | Period to which the Amount Relates | Due Date | Date of Payment | Remark |
|---------------------|------------------------|----------------|------------------------------------|----------|-----------------|---|
| Income Tax Act | TDS Outstanding demand | ₹91.78 Million | FY 2020-2021 to FY 2023-2024 | - | - | As explained to us, on receipt of TDS and details from the Zonal office of Ministry of Railways, TDS returns shall be revised and demand will be reduced. |

- b) The details of statutory dues, which have not been deposited on account of any dispute are as follows:

| Nature of Dues | Name of Statute | Disputed Dues (Rs. In Million) | Disputed Dues Adjusted / Paid | Pending Amount | Period to which Demand Relates | Authority where Dispute is Pending | Remarks |
|----------------|-----------------|--------------------------------|-------------------------------|----------------|--------------------------------|------------------------------------|--|
| Income Tax | Income Tax Act | 2.14 | Nil | 2.14 | F.Y. 2021-22 | CIT Appeals | - |
| Income Tax | Income Tax Act | 9.48 | 9.48 | - | FY 2014-15 | Income Tax Department | Rectification application is Pending for disposal. Dues are adjusted against Refund of AY 2016-17. |
| Income Tax | Income Tax Act | 2,043.26 | 2,043.26 | - | FY 2018-19 | Income Tax Appellate Tribunal | Appeal is Pending for disposal. Dues are adjusted against Refund of AY 2020-21. |

| Nature of Dues | Name of Statute | Disputed Dues (Rs. In Million) | Disputed Dues Adjusted / Paid | Pending Amount | Period to which Demand Relates | Authority where Dispute is Pending | Remarks |
|--------------------------|---------------------------|--------------------------------|-------------------------------|----------------|--------------------------------|------------------------------------|--|
| GST, Interest & Penalty, | Goods And Service Tax Act | 2,370.35 | 170.90 | 2,199.45 | FY 2021-22 | Dy. Commissioner, State Tax | Refer Note 34(i) of financial statements |
| GST, Interest & Penalty, | Goods And Service Tax Act | 3,531.79 | 153.35 | 3,378.44 | FY 2020-21 | Honorable High Court | - |

- viii) As per Information and explanation given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix) a) In our opinion, and according to information and explanations given by the management, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
- b) According to the information and explanations given to us, the company is not declared willful defaulter by any bank or financial institution or other lender;
- c) According to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained;
- d) According to the information and explanations given to us, funds raised on short term basis have not been utilized for long term purposes;
- e) According to the information and explanations given to us, 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. Therefore, the provisions of paragraph 3 (ix) (e) are not applicable to the Company;
- f) According to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;
- x) According to the information and explanations given by the management and based on our audit procedures performed, we report that no money raised by way of Initial Public Offer (IPO) or Follow on Public Offer (FPO) (including debt instruments) during the year. Hence, Paras 3(x)(a) & 3(x)(b) of the CARO are not applicable;
- xi) a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the company or on the company has been noticed or reported during the year;
- b) There is no report which has been filed under sub-section (12) of section 143 of the Companies 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 by the management, the Company has not received whistle-blower complaints during the year;
- xii) According to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraphs (a) (b) & (c) of 3(xii) of the Order are not applicable;
- xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards;
- xiv) a) The Company has appointed a firm of Chartered Accountants to carry out the internal audit of the Company. In our opinion and according to the information and explanations given to us, the internal audit system is commensurate with the size and nature of its business.
- b) We have considered the internal audit reports for the year under audit, issued to the Company during the year till the reporting date.
- xv) According to the information and explanations given to us and based on audit procedures performed, the Company has not entered into any non-cash transactions with directors or persons connected with him which are covered under Section 192 of Companies Act.

- xvi) a) According to the information and explanations given to us, the Company is a Non-Banking Finance Company and is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the registration has been obtained;
- b) As per information and explanations available, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from Reserve Bank of India as per the Reserve Bank of India Act 1934;
- c) Since the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. So, Clause 16 (c) of is not applicable to the Company.
- d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii) According to the information and explanations given to us, company has not incurred cash losses in the year and in immediately preceding financial year.
- xviii) According to information and explanation given to us, there is no resignation of the Statutory Auditors during the year;
- xix) On the basis of financial ratios, ageing, expected date of realization of financial assets, payment of financial liabilities, other information accompanying the financial statements and considering the composition of board of directors and management plans, it may be concluded that no material uncertainty exists as on date of audit report that company is not capable of meeting is liability existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx) a) According to information and explanation given to us, in respect of other than ongoing projects, the company has transferred unspent amount, if any, to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;
- b) In respect of ongoing projects, the company has transferred unspent amount to a special account, within a period of thirty days from the end of the financial year in compliance with section 135(6) of the said Act.
- xxi) According to information and explanation given to us, there is no consolidated Financial Statements. Therefore, Para No 3(xx) of the CARO is not applicable.

For **O P Totla & Co.**
Chartered Accountants
FRN : 000734C

CA. Naveen Kumar Somani
Partner
M. No. : 429100
UDIN : 24429100BKADAP5200

Place : New Delhi
Date : 20th May, 2024

Annexure “B”

to the Independent Auditor’s Report on the Standalone Ind AS Financial Statements

(Referred to in Para 2 under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Indian Railway Finance Corporation Limited on the Standalone Ind AS Financial Statements for the year ended 31st March, 2024).

Direction under section 143(5) of the new Companies Act, 2013

| Sr. No. Particulars | Reply |
|---|---|
| 1) Whether the company has system in place to process all the accounting transactions through IT system? If Yes, the implication of processing of accounting transaction outside IT system on the integrity of the accounts along with the financial implication, if any, may be stated | The company has an IT system Tally ERP to process its accounting transactions. Based on the information and explanations given to us and on the basis of verification carried out by us during the course of audit, there is no implication of processing of accounting transaction outside IT system on the integrity of the accounts along with financial implication. |
| 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 ? | There is no restructuring of an existing loan or cases of waiver /write off of debts/loan/interest etc. made by a lender to the company due to the company’s inability to repay the loan. |
| 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. | No funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies during the year. Hence no matter of accounting and utilization of funds required. |

For **O P Totla & Co.**

Chartered Accountants

FRN : 000734C

CA. Naveen Kumar Somani

Partner

M. No. : 429100

UDIN : 24429100BKADAP5200

Place : New Delhi

Date : 20th May, 2024

Annexure “C”

to the Independent Auditor’s Report

(Referred to in Para 3(f) under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Indian Railway Finance Corporation Limited on the standalone Ind AS financial Statements for the year ended 31st March, 2024)

Report on the Internal Financial Controls with reference to Standalone Ind AS 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 over financial reporting of Indian Railway Finance Corporation Limited (“the company”) as of 31st March, 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 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note, to the extent applicable to an 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain

reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedure selected depend on the Auditor’s judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles.

A company’s internal financial control over financial reporting includes those policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 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 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 standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over

financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **O P Totla & Co.**

Chartered Accountants

FRN : 000734C

CA. Naveen Kumar Somani

Partner

M. No. : 429100

UDIN : 24429100BKADAP5200

Place : New Delhi

Date : 20th May, 2024

NON-BANKING FINANCIAL COMPANIES AUDITOR'S REPORT FOR THE YEAR ENDED 31st MARCH – 2024

The
Board of Directors,
Indian Railway Finance Corporation Limited,

We have audited the accompanying standalone financial statements of Indian Railway Finance Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss and the Statement of Cash Flows and the Statement of changes in equity for the year ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

As required by the "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016" issued by Reserve Bank of India (RBI) vide notification no. DNBS.PPD.03/66.15.001/2016-17 dated 29th September, 2016 on the matters specified in para 3(A) and 3(C) of Chapter-II of the said Directions to the extent applicable to the company and according to the information and explanations given to us for the purpose of audit, we report that:

1. The Company is engaged in the business of non-banking financial institution, having valid Certificate of Registration as an Infrastructure Finance Company issued by Reserve Bank of India vide No is B-14.00013 dated 22.11.2010.
2. The Company is entitled to continue to hold such registration in terms of its asset / income pattern as on 31.03.2024.
3. The Company is meeting the requirement of net owned funds applicable to an Infrastructure Finance Company as contained in Master Direction-Non Banking Financial Company-Systemically Important Non Deposit taking Company and deposit taking Company (Reserve Bank) Direction 2016.
4. According to the information and explanation given to us, the RBI Directions as to deposits are not applicable to the Company. Therefore, the Board of Directors of the Company has passed resolution for non-acceptance of any public deposits during the year 2023-24.
5. The Company has not accepted any public deposits during the financial year 2023-24.
6. For the Financial Year ending 31st March, 2024, the Company has complied with the Accounting Standards, Income recognition norms as per the RBI Master Directions on Non-Banking Financial Company – Systematically Important Non-Deposit taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 vide No. DNBR.008/03.10.119/2016-17 dated September 1st, 2016. Further, the Company has followed the Accounting Standards, Income Recognition, asset classification and provisioning for Bad and Doubtful Debts/ being a Government Non-Banking Financial Company as defined under clause (45) of Section 2 of the Companies Act, 2013 (18 of 2013) except the income recognition and assets classification (IRAC) norms, standard assets provisioning and exposure norms to Ministry of Railways, Government of India granted by RBI vide their letter no DNBR(PD) CO. No. 1271/03.10.001/2018-19 dated 21.12.2018.
7. As per the information and explanation given to us, the Statement of Capital Funds, Risk Assets/exposures and risk ratio (DNBS03 Return) has been filed by the Company for the quarter ended 31.03.2024 on the basis of the provisional financial results.

For **O P Totla & Co.**
Chartered Accountants
FRN : 000734C

CA. Naveen Kumar Somani
Partner
M. No. : 429100
UDIN :24429100BKADAQ3342

Place : New Delhi
Date : 20th May, 2024

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

The preparation of financial statements of **Indian Railway Finance Corporation Limited** for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) 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 Audit Report dated 20 May 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Indian Railway Finance Corporation 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 auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's report under Section 143(6) (b) of the Act.

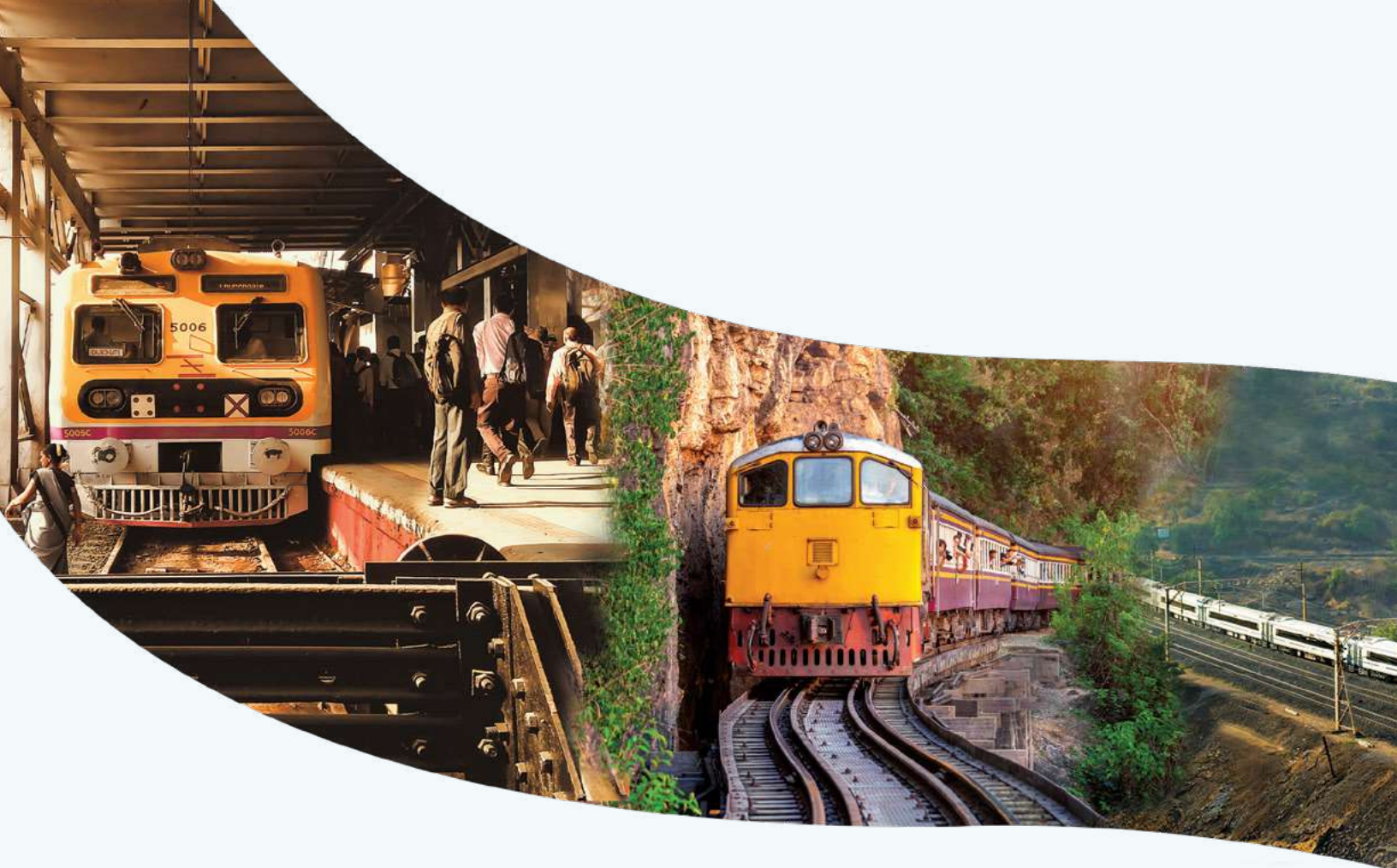
**For and on the behalf of the
Comptroller & Auditor General of India**

Sd/-

**Dr. Nilotpal Goswami
Director General of Audit
Railway Commercial, New Delhi**

Place: New Delhi

Date: 02.08.2024



**INDIAN
RAILWAY
FINANCE
CORPORATION**

Indian Railway Finance Corporation Limited

CIN – L65910DL1986GOI026363

Regd. Office: UG-Floor, East Tower, NBCC Place, Bhisham Pitamah Marg,
Pragati Vihar, Lodhi Road, New Delhi-110003

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