

The IL&FS Financial Centre  
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India

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Corporate Identification No - L65999MH1986PLC147981

August 9, 2022

The Manager  
The Listing Department  
National Stock Exchange Limited  
Exchange Plaza, 5<sup>th</sup> Floor , Plot No. C/1,  
G Block, Bandra-Kurla Complex, Bandra (E)  
**Mumbai 400 051**

The Manager  
The Listing Department  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
**Mumbai 400 023**

**NSE Symbol** : **IVC**  
**BSE Security Code** : **511208**  
**ISIN** : **INE050B01023**

**Re : Annual Report for the year ended March 31, 2022**

Dear Sir :

Pursuant to Regulation 34 of the SEBI LODR Regulations, 2015, we send herewith copy of the Annual Report of the Company for the year ended March 31, 2022

Kindly acknowledge receipt of the same

Thanking you,

Yours sincerely,

**Sanjay Mitra**  
**Company Secretary**

Encl: a/a

# Annual Report 2022



Private Equity

IL&FS Investment Managers Limited

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## CORPORATE INFORMATION

<b>BOARD OF DIRECTORS</b>	<b>Mr S M Datta</b> Chairman
	<b>Mr Chitranjan Singh Kahlon</b>
	<b>Mr Nand Kishore</b>
	<b>Mr Kaushik Modak</b>
	<b>Ms Priya Shetty</b>
	<b>Ms Lubna Usman</b>
<b>CHIEF EXECUTIVE OFFICER &amp; CHIEF FINANCIAL OFFICER</b>	<b>Mr Manoj Borkar</b>
<b>COMPANY SECRETARY</b>	<b>Mr Sanjay Mitra</b>
<b>BANKERS</b>	<b>HDFC Bank Limited</b>
<b>STATUTORY AUDITORS</b>	<b>KKC &amp; Associates LLP</b> (Formerly M/s Khimji Kunverji & Co. LLP) Chartered Accountants
<b>SECRETARIAL AUDITORS</b>	<b>M/s Mehta &amp; Mehta</b> Company Secretaries
<b>INTERNAL AUDITORS</b>	<b>M/s N A Shah Associates LLP</b> Chartered Accountants
<b>REGISTRARS &amp; SHARE TRANSFER AGENTS</b>	<b>Link Intime India Private Limited</b> C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, India Tel : + 91 22 4918 6270 Fax : +91 22 4918 6060
<b>REGISTERED OFFICE</b>	The IL&FS Financial Centre, Plot No C-22, G Block Bandra Kurla Complex, Bandra (East), Mumbai 400 051, India Tel : +91 22 2653 3333 Fax : +91 22 2653 3056
<b>CIN</b>	L65999MH1986PLC147981

# DIRECTORS' REPORT

## To The Shareholders of IL&FS Investment Managers Limited

Your Directors have pleasure in presenting for your consideration and approval the Thirty-Sixth Annual Report with the Audited Financials of the Company for the year ended March 31, 2022

### FINANCIAL ACHIEVEMENTS AND DIVIDEND

Particulars	For the year ended March 31, 2022 (₹ mn)	For the year ended March 31, 2021 (₹ mn)	For the year ended March 31, 2022 (₹ mn)	For the year ended March 31, 2021 (₹ mn)
	Standalone	Standalone	Consolidated	Consolidated
Total Income	243.45	140.48	574.24	586.25
Profit/(Loss) before Taxation	120.40	(44.15)	152.64	98.55
Provision for Taxation	(4.57)	(16.07)	21.48	2.79
Net Profit/(Loss) after Taxation	124.97	(28.08)	131.16	95.76
Total Comprehensive income/(loss) for the year	126.14	(25.18)	157.55	79.12

The Company does not propose to transfer any amount to the General Reserves

### DIVIDEND

Your Directors recommend a Dividend of ₹ 0.40 paise per share of the Face Value of ₹ 2/- each. The total amount of Dividend is ₹ 125.61 mn

### REVIEW OF OPERATIONS

2021 was a defining year for private equity industry which saw a significant growth in the number of deals and notable secondary transactions and IPOs. Secondary transactions led 60% of the exit value, anchored by a few marquee deals. Further, companies with PE backing accounted for at least five high-profile IPOs during the year in a major shift as the SEBI relaxed IPO norms. Retail investor appetite for tech-led scrips further drove record levels of oversubscription for these IPOs

Global headwinds since early 2022 are likely to affect the funding outlook for the rest of the year. Although investments in 2022 are expected to remain in a similar range as 2021 (driven by existing dry powder), the pace and quality of deals is likely to shift. A few emergent sectors, however, will continue to see interest

At IIML, the team has primarily focussed on divestments. The developments at the IL&FS Group has had a negative impact on IIML and its brand equity. They have significantly impinged on IIML's business plans for revenue growth. The newly constituted IL&FS Board has initiated the process to sell its holding in IIML. Revival of the business will depend on the outcome of the process

On the debt Fund side, IIML, through its subsidiary operates the Infrastructure Debt Fund (IDF). The IDF has closed ended schemes and AUM as of March 31, 2022 was ₹ 13.75 bn

IIML's joint venture with Government of Andhra Pradesh performed very well during the year which is reflected in a significant jump in their revenues. Notwithstanding the Covid related lockdowns, this joint venture managed to bag quite a few new contracts and is implementing a slew of projects in the State of Andhra Pradesh

On a consolidated basis, the Income from Operations of the Company for FY2022 was ₹ 416.54 mn and Other Income was ₹ 157.70 mn. Accordingly, the Total Income on a consolidated basis for FY2022 was ₹ 574.24 mn. The total expenses on consolidated basis were ₹ 421.12. The resultant Profit Before Tax and Exceptional Items on a consolidated basis for FY2022 was ₹ 153.12 mn

On a standalone basis, the Total Income of the Company for FY2022 was ₹ 243.45 mn and the Total Expenses for the year were ₹ 123.05 mn and the resultant Profit after Tax before other comprehensive income for FY2022 was ₹ 124.97 mn

### MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR

There have been no material changes and commitments affecting the financial position of the Company, which have occurred from the end of the financial year for the Company to which the financial statement relates and till the date of the Directors' Report

# DIRECTORS' REPORT

## SUBSIDIARIES AND JOINT VENTURES

Your Company has Six Domestic Subsidiaries viz. IL&FS Asian Infrastructure Managers Limited, IL&FS Urban Infrastructure Managers Limited, IIML Asset Advisors Limited, Andhra Pradesh Urban Infrastructure Asset Management Limited, IL&FS Infra Asset Management Limited and IL&FS AMC Trustee Limited and two Offshore Subsidiaries viz. IL&FS Investment Advisors LLC, Mauritius and IIML Fund Managers (Singapore) Pte Ltd, Singapore

Your Company also has two Joint Venture Companies viz. Standard Chartered IL&FS Management (Singapore) Pte Limited, Singapore and IL&FS Milestone Realty Advisors Private Limited

As per Section 129(3) of the Companies Act, 2013 and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI LODR] the consolidated financial statements of the Company with its Subsidiaries forms part of the Annual Report. The copies of the Audited Annual Accounts and other related documents of the Company's Subsidiaries can be sought by any shareholder of the Company or its Subsidiaries on making a written request to the Company Secretary in this regard. The Annual Accounts of the Subsidiary Companies are also available for inspection by any shareholder at the Company's Registered Office and are also uploaded on the company's website at [http://www.iimlindia.com/financials\\_Sub subsidiaryCompanies.aspx](http://www.iimlindia.com/financials_Sub subsidiaryCompanies.aspx)

A separate statement pursuant to Section 129(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 containing the salient features of the Financial Statements of the Company's Subsidiaries and Joint Ventures in Form AOC 1 is given as an Annexure to the Standalone Financial Statements

### Performance and Financial position of the Subsidiaries and the Joint Venture Companies :

#### IL&FS Asian Infrastructure Managers Limited and IIML Asset Advisors Limited :

The Board at its meeting held on February 14, 2022, has approved the Scheme of Amalgamation for the amalgamation of two of its wholly owned subsidiaries, namely : IL&FS Asian Infrastructure Managers Limited (IAIML) and IIML Asset Advisors Limited (IAAL) with the Company

IAIML was set up to manage the Pan Asia Project Development Fund, India (the Fund). The Fund, having a corpus of ₹ 1125 mn, invested across seven investments. Six of these investments have been divested and the balance one investment is partially divested. IAIML is working actively to fully divest from the residual investment of the Fund

The Total Income of IAIML for FY2022 was ₹ 2.31 mn. The Total Expenses of IAIML for the year were ₹ 0.25 mn and the resultant total comprehensive income was a profit of ₹ 1.55 mn

The Total Income of IAAL for FY2022 was ₹ 7.44 mn. The Total Expenses of IAAL for the year were ₹ 0.62 mn and the resultant total comprehensive income was a profit of ₹ 5.04 mn

The amalgamation will require the approval of the shareholders of the Company and National Company Law Tribunal (NCLT) and any other stakeholder as directed by NCLT. In addition to that, this amalgamation will also need to comply with the NCLT approved Infrastructure Leasing & Financial Services Limited (IL&FS) restructuring process applicable to IL & FS group Companies.

#### IL&FS Urban Infrastructure Managers Limited :

IL&FS Urban Infrastructure Managers Limited (IUIML) functions as the Asset Manager for the Pooled Municipal Debt Obligations (PMDO) Facility. The objective of the PMDO Facility is to provide long tenure term loans to meet the debt requirements of urban infrastructure projects across cities in India

On representation the consortium member lenders of the PMDO Facility have agreed to pay management fee(s) in relation to the NPA(s) accounts which will boost its revenues and help in sustaining its operations

The Total Income for FY2022 was ₹ 21.83 mn inclusive of Other Income of ₹ 1.61 mn. The Total Expenses of IUIML for the year were ₹ 38.96 mn and the resultant total comprehensive income was a loss of ₹ 17.51 mn

#### IL&FS Investment Advisors LLC :

IL&FS Investment Advisors LLC, Mauritius (IIAL) acts as the Investment Manager to Tara India Fund III LLC and Saffron India Real Estate Fund

The Total Income of IIAL for FY2022 was US\$ 0.22 mn. The Total Expenses of IIAL for the year were US\$ 0.31 mn and the resultant loss for the year was US\$ 0.089 mn

#### IIML Fund Managers (Singapore) Pte Ltd :

IIML Fund Managers (Singapore) Pte Ltd (IFMPL) was incorporated for the purposes of managing funds from Singapore. The Company surrendered its Capital Market Service License to the Monetary Authority of Singapore in FY2019

# DIRECTORS' REPORT

The Board has decided to exit the Company's investment in IIML Fund Managers (Singapore) Pte. Ltd, by means of either strike off/ voluntary winding up application to the Accounting and Corporate Regulatory Authority, Singapore (ACRA) after complying with the applicable regulatory requirements of Singapore and India. Application has been made to the Reserve Bank of India for closure of this entity. The process will be initiated after receipt of regulatory approvals

The Total Income of IFMPL for FY2022 was US\$ 0.003 mn. The Total Expenses of IFMPL for the year were US\$ 0.017 mn and the resultant loss for the year was US\$ 0.014 mn

## **Andhra Pradesh Urban Infrastructure Asset Management Limited :**

The Company has set up a subsidiary namely, 'Andhra Pradesh Urban Infrastructure Asset Management Limited' (APUIAML) along with the Government of Andhra Pradesh. IIML and the Government of Andhra Pradesh hold 51% : 49% equity stake, respectively in APUIAML

Andhra Pradesh Urban Development Fund had been created with the objective to finance the Urban Local Bodies in the State of Andhra Pradesh. APUIAML is also involved in integrated urban infrastructure project development and program management for the Urban Local Bodies and provide end to end solutions to them. The company is currently handling projects of around ₹ 114 bn

The Total Income for FY2022 was ₹ 243.42 mn inclusive of Other Income of ₹ 2.07 mn. The Total Expenses for the year were ₹ 127.77 mn and the resultant total comprehensive profit for the year was ₹ 89.23 mn

## **IL&FS Infra Asset Management Limited :**

IL&FS Infra Asset Management Limited (IIAML) is the asset manager of the IL&FS Mutual Fund which is an Infrastructure Debt Fund (IDF) as per SEBI Mutual Fund Regulations. Its AUM as of March 31, 2022 stands at ₹ 13.75 bn across 6 schemes

The Total Income for FY2022 was ₹ 153.43 mn and the total comprehensive income for the year was a profit of ₹ 70.58 mn

## **IL&FS AMC Trustee Limited :**

IL&FS AMC Trustee Limited (IATL) acts as the Trustee of the IDF. The Total Income for FY2022 was ₹ 1.55 mn and the total comprehensive income for the year was a profit of ₹ 0.79 mn

## **Standard Chartered IL&FS Management (Singapore) Pte Limited :**

Standard Chartered IL&FS Management (Singapore) Pte Limited (SCIMPL), is a 50:50 Joint Venture Company established with the Standard Chartered Bank to manage the Standard Chartered IL&FS Asia Infrastructure Growth Fund. The Fund has completed divestments from all its investments and the Fund is wound up. Applications have been made to the Reserve Bank of India for closure of this entity. The process will be initiated after receipt of regulatory approvals

## **IL&FS Milestone Realty Advisors Private Limited :**

IL&FS Milestone Realty Advisors Private Limited (IMRAPL), is a Joint Venture (JV) Company established with the objective of raising funds that would invest in income yielding assets. Since inception, the JV raised three funds and the Company has been able to successfully divest from all the investments of these three funds

The Total Income of IMRAPL for FY2022 was ₹ 0.63 mn. The Total Expenses of IMRAPL for the year were ₹ 1.91 mn and the resultant Loss after exceptional item & tax for the year was ₹ 1.20 mn

## **DIRECTORS & KEY MANAGERIAL PERSONNEL**

Ms Priya Shetty retires by rotation at the ensuing Annual General Meeting pursuant to the provisions of Section 149, Section 152 and Section 162 of the Companies Act, 2013

There have been no changes in the Directors and Key Managerial Personnel of the Company other than the above since the last report.

Pursuant to Section 203 of the Companies Act, 2013, the Company has designated Mr Manoj Borkar as the Chief Executive Officer & Chief Financial Officer and Mr Sanjay Mitra, Company Secretary as the Key Managerial Personnel of the Company

## **BOARD INDEPENDENCE**

The Company has received Declarations of Independence pursuant to Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) and Regulation 25(1) of the SEBI LODR from all the Independent Directors

## **NUMBER OF MEETINGS OF THE BOARD**

The Board of Directors met four times during the Financial Year ended March 31, 2022 and the gap between two meetings did not exceed 120 days. The meetings were held during the year on June 30, 2021, August 13, 2021, November 12, 2021 and February 14, 2022

# DIRECTORS' REPORT

The details of the composition of the Board Committees and attendance of the Directors at the Board meetings/Committee meetings are given in the Corporate Governance Report

## SELECTION CRITERIA FOR APPOINTMENT OF DIRECTORS

The Board has framed a selection criteria for determining the necessary qualifications and attributes for appointment of Directors and also to ensure Board diversity. The details of the same are provided in the Corporate Governance Report

## BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the LODR, the Board has carried out an annual performance evaluation of the Board and Committees thereof. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report

## DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013 :

- (a) in the preparation of the Annual Accounts for the year ended March 31, 2022, the applicable Accounting Standards have been followed along with proper explanations relating to material departures, if any;
- (b) that such accounting policies as mentioned in Note 2 of the Notes to the Annual Accounts have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of March 31, 2022 and of the Profit of the Company for the year ended on that date;
- (c) proper and sufficient care has been taken for the 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 and other irregularities;
- (d) that the Annual Accounts are prepared on a going concern basis;
- (e) that proper internal financial controls were in place and that the internal financial controls were adequate and were operating effectively; and
- (f) that proper systems were devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively

## RISK MANAGEMENT & INTERNAL CONTROL SYSTEMS

Risk Management forms an integral part of the business of the Company. The Company has a Risk Management Framework, which not only ensures timely identification of risks, analysis of the reasons for such risk, assessment of its impact but also adequate risk mitigation processes. The Risk Management Framework encompasses all areas of the Company's business including the Funds under its management. The Risk Management Framework ensures that all risks which could potentially threaten the existence of the Company are identified and risk mitigation is initiated in due time

The Company has an adequate system of internal controls including financial controls with reference to Financial Statements, commensurate with the nature of its business and complexity of its operations to ensure accuracy of accounting records, compliance with all laws and regulations and compliance with all rules, processes and guidelines prescribed by the management

An extensive internal audit is carried out by an independent firm of Chartered Accountants. Post audit reviews are also carried out to ensure follow up on the observations made. The scope of the internal audit is determined by the Audit Committee and the Internal Audit Reports are reviewed by the Audit Committee on a regular basis

## RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the Financial Year were on an arms' length basis and were in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. No new Material Related Party Transactions were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) of the Companies Act, 2013 in Form AOC 2 is not applicable. The disclosure of transactions with Related Parties is set out in Note No. 25 of the Standalone Financial Statements, forming part of the Annual Report

The Company has developed a Related Party Transactions Framework for the purpose of identification and approval of such transactions. The Policy on Related Party Transactions as approved by the Board has been uploaded on the Company's website and is available at the link <http://www.iimlindia.com/Policies.aspx>



# DIRECTORS' REPORT

## **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Details of the Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in Note No. 6 of the Standalone Financial Statements

## **PARTICULARS OF EMPLOYEES**

The particulars of the employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Directors' Report for the year ended March 31, 2022 and are annexed as Annexure 1 and Annexure 2, respectively

## **REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The remuneration paid to the Directors and the Senior Management is as per the Managerial Remuneration Policy of the Company. The Management Remuneration Policy is posted on the company's website at <http://www.iimlindia.com/Policies.aspx> and the brief details thereof are given in the Corporate Governance Report

## **POLICY FOR PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

The Company has always been committed to provide a safe and dignified work environment for its employees which is free of discrimination, intimidation and abuse. The Company has adopted a Policy for Prevention of Sexual Harassment of Women at Workplace under the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The objective of this policy is to provide protection against sexual harassment of women at workplace and for redressal of complaints of any such harassment. The IL&FS group has also constituted an Internal Complaints Committee (ICC) for all the group companies to redress the complaints under the Act. During the year, no complaints pertaining to the Company were received by the ICC

## **STATUTORY AUDITORS**

M/s. KKC & Associates LLP (Formerly Khimji Kunverji & Co. LLP) were appointed as the Statutory Auditors of the Company at the 33rd Annual General Meeting of the Company held on September 30, 2019, for a term of five years from the conclusion of the 33rd Annual General Meeting upto the conclusion of the 38th Annual General Meeting

M/s. KKC & Associates LLP (Formerly Khimji Kunverji & Co. LLP) have confirmed that their appointment continues to satisfy the criteria specified in Section 141 of the Companies Act, 2013 and Regulation 33 of SEBI LODR

## **SECRETARIAL AUDIT**

The Company has appointed M/s Mehta & Mehta, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report for the Financial Year ended March 31, 2022 is annexed herewith as an Annexure 3(I)

According to Regulation 24A of the SEBI LODR every listed entity and its material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex with its annual report, a secretarial audit report, given by a company secretary in practice, in such form as may be specified. Accordingly, Secretarial Audit reports of Andhra Pradesh Urban Infrastructure Asset Management Limited and IL&FS Infra Asset Management Limited are attached as Annexure 3(II) and 3(III), respectively

## **QUALIFICATIONS IN THE AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT AND ITS EXPLANATIONS**

The Statutory Auditors M/s. KKC & Associates LLP (Formerly Khimji Kunverji & Co. LLP) have qualified the Standalone and Consolidated Financials of the Company in their Statutory Audit Report. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review

Further, the Secretarial Auditor, M/s Mehta & Mehta, Company Secretaries in Practice have made observations in the Secretarial Audit Report

The explanations or comments by the Board on the Statutory Audit qualifications and Secretarial Audit observations pursuant to Section 134(3)(f) of the Companies Act and SEBI LODR are as follows :

### **Statutory Auditor's qualification and its explanation :**

#### **On Standalone Financials :**

##### **Qualification 1 :**

In view of the ongoing investigation by Serious Fraud Investigation Office of Ministry of Corporate Affairs (SFIO) against Infrastructure Leasing & Financial Services Limited ('IL&FS' or 'the Holding Company'), and its subsidiaries (including the Company) and reopening

# DIRECTORS' REPORT

of accounts of the Holding Company and two fellow subsidiaries by the NCLT, the Auditors are unable to comment on the consequential impact(s) upon conclusion of the said investigation and re-opening of the books of account on these standalone annual financial results

Explanation 1 :

The Company, based on its current understanding, believes that the above would not have a material impact on the financial results, the implications, if any, arising from the aforesaid developments would be known only after the aforesaid matters are concluded and hence are not determinable at this stage

## **On Consolidated Financials :**

Qualification 1 :

In view of the ongoing investigation by Serious Fraud Investigation Office of Ministry of Corporate Affairs (SFIO) against Infrastructure Leasing & Financial Services Limited ('IL&FS' or 'the Holding Company'), and its subsidiaries (including the Company) and reopening of accounts of the Holding Company and two fellow subsidiaries by the NCLT, the Auditors are unable to comment on the consequential impact(s) upon conclusion of the said investigation and re-opening of the books of account on these consolidated annual financial results

Explanation 1 :

The Company, based on its current understanding, believes that the above would not have a material impact on the financial results, the implications, if any, arising from the aforesaid developments would be known only after the aforesaid matters are concluded and hence are not determinable at this stage

## **Secretarial Auditors' observation and its explanation :**

### **Observations :**

- (1) No meeting of the Nomination and Remuneration Committee was conducted during the financial year under review as required under Regulation 19 (3A) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the said default is waived by the NCLT order 3638/2018 dated April 26, 2019
- (2) Independent Directors have not been appointed on the Board of Directors of Unlisted Material Subsidiary as required under Regulation 24(1) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. The default with respect to the appointment of the Independent Director is waived by the NCLT order No 3638/2018 dated April 26, 2019

Explanations : As confirmed by the Secretarial Auditors the default in respect of Observation (1) and (2) is waived by the National Company Law Tribunal (NCLT) order 3638/2018 dated April 26, 2019

## **INCREASE IN SHARE CAPITAL**

No new shares were allotted during the year and there has been no change in the share capital of the Company

## **SECRETARIAL STANDARDS**

The Directors state that applicable Secretarial Standards have been duly followed by the Company during the year

## **CORPORATE GOVERNANCE**

Pursuant to Regulation 34(3) and 53(f) of the SEBI LODR, Related Party Disclosures, Management Discussion and Analysis, Disclosure of Accounting treatment, Report on Corporate Governance have been included in this Annual Report as separate sections. The Certificate on Compliance with the Corporate Governance requirement from M/s. Mehta & Mehta, Practicing Company Secretaries is annexed to the Corporate Governance Report

## **CORPORATE SOCIAL RESPONSIBILITY**

The Company has adopted a Corporate Social Responsibility (CSR) Policy, which aims at nurturing socio-economic development, livelihood creation, quality education, empowerment of people, etc. with the primary goal of ensuring that benefits reach the targeted beneficiaries.

The Annual Plan for CSR is approved at the start of each financial year. Reviews and/or modifications to the projects and allocations are undertaken periodically. The CSR Policy is posted on the Company's website at the link <http://iimlindia.com/Policies.aspx>

The Composition of the CSR Committee is given in the Corporate Governance Report. The Annual Report on the CSR activities is annexed herewith as Annexure 4

## **WHISTLE BLOWER POLICY/VIGIL MECHANISM**

The Company has adopted a Whistle Blower Policy/Vigil Mechanism for Employees and Directors to report instances of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. During the year, no personnel has been denied access to the Audit Committee

# DIRECTORS' REPORT

The details of the Whistle Blower/Vigil Mechanism Policy is explained in the Corporate Governance Report and also posted on the Company's website at the link <http://iimlindia.com/Policies.aspx>

## DEPOSITS

Your Company has not accepted any deposits from the public for the year under consideration

## ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Since the Company does not own any manufacturing facility, the Energy Conservation and Technology Absorption particulars in the Companies (Accounts) Rules, 2014, are not applicable

The particulars regarding foreign earnings and expenditure appear as Note Nos. 20(c) and 20(d) of the Notes to Accounts of the Standalone Financial Statements respectively

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows is as follows :

	USD	INR
Outflow	448	33,985
Inflow	23,44,400	176,144,425

## COST RECORDS

Maintenance of cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 are not required to be maintained by the Company and accordingly such accounts and records are not maintained for FY 2021-22

## ANNUAL RETURN

Pursuant to Section 92 (3) read with Section 134 (3) (a) of the Act, the Annual return as on March 31, 2022 is available on the Company's website at [https://www.iimlindia.com/annual\\_reports.aspx](https://www.iimlindia.com/annual_reports.aspx)

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

NCLT passed an Order on October 1, 2018 under the provisions of Sections 241 and 242 of the Companies Act, 2013 for suspending the existing Board of Directors of IL&FS, the Holding Company and new members were inducted on the Board of IL&FS

The NCLT based on a petition by IL&FS vide its Order dated April 26, 2019, granted its exemption to IL&FS and its Group Companies from appointing Independent Directors and Woman Directors on the Board of IL&FS and its Group Companies

The NCLT by an Order passed on February 11, 2019 has categorized '169 IL&FS Group Entities' incorporated within the territorial jurisdiction of India into (a) "Green Entities" (b) "Amber Entities" (c) "Red Entities". Our Company and its subsidiaries have been categorised as Green Entities - meaning one which can continue to meet all its payment obligation (both financial and operational) as and when they become due

## ACKNOWLEDGEMENT

The Board of Directors take this opportunity to thank the Investors of the Funds under management, shareholders, employees, bankers, Reserve Bank of India, Securities and Exchange Board of India, other Regulatory authorities for their co-operation and continued support to the Company. We look forward to their continued patronage and encouragement in all our future endeavours

For and on behalf of the Board

**S M DATTA**  
Chairman

Place : Mumbai  
Date : May 30, 2022

## Annexure 1 to the Directors' Report

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 :

Sr. No.	Requirements	Disclosure	
(1)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Managing Director (MD)	NA
		Whole-time Director (WTD)	NA
(2)	The percentage increase in remuneration of each Director, Chief Financial Officer (CFO), Chief Executive Officer (CEO), Company Secretary in the financial year	Managing Director	--
		CEO & CFO	(15.20%)
		CS	(22.32%)
(3)	The percentage increase in the median remuneration of employees in the financial year	4.75%	
(4)	The number of permanent employees on the rolls of the Company	23	
(5)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	% increase in remuneration other than MD & WTD	(18.69%)
		% increase in remuneration of MD & WTD	Nil
(6)	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed	

Note :

- (1) Sitting fees and Commission paid to the Non-Executive Directors are not considered for the purpose of the above disclosure
- (2) The salary cost does not include leave encashment paid
- (3) Policy with Life Insurance Corporation of India has been taken to cover the liability of payment of Gratuity to employees. The gratuity including differential payment on account of salary revision is excluded in calculating above details

For and on behalf of the Board

**S M DATTA**  
Chairman

Place : Mumbai

Date : May 30, 2022

## Annexure 2 to the Directors' Report

Information as per Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the Financial Year 2021-22

SL	Name	Age (Yrs)	Designation	Remuneration Received (₹)	Qualification	Experience (Yrs)	Date of Commencement of employment	Last Employed
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

Employees employed throughout the Financial Year and in receipt of remuneration of not less than ₹ 1,02,00,000 for the Financial Year 2021-22

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Employed for part of the year and in receipt of remuneration of not less than ₹ 8,50,000/- p.m. for the Financial Year 2021-22

Employees employed throughout the Financial Year and in receipt of remuneration

1	Manoj Borkar	57	CEO & CFO	92,64,002	B.Com, FCA	34	01.04.2000	Infrastructure Leasing & Financial Services Limited
2	Sanjay Mitra	49	COO & CS	83,86,629	M.Com, ACS, ICWA, Cost Accountant	24	01.05.2001	Larsen & Toubro Limited
3	Harshad Kachhara	42	Vice President	59,83,086	B.Com, ACA	18	20.08.2007	GE Capital Services Limited
4	Kamalesh Sarangi	50	Senior Vice President	80,97,866	PGDM (Finance and Marketing) BE	26	19-06-2006	ICICI Bank Ltd.
5	Swapneel Desai	40	Senior Manager	24,63,299	MMS, BSc	12	01-04-2019	IIML Asset Advisors Limited
6	Nitin Igave	46	Manager	21,91,209	B.Com	25	22-06-2005	Cygsoft Limited
7	Meher Bharucha	44	Asst Vice President	36,62,142	LL.B	20	01-10-2007	TATA AIG General Insurance Co Ltd
8	Arvind Iyengar	43	Senior Manager	26,92,307	BE (Mechanical), MBA (Industrial Management)	22	28-03-2008	Reliance Energy Limited
9	Annie Luis	58	Manager	28,04,935	MBA, BA	35	01-07-2010	Infrastructure Leasing & Financial Services Limited
10	Avanish Bangera	57	Sr. Manager	24,25,357	LL.B., MBA (Finance), B. Com	38	02-05-2008	IL&FS Trust Company Limited

Note :

- (1) All employees are in the permanent employment of the Company
- (2) None of the employees is a relative of any Director or Manager of the Company
- (3) Remuneration includes Salary, Company's contribution to Provident Fund and Superannuation Fund, Performance Related Pay, House Rent Allowance, Other Allowances, Medical Allowance, Incentive, Leave Travel Assistance, Leave Encashment paid and other perquisites as valued for Income Tax Rules, 1962
- (4) Policy with Life Insurance Corporation of India has been taken to cover the liability of payment of Gratuity to employees. The same is excluded in table above
- (5) None of the employees holds by himself/herself or along with his/her spouse and dependent children hold not more than two percent of the equity shares of the Company

For and on behalf of the Board

Place : Mumbai  
Date : May 30, 2022

**S M DATTA**  
Chairman

# Annexure 3(I) to the Directors' Report

## FORM MR-3

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

{Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,

The Members,

**IL&FS Investment Managers Limited,**

The IL&FS Financial Centre, 1st Floor,

Plot No. C - 22, G Block,

Bandra Kurla Complex,

Bandra (East), Mumbai - 400051.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IL&FS Investment Managers Limited (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct I statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, complied with the statutory provisions listed here under and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (during the period under review not applicable to the Company);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (during the period under review not applicable to the Company);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (during the period under review not applicable to the Company);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (during the period under review not applicable to the Company);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (during the period under review not applicable to the Company);
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (during the period under review not applicable to the Company);
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (during the period under review not applicable to the Company);

## Annexure 3(I) to the Directors' Report

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of Act, Rules, Regulations, Guidelines, Standards, etc mentioned above except for the below mentioned observations:

1. No meeting of the Nomination and Remuneration Committee was conducted during the financial year under review as required under Regulation 19 (3A) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the said default is waived by the NCLT order 3638/2018 dated April 26, 2019.
2. Independent Directors have not been appointed on the Board of Directors of Unlisted Material Subsidiary as required under Regulation 24(1) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. The default with respect to the appointment of the Independent Director is waived by the NCLT order No 3638/2018 dated April 26, 2019.

We further report that:

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

Adequate notices are given to all Directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

1. The Board of Director of the Company at their meeting held on June 30, 2021 declared a final dividend of INR 30 paise per equity share of face value of ₹ 2 each;

**For Mehta & Mehta,**  
Company Secretaries  
(ICSI Unique Code P1996MH007500)

Atul Mehta  
Partner  
FCS No: 5782  
CP No: 2486

Place: Mumbai

Date: May 30, 2022

UDIN: F005782D000423881

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 3(l) to the Directors' Report

### Annexure A

To,

The Members,

**IL&FS Investment Managers Limited,**

The IL&FS Financial Centre, 1st Floor,  
Plot No. C - 22, G Block,  
Bandra Kurla Complex,  
Bandra (East), Mumbai - 400051.

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

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred in Secretarial Audit Report in Form MR-3, the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
- 7) 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 Mehta &Mehta,  
Company Secretaries  
(ICSI Unique Code P1996MH007500)

Atul Mehta  
Partner  
FCS No: 5782  
CP No: 2486

Place: Mumbai

Date: May 30, 2022

UDIN: F005782D000423881



# Annexure 3(II) to the Directors' Report

## FORM MR-3

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

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

To,  
The Members,

**Andhra Pradesh Urban Infrastructure Asset Management Limited**

**CIN: U65999AP2016PLC103663**

D.No: 4TH FLOOR, NTR ADMINISTRATIVE BLOCK,  
RTC HOUSE PANDIT NEHRU BUS STATION,  
VIJAYAWADA, KRISHNA AP 520013

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Andhra Pradesh Urban Infrastructure Asset Management Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my Opinion thereon.

Based on my/our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31st March 2022, 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:

I/we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to 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') :-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Other applicable laws like:
  - (a) The Payment of Wages Act, 1936;
  - (b) The Minimum Wages Act, 1948;
  - (c) Employees' state insurance Act, 1948;
  - (d) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
  - (e) Airport Authority of India (Amendments) Act, 2003;
  - (f) The payment of bonus act, 1965;
  - (g) The payment of gratuity act, 1972;
  - (h) The contract labour (Prohibition & Regulation) act, 1970;

## Annexure 3(II) to the Directors' Report

- (i) The maternity benefit act, 1961;
- (j) The child labour (prohibition & regulation) Act, 1986;
- (k) The industrial employment (standing order) Act, 1946
- (l) The employees' compensation act, 1923;
- (m) Equal remuneration act, 1923;
- (n) And other applicable commercial and statutory and regulatory laws

I/we have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with regard to meeting of board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with BSE LIMITED and National Stock Exchange of India Limited (NSE), if applicable; the company was not listed thus Not applicable.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations under companies act, 2013 and Amendments there of:

Note: Please report specific non compliances / observations / audit qualification, reservation or adverse remarks in respect of the above para wise.

I/we further report that: -

- The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions of the Board and Committees thereof were carried with requisite majority.
- Majority decisions is carried through and recorded as part of the minutes. Observations or comments of the members of the board were appropriately recorded in the minutes.
- As per sub section 4 of the section 149 of the companies act, 2013 read with sub rules (1) of rule 4 of the companies (appointment and qualifications of directors) rules, 2014, every public company having a paid-up share capital of ₹ 10 crores or more; or turnover of Rs 100 crores or more; or having in aggregate outstanding loans, debentures and deposit exceeding ₹ 50 crores shall have at least minimum two independent directors in the term of section 177 of the companies act, 2013 the audit committee shall consist of minimum three directors (with independent directors forming a majority). However, the company has partly complied with the provisions of section 149 and the section 177 in respect of the appointment of independent directors forming a majority respectively. We have been intimated that the second independent directors and is in the process of appointing him and reconstitute the committees. Was further directed that the best of efforts should be made to appoint more independent and women director in each company, so as not deprive of their participation in the board. We have also been provided the documentary proof as judgement debtor that the Mumbai bench of national company law tribunal in the matter of Union Of India, Ministries Of Corporate Affairs Vs Infrastructure Leasing & Financial Services Limited & Othrs., in MA 1054 of 2019 in CP.NO. 3638/2018 vide its order dated on 26/04/2019, in exercise of powers under section 242 (2) (4), granted dispensation regarding the appointment of independent directors and women directors to Infrastructure Leasing & Financial Services Limited (the ultimate holding company of this company) and IL&FS group companies

I/we further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Note: Please report specific observations / qualification, reservation or adverse remarks in respect of the Board Structures/system and processes relating to the Audit period.

Place: VIJAYAWADA

CS. HEMACHAND KODE

Date: 26-05-2022

COMPANY SECRETARY IN PRACTICE  
ACS: 35463  
CPNO: 13416

## Annexure 3(II) to the Directors' Report

This report is to be read with Annexure A which forms an integral part of this report.

### Annexure A

To,  
The Members,  
**Andhra Pradesh Urban Infrastructure Asset Management Limited.**

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit on Andhra Pradesh Urban Infrastructure Asset Management Limited Annual Report 2021-22
2. We have followed the audit practices and process 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 process 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 the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : VIJAYAWADA  
Date : 26 - 05 - 2022

CS KODE HEMACHAND  
Company Secretary  
Mem. No. 35463  
CP No. 13416

# Annexure 3(III) to the Directors' Report

FORM NO. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

[Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**IL&FS Infra Asset Management Limited,**  
The IL&FS Financial Centre, 8th Floor,  
Plot C-22, G Block, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051

I have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to the good corporate practices by **IL&FS Infra Asset Management Limited (CIN: U65191MH2013PLC239438)** (hereinafter called “**the Company**”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verifications of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 (hereinafter called the ‘**Audit Period**’), complied with the statutory provisions listed here under 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: **Not Applicable to the Company during the Audit Period**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: - **Not Applicable to the Company during the Audit Period**
  - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009: - **Not Applicable to the Company during the Audit Period**
  - iv. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999:- **Not Applicable to the Company during the Audit Period**
  - v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: - **Not Applicable to the Company during the Audit Period**
  - vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client: - **Not Applicable to the Company during the Audit Period**
  - vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and - **Not Applicable to the Company during the Audit Period**
  - viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not Applicable to the Company during the Audit Period**

## Annexure 3(III) to the Directors' Report

- (vi) The Company has identified the following laws and regulations as specifically applicable to the Company:
- The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
  - The Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012 – The Company is yet to commence the business of Alternative Investments Funds
- (vii) I have also examined compliances with the applicable clauses of the following:
- Secretarial Standards issued by the Institute of Company Secretaries of India.
  - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

I further report that

- The Board of Directors of the Company was duly constituted during the year with the proper balance of Executive, Non-Executive and Independent Directors. For a public limited company it is mandatory to have minimum 3 Directors. To this extent the Company was compliant with the said provision. There were no changes in the composition of the Board of Directors that took place during the period under review and they were carried out in compliance with the provisions of the Act. The remunerations details paid to the Directors and the KMP's have been properly disclosed.
- Pursuant to para VII (1) of Schedule IV to the Act, the Independent Directors are required to hold at least one meeting without the attendance of Non-Independent Directors and members of management. The process and provisions were duly complied
- During the period under review, following changes took place in the Key Managerial Personnel viz. Company Secretary and Chief Financial Officer.

**Ms. Payal Bhimrajka**, resigned as the Company Secretary of the company with effect from 30th April, 2021. As per Section 203(4) of the Companies Act, 2013, the position of the Company Secretary shall be filled up by the Board within a period of six months from the date of the vacancy and hence **Ms. Payal Bhimrajka**, was appointed on 27th October, 2021 as the Company Secretary of the Company to fill up the vacancy. The Company is in Compliance with the above requirement within the stipulated time. On 04th February, 2022, **Ms. Payal Bhimrajka**, resigned as the Company Secretary of the Company

**Mr. Jignesh Ramesh Shah** resigned as Chief Financial Officer of the Company with effect from 20th July, 2021. As per Section 203(4) of the Companies Act, 2013, the position of the Chief Financial Officer shall be filled up by the Board within a period of six months from the date of the vacancy and hence **Ms. Suchita Prashant Shah**, was appointed with effect from 18th January, 2022 as the Chief Financial Officer of the Company to fill up the vacancy. The Company is in Compliance with the above requirement within the stipulated time.

**Ms. Suchita Prashant Shah** resigned as Chief Financial Officer of the Company with effect from 30th March, 2022. As per Section 203(4) of the Companies Act, 2013, the position of the Chief Financial Officer shall be filled up by the Board within a period of six months from the date of the vacancy. The Company is in process of Compliance with the above requirement.

- Adequate notices were given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance for meetings, and a system exist for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at the Board Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.
- The Company has obtained the approval of the shareholders at the Annual General Meeting held on 20th July, 2021 in respect of the following matters:
  - Approving of excess remuneration of Mr. Jignesh Ramesh Shah, Managing Director and Chief Executive Officer of the Company for the period from 1st April, 2020 to 31st March, 2021 (by special resolution)

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**Nupur Mimani**  
**Practicing Company Secretary**  
ACS No. 37847  
CP No. 16805  
UDIN: A037847D000150454

Place : Kolkata  
Date : 18<sup>th</sup> April, 2022

Note: This report is to be read with my letter of even date which is annexed as 'Annexure-A' and forms an integral part of this report.

## Annexure 3(III) to the Directors' Report

### Annexure A

To,  
The Members,  
**IL&FS Infra Asset Management Limited,**  
The IL&FS Financial Centre, 8th Floor,  
Plot C-22, G Block, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.
4. Wherever required, I have obtained Management Representation about the compliance 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. My examination was limited to the verification of procedures on a 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.

**Nupur Mimani**  
**Practicing Company Secretary**  
ACS No. 37847  
CP No. 16805  
UDIN: A037847D000150454

Place : Kolkata  
Date : 18<sup>th</sup> April, 2022

## Annexure 4 to the Directors' Report

### Format for the Annual Report on CSR Activities to be included in the Board's Report

**(1) A brief outline of the Company's CSR Policy :**

The Company has adopted a Corporate Social Responsibility (CSR) Policy, which aims at nurturing socio-economic development, livelihood creation, quality education, empowerment of people, etc., with the primary goal of ensuring that benefits reach the targeted beneficiaries

**(2) The Composition of the CSR Committee :**

The Board of Directors constituted the CSR Committee with the below mentioned three Directors pursuant to the provisions of Section 135(1) of the Companies Act, 2013 and Rules made thereunder :

Sr. No.	Name of the Director	Designation	Position in the Committee
(1)	Mr S M Datta	Chairman & Non-Executive Independent Director	Chairman
(2)	Mr Chitranjan Kahlon	Non-Executive Independent Director	Member
(3)	Mr Kaushik Modak	Non-Executive Director	Member

The Composition of CSR Committee - [http://www.iimlindia.com/board\\_directors.aspx](http://www.iimlindia.com/board_directors.aspx)

The CSR Policy - <http://iimlindia.com/Policies.aspx>

CSR projects approved by the Board - Not Applicable

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

Not Applicable

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

Not Applicable

**(6) Average Net Profit of the Company for the last three financial years :**

Sr. No.	Financial Year	Net Profit Before Tax
(1)	2020-2021	(45,56,109)
(2)	2019-2020	10,86,82,016
(3)	2018-2019	12,35,73,606
<b>Total</b>		<b>22,76,99,513</b>
No. of years	3 years	
<b>Average Profit</b>		<b>7,58,99,838</b>

**(7) (a)** Two percent of average net profit of the company as per section 135(5) : ₹ 15,17,997/-

**(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) : ₹ 15,17,997/-

**(8) (a)** CSR amount spent or unspent for the financial year : ₹ 15,18,000/-

**(b)** Details of CSR amount spent against ongoing projects for the financial year : Not Applicable

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

## Annexure 4 to the Directors' Report

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in ₹)	(7) Mode of implementation – Direct (Yes/No)	(8) Mode of implementation – Through implementing agency	
				State	District			Name	CSR registration number
(1)	Contribution to the Prime Minister's National Relief Fund		No	Nation-wide		15,18,000/-	Direct	N.A.	N.A.

(d) Amount spent in Administrative Overheads : Nil

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 15,18,000/-

(g) Excess amount for set off, if any : ₹ 3/-

(9)

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	15,17,997/-
(ii)	Total amount spent for the Financial Year	15,18,000/-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	3/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	3/-

(a) Details of Unspent CSR amount for the preceding three financial years : Not Applicable

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) : Not Applicable

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

(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

(12) The CSR Committee confirms that the implementation and monitoring of the CSR Policy, is in compliance with the CSR objectives and Policy of the Company

**Manoj Borkar**

**Chief Executive Officer & Chief Financial Officer**

**S M Datta**

**Chairman (CSR Committee)**

Place : Mumbai

Date : May 30, 2022



# MANAGEMENT DISCUSSION AND ANALYSIS

## (I) Business Overview

### 1. Global Economy

The outlook for the Global economy has turned negative, primarily because of Russia's invasion of Ukraine. In addition to the war, frequent and wider-ranging lockdowns in China including in key manufacturing hubs have also slowed activity there and could cause new bottlenecks in global supply chains. The anticipated decline in the supply of commodities has already driven their prices up sharply and has led to food and fuel inflation globally

Amid a global inflationary surge, the Fed in USA led a tightening of global monetary conditions. It projects faster rate hikes amid surge in inflation, and consequently slower US growth in 2022. The global real GDP is expected to decelerate to 3% growth in 2022 (from the IMF's 4.4% forecast), as developed economies decelerate to 2% growth and emerging economies to 4%. India's current account deficit is expected to remain unchanged at 1% of GDP in FY2023

### 2. India Economy

Investors have demonstrated confidence in India as one of the most promising growth economies of the 21st century. IMF estimates value India's economy at around \$3 trillion in 2021 which is expected to increase to \$5 trillion in five years i.e. by FY2027

This growth path is underpinned by the Indian Government efforts to enable a more robust and self-reliant country. India's attraction is also being soundly aided by geopolitical tailwinds, stemming from nervousness about the impact of China's attempt to rein-in capitalism. Multinationals have a large overdependence on the Chinese manufacturing sector. In a time of political tension and supply chain pressure, they are looking to diversify their partners. India is proving a popular choice, offering up a cost effective, reliable and English speaking alternative

The Central Bank (RBI) clearly surprised markets by going for a rather abrupt 40 bps hike in policy rate, signaling withdrawal of accommodation and also hiking the CRR rate by 50bps. Since Apr'22 policies, the major factor which was incorporated to RBI's current reaction function has been the current-Mar'22 inflation. Headline CPI shot up to 7%. The inflation threat is serious and as the economy appears to have settled in a stable state notwithstanding the global disturbances, the high inflation is a bigger challenge to address. High inflation has the potential to affect consumption and in turn investment

Growth in Q4FY22 is expected to be seen from the unlock trade as most states have removed the pandemic related restrictions, but weak rural demand and geopolitical shock due to Russia-Ukraine war may disrupt global growth and supply chains. Impending pass-through of higher oil & gas prices may also act as a dampener for domestic demand sentiment. The pace of consumption growth is expected to soften over the coming quarters, taking into account the real income shock due to energy price hikes and rising inflationary pressures. GDP growth is expected to be slower and below 5% YoY in the Q4FY22 (vs 6.8% average in the previous two quarters)

Even as the government is trying to boost public capex, there is a risk of reallocation of limited resources towards higher subsidies (food, fertilizer, etc.) and the provision of a social safety net to low-income households if commodity prices continue to stay higher for longer. The early signs of a recovery in the residential real estate sector and gradual improvement in capacity utilisation levels are positive

### 3. Private Equity

PE/VC has been a resilient section within India's growing private market, in spite of COVID-19's outbreak. Deal activity is raging and 2021 was a landmark year for the industry. The sector is benefitting from sooner than-expected business recovery. During the first half of 2021, investments grew 33% year-on-year, with investment flows of \$27.1 billion across 442 deals, compared to \$20.4 billion, across 433 deals during the same period in 2020. The number of fund managers has swelled from around 350 in 2017 to 500 in 2021. Capitals flows have been equally buoyant

The Information Technology (IT), Information Technology Enabled Services (ITeS), Software as a Service (SaaS), Healthcare and Pharmaceutical sectors, each saw a significant portion of new investment flow in 2021. IT, TeS and SaaS have benefitted strongly from the growth of digital adoption, as well as a greater need for digitization on the back of strong consumer shifts during COVID-19. In the wake of the pandemic, India has emerged as the fastest-growing and third-largest fintech ecosystem in the world

For at-home services - consisting of consumer technology, vertical e-commerce, edtech, fintech and foodtech - each attracted significant interest during 2021. With the rise of disposable incomes, focus is increasing on business who serve the Indian consumer, both offline and online. As a result, the logistics sector is anticipating exponential growth, with many new investment targets emerging

On the Real Estate front global institutional investors are increasing their real estate allocations and are looking at opportunistic real estate investment strategies in India. Fuelled by attractive home loan rates and availability of inventory,

# MANAGEMENT DISCUSSION AND ANALYSIS

sales are now showing a consistent growth. Private equity investment inflows into the Indian real estate sector stood at \$1.0 billion (₹ 79 billion) during Q1 2022, almost 5x the quantum recorded during Q4 2021. Commercial office assets continued to remain the frontrunner during Q1 2022, garnering more than two-third share of the investment pie

The PE investing momentum was driven by a significant confluence of factors that were several years in the making: maturing digital infrastructure UPI led payment rails, cheap and ubiquitous data access and Aadhaar electronic KYC, increasing depth in the start-up ecosystem and reinvigorated investor confidence as long-held capital saw significant public and secondary exits, and a positive macroeconomic outlook for India

India's economy progress in recent years has allowed the entrepreneurial spirit to sustain by domestic and foreign investors. The market has become mature to a large extent, though there is scope for further development. Annual Capital flow in private equity space in India could rise from the current 2021 run rate of \$48 billion to much higher levels in the years to come

## (II) Analysis of Performance for the year ended March 2022

### 1. Business Review

As in the past, the Fund team continued to focus on undertaking portfolio divestments, thereby enabling return of capital to Fund investors. The Fund teams also successfully furthered the various litigations, paving the path to further divestments during FY2022. This was achieved despite the Covid environment impact divestments across sectors

IIML's joint venture with Government of Andhra Pradesh saw significant progress this year. This joint venture managed to bag quite a few new contracts and is implementing a slew of projects in the State of Andhra Pradesh. This entity is also now exploring the options of venturing outside the state and using its expertise to implement projects outside the state of Andhra Pradesh

### 2. Financial Performance

The fee earning assets under management (AUM) in relation to existing Funds managed by IIML has been consistently declining on account of divestments undertaken. Developments at IL&FS since October 2018, undertaking new initiatives have been a challenge

On a consolidated basis, the Income from Operations of the Company for FY2022 was ₹ 416.54 mn and Other Income was ₹ 157.70 mn. Accordingly, the Total Income on a consolidated basis for FY2022 was ₹ 574.24 mn. The total expenses on consolidated basis were ₹ 421.12. The resultant Profit Before Tax and Exceptional Items on a consolidated basis for FY2022 was ₹ 153.12 mn

## (III) Outlook for the Financial Year 2022-2023

The adverse developments at the IL&FS Group have impacted all IIML's business plans for revenue growth. The newly constituted IL&FS Board has been working on a resolution plan for IL&FS Group. This plan calls for selling identified assets of IL&FS Group. In this regard, IL&FS has initiated the process to sell its holding in IIML. The future plans of the Company will significantly depend on the outcome of the process of IL&FS selling its stake in the Company

## (IV) Business Segment and Human Resources

The Company presently operates in one business segment – fund management and related services

The adverse developments at IL&FS have had an adverse impact on employee morale, and the Company has witnessed significant number of employee departures. IIML is in the fiduciary business of managing third party money and therefore human capital is key to monitoring and continuing the business model and further its sustainability

The Company presently has 23 employees, including 5 sub-staff

## (V) Internal Control Systems

The Company has an adequate system of internal controls to ensure accuracy of accounting records, compliance with all laws and regulations and compliance with all rules, processes and guidelines prescribed by the management

An extensive internal audit is carried out by an independent firm of Chartered Accountants. Post audit reviews are also carried out to ensure follow up on the observations made. The scope of the internal audit is determined by the Audit Committee and the internal audit reports are reviewed by the Audit Committee on a regular basis

The Internal Auditors also review all Related Party Transactions of the Company

## MANAGEMENT DISCUSSION AND ANALYSIS

### (VI) Significant Changes

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, is as follows :

		March 31, 2022 (₹ in lakhs)	March 31, 2021 (₹ in lakhs)	Explanation
<b>(i) Debtors Turnover</b>				
	Trade Receivables	220.40	458.42	Management is taking every possible step in following up with the debtors to pay the amount on timely basis. Additionally turnover has increased due to receipt of dividend from a subsidiary
	Turnover	2,434.48	1,404.78	
	Ratio	11.05	3.06	
<b>(ii) Inventory Turnover</b>		NA	NA	
<b>(iii) Interest Coverage Ratio</b>		NA	NA	
<b>(iv) Current Ratio</b>				
	Current Asset	10,122.59	10,019.63	The current ratio is similar to previous year
	Non Current Asset	473.75	440.75	
	Ratio	21.37	22.73	
<b>(v) Debt Equity Ratio</b>		NA	NA	
<b>(vi) Operating Profit Margin (%)</b>				
	PBT	1,203.98	(441.51)	Profitability has increased due to receipt of dividend from a subsidiary
	Turnover	2,434.48	1,404.78	
	Ratio	49.46%	(31.43%)	
<b>(vii) Net Profit Margin (%)</b>				
	PAT	1,249.67	(280.79)	Profitability has increased due to receipt of dividend from a subsidiary
	Turnover	2,434.48	1,404.78	
	Ratio	51.33%	(20.00%)	
<b>(viii) Return on Net Worth (%)</b>				
	Net worth	10,091.32	9,772.02	There is improvement due to higher profit during the year
	PAT	1,249.67	(280.79)	
	Ratio	12.38%	(2.87%)	

# CORPORATE GOVERNANCE REPORT

## (A) COMPANY PHILOSOPHY

The Company practices highest level of ethics, observes principles of transparency and fairness in all its dealings. The Company is committed to operating in a regulated manner and maximising shareholders' value

## (B) BOARD OF DIRECTORS

### (1) Composition

- As at March 31, 2022, the Board of Directors of the Company had six Directors comprising of a Non-Executive Independent Chairman, one Non-Executive Independent Director (NEID) and four Non-Executive Promoter Nominee Directors (NED)
- None of the directors of the Company are directors of more than ten Indian Public Companies and more than twenty Indian Companies
- None of the directors serve as directors of more than seven listed entities and serve as Independent Director in more than seven listed entities. None of the directors who are serving as a Whole-Time Director/Managing Director in any listed entity serve as an Independent Director in more than three listed entities
- None of the directors hold chairmanship in more than five committees or membership in more than ten committees of public limited companies and the directors are compliant with the requirements of Regulation 26 of the Listing (Obligations & Disclosure Requirements) Regulations (SEBI LODR)

### (2) The category of Directors, their attendance record at the Board Meetings held during the Financial Year ended March 31, 2022 and at the previous Annual General Meeting :

Name of the Director	Category of Director @	No. of Board Meetings attended	Attendance at the last AGM held on November 10, 2020
Mr S M Datta (Chairman) DIN 00032812	NEID	4	Yes
Mr Chitranjan Kahlon DIN 02823501	NEID	4	Yes
Mr Nand Kishore DIN 08267502	NED	4	Yes
Mr Kaushik Modak DIN 01266560	NED	4	Yes
Ms Priya Shetty DIN 08858814	NED	3	Yes
Ms Lubna Usman DIN 08299976	NED	2	Yes

@ NED – Non-Executive Director, NEID - Non-Executive Independent Director

- The Memberships/Chairmanships of the Board of Directors on the Board Committees of Companies as on March 31, 2022 are as follows:

Name of the Director	No. of Directorships *	Committee Memberships #	Committee Chairmanships #
Mr S M Datta	9	4	2
Mr Chitranjan Kahlon	2	2	-
Mr Nand Kishore	9	8	2
Mr Kaushik Modak	8	4	1
Ms Priya Shetty	5	-	-
Ms Lubna Usman	3	-	-

\* The number of Directorships excludes Directorships of Foreign Companies, if any

# The Committee Memberships & Committee Chairmanships comprise of only two Committees i.e. Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies as required under Regulation 26 of SEBI LODR

# CORPORATE GOVERNANCE REPORT

## (3) Directorship of Directors in other Listed Companies as on March 31, 2022 :

Name of the Director	Name of the Listed Company	Category of Directorship
Mr S M Datta	Atul Limited	Independent Director
Mr Chitranjan Kahlon	-	-
Mr Nand Kishore	IL&FS Transportation Networks Limited	Non-Executive Director
Mr Kaushik Modak	IL&FS Transportation Networks Limited	Non-Executive Director
Ms Priya Shetty	-	-
Ms Lubna Usman	-	-

(4) **Meetings of the Board of Directors** : The Board of Directors met four times during the Financial Year ended March 31, 2022 and the gap between two meetings did not exceed 120 days. The meetings were held during the year on June 30, 2021, August 13, 2021, November 12, 2021 and February 14, 2022

(5) **Relationship between Directors inter-se** : None of the Directors of the Company are related to each other, other than Mr Nand Kishore, Mr Kaushik Modak, Ms Priya Shetty and Ms Lubna Usman being Nominee Directors of Infrastructure Leasing & Financial Services Limited

## (6) Number of shares held by Non-Executive Directors as on March 31, 2022 :

Name of the Director	No. of Equity Shares
Mr S M Datta	34,00,000

(7) **Familiarisation Programme for Independent Directors** : Familiarisation is an ongoing process and the existing Independent Directors are briefed on the developments in the industry and the Company in detail at all Board Meetings. The Independent Directors are also briefed on the regulatory and legal developments impacting the Company and also on their role as Independent Directors as and when the need arises. Further details of the Familiarisation Programme for Independent Directors are available on the Company's website at the link <http://iimindia.com/Policies.aspx>

(8) **Competence of the Board of Directors** : The list of core skills/expertise/ competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board :

- (a) The Board has adopted a selection criteria for hiring of Members of the Board. The candidate is expected to meet one of the following criteria :
- (i) Must have been a Chief Executive Officer or a Business Head of an organisation in the past
  - (ii) Must have expertise in a specific area like Legal, Tax, HR, Marketing etc.
  - (iii) Business Head role or General Management role in the financial services space
  - (iv) An independent, eminent specialist or professional
- (b) Board Diversity :
- (i) The Company is sensitive to the need for a robust Board process that enables different views to be expressed, heard and considered. The Company believes that Board members armed with divergent skills, expertise, experience and knowledge will make the Company's Board more effective. A Board comprising of members from divergent backgrounds helps combat common limitations
  - (ii) The Company is desirous of having suitable Board Diversity in terms of skills, educational and professional background, industry experience and the Company's selection criteria of new Directors shall be guided by these principles

# CORPORATE GOVERNANCE REPORT

## Directors on Board who have such skills/expertise/competence :

Name of Director	Skills/Expertise/Competence
Mr S M Datta	<p>Is a reputed management professional and is on the Board of a number of well-known corporates</p> <p>Was the Chairman of Hindustan Lever Limited as well as of the Unilever Group of Companies in India &amp; Nepal from 1990 to 1996</p> <p>Past President of Associated Chambers of Commerce and Industry, Council of EU Chambers of Commerce in India, the Bombay Chamber of Commerce &amp; Industry and Indian Chemical Manufacturers Association</p> <p>Vast experience in leading and managing multi-product, multi-cultural companies in the Unilever Group</p> <p>Has been mentoring senior managements of both Indian Corporates &amp; MNCs as varied as Venture Capital, Pharmaceuticals, Consumer Electronics, Power, Hospital, Medical Research, Corporate Credit Rating &amp; Home Finance</p>
Mr Chitranjan Kahlon	<p>Served as a member of Central Board of Direct Taxes, Government of India, an Executive Director of Securities &amp; Exchange Board of India and has worked in various capacities in the Indian Revenue Service</p> <p>Experience in the field of Capital Market and is familiar with Tax administration in India particularly with regard to Tax policy</p> <p>Mr Kahlon has been a member of the 'Speculative Transactions Committee' constituted by the Finance Minister of India and Member of the Committee to draft the Prevention of Money Laundering Act</p>
Mr Nand Kishore	<p>Is a member of the Indian Audit and Account Service and has been a senior bureaucrat holding key positions across various departments over the years</p> <p>Has been the Deputy Comptroller and Auditor General (CAG) and looked after audit of Defence, Railways &amp; Communications</p>
Mr Kaushik Modak	<p>Is the CEO of IL&amp;FS Financial Services Limited</p> <p>Was the CEO &amp; Country Head of Rabobank India</p> <p>Worked for Bank of America as the Principal &amp; Head – Debt Capital Markets in India and at Kotak Mahindra Finance as the VP &amp; Head – Fixed Income Securities Group</p>
Ms Priya Shetty	<p>Ms Priya Shetty was an Associate Director at Lazard India Limited where she was a senior member of Lazard's advisory practice</p> <p>Ms Shetty was also an Executive Director heading Advisory and Capital Markets practice in Financial Services and Healthcare Sectors at Kotak Mahindra Capital Company Limited</p> <p>At IL&amp;FS group Ms Priya Shetty was Head - Corporate Advisory Services at IL&amp;FS Financial Services Ltd</p> <p>Currently Ms Shetty is deputed as CEO of IL&amp;FS Securities Services Limited and is actively involved in the resolution process undertaken by the current Board of IL&amp;FS</p>
Ms Lubna Usman	<p>Ms Lubna is a senior management professional with more than 20 years' experience in providing strategic leadership, project finance, restructuring and treasury management across banking and non-banking finance companies</p> <p>She worked for 11 years with IDBI Bank in various leadership roles and has led the Bank's client coverage - sourcing, structuring &amp; syndication business for North &amp; East region</p> <p>At IL&amp;FS, her key responsibilities included structuring, project finance and corporate fund raising initiatives across Infrastructure verticals</p> <p>Since October 2018, she is a key member of the core leadership team working on the resolution of the IL&amp;FS group, under the supervision of the new Board appointed by Government of India</p>

# CORPORATE GOVERNANCE REPORT

- (9) **Terms of Appointment of Independent Directors** : The terms of appointment of Independent Directors are posted on the website of the Company and are available at the link [http://www.iimlindia.com/Independent\\_Director.aspx](http://www.iimlindia.com/Independent_Director.aspx)
- (10) **Independent Directors' Confirmation** : The Board of Directors confirm that in the opinion of the Board, the Independent Directors are independent and fulfil the conditions specified in LODR and are independent of the management
- (11) **Independent Directors' Meeting** : The Independent Directors met on May 26, 2022, inter alia :
- (a) To review the performance of the Non-Independent Directors and the Board as a whole
  - (b) To review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors
  - (c) Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties

## (C) AUDIT COMMITTEE

- (1) **Terms of Reference** : Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the LODR, the terms of reference of the Audit Committee, include the following :
- (a) Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible
  - (b) Recommend to the Board, the appointment, remuneration and terms of appointment of the Auditors of the Company
  - (c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors
  - (d) Examination/Review with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to :
    - (i) Matters required to be included in the Directors' 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
    - (ii) Changes, if any, in accounting policies and practices and reasons for the same
    - (iii) Major accounting entries involving estimates based on the exercise of judgment by the Management
    - (iv) Significant adjustments made in the Financial Statements arising out of audit findings
    - (v) Compliance with the listing and other legal requirements relating to the Financial Statements
    - (vi) Disclosure of any related party transactions
    - (vii) Modified opinion(s) in the draft audit report
  - (e) Review with the Management, the quarterly financial statements before submission to the Board for approval
  - (f) Review the financial statements, in particular, the investments made by the unlisted subsidiary
  - (g) Review 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 utilised 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 or rights issue, and making appropriate recommendations to the Board to take up steps in this matter
  - (h) Review and monitor the Auditor's independence and performance, and effectiveness of the audit process
  - (i) Audit Committee shall define "material modifications to existing Related Party Transactions " and disclose it as part of the policy on materiality of related party transactions and on dealing with related party transactions
  - (j) All Related Party Transactions and subsequent material modifications thereof, shall require prior approval of the Audit Committee of the Company, further only those members of the audit committee, who are independent directors, shall approve related party transactions. Prior approval of Audit Committee of the Company shall also be required for
    - (i) a related party transaction to which the subsidiary of a Company is a party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds ten per cent of the annual consolidated turnover, as per the last audited financial statements of the Company, with effect from April 1, 2022;

# CORPORATE GOVERNANCE REPORT

- (ii) a related party transaction to which the subsidiary of the Company is a party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year, exceeds ten per cent of the annual standalone turnover, as per the last audited financial statements of the subsidiary, with effect from April 1, 2023;

- (k) Approval or any subsequent modification of transactions of the Company with related parties

Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company subject to following conditions :

- (i) The Audit Committee shall, specify the criteria for making the omnibus approval which shall include the following, namely :
  - (a) maximum value of the transactions, in aggregate, which can be allowed under the omnibus route in a year;
  - (b) the maximum value per transaction which can be allowed;
  - (c) extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval;
  - (d) review, at such intervals as the Audit Committee may deem fit, related party transaction entered into by the company pursuant to each of the omnibus approval made;
  - (e) transactions which cannot be subject to the omnibus approval by the Audit Committee
- (ii) The Audit Committee shall consider the following factors while specifying the criteria for making omnibus approval, namely :
  - (a) repetitiveness of the transactions (in past or in future);
  - (b) justification for the need of omnibus approval
- (iii) The Audit Committee shall satisfy itself on the need for omnibus approval for transactions of repetitive nature and that such approval is in the interest of the company
- (iv) The omnibus approval shall contain or indicate the following :
  - (a) name of the related parties;
  - (b) nature and duration of the transaction;
  - (c) maximum amount of transaction that can be entered into;
  - (d) the indicative base price or current contracted price and the formula for variation in the price, if any; and
  - (e) any other information relevant or important for the Audit Committee to take a decision on the proposed transaction :

Provided that where the need for related party transaction cannot be foreseen and aforesaid details are not available, audit committee may make omnibus approval for such transactions subject to their value not exceeding rupees one crore per transaction
- (v) Omnibus approval shall be valid for a period not exceeding one financial year and shall require fresh approval after the expiry of such financial year
- (vi) Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the company
- (vii) Any other conditions as the Audit Committee may deem fit

Provided further that in case of transaction, other than transactions referred to in Section 188 of the Companies Act, 2013, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board

Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a Director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee and if the transaction is with the related party to any Director or is authorised by any other Director, the Director concerned shall indemnify the company against any loss incurred by it

Provided also that the aforementioned provisions shall not apply to a transaction, other than a transaction referred to in Section 188 of the Companies Act, 2013, between the company and its wholly owned subsidiary company



# CORPORATE GOVERNANCE REPORT

- (l) Scrutiny of inter-corporate loans and investments
  - (m) Valuation of undertakings or assets of the Company, wherever it is necessary
  - (n) Evaluation of internal financial controls and risk management systems
  - (o) Monitoring the end use of funds raised through public offers and related matters
  - (p) Review with the Management, performance of statutory and internal auditors and adequacy of the internal control systems
  - (q) Review 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
  - (r) Discussion with Internal Auditors of any significant findings and follow up there on
  - (s) Review 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
  - (t) 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
  - (u) 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
  - (v) Review the functioning of the Whistle Blower Policy/Vigil Mechanism
  - (w) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate
  - (x) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee
  - (y) Reviewing the utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments
  - (z) To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
  - (aa) Committee shall mandatorily review the following information :
    - (i) Management discussion and analysis of financial condition and results of operations
    - (ii) Management letters/letters of internal control weaknesses issued by the statutory auditors
    - (iii) Internal Audit Reports relating to internal control weaknesses; and
    - (iv) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee
    - (v) 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)
      - (b) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7)
  - (z) The Audit Committee may seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise and have full access to information contained in the records of the company
  - (cc) The audit committee at its discretion may invite the finance director or head of the finance function, head of internal audit and a representative of the statutory auditor and any other such executives to be present at the meetings of the committee
- (2) **Audit Committee Meetings** : The Audit Committee met four times during the Financial Year ended March 31, 2022 on June 29, 2021, August 13, 2021, November 12, 2021 and February 11, 2022

# CORPORATE GOVERNANCE REPORT

## (3) Composition of the Audit Committee :

The Committee presently comprises of two Non-Executive Independent Directors and one Non-Executive Director. The Chairman of the Committee is a Non-Executive Independent Director. All the members of the Audit Committee are financially literate. Mr S M Datta, the Chairman of the Committee has immense experience and expertise in commerce and industry

The composition and attendance record of the members at the Audit Committee Meetings are as follows :

Name of the Director	Designation	Number of Meetings Attended
Mr S M Datta	Chairman	4
Mr Chitranjan S Kahlon	Member	4
Mr Nand Kishore	Member	4

- (4) **Attendees** : The Statutory Auditors, the Internal Auditors, the Chief Executive Office & Chief Financial Officer and the Company Secretary are in attendance or invitees to attend the meetings. The Audit Committee also invites such other senior executives as it considers appropriate to be present at its meetings

## (D) NOMINATION & REMUNERATION COMMITTEE

- (1) **Terms of Reference** : Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI LODR, the terms of reference of the Nomination & Remuneration Committee, include the following :

- (a) The Committee shall identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance
- (b) Formulation of the Policy/criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees
- (c) For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description

For the purpose of identifying suitable candidates, the Committee may :

- (i) use the services of an external agencies, if required;
  - (ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - (iii) consider the time commitments of the candidates
- (d) The Nomination & Remuneration Committee shall, while formulating the policy/criteria shall ensure that
- (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
  - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (iii) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals
- (e) Formulation of criteria for evaluation of Independent Directors and the Board
- (f) Devise a Policy on Board Diversity
- (g) To identify persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal
- (h) Approve criteria and quantum of compensation for Whole-time Directors

# CORPORATE GOVERNANCE REPORT

- (i) Recruitment of key management employees and their compensation
- (j) Determination of the annual increments and performance related pay of the employees
- (k) Administration of the various Employee Stock Option Plans of the Company
- (l) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors
- (m) To recommend to the Board, all remuneration, in whatever form, payable to Senior Management
- (n) Such other matters as the Board may from time to time request the Committee to examine, recommend and approve

## (2) Composition :

After the resignation of Mr Sunil Mehta with effect from March 19, 2020 there was a vacancy in the Nomination & Remuneration Committee (N&RC) and in the position of the Chairman of N&RC. The vacancy in the N&RC and in the position of the Chairman of N&RC was to be filled with the appointment of an Independent Director. It was challenging for the Company to fill the said vacancy of an Independent Director under present circumstances

However, in view of the challenges faced by IL&FS and its group companies in appointing Independent Directors, the National Company Law Tribunal (NCLT) based on a petition by Infrastructure Leasing & Financial Services Limited (IL&FS) vide its Order dated April 26, 2019, has granted its exemption to IL&FS and its Group Companies from appointing Independent Directors and Woman Directors on the Board of IL&FS and its Group Companies

Notwithstanding the NCLT exemption, the Board of Directors at their meeting held on November 12, 2021 appointed Mr Chitranjan Kahlon, Independent Director as the Chairman of the Nomination and Remuneration Committee of the Company. With the appointment of Mr Chitranjan Kahlon, Independent Director, on the Nomination & Remuneration Committee, the NR&C is adequately constituted and is in complete compliance of the SEBI LODR regulations

The Committee presently comprises of :

Mr Chitranjan Kahlon, Independent Director - Chairman

Mr S M Datta, Non-Executive Independent Director

Mr Kaushik Modak, Non-Executive Director

**(3) Nomination & Remuneration Committee Meetings :** As the N&RC was validly constituted only on November 12, 2021 there have been no meetings of the N&RC in FY2021-22. Also, as the performance evaluation of the Board, Board Committees and the appraisal, increments and promotion of employees is typically considered at the end of the financial year, the meeting of NR&C for the FY2022 will be held in the first quarter of FY2023

**(4) Performance evaluation criteria for Independent Directors :** The Independent Directors of the Company are evaluated on following parameters :

- (a) Contribution/Guidance on business strategy
- (b) Well informed about the Company and external environment in which it operates
- (c) Exercising independent judgement
- (d) Scrutinizes the performance of management in meeting agreed goals and objectives
- (e) Upholding of the statutory compliance/corporate governance
- (f) Ensuring integrity of financial controls/risk management measures
- (g) Fulfillment of the independence criteria as specified under the SEBI LODR Regulations
- (h) Independence from the management
- (i) Availability and Attendance
- (j) Management and Contribution at committees (of which he/she is a member)
- (k) Effective deployment of expertise in furthering business

# CORPORATE GOVERNANCE REPORT

## (E) REMUNERATION OF DIRECTORS

- (1) There are no pecuniary relationships or transactions of the Non-Executive Directors and the Company other than the receipt of sitting fees for attending the meetings of the Board and Board Committees
- (2) **Disclosures with respect to remuneration** : The remuneration is paid to the Directors as per the terms of the Managerial Remuneration Policy of the Company. The Managerial Remuneration Policy is uploaded on the website of the Company and is available at <http://www.iimlindia.com/Policies.aspx>

The salient features of the policy are enumerated below :

### (a) Elements of Remuneration Package :

#### (i) Remuneration structure of the Whole-time Directors :

- **Fixed Remuneration** : Monthly base salary based on seniority and experience
- **Performance linked incentives** : Variable component determined by the Nomination & Remuneration Committee based on performance
- **Issue of ESOPs from time to time** : At the discretion of the Nomination & Remuneration Committee
- **Retiral Benefit** : Paid post separation from the Company as per the Rules of the Company and the relevant statutory provisions
- **Perquisites and Benefits** : All other benefits including perquisites are as per the Rules of the Company

#### (ii) Remuneration structure of the Key Management Personnel :

- **Fixed Remuneration** : This includes a Monthly Salary such as Consolidated Pay, Special Allowance, Other Allowances and Perquisites as per the Rules of the Company
- **Variable Remuneration** : This is based on the Company's and the individual's performance
- **Retiral Benefits** : This includes contribution to the Provident Fund, Gratuity and Superannuation Fund

#### (iii) Remuneration structure of the Senior Management :

- **Fixed Remuneration** : This includes a Monthly Salary such as Consolidated Pay, Special Allowance, Other Allowances and Perquisites as per the Rules of the Company
- **Variable Remuneration** : This is based on the Company's and the individual's performance
- **Retirals Benefits** : This includes contribution to the Provident Fund, Gratuity and Superannuation Fund

### (3) Details of Remuneration :

#### (a) Remuneration to the Whole-time Directors :

The Company did not have any Whole-time Director for the period April 1, 2021 to March 31, 2022

#### (b) Remuneration to the Non-Executive Directors :

- (i) The Company does not pay any remuneration to the Non-Executive Directors of the Company except sitting fees for attending the Board Meetings and the Committee Meetings of the Company
- (ii) **Performance criteria for making payment to the Non-Executive Directors** : The criteria considered for making payment of commission to Non-Executive Directors are level of involvement of the Director in the affairs of the Company, tenor of the Director in the Company and number of Committees membership/chairmanship held by the Director in the Company. The Company did not pay any commission to any Director during the period April 1, 2021 to March 31, 2022
- (iii) The Non-Executive Directors were paid sitting fees of ₹ 15,000/- each for attending the Board Meetings, ₹ 10,000/- each for attending the Audit Committee Meetings and ₹ 5,000/- each for attending the Corporate Social Responsibility Committee Meeting and Stakeholders' Relationship Committee Meetings

# CORPORATE GOVERNANCE REPORT

- (iv) Details of Sitting Fees to the Non-Executive Directors for FY2022 are as below :

Name of the Non-Executive Director	Sitting Fees (₹)
Mr S M Datta	1,10,000
Mr Chitranjan Kahlon	1,10,000
Mr Nand Kishore	1,00,000
Mr Kaushik Modak	70,000
Ms Priya Shetty	45,000
Ms Lubna Usman	30,000
<b>Total</b>	<b>4,65,000</b>

- (v) No Options were granted by the Company during the year to the Non-Executive Directors of the Company  
 (vi) There are no pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company

## (F) STAKEHOLDERS' RELATIONSHIP COMMITTEE/STAKEHOLDERS GRIEVANCE COMMITTEE

- (1) **Terms of Reference** : Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI LODR, the terms of reference of the Stakeholders' Relationship Committee, include the following :

- Looking at various aspects of interest of shareholders, debenture holders and other security holders
- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company
- Allotment of shares upon exercise of options under Employee Stock Option Schemes
- Such other matters as the Board may from time to time request the Committee to examine, recommend and approve

- (2) **Composition** : The Stakeholders' Relationship Committee presently comprises of two Non-Executive Independent Directors and one Non-Executive Director. The Chairman of the Committee is a Non-Executive Director

The meeting of the Stakeholders' Relationship Committee was held on March 29, 2022

The composition and attendance record of the members of the Stakeholders' Relationship Committee is as follows :

Name of the Director	Designation	Number of Meetings Attended
Mr Kaushik Modak	Chairman	1
Mr S M Datta	Member	1
Mr Chitranjan Kahlon	Member	1

- (3) Mr Sanjay Mitra, Company Secretary, has been designated as the Compliance Officer  
 (4) During FY2022 the Company received 5 complaints from shareholders. All the complaints received during the year FY2022 were solved satisfactorily and no complaints were pending at the end of the year

# CORPORATE GOVERNANCE REPORT

- (5) The Share Transfer Committee consists of officers of the Company as its members' for issuance of duplicate certificates and rematerialisation of shares, approving transfer, transmission and transposition of shares and deletion of name in the Register of shareholders. The Committee presently comprises of Mr Manoj Borkar (Chairman) and Mr Sanjay Mitra (Member)

The meetings of the Share Transfer Committee were held on September 21, 2021, October 11, 2021, October 28, 2021 and November 30, 2021

The attendance at the meetings held during the year are given below :

Name of the Member	Number of Meetings held	Number of Meetings Attended
Mr Manoj Borkar – Chairman	4	4
Mr Sanjay Mitra	4	4

## (G) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

- (1) The Company has constituted a Corporate Social Responsibility Committee pursuant to the provisions of the Companies Act, 2013. The Committee has been constituted to :

- Formulate and recommend to the Board of the Company the Corporate Social Responsibility (CSR) Policy which shall indicate the CSR activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013
- Identify the focus areas for the CSR activities on a yearly basis and review the same on a periodic basis
- Recommend the amount of expenditure to be incurred on the CSR activities
- Monitor the CSR Policy of the Company from time to time
- Institute a transparent monitoring mechanism for the implementation of the CSR Agenda
- Action Plan : The CSR Committee shall formulate and recommend to the Board, an annual action plan which shall include the following, namely :
  - the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
  - the manner of execution of such projects or programmes
  - the modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - monitoring and reporting mechanism for the projects or programmes; and
  - details of need and impact assessment, if any, for the projects undertaken by the company

The CSR Committee may recommend to the Board alteration to Action Plan based on the reasonable justification, at any time during the financial year

- (2) The CSR Committee met once during the Financial Year on June 30, 2021
- (3) **Composition** : The CSR Committee presently comprises of two Non-Executive Independent Directors and one Non-Executive Director. The Chairman of the Committee is a Non-Executive Independent Director. The composition and attendance record of the members of the CSR Committee are as follows :

Name of the Member	Number of Meetings held	Number of Meetings Attended
Mr S M Datta – Chairman	1	1
Mr Chitranjan Kahlon	1	1
Mr Kaushik Modak	1	1

## (H) BOARD EVALUATION

- (1) The Company has adopted the Policy on the Performance Evaluation of the Board of Directors pursuant to the provisions of the Companies Act, 2013. The Performance Evaluation is required to be done at three levels, namely by the Independent Directors, by the Nomination & Remuneration Committee and finally by the Board of Directors. The Policy on Performance Evaluation of the Board of Directors is uploaded on the website of the Company at <http://iimindia.com/Policies.aspx>

# CORPORATE GOVERNANCE REPORT

- (2) Based on the same, the Performance Evaluation is undertaken by Independent Directors at their meeting and the Nomination & Remuneration Committee and the Board every year
- (3) As the Nomination & Remuneration Committee was validly constituted only on November 12, 2021 and no meeting of N&RC was held in the year FY2022 the evaluation of the Nomination & Remuneration Committee was not carried out this year
- (4) The scope of the Nomination & Remuneration Committee is to evaluate the performance of all the Directors. Considering that the Board as a whole was also required to evaluate the performance of Independent and Non-Independent Directors and also because the Nomination & Remuneration Committee was not validly constituted the evaluation of all Directors by the Nomination & Remuneration Committee was done away with this year
- (5) The evaluation was done by way of filling up of forms and accordingly a set of forms were prepared
- (6) The process for performance evaluation at different forums was as follows :

(a) **Independent Directors Meeting :**

- (i) **Scope :** To review the performance of the Non-Independent Directors, Chairman and the performance of the Board as a whole
- (ii) **Process :** The evaluation forms for the Non-Independent Directors and the Chairman were circulated to the Independent Directors prior to the meeting and were filled up by each Independent Director prior to the Independent Directors meeting and the performance was discussed at the meeting
- (iii) **Board as a Whole :** The Independent Directors were required to evaluate the performance of the Board as a whole. A few parameters were put down for evaluation of the Board as a whole on the basis of the SEBI Guidance Note on Board Evaluation. The Independent Directors were requested to evaluate the performance of the Board as a whole on the said parameters

(b) **Board Meeting :**

- (i) **Scope :** To evaluate the performance of Independent Directors, Non Independent Directors and Board Committees provided that in the above evaluation, the Directors who were subject to evaluation did not participate
- (ii) **Process :**
  - The relevant forms circulated to the Board members were filled up and signed prior to the Board Meeting
  - The Chairman of the Meeting collated the findings of the Board and requested the views of the Board Members and the same was discussed at the meeting
  - **Board Committees :** The Board also evaluated all Board Committees sans Nomination & Remuneration Committee, on certain parameters put forth for the evaluation of Board Committees on the basis of the SEBI Guidance Note on Board Evaluation

(I) **GENERAL BODY MEETINGS**

- (1) The details of the last three Annual General Meetings are as follows :

Date	Time	Location/Venue	Special Resolutions passed
September 29, 2021	3.00 p.m.	By Video Conferencing/ Other Audio Visual Means at the registered office of the Company	No Special Resolution was passed
November 10, 2020	3.00 p.m.	By Video Conferencing/ Other Audio Visual Means at the registered office of the Company	No Special Resolution was passed
September 30, 2019	10.30 a.m.	The Walchand Hirachand Hall	1) Re-appointment of Mr S M Datta as an Independent Director of the Company for a term of five years

# CORPORATE GOVERNANCE REPORT

- (2) Special Resolutions passed through Postal Ballot :
- (a) None of the resolutions approved at the last Annual General Meeting required postal ballot approval
  - (b) During the year the Company has not passed any Special Resolution through postal ballot
  - (c) There is no immediate proposal for passing any resolution through postal ballot

## (J) MEANS OF COMMUNICATION

- (1) **Financial Results** : The Company's quarterly/half-yearly/annual financial results are sent to the Stock Exchanges and normally published in the Free Press Journal and Navshakti. Simultaneously, they are also put on the Company's website and can be accessed at <http://www.iimlindia.com/financials.aspx>
- (2) **Website** : The Company's website [www.iimlindia.com](http://www.iimlindia.com) contains a separate section 'Shareholders' which provides the information on Financials, Annual Reports, Notices & Updates, Shareholding Pattern, Press Releases, Analyst Interaction & Presentation, Policies adopted by the Company, etc. Official News releases are posted under Notices & Updates page of the Company's website
- (3) **Press Releases and Presentations** : Press Releases are sent to the Stock Exchanges and are uploaded on the Company's website at [http://iimlindia.com/Press\\_release.aspx](http://iimlindia.com/Press_release.aspx). Analyst Interaction & Presentation are uploaded on the Company's website at <http://iimlindia.com/Presentations.aspx>
- (4) **Reminder to Investors** : Reminders for unclaimed shares and unpaid dividend are sent every year to the shareholders whose dividend has remained unpaid or unclaimed as per the records of the Company
- (5) **Designated email-ID** : The Company has a designated email ID : [investor.relations@ilfsindia.com](mailto:investor.relations@ilfsindia.com) exclusively for servicing the investors

## (K) GENERAL SHAREHOLDERS' INFORMATION

- (1) **Annual General Meeting Day, Date and Time** : Wednesday, September 7, 2022, 3.00 p.m.
- (2) **Annual General Meeting Venue** : Registered office
- (3) **Financial Year** : The Company follows April-March as its Financial Year
- (4) **Dividend Payment** : The dividend, if declared, by the Shareholders at the AGM shall be paid/credited on or after the Annual General Meeting
- (5) **Book Closure** : From Wednesday, August 31, 2022 to Wednesday, September 7, 2022
- (6) **Listing on Stock Exchanges** : The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 and the National Stock Exchange of India Limited (NSE), Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051
- The Company has paid the annual listing fees for the Financial Year 2020-21 to BSE and NSE as well as custodian fees to the depositories, National Securities Depository Ltd and Central Depository Services India Ltd within the prescribed time
- (7) **Security Identification Number (ISIN)** : INE050B01023
- (8) **Scrip Code/Symbol** : BSE : 511208, NSE : IVC
- (9) **Corporate Identification Number (CIN)** : L65999MH1986PLC147981
- (10) **Outstanding warrants/ADRs/GDRs/Convertible instruments** : Not Applicable



# CORPORATE GOVERNANCE REPORT

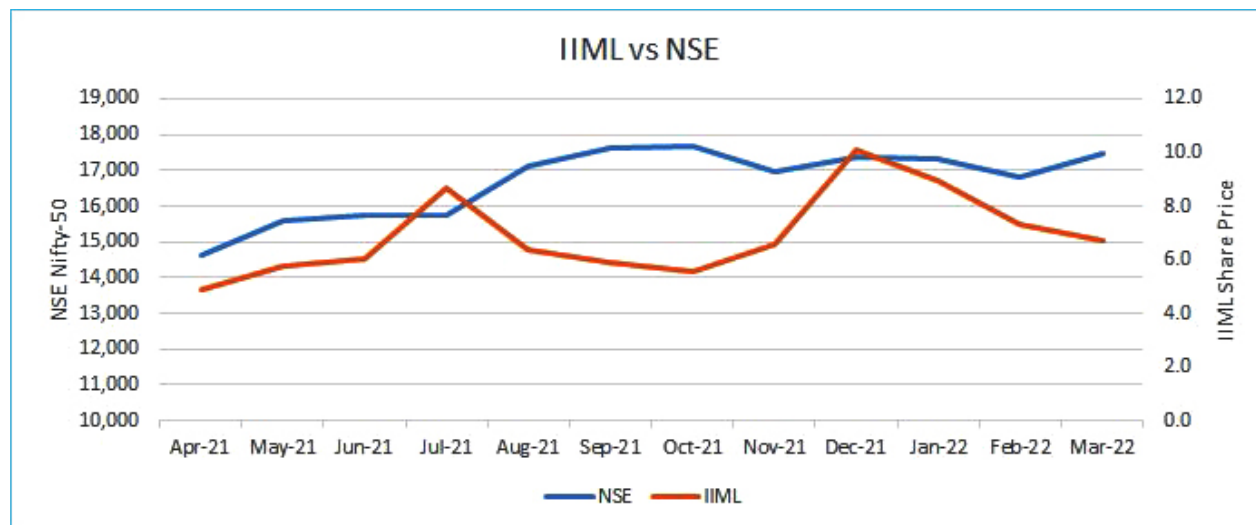
(11) **Board Meeting to be held for approving financial statements for the quarter ending :**

June 30, 2022	: On or before August 14, 2022
September 30, 2022	: As prescribed by law on or before November 15, 2022
December 31, 2022	: As prescribed by law on or before February 14, 2022
March 31, 2023	: As prescribed by law on or before May 30, 2023

(12) **The monthly high and low quotations of shares traded on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited along with the volumes during FY2022 are as follows :**

Month	Bombay Stock Exchange Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)	No. of Shares
Apr-2021	5.35	3.73	1964039	5.15	3.85	1961791
May-2021	6.74	4.61	2108331	6.45	4.8	2430201
Jun-2021	6.3	5.35	1902971	6.05	5.55	1156372
Jul-2021	8.64	5.75	6737947	8.65	5.85	7195952
Aug-2021	9.52	5.55	4813867	9.05	5.75	4917031
Sep-2021	6.62	5.73	1480276	6.60	5.85	1888434
Oct-2021	6.63	5.51	2352106	6.30	5.55	4465822
Nov-2021	7.16	5.46	3093732	6.75	5.60	3290181
Dec-2021	11.34	6.34	8744654	10.75	6.5	14085601
Jan-2022	11.24	8.76	3293146	10.6	8.9	4259886
Feb-2022	9.48	7.03	1170175	8.95	7.3	1673974
Mar-2022	7.78	6.08	2473833	7.50	6.10	2193665

(L) **PERFORMANCE OF THE COMPANY'S SHARES IN COMPARISON TO SENSEX AND NIFTY 50**



(M) **REGISTRAR AND SHARE TRANSFER AGENT (RTA)**

Link Intime India Private Limited  
 C-101, 247 Park,  
 L B S Marg, Vikhroli (West),  
 Mumbai 400 083  
 Tel. No. : +91 22 49186270  
 Fax No. : +91 22 49186060  
 E-mail id : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
 Website : [www.linkintime.co.in](http://www.linkintime.co.in)

# CORPORATE GOVERNANCE REPORT

## (N) SHARE TRANSFER SYSTEM

According to the SEBI directive securities of listed companies can be transferred only in the dematerialised form, with effect from April 1, 2019. Accordingly, the shareholders holding shares in physical form are requested to dematerialise their shareholding and thereafter update their bank account with their respective Depository Participants

Shares held in the dematerialised form are electronically transferred on the Depositories. The RTA of the Company periodically receives the beneficiary holdings from the Depositories which enables the RTA to update their records for sending all corporate communications, dividend warrants, etc.

Physical shares received for dematerialisation are processed within a period of 21 days from the date of receipt, provided they are in order in every respect

## (O) CATEGORY WISE SHAREHOLDING AS AT MARCH 31, 2022

Sr. No.	Category	No. of Shares held	Percentage
1.	Promoter	158,333,152	50.42
2.	Mutual Funds	4,215	0.00
3.	Banks/Financial Institutions	13,513	0.00
4.	Foreign Portfolio Investors	15,000	0.00
5.	Individuals	130,354,415	41.51
6.	Investor Education and Protection Fund	3,292,700	1.05
7.	Non Resident Indians	5,020,394	1.60
8.	Hindu Undivided Family	6923935	2.20
9.	Directors	3,400,000	1.08
10.	Bodies Corporate	6,203,055	1.99
11.	Others	4,72,361	0.15
	<b>Total</b>	<b>314,032,740</b>	<b>100.00</b>

## (P) DISTRIBUTION OF SHAREHOLDING AS AT MARCH 31, 2022

No. of Equity Shares	No. of Shareholders	% of Total	No. of Shares	% of Total
1 – 500	29506	52.91	5262900	1.68
501 – 1000	9825	17.62	8318024	2.65
1001 – 2000	6870	12.32	10945754	3.49
2001 – 3000	2942	5.28	7481876	2.38
3001 – 4000	1285	2.30	4632759	1.47
4001 – 5000	1378	2.47	6569069	2.09
5001 – 10000	2080	3.73	15819480	5.04
10001 – above	1876	3.36	255002878	81.20
<b>Total</b>	<b>55762</b>	<b>100.00</b>	<b>314032740</b>	<b>100.00</b>

## (Q) DEMATERIALISATION OF SHARES

As on March 31, 2022, the Share Capital of the Company was held in dematerialised form with NSDL 252,022,317 (80.25%) and CDSL 57,453,197 (18.30%) totaling to 309,475,568 (98.55%) and only 4,557,172 (1.45%) shares were being held in physical form

## (R) LIQUIDITY

The Company's Equity Shares are traded on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. Relevant Data for the average daily Turnover for FY2022 are given below :

Particulars	NSE	BSE	Total
Average No. of Shares	4,62,238	1,61,835	<b>6,24,073</b>
Average Value (₹)	34,00,307	12,14,485	<b>46,14,792</b>

## (S) COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company engages in hedging activities to adequately safeguard against foreign exchange risks

## (T) PLANT LOCATION

The Company does have any plant or facility

# CORPORATE GOVERNANCE REPORT

## (U) ADDRESS FOR CORRESPONDENCE

For any assistance regarding dematerialisation of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares :

### **Link Intime India Private Limited**

C-101, 247 Park,

L B S Marg, Vikhroli (West),

Mumbai 400 083

Tel. No. : +91 22 49186270

Fax No. : +91 22 49186060

E-mail id : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Website : [www.linkintime.co.in](http://www.linkintime.co.in)

### **For general correspondence :**

### **IL&FS Investment Managers Limited**

The IL&FS Financial Centre, Plot No. C-22, G Block

Bandra-Kurla Complex, Bandra (East)

Mumbai 400 051

Tel. No. : +91 22 2653 3333

Fax No. : +91 22 2653 3056

Email : [investor.relations@ilfsindia.com](mailto:investor.relations@ilfsindia.com)

Website : [www.iimlindia.com](http://www.iimlindia.com)

## (V) The Company does not have any debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad and accordingly no credit ratings are obtained by the Company

## (W) DISCLOSURES

- (1) The Management Discussion & Analysis forms part of this Annual Report
- (2) There were no materially significant related party transactions entered during the year by the Company that may have potential conflict with the interest of the Company
- (3) As the N&RC was validly constituted only on November 12, 2021 there have been no meetings of the N&RC in FY2021-22. Also, as the performance evaluation of the Board, Board Committees and the appraisal, increments and promotion of employees is typically considered at the end of the financial year, the meeting of NR&C for the FY2022 will be held in the first quarter of FY2023
- (4) Other than as disclosed in aforementioned Point No. (3), the Company has complied with various rules and regulations prescribed by the Stock Exchanges, SEBI relating to the capital markets during the last three years. No penalties and/or strictures were imposed by the Stock Exchange or SEBI or any statutory authority on the Company  
The securities of the Company were never suspended from trading from any Stock Exchange(s)
- (5) The Company has adopted Whistle Blower Policy/Vigil Mechanism, which aims to provide an avenue for Employees and Directors of the Company to raise serious and sensitive concerns that could have an adverse impact on the operations and performance of the Company. The Audit Committee is entrusted with implementing and monitoring the Whistle Blower Policy/Vigil Mechanism of the Company. It is affirmed that no personnel has been denied access to the Audit Committee. The Whistle Blower Policy/Vigil Mechanism details the procedure for inquiry and investigation of complaints, provides for adequate safeguard for protection of the whistle blower against adverse personal action and calls for disciplinary action against those who abuse the policy. The Policy is posted on the website of the Company at <http://www.iimlindia.com/Policies.aspx>
- (6) The Company has three material subsidiaries, namely, IL&FS Investment Advisors LLC, Andhra Pradesh Urban Infrastructure Asset Management Limited and IL&FS Infra Asset Management Limited. The Company has adopted a policy on Material Subsidiaries and the same is available on the Company's website at <http://www.iimlindia.com/Policies.aspx>
- (7) The Company has adopted a Policy on dealing with related party transactions and the said policy is available on the website of the Company at the link <http://www.iimlindia.com/Policies.aspx>
- (8) The Company has not raised any funds through preferential allotment or qualified institutions placement and accordingly the disclosure under Regulation 32 (7A) is not applicable
- (9) A certificate from M/s Kaushal Dalal & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority is attached as Annexure 3

# CORPORATE GOVERNANCE REPORT

- (10) The Board has accepted all the recommendations of all the mandatory Board Committees in FY2022
- (11) None of the Directors of the Company are related to each other except the Directors nominated by Infrastructure Leasing & Financial Services Limited
- (12) The total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is as below :

Particulars	₹ in lakhs
Statutory Audit	39.52
Limited review of quarterly results	10.95
Out of pocket expenses	0.04
For other services, certification etc.	4.21
<b>Total</b>	<b>54.72</b>

- (13) The Company has always been committed to provide a safe and dignified work environment for its employees which is free of discrimination, intimidation and abuse. The Company has adopted a Policy for Prevention of Sexual Harassment of Women at Workplace under the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The objective of this policy is to provide protection against sexual harassment of women at workplace and for redressal of complaints of any such harassment. The IL&FS Group has also constituted an Internal Complaints Committee (ICC) for all the Group Companies to redress the complaints under the Act. During the year, no complaints pertaining to the Company were received by the ICC
- (14) Other than as disclosed in aforementioned Point (3), the Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI LODR, as applicable, with regard to corporate governance as stipulated in the SEBI LODR
- (15) The Company has adopted the following discretionary requirements as specified in Part E of Schedule II of SEBI LODR
- The Board** : The Company maintains the Chairman's office at the expense of the Company and reimburses expenses incurred by the Chairman in performance of his duties
  - Shareholder Rights** : The Company does not send any half-yearly report on financial performance of the Company to the Shareholders
  - Modified opinion(s) in audit report** : The Company endeavours to obtain financial statements with unmodified audit opinion
  - Reporting of Internal Auditor** : The Internal Auditor reports directly to the Audit Committee
- (16) The Company has followed all relevant Accounting Standards while preparing the Financial Statements
- (17) **Code of Conduct** : The Board has laid down a Code of Conduct for all its Board members and the Senior Management of the Company. The Code of Conduct includes the Code for the Independent Directors pursuant to Schedule IV to the Companies Act, 2013. The Code of Conduct as laid down by the Board has already been posted on the Company's website. The Company has obtained the confirmation of the compliance with the Code from all members of the Board and Senior Management of the Company for FY2022. As required by LODR, the declaration on compliance of the Company's Code of Conduct signed by the Chief Executive Officer is attached as Annexure 1
- (18) The Chief Financial Officer of the Company has furnished the requisite certificate to the Board of Directors under Regulation 17(8) of the SEBI LODR
- (19) The Compliance Certificate from M/s Mehta & Mehta, Company Secretaries in Practice regarding compliance of conditions of corporate governance is annexed to the Corporate Governance Report as Annexure 2
- (20) The Company has in place a mechanism to inform the Board members about the Risk assessment and mitigation plans

## (X) DISCLOSURE UNDER SCHEDULE V(F) OF THE LODR IN RESPECT OF UNCLAIMED SHARES

In FY 2020-21 the Company opened a demat account 'IL&FS Investment Managers Limited - Unclaimed Shares Suspense Account' with IL&FS Securities Services Limited pursuant to Regulation 39(4) of SEBI Listing Regulations

Last year the Company has transferred 12,12,019 unclaimed shares to the said Unclaimed Shares Suspense Account. The voting rights of such unclaimed shares stand frozen from the date of transfer and shall remain frozen till the rightful owner claims shares pursuant to SEBI LODR Regulations.

The details of the unclaimed shares are as follows :

Particulars	No. of shareholders	No. of shares
Balance as on March 31, 2021	2,095	12,12,019
Add : Unclaimed shares arising out of Bonus issue	0	0
Less : Shareholders who approached the RTA and Shares were transferred to them during the year	0	0
Transferred from Unclaimed Shares Suspense Demat Account to IEPF	1,638	7,89,676
Balance as on March 31, 2022	457	4,22,343

## Annexure 1 to Corporate Governance Report

### CODE OF CONDUCT CERTIFICATE

I, Manoj Borkar, Chief Executive Officer & Chief Financial Officer of the Company, hereby declare that the Board of Directors have laid down a Code of Conduct for the Board Members and Senior Management of the Company and the Board Members and Senior Management have affirmed compliance with the said Code of Conduct

For IL&FS Investment Managers Limited

Place : Mumbai  
Date : May 30, 2022

**Manoj Borkar**  
Chief Executive Officer & Chief Financial Officer

## Annexure 2 to Corporate Governance Report

### CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members,

#### IL&FS Investment Managers Limited

We have examined the compliance of conditions of Corporate Governance by IL&FS Investment Managers Limited (hereinafter referred as "Company") for the Financial year ended March 31, 2022 as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations").

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. 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 our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations except for the below mentioned observations:

- 1) No meeting of the Nomination and Remuneration Committee was conducted during the financial year under review as required under Regulation 19 (3A) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the said default is waived by the NCLT order 3638/2018 dated April 26, 2019;
- 2) Independent Directors have not been appointed on the Board of Directors of Unlisted Material Subsidiary as required under Regulation 24(1) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. The default with respect to the appointment of the Independent Director is waived by the NCLT order No 3638/2018 dated April 26, 2019;

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

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

For **Mehta & Mehta,**  
**Company Secretaries**  
(ICSI Unique Code P1996MH007500)

Place : Mumbai  
Date : June 15, 2022

**Atul Mehta**  
Partner  
FCS No :5782  
CP No. :2486  
UDIN: F005782D000494952

# Annexure 3 to Corporate Governance Report

## 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,

**IL&FS INVESTMENT MANAGERS LIMITED**

The IL & FS Financial Centre,  
Plot No C-22, G Block, Bandra Kurla Complex,  
Bandra, Mumbai- 400051

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **IL & FS INVESTMENT MANAGERS LIMITED** having CIN: L65999MH1986PLC147981 and having registered office at The IL & FS Financial Centre, Plot No C-22, G Block, Bandra Kurla Complex, Bandra, Mumbai- 400051 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022, 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 other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment in the Company
1	Susim Mukul Datta	00032812	25 <sup>th</sup> September, 1996
2	Chitranjan Singh Kahlon	02823501	28 <sup>th</sup> August, 2018
3	Kaushik Modak	01266560	06 <sup>th</sup> December, 2018
4	Nand Kishore	08267502	06 <sup>th</sup> December, 2018
5	Priya Prempal Shetty	08858814	11 <sup>th</sup> November, 2020
6	Lubna Ahmad Usman	08299976	12 <sup>th</sup> February, 2021

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these, based on my 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 **Kaushal Dalal & Associates**  
Practising Company Secretaries

**KAUSHAL DALAL**

Proprietor

M. No: FCS 7141

CP No: 7512

UDIN: F007141D000343807

Date: 18th May, 2022

Place: Mumbai

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF IL&FS INVESTMENT MANAGERS LIMITED

### Report on the audit of the Standalone Ind AS Financial Statements

#### Qualified Opinion

1. We have audited the accompanying Standalone Ind AS financial statements of IL&FS Investment Managers Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information ("the Standalone Ind AS Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the 'Basis for Qualified Opinion' paragraph below, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 ("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 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year then ended.

#### Basis for Qualified Opinion

3. Attention is invited to Note no 31 to the Standalone Ind AS Financial Statements which describes the situation faced by the Company in view of the ongoing investigation by Serious Fraud Investigation Office of Ministry of Company Affairs ("SFIO") against Infrastructure Leasing & Financial Services Limited ('IL&FS' or 'the Ultimate Holding Company'), and its subsidiaries (including the Company). Further, the National Company Law Tribunal (NCLT) has ordered re-opening of books of accounts of IL&FS and its two subsidiaries (other than the Company) for the past financial years referred in the note. In view of the aforesaid ongoing investigations of the entire IL&FS Group (including the Company) by the SFIO and re-opening of books of accounts of the Ultimate Holding Company and two of its subsidiaries by the NCLT, we are unable to comment on the consequential impact(s) upon conclusion of the said investigation and re-opening of the books of account on the Standalone Ind AS Financial Statements.
4. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Standalone Ind AS Financial Statements.

#### Materiality Uncertainty relating to Going Concern

5. Attention is drawn to Note 32 of the Standalone Ind AS Financial Statements regarding reduction in the Company's fee revenue significantly coupled with the lack of any immediate new fund raise resulting in the reduced estimates of future fee revenue, there is material uncertainty of the Company's continuity as going concern. However, considering management's expectations of Company's ability to, at least, meet its obligations over the next 12 months out of its earnings and liquid assets, despite prevailing uncertainty with regard to such stake sale, the management believes that use of the 'going concern' assumption for preparation of the standalone Ind AS Financial Statements is appropriate. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

6. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current year. 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. In our professional judgment, we have determined that there is no key audit matter to be communicated in our report.

#### Other Information

7. The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Standalone Ind AS Financial Statements and our auditors' report thereon. The other information is expected to be made available to us after the date of this auditor's report.
8. 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.
9. In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the other Information and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's Responsibilities Relating to Other Information'.

# INDEPENDENT AUDITORS' REPORT

## Management's responsibility for the Standalone Ind AS Financial Statements

10. The Company's management and Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards ("Ind AS") specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
11. In preparing the Standalone Ind AS Financial Statements, the 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
12. 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

13. Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements is 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.
14. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - 14.1. 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.
  - 14.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Ind AS Financial Statements in place and the operating effectiveness of such controls.
  - 14.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
  - 14.4. Conclude on the appropriateness of the 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.
  - 14.5. 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.
15. 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.
16. 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.
17. 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 year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



# INDEPENDENT AUDITORS' REPORT

## Report on Other Legal and Regulatory Requirements

18. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
19. As required by Section 143(3) of the Act, we report that:
- 19.1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- 19.2. Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, 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
- 19.3. The standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, the statement of changes in equity and the standalone cash flow statement dealt with by this Report are in agreement with the books of account.
- 19.4. In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- 19.5. The matter relating to going concern described under para 5 above and matters relating to investigation by SFIO against IL&FS and its subsidiaries (including the Company) and NCLT order of re-opening of books of accounts of IL&FS and its two subsidiaries (other than the Company) for the past financial years described in paragraph 3 above, in our opinion, may have an adverse effect on the functioning of the Company.
- 19.6. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- 19.7. With respect to the adequacy of the internal financial controls with reference to Standalone Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- 19.8. In our opinion and according to the information and explanations given to us, the Company has not paid/provided any remuneration to its directors during the year under report.
20. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- 20.1. There are no pending litigations against the Company;
- 20.2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- 20.3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
- 20.4. The management has represented to us to the best of their knowledge that no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(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. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.
- 20.5. The management has also represented to us to the best of their knowledge that no funds (which are material either individually or in aggregate) 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. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.
- 20.6. In our opinion and according to the information and explanations given to us, the dividend declared by the Company is in compliance with Section 123 of the Act. Refer Note no. 33 to the Standalone Ind AS Financial Statements.

### For KKC & Associates LLP

Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm's Registration Number: 105146W/W100621

### Hasmukh B. Dedhia

Partner  
ICAI Membership No: 033494  
UDIN: 22033494AJXCDJ2451  
Place: Mumbai  
Date: 30 May 2022

## Annexure “A” to the Independent Auditor’s Report on the Standalone Ind AS Financial Statements of IL&FS Investment Managers Limited for the year ended 31 March 2022

.(Referred to in paragraph 18 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment (“PPE”).  

The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The PPE were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the PPE at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties and hence reporting under clause (i)(c) of the Order is not applicable.
- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) and intangible assets during the year.
- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Refer Note no. 37 (b) to the Standalone Ind AS Financial Statements.
- ii. (a) In our opinion and according to the information and explanations given to us, the Company is in the business of rendering fund management services and does not have any physical inventories. Accordingly, reporting under clause (ii)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii) (b) of the Order is not applicable.
- iii. In our opinion and according to the information and explanations given to us, the Company has not made any investments in, provided any guarantee / security or granted any loans or advances in nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties during the year. Therefore, the reporting under clause (iii)(a) to (iii)(f) of paragraph 3 of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, or provided any guarantees or securities under sections 185 and 186 of the Act. With respect to the investments made by the Company, provisions of Section 186 of the Act have been complied with.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, requirements of clause (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Act. Thus, reporting under paragraph 3 (vi) of the Order is not applicable.
- vii. (a) In our opinion and according to the information and explanations given to us, the amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, Income Tax, cess and any other statutory dues have generally been regularly deposited by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees’ state insurance, sales-tax, duty of customs, duty of excise and value added tax.  

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, Income Tax, cess and any other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.
- (b) In our opinion and according to the information and explanations given to us as mentioned in clause (vii)(a), there are no outstanding statutory dues which have not been deposited with the appropriate authority on account of any dispute.

## Annexure “A” to the Independent Auditor’s Report on the Standalone Ind AS Financial Statements of IL&FS Investment Managers Limited for the year ended 31 March 2022

- viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions recorded in the books of account which reflect income surrendered or disclosed during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any loans or other borrowings from any financial institutions, banks, government and dues to debenture holders or in payment of interest thereon to any lender during the year. Hence, reporting under clause (ix)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- (c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have, prima facie, been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures.
- x. (a) In our opinion and according to the information and explanations given to us and procedures performed by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under clause (x)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year.
- xi. (a) In our opinion and according to the information and explanations given to us, there has been no fraud by the Company or any material fraud on the Company that has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there were no whistle blower complaints received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, reporting under clause (xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, during the course of our audit, the reports of the Internal Auditor for the period under audit in accordance with the guidance provided in SA 610 “Using the work of Internal Auditors”
- xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors.
- xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

## Annexure “A” to the Independent Auditor’s Report on the Standalone Ind AS Financial Statements of IL&FS Investment Managers Limited for the year ended 31 March 2022

- (c) The Company is not a Core Investment Company (“CIC”) as defined in the regulations made by Reserve Bank of India.
- (d) As per information provided by the management of the Company, there is one CIC as part of the Group.
- xvii. According to the information and explanations given to us, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xviii. According to the information and explanations given to us, there has been no resignation of the statutory auditors of the Company during the year.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) According to the information and explanations given to us and based on our examination of the records of the Company, it is not required to transfer any unspent amount pertaining to the year under report to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub section 5 of section 135 of the said Act
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, there is no amount which is remaining unspent under sub section 5 of section 135 of the Act pursuant to any ongoing CSR project.
- xxi. Reporting under clause xxi of the Order is not applicable at the standalone level of reporting.

**For KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm's Registration Number: 105146W/W100621

**Hasmukh B. Dedhia**  
Partner  
ICAI Membership No: 033494  
UDIN: 22033494AJXCDJ2451

Place: Mumbai  
Date: 30 May 2022

# Annexure “B” to the Independent Auditors’ report on the Standalone Financial Statements of IL&FS Investment Managers Limited for the year ended 31 March 2022

(Referred to in paragraph “19.7” under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

## Report on the Internal Financial Controls with reference to the aforesaid Standalone Ind AS Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

### Opinion

1. We have audited the internal financial controls with reference to the Standalone Ind AS Financial Statements of IL&FS Investment Managers Limited (“the Company”) as at 31 March 2022 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal controls 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 (“the Guidance Note”), and based on verification of process controls matrices and other relevant documents, made available to us for the financial year under report and thereafter.

### Management’s responsibility for Internal Financial Controls

3. The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor’s responsibility

4. Our responsibility is to express an opinion on the Company’s internal financial controls with reference to the Standalone Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing (“SA”), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Ind AS Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Ind AS Financial Statements were established and maintained and whether such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Standalone Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone Ind AS Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to the Standalone Ind AS Financial Statements.

### Meaning of Internal Financial Controls with reference to the Standalone Ind AS Financial Statements

7. A company’s internal financial controls with reference to the Standalone Ind AS Financial Statements 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 controls with reference to the Standalone Ind AS Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide

## Annexure 2 to the Independent Auditors' Report to the members of IL&FS Investment Managers Limited

reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Ind AS Financial Statements.

### **Inherent Limitations of Internal Financial Controls with reference to the Standalone Ind AS Financial Statements**

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

#### **For KKC & Associates LLP**

Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm's Registration Number: 105146W/W100621

#### **Hasmukh B. Dedhia**

Partner  
ICAI Membership No: 033494  
UDIN: 22033494AJXCDJ2451

Place: Mumbai  
Date: 30 May 2022

# BALANCE SHEET

AS AT MARCH 31, 2022

(Amount ₹ in lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	3	1,547.52	772.34
Bank balance other than above	3	796.16	292.46
Trade Receivables	4	220.40	458.42
Loans	5	8.08	9.12
Investments	6	7,405.61	8,415.98
Other financial assets	7	144.82	71.31
<b>Total Financial Assets</b>		<b>10,122.59</b>	<b>10,019.63</b>
<b>Non-Financial Assets</b>			
Income Tax Asset (net)	8	57.34	7.42
Deferred Tax Assets (net)	9	32.29	41.09
Property, Plant and Equipment	10	11.52	17.70
Other Intangible Assets		-	-
Other Non-Financial Assets	11	372.60	374.54
<b>Total Non-Financial Assets</b>		<b>473.75</b>	<b>440.75</b>
<b>TOTAL ASSETS</b>		<b>10,596.34</b>	<b>10,460.38</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
<b>Payables</b>			
<b>Trade payables</b>			
total outstanding dues of micro enterprises and small enterprises	12	14.45	15.26
total outstanding dues of creditors other than micro enterprises and small enterprises	12	154.15	190.83
<b>Total Financial liabilities</b>		<b>168.60</b>	<b>206.09</b>
<b>Non-Financial liabilities</b>			
Employee benefit obligations	13	57.80	163.10
Other Non-Financial Liabilities	14	278.62	319.17
<b>Total Non-Financial liabilities</b>		<b>336.42</b>	<b>482.27</b>
<b>Equity</b>			
Equity Share Capital	15	6,280.85	6,280.85
Other Equity	15	3,810.47	3,491.17
<b>Equity attributable to owners</b>		<b>10,091.32</b>	<b>9,772.02</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>10,596.34</b>	<b>10,460.38</b>

The accompanying Notes are an integral part of the Financial Statements

In terms of our report attached of even date

**For KKC & Associates LLP**

Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm Registration No.: 105146W/W100621

**Hasmukh B. Dedhia**

Partner  
Membership No. – 033494

Place : Mumbai  
Date : May 30, 2022

**For and on behalf of the Board of Directors**

**S M Datta**

Chairman  
DIN : 00032812

**Manoj Borkar**

Chief Executive Officer &  
Chief Financial Officer

Place : Mumbai  
Date : May 30, 2022

**Sanjay Mitra**

Company Secretary

# STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2022

(Amount ₹ in lakhs)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Revenue :</b>			
Revenue from Operations	17	374.82	738.29
Other Income	18	2,059.66	666.49
<b>Total Revenue</b>		<b>2,434.48</b>	<b>1,404.78</b>
<b>Expenses :</b>			
Employee benefit expense	19	663.24	831.37
Depreciation and amortisation expense	10	7.83	7.11
Other Administrative and Operating Expenses	20	559.43	1,007.82
<b>Total Expenses</b>		<b>1,230.50</b>	<b>1,846.30</b>
<b>Profit before tax</b>		<b>1,203.98</b>	<b>(441.52)</b>
<b>Tax expense :</b>			
- Current tax	26	-	-
- Prior Year Taxes		(50.55)	(76.92)
- Deferred tax	9	4.86	(83.81)
<b>Total tax expense</b>		<b>(45.69)</b>	<b>(160.73)</b>
<b>Net Profit after Tax</b>		<b>1,249.67</b>	<b>(280.79)</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Actuarial Gain/(loss) of the defined benefit plans		15.68	38.81
Deferred tax asset/(Liability) on actuarial gain defined benefit plans		(3.95)	(9.77)
<b>Items that will be reclassified to profit or loss</b>	-	-	-
<b>Total Comprehensive income/(loss) for the year</b>		<b>1,261.40</b>	<b>(251.75)</b>
Earning per equity share :			
(Equity shares of Face value (₹) 2/- each)			
- Basic	21	0.40	(0.09)
- Diluted	21	0.40	(0.09)

The accompanying Notes are an integral part of the Financial Statements

In terms of our report attached of even date

**For KKC & Associates LLP**

Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm Registration No.: 105146W/W100621

**Hasmukh B. Dedhia**

Partner  
Membership No. – 033494

Place : Mumbai  
Date : May 30, 2022

**For and on behalf of the Board of Directors**

**S M Datta**

Chairman  
DIN : 00032812

**Manoj Borkar**

Chief Executive Officer &  
Chief Financial Officer

Place : Mumbai  
Date : May 30, 2022

**Sanjay Mitra**

Company Secretary



# STATEMENT OF CHANGES IN EQUITY

AS AT MARCH 31, 2022

## A. Equity Share Capital

	Note	Amount ₹ in lakhs
<b>Balance as at April 1, 2020</b>	15	6,280.85
Changes in Equity Share Capital due to prior period errors		-
<b>Restated balance at the beginning of the reporting period</b>		6,280.85
Changes in equity share capital		-
<b>Balance as at March 31, 2021</b>	15	6,280.85
Changes in Equity Share Capital due to prior period errors		-
<b>Restated balance at the beginning of the reporting period</b>		6,280.85
Changes in equity share capital		-
<b>Balance as at March 31, 2022</b>	15	6,280.85

## B. Other equity

(Amount ₹ in lakhs)

	Securities Premium Reserve	General Reserve	Retained Earnings	Total
<b>Balance as at April 1, 2020</b>	<b>47.59</b>	<b>3,018.24</b>	<b>2,561.28</b>	<b>5,627.11</b>
<u>Total Comprehensive Income for the year</u>				
Profit for the year	-	-	(280.79)	<b>(280.79)</b>
Other Comprehensive Income	-	-	-	-
Remeasurement of defined benefit liability (net of taxes)	-	-	29.04	<b>29.04</b>
Dividend paid during the year	-	-	(1,884.19)	<b>(1,884.19)</b>
<b>Balance as at March 31, 2021</b>	<b>47.59</b>	<b>3,018.24</b>	<b>425.34</b>	<b>3,491.17</b>
<u>Total Comprehensive Income for the year</u>				
Profit for the year	-	-	1,249.67	<b>1,249.67</b>
Other Comprehensive Income	-	-	11.73	11.73
Remeasurement of defined benefit liability (net of taxes)	-	-	-	-
Dividend paid during the year	-	(942.10)	-	<b>(942.10)</b>
<b>Balance as at March 31, 2022</b>	<b>47.59</b>	<b>2,076.14</b>	<b>1,686.74</b>	<b>3,810.47</b>

The accompanying Notes are an integral part of the Financial Statements

In terms of our report attached of even date

### For KKC & Associates LLP

Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm Registration No.: 105146W/W100621

### Hasmukh B. Dedhia

Partner  
Membership No. – 033494

Place : Mumbai  
Date : May 30, 2022

For and on behalf of the Board of Directors

### S M Datta

Chairman  
DIN : 00032812

### Manoj Borkar

Chief Executive Officer &  
Chief Financial Officer

Place : Mumbai  
Date : May 30, 2022

### Sanjay Mitra

Company Secretary

# CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2022

(Amount ₹ in lakhs)

		Year ended March 31, 2022	Year ended March 31, 2021
<b>(A)</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	<b>PROFIT BEFORE TAX</b>	1,203.98	(441.52)
	<b>Adjustments for :</b>		
	Items classified as Other Comprehensive income	15.68	38.81
	Depreciation and Amortization	7.83	7.11
	Provision for Employee Benefits (Net of reversal)	(105.30)	1.71
	Provision for Expected Credit Loss for trade receivables	(25.46)	58.52
	FVTPL (Gain)/Loss of current investments	(12.15)	253.27
	FVTPL (Gain)/Loss of non-current investments	(202.02)	84.56
	Provision for diminution in value of Investment	15.22	-
	(Profit)/Loss on sale of non-current investments	243.50	12.56
	(Profit)/Loss on sale of current investments	(121.71)	(481.91)
	(Profit)/Loss on sale of Property, Plant and Equipment (Net)	(0.29)	(0.39)
	Interest Income	(82.19)	(179.13)
	Dividend Income from current investments	(1,507.72)	(0.04)
	<b>Operating Profit before working capital changes</b>	<b>(570.63)</b>	<b>(646.45)</b>
	<b>Changes in working capital :</b>		
	<b>Adjustments for (increase)/decrease in operating assets :</b>		
	Trade Receivables	263.49	(337.36)
	Other Financial Assets	(72.53)	(5.91)
	Other Non-Financial Assets	(11.85)	8.66
	<b>Adjustments for increase/(decrease) in operating liabilities :</b>		
	Trade Payables	(37.49)	52.48
	Other Non-Financial Liabilities	8.76	9.35
	<b>Cashflow after working capital changes</b>	<b>(420.25)</b>	<b>(919.23)</b>
	Less: Taxes (paid)/refund received (Net)	0.62	225.91
	<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>(419.63)</b>	<b>(693.32)</b>
	<b>A</b>		
<b>(B)</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	(Purchase)/Sale of mutual funds (Net)	1,068.21	2,188.26
	Dividend Income Received	1,507.72	-
	(Purchase)/Sale of venture capital funds (Net)	19.32	116.46
	(Investment in)/Redemption from Fixed Deposits	(553.00)	470.00
	Purchase of Property, Plant and Equipment's	(1.67)	(15.06)
	Proceeds from Sale of Property, Plant and Equipment's	0.30	0.45
	Interest received	96.03	153.82
	<b>NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES</b>	<b>2,136.91</b>	<b>2,913.93</b>
	<b>B</b>		

# CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2022

		(Amount ₹ in lakhs)	
		Year ended March 31, 2022	Year ended March 31, 2021
<b>(C)</b>	<b>CASHFLOW FROM FINANCING ACTIVITIES</b>		
	Dividend paid on Equity Shares	(942.10)	(1,884.20)
	<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>C</b> <b>(942.10)</b>	<b>(1,884.20)</b>
<b>(D)</b>	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(A+B +C)</b> <b>775.18</b>	<b>336.41</b>
	<b>Add: Cash and Cash Equivalent at the beginning of the year (Refer Note 3)</b>	<b>772.34</b>	<b>435.93</b>
	<b>Cash and Cash Equivalent at the end of the year (Refer Note 3)</b>	<b>1,547.52</b>	<b>772.34</b>

The accompanying Notes are an integral part of the Financial Statements

In terms of our report attached of even date

**For KKC & Associates LLP**

Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm Registration No.: 105146W/W100621

**Hasmukh B. Dedhia**

Partner  
Membership No. – 033494

Place : Mumbai  
Date : May 30, 2022

**For and on behalf of the Board of Directors**

**S M Datta**

Chairman  
DIN : 00032812

**Manoj Borkar**

Chief Executive Officer &  
Chief Financial Officer

Place : Mumbai  
Date : May 30, 2022

**Sanjay Mitra**

Company Secretary

# NOTES Forming part of Financial Statements for the year ended 31st March, 2022

## 1) Corporate Information :

IL&FS Investment Managers Limited (IIML) is a Public Limited Company domiciled in India and its registered office is situated at The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051. The Company has been incorporated under the Companies Act, 1956 on February 10, 1986 and is a domestic private equity fund management company which manages funds on behalf of leading Indian and International Institutions.

As at March 31, 2022, Infrastructure Leasing & Financial Services Limited, the holding company owned 50.42% of the Company's equity share capital.

## 2) Significant accounting policies :

### (a) Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of the Companies Act, 2013 (CA 2013) and other relevant provisions of the CA 2013 as amended from time to time. These financial statements were approved by the Board of Directors and authorised for issue on May 30, 2022.

### (b) Basis of preparation and presentation

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value.

### (c) Fair Value Measurement

#### Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

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

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in the note 27(b) – financial instruments.

### (d) Financial instruments

#### (i) Recognition and initial measurement

- Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.
- A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue.

#### (ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified and measured at amortised cost :

- fair value through other comprehensive income ("FVOCI")
- FVTPL

## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

Financial assets are not reclassified subsequent to their initial recognition except if in the period the Company changes its business model for managing the financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL :

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL

Subsequent measurement and gains and losses are recognised as :

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

### (iii) Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

### (iv) Derecognition

#### - Financial Asset

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

#### - Financial Liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

(v) **Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(vi) **Cash and cash equivalents**

Cash comprises of demand deposits with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term balance, as defined above as they are considered an integral part of the Company cash management.

(e) **Property, Plant and Equipment**

Property, plant and equipment acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any.

The acquisition cost includes the purchase price (excluding refundable taxes) and expenses, directly attributable to bringing the asset to the site and in working condition for its intended use.

Intangible Assets are reported at acquisition value with deductions for accumulated amortisation and impairment losses, if any.

Depreciation on asset is provided pro-rata from the date on which asset is ready to be put to use for its intended purpose on Straight-Line Method based on the estimated useful life of the assets, which are as follows :

Category of Asset	Estimated Useful Life (in years)
<b>Assets :</b>	
Furniture and Fixtures	5
Data Processing Equipments (Servers & Networking)	4
Data Processing Equipments (Others)	3
Office Equipments	4
Vehicles	4
Lease hold improvement	Over the Lease Period
Asset given to employees	3
<b>Intangible Assets :</b>	
Computer Software	3

As per CA 2013, depreciation of assets is required to be provided based on estimated useful life as per Schedule II of the CA 2013. However, there are certain categories of assets where the useful life of assets have been assessed as under, taking into consideration the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, the past history of replacement, anticipated technological changes etc. Pursuant to the foregoing, it is proposed to continue with the existing policy of accelerated depreciation on following category of assets :

- (i) Mobile Phones and iPad/Tablets 100% depreciated during the year of capitalisation due to extensive usage and technological obsolescence.
- (ii) Vehicles as per the current policy of 4 years as against the useful life of 8 years provided in the CA 2013.
- (iii) Furniture and Fixtures as per current policy of 5 years as against the useful life of 10 years provided in the CA 2013.
- (iv) Office Equipment as per current policy of 4 years as against the useful life of 5 years provided in the CA 2013.
- (v) Data Processing Equipment - Servers & Networking as per current policy of 4 years as against the useful life of 6 years provided in the CA 2013.
- (vi) Assets provided to Employees as perquisites would be depreciated over a period of 3 years in line with the rules set in the Employee Hand Book.
- (vii) Individual assets costing ₹ 5,000/- or less in the year of capitalisation shall be depreciated 100% for all the categories of assets.

# NOTES Forming part of Financial Statements for the year ended 31st March, 2022

Residual value of all assets is retained at ₹ 1/- till they are disposed/written off.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying of the asset and is recognised in profit or loss.

## (f) Revenue recognition

### (i) Rendering of services

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115, Revenue from Contracts with Customers to determine when to recognise revenue and at what amount.

Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

If the consideration promised in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for rendering the promised services to a customer. The amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

The Company principally generates revenue by providing investment management/ advisory services to various funds

Services	Nature, timing of satisfaction of performance obligations and significant payment terms
Investment Management/Advisory Services	<p>The Company provides investment management/ advisory services to various funds over the life of those funds and is entitled to management/ advisory fees. Management/advisory fees are calculated on the applicable rates and bases as stipulated in the investment management/ advisory agreement between the Company and the funds. As the services are to be provided over the life of the funds, this implies that performance obligation is satisfied over time.</p> <p>The transaction price of the management/ advisory fees is based on the disposition proceeds, Net invested capital, Net capital commitment, and outstanding capital as applicable (variable consideration-based), however, this is not constrained since it can easily and accurately be calculated.</p> <p>The Company determines that it can allocate the entire amount of management/advisory fees because the management/advisory fees relate specifically to the service provided during life of the funds.</p> <p>Therefore, revenue in the form of management/ advisory fees is recognised over time.</p>

### (ii) Recognition of dividend income, interest income from financial instruments

- Dividend income is recognised in the Statement of Profit and Loss on the date on which the Company's right to receive dividend is established.
- Interest income or expense is recognised using the effective interest rate method.

## (g) Income Tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

### (i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

### (ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset 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 on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

### (h) Foreign Currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

In preparing the financial statements of Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Foreign exchange gains and losses resulting from settlement of such transactions are generally recognised in the profit and loss.

Non-monetary foreign currency items are carried at cost.

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. (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

### (i) Provisions (other than for employee benefits), contingent liabilities, contingent assets and commitments

A provision is recognised 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. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which 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 or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advance) issued to counterparties for supplying/development of assets and amounts pertaining to Investments which have been committed but not called for.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.



## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

### (j) 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 :

Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original Effective Interest Rate (EIR). ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss.

### (k) Employee benefits

(i) Short Term Obligations : Liabilities for wages and salaries, including nonmonetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Retirement benefit costs and termination benefits : Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. The Company has no obligation, other than the contribution payable to the provident fund.

The Company provides for gratuity, a defined benefit plan. Incremental liability for gratuity based on actuarial valuation/management estimates as per the projected unit credit method as at the reporting date, is charged as expenses in the Statement of Profit and Loss. Actuarial gains and losses arising from changes in actuarial/management assumptions are recognised in other comprehensive income and shall not be reclassified to the Statement of Profit and Loss in a subsequent period.

(iii) Leave Encashments : The Company provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment/availment. The liability is provided based on the actual number of days of unutilised leave at each Balance Sheet date on the basis of a management estimate/independent actuarial valuation.

### (l) Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 - Leases. At the inception of a contract, assessment is being done by Company 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. The Company reassesses whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed .

#### As a Lessor :

A lessor shall classify each of its leases as either an operating lease or a finance lease.

#### As a Lessee :

At the commencement date, a lessee shall recognise a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses would be depreciation charge for ROU assets and interest expense on lease liabilities.

The Company in the capacity of lessee has classified each of its leases as short term leases (having a lease term of 12 months or lower) and has recognised the lease payments as an expense on either a straight-line basis over the lease term or another systematic basis. The related cash flows are classified as Operating activities in the Statement of Cash Flows.

### (m) Earnings Per Share

In determining earnings per share, the Company considers the profit attributable to the owners of the company. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of additional equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date.

## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

**(n) Cash flow Statements**

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**(o) Segment reporting**

An operating segment is a component of a Company that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relates to transactions with any of the Company's other components, for which discrete financial information is available, and such information is regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make key decision on operations of the segments and assess its performance. The Company operates in one reportable business segment i.e. "Asset Management and other related service".

**(p) Goods and Services Tax**

Goods and Services Tax ("GST") is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing the credits.

**(q) Operating Cycle**

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**(r) Use of estimates and judgements**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2022 is included in the following notes :

- (i) Note 28 Impairment of financial assets (including trade receivable).
- (ii) Note 13 Estimation of defined benefit obligations.
- (iii) Note 32 Estimation for preparation of financials under going concern assumption.

**(s) Rounding off**

All amounts disclosed in the financial statement and notes have been rounded off to the nearest Lakhs, unless otherwise stated.

**3) Cash and Cash Equivalents :**

**(Amount ₹ in lakhs)**

Particulars	As at March 31, 2022	As at March 31, 2021
Cash in hand	0.38	0.42
Bank Balance in current accounts	47.14	36.92
In fixed deposits account with maturity less than 3 months	1,500.00	735.00
<b>Total cash and cash Equivalent</b>	<b>1,547.52</b>	<b>772.34</b>
<b>Other bank balances</b>		
Balances with banks for unclaimed dividend	243.16	292.46
In fixed deposits account with maturity more than 3 months	553.00	-
<b>Total Other Bank Balances</b>	<b>796.16</b>	<b>292.46</b>
	<b>2,343.68</b>	<b>1,064.80</b>

# NOTES Forming part of Financial Statements for the year ended 31st March, 2022

## 4) Trade Receivables :

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade receivables</b>		
Trade Receivables considered good - Unsecured	220.40	458.42
Trade Receivables - Credit Impaired	35.92	53.94
	<b>256.32</b>	<b>512.36</b>
Less: Allowance for Expected Credit Losses	(35.92)	(53.94)
<b>Total Trade Receivable</b>	<b>220.40</b>	<b>458.42</b>

The Company exposure to credit risk relating to trade receivables and provision for loss allowance is disclosed in Note 28

### Ageing of Trade Receivables as at March 31, 2022

(Amount ₹ in lakhs)

Particulars	Unbilled Dues	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	212.84	7.56	-	-	-	220.40
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>212.84</b>	<b>7.56</b>	-	-	-	<b>220.40</b>

### Ageing of Trade Receivables as at March 31, 2021

(Amount ₹ in lakhs)

Particulars	Unbilled Dues	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	292.30	166.13	-	-	-	458.42
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-

## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

(Amount ₹ in lakhs)

Particulars	Unbilled Dues	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>292.30</b>	<b>166.13</b>	-	-	-	<b>458.42</b>

### 5) Loans :

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Loans and advances to employees	8.08	9.12
<b>Total Loans</b>	<b>8.08</b>	<b>9.12</b>

### 6) Investments :

(Amount ₹ in lakhs)

Particular	As at March 31, 2022		As at March 31, 2021	
	QTY	₹	QTY	₹
<b>Investments in Equity Instruments</b>				
<b>Unquoted at cost</b>				
<b>In Subsidiary Companies</b>				
IL&FS Asian Infrastructure Managers Ltd	4,591,837	511.83	4,591,837	511.83
IL&FS Urban Infrastructure Managers Ltd	1,000,000	100.00	1,000,000	100.00
IL&FS Investment Advisors LLC	57,001	8.55	57,001	8.55
IIML Asset Advisors Limited (Class A equity shares)	424,762	794.64	424,762	794.64
IIML Asset Advisors Limited (Class B equity shares)	215,948	84.00	215,948	84.00
IIML Fund Managers (Singapore) Pte Ltd	195,000	1,183.63	195,000	1,183.63
Andhra Pradesh Urban Infrastructure Asset Management Limited	10,200,000	1,020.00	10,200,000	1,020.00
IL&FS Infra Asset Management Limited	16,800,000	1,785.84	16,800,000	1,785.84
IL&FS AMC Trustee Limited	250,000	25.28	250,000	25.28
<b>In Joint Venture</b>				
IL&FS Milestone Realty Advisors Private Ltd	400,000	8.00	400,000	8.00
Standard Chartered IL&FS Management (Singapore) Pte Ltd	50,000	22.19	50,000	22.19
<b>In Others</b>				
Avantika Gas Ltd	8,250	0.82	8,250	0.82
(Less) : Allowance for Impairment		(883.83)		(868.60)
<b>Total Investment in Equity Instruments (I)</b>		<b>4,660.95</b>		<b>4,676.18</b>

## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

(Amount ₹ in lakhs)

Particular	As at March 31, 2022		As at March 31, 2021	
	QTY	₹	QTY	₹
<b>Investment in Unquoted Redeemable Participating Shares</b>				
<b>In Subsidiary companies</b>				
IL&FS Investment Advisors LLC	100,000	0.45	100,000	0.45
IL&FS Investment Advisors LLC Series I	24,999,900	126.00	249,99,900	126.00
<b>Total Investment in Participating shares (II)</b>		<b>126.45</b>		<b>126.45</b>
<b>Investment in Managerial Units of Venture Fund at cost</b>				
<b>Unquoted</b>				
Infrastructure Leasing & Financial Services Realty Fund (Class C Units)	500	0.50	500	0.50
IFIN Realty Trust (Class C Units)	10	1.00	10	1.00
Tara India Fund IV Trust (Class C Units)	50	5.00	50	5.00
Tara India Fund III Trust (Class C Units)	50	5.00	50	5.00
Tara India Fund III Domestic Trust (Class B Units)	500	5.00	500	5.00
Urjankur Nidhi Trust (Class C Units)	-	-	1,000	1.00
<b>Total Investment in Managerial Units of Venture Fund at cost (III)</b>		<b>16.50</b>		<b>17.50</b>
<b>Investment in Units of Venture Fund at FVTPL</b>				
Infrastructure Leasing & Financial Services Realty Fund - Class A Units	192	112.76	232	115.01
Tara India Fund III Trust - Class A Units	3	24.07	24	14.04
IFIN Realty Trust - Class A Units	44	39.78	45	45.43
Tara India Fund IV Trust - Class A Units	70	538.26	70	576.88
<b>Total Investment in Units of Venture Fund (IV)</b>		<b>714.87</b>		<b>751.36</b>
<b>Total Unquoted Investments (I+II+III+IV) (A)</b>		<b>5,518.77</b>		<b>5,570.49</b>
Aggregate amount of unquoted investments		5,518.77		5,570.49
Aggregate amount of Provision for diminution		883.83		868.60
<b>Investment in mutual funds at FVTPL</b>				
<b>Unquoted</b>				
Kotak Corporate Bond Fund-Direct Plan - Growth	-	-	17,374.37	503.96
Kotak Low Duration Fund Growth - Regular Plan	21,858.52	596.36	10,221.26	268.61
Nippon India Floating Rate Fund - Growth Plan - Growth Option	21,89,615.93	793.29	21,89,615.93	758.88
ICICI Prudential Liquid Fund - Growth	6,544.83	20.49	36,575.83	110.84
ICICI Prudential Corporate Bond Fund - Growth	-	-	5,78,393.28	131.23
ABSL Money Manager Fund	83,855	248.44	7,799.45	22.23
ABSL Floating Rate Fund - Growth	82,127	228.26	-	-
SBI Corporate Bond Fund - Regular Growth	-	-	43,16,285.55	521.50
Kotak Floating Rate Fund - Regular Growth	-	-	23,768.71	273.30
Nippon India Money Market Fund - Growth Plan	-	-	7,976.65	254.94
<b>Total investment in mutual funds (B)</b>		<b>1,886.84</b>		<b>2,845.49</b>
<b>Aggregate amount of unquoted investments</b>		<b>1,886.84</b>		<b>2,845.49</b>
<b>Total Investments (A+B)</b>		<b>7,405.61</b>		<b>8,415.98</b>

The Company exposure to price risk for fair value measurement is disclosed in Note 28

## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

### 7) Other financial assets :

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued	22.84	36.67
Security Deposits	0.26	0.26
Fees accrued but not due	109.54	-
Others	19.50	49.15
Less: Allowance for Expected Credit Losses	(7.32)	(14.77)
<b>Total Other Financial Asset</b>	<b>144.82</b>	<b>71.31</b>

Others include advance recoverable on account of reimbursement of out of pocket expenses

### 8) Income Tax Asset (net) :

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance payment of taxes	57.34	7.42
<b>Total (A)</b>	<b>57.34</b>	<b>7.42</b>
<b>Income tax payable (B)</b>	<b>-</b>	<b>-</b>
<b>Net Income Tax Assets (A - B)</b>	<b>57.34</b>	<b>7.42</b>

### 9) Deferred Tax Assets & Liabilities :

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Assets (Net)	32.29	41.09
<b>Total</b>	<b>32.29</b>	<b>41.09</b>

#### Movement in deferred tax balances :

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	Movement Recognised in profit and loss	Movement Recognised in OCI	As at March 31, 2021
<b><u>Tax effect of items constituting deferred tax assets</u></b>				
Property, Plant and Equipment	34.88	(4.52)	-	39.40
Defined benefit obligation	14.95	3.01	(3.94)	15.88
Trade Receivables	10.88	(6.41)	-	17.29
<b>Total</b>	<b>60.71</b>	<b>(7.92)</b>	<b>(3.94)</b>	<b>72.57</b>
<b><u>Tax effect of items constituting deferred tax liabilities</u></b>				
FVTPL financial asset	(28.42)	3.06	-	(31.48)
<b>Total</b>	<b>(28.42)</b>	<b>3.06</b>	<b>-</b>	<b>(31.48)</b>
<b>Net Tax (Liability)/Asset</b>	<b>32.29</b>	<b>(4.86)</b>	<b>(3.94)</b>	<b>41.09</b>

# NOTES Forming part of Financial Statements for the year ended 31st March, 2022

## 10) Property, Plant and Equipment :

(Amount ₹ in lakhs)

Description of Assets	Leasehold Improvements	Furniture and Fixtures	Office Equipment's	Data Processing Equipment's (Others)	Vehicles	Total
<b>I. Deemed Cost</b>						
<b>Balance as at April 1, 2020</b>	<b>0.01</b>	<b>18.50</b>	<b>23.49</b>	<b>16.42</b>	<b>66.49</b>	<b>124.91</b>
Additions	-	-	-	15.06	-	15.06
Disposals	(0.01)	(0.05)	-	-	-	(0.06)
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>18.45</b>	<b>23.49</b>	<b>31.48</b>	<b>66.49</b>	<b>139.91</b>
Additions	-	-	-	1.67	-	1.67
Disposals	-	(1.65)	(1.08)	-	-	(2.73)
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>16.80</b>	<b>22.41</b>	<b>33.15</b>	<b>66.49</b>	<b>138.85</b>
<b>II. Accumulated Depreciation and impairment</b>						
<b>Balance as at April 1, 2020</b>	<b>-</b>	<b>15.16</b>	<b>21.94</b>	<b>16.09</b>	<b>61.91</b>	<b>115.10</b>
Deletion on disposal of sale	-	-	-	-	-	-
Depreciation expense for the year	-	2.19	0.58	1.85	2.49	7.11
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>17.35</b>	<b>22.52</b>	<b>17.94</b>	<b>64.40</b>	<b>122.21</b>
Deletion on disposal of sale	-	(1.63)	(1.08)	-	-	(2.71)
Depreciation expense for the year	-	0.78	0.22	4.74	2.09	7.83
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>16.50</b>	<b>21.66</b>	<b>22.68</b>	<b>66.49</b>	<b>127.33</b>
<b>III. Net Carrying Amount</b>						
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>1.10</b>	<b>0.97</b>	<b>13.54</b>	<b>2.09</b>	<b>17.70</b>
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>0.30</b>	<b>0.75</b>	<b>10.47</b>	<b>-</b>	<b>11.52</b>

Note : The company has not revalued its Property, Plant and Equipment during the year

## 11) Other Non-Financial Assets :

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid Expenses	100.91	136.40
Unbilled Revenue	-	19.77
Indirect taxes recoverable	271.69	218.37
<b>Total Non-Financial Assets</b>	<b>372.60</b>	<b>374.54</b>

## 12) Trade Payables :

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade Payables</b>		
Total outstanding dues of Micro Enterprises and Small Enterprises *	14.45	15.26
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	154.15	190.83
<b>Total Trade Payables</b>	<b>168.60</b>	<b>206.09</b>

**Note:** According to the records available with the Company, there were no dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act 2006. Hence no disclosures are to be given in respect thereof. This has been provided by the Company and relied upon by the auditors

\* The total amount of outstanding dues to MSME of ₹ 14.45 Lakhs (Previous Year ₹ 15.26 Lakhs) represent a provision made as on March 31, 2022 and for which invoice is not yet received

The Company exposure to liquidity risk relating to trade payables is disclosed in Note 28

# NOTES Forming part of Financial Statements for the year ended 31st March, 2022

## Ageing of Trade Payables as at March 31, 2022

(Amount ₹ in lakhs)

Particulars	Unbilled Dues	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	14.45	-	-	-	-	-	14.45
Others	3.60	150.55	-	-	-	-	154.15
Disputed dues – MSME	-	-	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>18.05</b>	<b>150.55</b>	-	-	-	-	<b>168.60</b>

## Ageing of Trade Payables as at March 31, 2021

(Amount ₹ in lakhs)

Particulars	Unbilled Dues	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	15.26	-	-	-	-	-	15.26
Others	3.70	187.13	-	-	-	-	190.83
Disputed dues – MSME	-	-	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>18.96</b>	<b>187.13</b>	-	-	-	-	<b>206.09</b>

### 13) Employee benefit obligations :

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for compensated absences	57.80	63.10
Provision for other employee benefits	-	100.00
	<b>57.80</b>	<b>163.10</b>

Particulars relating to IND AS 19 “Employee Benefits” (Revised) is provided below :

#### a) Defined-Contribution Plans :

The Company has recognised ₹ 30.11 Lakhs (Previous year – ₹ 30.29 Lakhs) as expense in the Statement of Profit and Loss under Company’s Contribution to Provident Fund, which is maintained with the office of Regional Provident Fund Commissioner and ₹ 15.54 Lakhs (Previous year ₹ 15.71 Lakhs) as Company’s contribution to Superannuation Fund maintained with Life Insurance Corporation of India.

There has been a Supreme Court of India judgement dated February 28, 2019 relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the Judgement including the effective date of application. The Company has deducted provident fund as per Supreme Court judgement with effect from 01 April 2019. But in the absence of any notification from PF Authorities, the Company has not deducted additional provident fund of previous years yet. The Company will continue to assess any further developments in this matter for the implications on financial statements, if any.

#### b) Defined-Benefit Plans :

The Company operates funded post retirement defined benefit plans for gratuity, details of which are as follows :

(Amount ₹ in lakhs)

Assets and Liability (Balance Sheet Position)	As on	
	March 31, 2022	March 31, 2021
Particulars		
Present Value of Obligation	425.45	431.42
Fair Value of Plan Assets	504.23	510.53
<b>Net Asset / (Liability)</b>	<b>78.78</b>	<b>79.11</b>



## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

(Amount ₹ in lakhs)

Expenses Recognised during the year	For the year ending		
	Particulars	March 31, 2022	March 31, 2021
In Income Statement		16.00	20.45
In Other Comprehensive Income		(15.68)	(38.80)
<b>Total Expenses Recognised during the year</b>		<b>0.32</b>	<b>(18.35)</b>

(Amount ₹ in lakhs)

Changes in the Present Value of Obligation	For the year ending		
	Particulars	March 31, 2022	March 31, 2021
Present Value of Obligation as at the beginning		431.42	594.80
Current Service Cost		20.94	24.21
Interest Expense or Cost		26.95	36.85
Re-measurement (or Actuarial) (gain)/loss arising from :			
- change in demographic assumptions		(0.98)	-
- change in financial assumptions		(1.26)	(1.54)
- experience variance (i.e. Actual experiences assumptions)		(25.95)	(37.27)
Past Service Cost		-	-
Benefits Paid		(25.67)	(185.63)
<b>Present Value of Obligation as at the end of the year</b>		<b>425.45</b>	<b>431.42</b>

(Amount ₹ in lakhs)

Bifurcation of Net Liability/(Asset)	As on	
	March 31, 2022	March 31, 2021
Current Liability/(Asset) - Short term	(78.78)	(79.11)
Non-Current Liability/(Asset) - Long term	-	-
<b>Net Liability/(Asset)</b>	<b>(78.78)</b>	<b>(79.11)</b>

(Amount ₹ in lakhs)

Changes in the Fair Value of Plan Assets	For the year ending		
	Particulars	March 31, 2022	March 31, 2021
Fair Value of Plan Assets as at the beginning		510.53	655.55
Investment Income		31.88	40.61
Benefits Paid		(25.67)	(185.63)
Return on plan assets, excluding amount recognised in net interest expense		(12.51)	-
<b>Fair Value of Plan Assets as at the end of the year</b>		<b>504.23</b>	<b>510.53</b>

# NOTES Forming part of Financial Statements for the year ended 31st March, 2022

(Amount ₹ in lakhs)

Expenses Recognised in the Income Statement Particulars	For the year ending	
	March 31, 2022	March 31, 2021
Current Service Cost	20.94	24.21
Past Service Cost	-	-
Loss/(Gain) on settlement	-	-
Net Interest Cost/(Income) on the Net Defined Benefit Liability/(Asset)	(4.94)	(3.76)
<b>Expenses Recognised in the Income Statement</b>	<b>16.00</b>	<b>20.45</b>

(Amount ₹ in lakhs)

Other Comprehensive Income Particulars	For the year ending	
	March 31, 2022	March 31, 2021
Actuarial (gains)/losses		
- change in demographic assumptions	(0.98)	-
- change in financial assumptions	(1.26)	(1.54)
- experience variance (i.e. Actual experience vs assumptions)	(25.95)	(37.27)
Return on plan assets, excluding amount recognised in net interest expense	12.51	-
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
	<b>(15.68)</b>	<b>(38.81)</b>

(Amount ₹ in lakhs)

Financial Assumption Particulars	As on	
	March 31, 2022	March 31, 2021
Discount Rate (per annum)	6.30%	6.25%
Salary Growth Rate (per annum)	6.50%	6.50%

(Amount ₹ in lakhs)

As at March 31, 2022	Changes in Assumptions	Impact on define benefit obligation	
		Increase	Decrease
Discount Rate	1%	(16.44)	17.96
Salary Escalation Rate	1%	(16.56)	17.75
Employee Turnover	0.50%	(0.56)	0.01

(Amount ₹ in lakhs)

As at March 31, 2021	Changes in Assumptions	Impact on define benefit obligation	
		Increase	Decrease
Discount Rate	1%	(28.59)	32.30
Salary Escalation Rate	1%	(28.78)	31.90
Employee Turnover	0.5%	(0.36)	0.33

#### Other Details :

The estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors. The above information is certified by the actuary and relied upon by the Auditors

## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

### 14) Other Non-financial Liabilities :

(Amount ₹ in lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Statutory Dues payable	29.29	21.93
Other Payables	6.17	4.78
Unclaimed Dividend	243.16	292.46
<b>Total Other Non-financial Liabilities</b>	<b>278.62</b>	<b>319.17</b>

- a) Other Payables pertains to amount payable for employees Provident Fund, Professional Tax and employee reimbursements
- b) Unclaimed Dividend of ₹ 243.16 Lakhs relates to the period from FY 2014-2015 to FY 2020-2021. During the year ended March 31, 2022 an amount of ₹ 61.00 Lakhs (Previous year : ₹ 42.29 Lakhs) has been transferred to the Investor Education and Protection Fund relating to amounts for the year ended March 31, 2014 (Previous year : March 31, 2013)

### 15) A) Equity Share Capital :

(Amount ₹ in lakhs)

Particulars	As at		As at	
	March 31, 2022		March 31, 2021	
	Number of shares	₹	Number of shares	₹
<b>AUTHORISED</b>				
Equity Shares of ₹ 2/- each with voting rights	325,000,000	6,500.00	325,000,000	6,500.00
<b>ISSUED, SUBSCRIBED AND FULLY PAID UP</b>				
Equity Shares of ₹ 2/- each with voting rights	314,032,740	6,280.65	314,032,740	6,280.65
<b>Add : Forfeited Shares</b>		0.20		0.20
Equity Shares of ₹ 2/- each with voting rights	<b>314,032,740</b>	<b>6,280.85</b>	<b>314,032,740</b>	<b>6,280.85</b>

- i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year :

Particulars	Opening balance	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in Equity Share Capital	Closing balance
<b>As at March 31, 2022</b>					
Number of shares	314,032,740	-	314,032,740	-	314,032,740
Amount (₹)	628,085,480	-	628,085,480	-	628,085,480
<b>As at March 31, 2021</b>					
Number of shares	314,032,740	-	314,032,740	-	314,032,740
Amount (₹)	628,085,480	-	628,085,480	-	628,085,480

- ii) Details of Holding Company and shareholders holding more than 5% of the share capital :

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Infrastructure Leasing & Financial Services Limited, the Holding Company	158,333,152	50.42	158,333,152	50.42

## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

iii) Details of Shares held by Promoters as at March 31, 2022 :

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Infrastructure Leasing & Financial Services Limited, the Holding Company	158,333,152	50.42	158,333,152	50.42

iv) Rights, preference and restrictions attached to equity shares :

The Company has one class of Equity Shares with face value of Amount ₹ 2/- each. Each Shareholder has a voting right in proportion to their holding of the paid up Equity Share Capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, in proportion to the number of equity shares held after distribution of all preferential amounts. However, no such preferential amounts exist currently.

v) No shares were allotted by the Company as fully paid up by way of bonus shares for preceding five years.

vi) Forfeited shares :

During the financial year 1997-98 the Company had forfeited 10,000 equity shares of ₹ 2/- each on which amount paid up was ₹ 20,000/-.

vii) No shares were bought back by the Company during the last five years.

viii) No shares were allotted by the Company as fully paid-up 'pursuant to any contract without payment being received in cash' in last five years.

**B) Other Equity :**

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Securities Premium Reserve	47.59	47.59
General Reserve	2,076.14	3,018.24
Retained Earnings	1,686.74	425.34
<b>Total Other Equity</b>	<b>3,810.47</b>	<b>3,491.17</b>
<b>Securities Premium Reserve</b>		
Opening Balance	47.59	47.59
<b>Closing Balance</b>	<b>47.59</b>	<b>47.59</b>
<b>General Reserve</b>		
Opening Balance	3,018.24	3,018.24
Dividend paid during the year	(942.10)	-
<b>Closing Balance</b>	<b>2,076.14</b>	<b>3,018.24</b>
<b>Retained Earnings</b>		
Opening Balance	425.34	2,561.28
Net Profit/(Loss) for the year	1,249.67	(280.79)
Other Comprehensive Income	11.73	29.04
Dividend paid during the year	-	(1,884.19)
<b>Closing Balance</b>	<b>1,686.74</b>	<b>425.34</b>

## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

### Nature and purpose of reserve :

#### a) Security Premium Reserve :

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013

#### b) General Reserve :

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes as the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss

### 16) Capital Commitments :

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Capital Commitments :</b>		
Uncalled commitments on units of Venture Capital Fund	304.08	304.08

### 17) Revenue from Operations :

(Amount ₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Fees from Advisory Services	153.80	526.00
Fees from Management Services	221.02	212.29
<b>Total Revenue from Operations</b>	<b>374.82</b>	<b>738.29</b>

### 18) Other Income:

Other Income comprises of :

(Amount ₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Interest Income</b>		
<b>On Financial Assets recognised at amortised cost :</b>		
- Demand Deposits with Banks	29.93	75.89
- Other Deposits/Loans	0.44	0.78
<b>On Others :</b>		
Interest on Income Tax Refund	51.83	102.47
<b>Dividend income</b>		
- Dividend income from Investments	1,507.72	0.04
<b>Realised gain/(loss) on sale of investments :</b>		
- On non-current investments	-	-
- Other current investments	121.71	481.91
<b>Net unrealised gain/(loss) on investments at FVTPL :</b>		
- On current investments	214.17	-
Reversal of Expected Credit Loss on receivables/financial assets	25.46	-
Reversal of Excess PRP Provision	100.00	-
Profit on sale of Fixed Asset	0.29	0.39
Foreign Exchange Gain	8.10	-
Miscellaneous Income	0.01	5.01
	<b>2,059.66</b>	<b>666.49</b>

## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

### 19) Employee Benefit Expense :

(Amount ₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and Allowances	597.87	757.85
Contribution to Provident fund and other funds	61.65	69.05
Staff Training and welfare expenses	3.72	4.47
	<b>663.24</b>	<b>831.37</b>

### 20) Other Administrative and Operating Expenses :

a) Other Administrative and Operating Expenses consists of :

(Amount ₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent	73.10	155.73
Rates and Taxes	16.68	17.34
Electricity and Water Charges	1.33	0.79
Travelling and Conveyance	6.23	4.52
Insurance	40.69	58.63
Repairs and Maintenance	14.35	21.20
Audit Fees	28.98	27.02
Legal and Professional Expenses	58.87	147.40
Director Sitting Fees	4.65	4.70
Sub advisory Fees	-	69.00
Expenditure on Corporate Social Responsibility	15.18	32.00
Miscellaneous Expenses	40.65	60.59
Provision for expected loss on trade receivables	-	58.51
Net Loss on sale of non-current investments	243.50	12.56
Provision for diminution in value of investments	15.22	-
Net Loss arising on financial assets designated as at FVTPL	-	337.83
	<b>559.43</b>	<b>1,007.82</b>

Miscellaneous Expenses includes advertisement expenses, general office expenses, postage and telecommunication, printing and stationery and subscription to clubs/associations.

b) Audit fees consists of amount paid/payable :

(Amount ₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Statutory Audit	16.50	14.50
Limited review of quarterly results	8.25	8.25
Out of pocket expenses	0.03	0.07
For other services, certification etc.	4.20	4.20
<b>Total</b>	<b>28.98</b>	<b>27.02</b>

The above fees are exclusive of GST

## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

c) Earnings in Foreign Currency (on accrual basis) :

(Amount ₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Management Fee Income	370.32	545.74
Dividend Income	1,507.72	-

d) Expenditure in Foreign Currency (on accrual basis) on :

(Amount ₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Legal and Professional Fees	0.34	8.26

### 21) Earnings Per Share :

In accordance with the Indian Accounting Standard on 'Earnings Per Share' (IND AS-33), the Basic Earnings per Share and Diluted Earnings Per Share has been computed by dividing the Profit After Tax by the number of equity shares for the respective period as under :

(Amount ₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit After Tax (₹)	1,249.67	(280.79)
Weighted Average Number of Equity Shares in calculating Basic and Diluted EPS	3,140.33	3,140.33
(i) Nominal Value per share (₹)	2.00	2.00
(ii) Basic Earnings per share (₹)	0.40	(0.09)
(iii) Diluted Earnings per share (₹)	0.40	(0.09)

### 22) Leases :

The Company has entered into business service agreement with IL&FS for usage of certain office facilities along with user of certain furniture, fixtures and other facilities at IL&FS business centre. Agreement is executed for a period of 6 months effective from 1st April, 2021 and has been extended for a period of another 6 months till 31st March, 2022. Agreement can be renewed for further period with mutual consent of both the parties. Therefore, there is no impact on lease payments due to adoption of Ind AS 116 by the Company for the year ended March 31, 2022.

### 23) Dividend paid in Foreign Currencies to Non-resident Shareholders :

The dividend of Rs Nil (Previous Year : Nil) has been paid in Foreign Currencies to non-resident shareholders in current year.

### 24) Derivatives and foreign currency Exposures :

There are no forward exchange contracts outstanding as at March 31, 2022.

### 25) Disclosure as required by IND AS 24 on "Related Party Disclosures" are made below :

Related Parties with whom there were transactions during the year :

a) Name of the Related Parties and Description of Relationship :

Sr. No.	Holding Company
1	Infrastructure Leasing & Financial Services Limited [IL&FS]
Sr. No.	Subsidiaries
1	IL&FS Urban Infrastructure Managers Limited [IUIML]
2	IL&FS Asian Infrastructure Managers Limited [IAIML]
3	IL&FS Investment Advisors LLC [IIAL]

## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

4	IIML Asset Advisors Limited [IAAL]
5	IIML Fund Managers (Singapore) Pte Ltd [IFMSPL]
6	Andhra Pradesh Urban Infrastructure Asset Management Limited [APUIAML]
7	IL&FS Infra Asset Management Limited
8	IL&FS AMC Trustee Limited [IATL]
<b>Sr. No.</b>	<b>Fellow Subsidiaries</b>
1	IL&FS Securities Services Limited [ISSL]
2	IFIN Realty Trust [IFINRT]
3	IL&FS IIDC Fund [IIDC]
4	IL&FS Infrastructure Equity Fund – I [IIEF-I]
5	IL&FS Energy Development Company Limited [IEDCL]
6	IL&FS ORIX Trust [ORIX Trust]
<b>Sr. No.</b>	<b>Joint Venture Companies</b>
1	IL&FS Milestone Realty Advisors Private Limited [IMRAPL]
2	Standard Chartered IL&FS Management (Singapore) Pte Limited [SCIMSPL]
<b>Sr. No.</b>	<b>Beneficial Interest</b>
1	Saffron Investment Trust
<b>Sr. No.</b>	<b>Key Management Personnel</b>
1	Mr S M Datta - Chairman & Non-Executive Independent Director
2	Mr Chitranjan S Kahlon - Non-Executive Independent Director
3	Mr Nand Kishore - Non-Executive Director
4	Mr Kaushik Modak - Non-Executive Director
5	Ms Priya Shetty - Non-Executive Director (From November 11, 2020)
6	Ms Lubna Usman - Non-Executive Director (From February 12, 2021)
7	Ms Sudakshina Bhattacharya - Non-Executive Nominee Director (Upto December 31, 2020)

b) The nature and volume of transactions during the year ended March 31, 2022, with the above related parties were as follows :

(Amount ₹ in lakhs)

Nature of Transaction	Holding Company	Subsidiaries	Fellow Subsidiaries	Joint Ventures	Key Management Personnel
<b>Advisory/Management Fee Income</b>					
IIAL	-	153.80	-	-	-
<b>Dividend Income</b>					
IIAL	-	1,507.72	-	-	-
<b>Other Expenses</b>					
ISSL	-	-	2.25	-	-
<b>Rent paid</b>					
IL&FS	73.10	-	-	-	-



## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

(Amount ₹ in lakhs)

Nature of Transaction	Holding Company	Subsidiaries	Fellow Subsidiaries	Joint Ventures	Key Management Personnel
<b>Repairs &amp; Maintenance – Others</b>					
IL&FS	11.32	-	-	-	-
<b>Electricity Charges</b>					
IL&FS	1.58	-	-	-	-
<b>Other Reimbursement (Paid)/Recovered</b>					
IL&FS	0.48	-	-	-	-
IAAL	-	0.28	-	-	-
IAIML	-	3.51	-	-	-
IFINRT	-	-	38.92	-	-
ORIX Trust	-	-	0.24	-	-
<b>Payment to Directors</b>					
Sitting Fees	-	-	-	-	4.65

c) The nature and volume of transactions during the year ended March 31, 2021, with the above related parties were as follows :

(Amount ₹ in lakhs)

Nature of Transaction	Holding Company	Subsidiaries	Fellow Subsidiaries	Joint Ventures	Key Management Personnel
<b>Advisory/Management Fee Income</b>					
IIAL	-	333.45	-	-	-
<b>Other Expenses</b>					
ISSL	-	-	1.76	-	-
<b>Rent paid</b>					
IL&FS	158.31	-	-	-	-
<b>Repairs &amp; Maintenance – Others</b>					
IL&FS	15.28	-	-	-	-
<b>Electricity Charges</b>					
IL&FS	1.29	-	-	-	-
<b>Other Reimbursement (Paid)/Recovered</b>					
IL&FS	1.34	-	-	-	-
IAAL	-	0.06	-	-	-
IIAL	-	5.90	-	-	-
IAIML	-	4.82	-	-	-
IFINRT	-	-	5.34	-	-
SCIMSPL	-	-	-	8.26	-
<b>Payment to Directors</b>					
Sitting fees	-	-	-	-	4.70

## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

d) Statement of significant balances as at March 31, 2022 are as follows :

(Amount ₹ in lakhs)

Nature of Transaction	Holding Company	Subsidiaries	Fellow Subsidiary	Key Management Personnel
<b>Trade Payables</b>				
IL&FS	0.03	-	-	-
ISSL	-	-	1.37	-
<b>Trade Receivables</b>				
IIDC Fund	-	-	7.56	-
<b>Short Term Advances</b>				
IIAL	-	29.68	-	-
IEDCL	-	-	0.16	-
IFINRT	-	-	0.93	-
ISSL	-	-	-	-

e) Statement of significant balances as at March 31, 2021 are as follows :

(Amount ₹ in lakhs)

Nature of Transaction	Holding Company	Subsidiaries	Fellow Subsidiary	Key Management Personnel
<b>Trade Receivables</b>				
IIDC	-	-	7.56	-
<b>Short Term Advances</b>				
IIAL	-	23.76	-	-
IAIML	-	4.50	-	-
IAAL	-	0.01	-	-
IEDCL	-	-	0.16	-
ISSL	-	-	(0.06)	-

Out of the above trade receivable outstanding as on March 31, 2022, provision has been created of ₹ 7.72 Lakhs (Previous Year ₹ 7.72 Lakhs)

Above mentioned related parties are identified by Management and the same has been relied upon by Auditors

All transaction with related parties are priced on an arm's length basis and resulting outstanding balance are expected to be recovered in cash within six months of the reporting except for which provision is already made

The Company is dependent on information from the Holding Company for its Related Parties as defined under Ind AS 24 and under the Companies Act, 2013

## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

### 26) Income Tax Expense :

(Amount ₹ in lakhs)

Particulars	March 31, 2022	March 31, 2021
<b>(a) Income Tax expense</b>		
Current Tax		
Current tax on Profit for the year	-	-
Deferred Tax	4.86	(83.81)
Prior Year Taxes	(50.55)	(76.91)
<b>Total Income tax expense</b>	<b>(45.69)</b>	<b>(160.72)</b>
<b>(b) Reconciliation of tax expense and accounting profit multiplied by India tax rate</b>		
Profit from operations before income tax expense	1,203.98	(441.52)
Dividend Income	1,507.72	-
India tax rate	25.17%	25.17%
	303.04	NIL
<b>Tax effect of amounts which are not deductible (allowable) in calculating taxable income :</b>		
Deduction/disallowance under various sections of Income Tax Act, 1961	(303.04)	-
Deferred tax	4.86	(83.81)
Prior Year Taxes	(50.55)	(76.91)
<b>Total Income tax expense</b>	<b>(45.69)</b>	<b>(160.72)</b>

The Company has elected to exercise the option u/s 115 BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019 for the year ended March 31, 2022 and has accordingly remeasured its deferred tax assets/(liabilities) basis the rates prescribed in said section

### 27) Fair Value Measurements :

#### (a) Financial Instruments by category :

(Amount ₹ in lakhs)

March 31, 2022	Carrying amount			Total
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	
<b>Financial assets</b>				
Loans	-	-	8.08	8.08
Security Deposits	-	-	0.26	0.26
Venture Capital Funds	731.37	-	-	731.37
Mutual Funds	1,886.84	-	-	1,886.84
Trade Receivables	-	-	220.40	220.40
Cash and Cash Equivalents	-	-	2,343.68	2,343.68
Others	-	-	144.56	144.56
<b>Total Financial Asset</b>	<b>2,618.21</b>	<b>-</b>	<b>2,716.98</b>	<b>5,335.19</b>
<b>Financial Liabilities</b>				
Trade Payables	-	-	168.60	168.60
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>168.60</b>	<b>168.60</b>

# NOTES Forming part of Financial Statements for the year ended 31st March, 2022

(Amount ₹ in lakhs)

March 31, 2021	Carrying amount			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total
<b>Financial assets</b>				
Loans	-	-	9.12	9.12
Security Deposits	-	-	0.26	0.26
Venture Capital Funds	768.86	-	-	768.86
Mutual Funds	2,845.49	-	-	2,845.49
Trade Receivables	-	-	458.42	458.42
Cash and Cash Equivalents	-	-	1,064.80	1,064.80
Others	-	-	71.05	71.05
<b>Total Financial Asset</b>	<b>3,614.35</b>	<b>-</b>	<b>1,603.65</b>	<b>5,218.00</b>
<b>Financial Liabilities</b>				
Trade Payables	-	-	206.09	206.09
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>206.09</b>	<b>206.09</b>

(b) Fair value hierarchy :

As at March 31, 2022

(Amount ₹ in lakhs)

Particulars	Carrying Amount	Level of input used in	Level of input used in	Level of input used in
		Level 1	Level 2	Level 3
<b>Financial assets</b>				
<b>At FVTPL</b>				
Venture Capital Funds	731.37	-	-	731.37
Mutual Funds	1,886.84	1,886.84	-	-

As at March 31, 2021

(Amount ₹ in lakhs)

Particulars	Carrying Amount	Level of input used in	Level of input used in	Level of input used in
		Level 1	Level 2	Level 3
<b>Financial assets</b>				
<b>At FVTPL</b>				
Venture Capital Funds	768.86	-	-	768.86
Mutual Funds	2,845.49	2,845.49	-	-

The financial instruments are categorised into three levels based on the inputs used to arrive at fair value measurements as described in Note 2 (c) of the financial statement.

**The following methods and assumptions were used to estimate the fair values :**

The fair values of the units of mutual fund schemes are based on net asset value at the reporting date.

The fair value of Venture Capital Funds is valued using discounted cash flow analysis and inputs based on information about market participants' assumptions and other data that are available. The discount rates used is based on management estimates.

# NOTES Forming part of Financial Statements for the year ended 31st March, 2022

## 28) Financial Risk Management :

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

1. Credit risk
2. Liquidity risk
3. Market risk

### Risk management framework

The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors the risk management process to ensure adherence to appropriate risk limits and controls are set in place.

The Board of Directors oversees how management monitors compliance with the Company's risk management process and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

### Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a practice of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. At the end of the year, the details of the trade receivables were as follows :

(Amount ₹ in lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivable	220.40	458.42

The receivables consist of amounts owed to the Company from funds under its management/advisory services and are bound to be recovered since the Company has investment management agreements/advisory agreements with such entities.

### Reconciliation of expected credit loss on trade receivables

(Amount ₹ in lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Expected credit loss at the beginning of the year	53.94	7.56
Add/(less): changes in allowance	(18.02)	46.38
Expected credit loss at the end of the year	35.92	53.94

Others financial asset are advances are recoverable on account of reimbursement of out of pocket expenses. Provision is taken on a case to case basis depending on circumstances with respect to non-recoverability of the amount. At the end of the year, the details of the financial assets were as follows :

(Amount ₹ in lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued	22.84	36.67
Security Deposits	0.26	0.26
Others	129.04	49.15
Less: Allowance for Expected Credit Losses	(7.32)	(14.77)
<b>Total Other Financial Asset</b>	<b>144.82</b>	<b>71.31</b>

### Reconciliation of expected credit loss on other financial asset

(Amount ₹ in lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Expected credit loss at the beginning of the year	14.77	2.63
Add/(less): changes in allowance	(7.45)	12.14
<b>Expected credit loss at the end of the year</b>	<b>7.32</b>	<b>14.77</b>

Cash and cash equivalents and Other Bank Balances are held with Indian banks having high quality credit rating

# NOTES Forming part of Financial Statements for the year ended 31st March, 2022

## Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company maintains sufficient cash to address any liquidity risk that may arise.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

## Maturity profile of financial liabilities

Particulars	(Amount ₹ in lakhs)	
	As at March 31, 2022	As at March 31, 2021
Less than 1 year	-	-
Non- interest bearing instrument	-	-
Trade payable	168.60	206.09

## Market risk

Market risk' is the risk that changes in market prices, such as interest rates, foreign exchange rates, equity prices and credit spreads (not relating to changes in the obligor's/issuer's credit standing) will affect the Company's income or the fair value of its holdings of financial instruments. The Company's financial assets and liabilities are denominated in INR and most transactions are made in INR. The Company receives sub advisory fee income in USD on a quarterly basis whilst the reporting currency of the Company is in INR.

Particulars	(Amount (USD) in Lakhs)	
	Financial Asset As at March 31, 2022	Financial Asset As at March 31, 2021
USD Dollars	3.28	3.21
<b>Total</b>	<b>3.28</b>	<b>3.21</b>

Particulars	(Amount (USD) in Lakhs)	
	5% increase/ (decrease) USD Impact As at March 31, 2022	5% increase/ (decrease) USD Impact As at March 31, 2021
Impact on profit and loss account	0.17 / (0.17)	0.16 / (0.16)

## Interest rate risk

The Company is not exposed to interest rate risk as the Company has fixed interest bearing financial assets.

## Price risk

The Company has invested in the Mutual Funds and Venture capital funds.

Mutual fund and venture capital funds Net Asset Values (NAVs) are impacted by a number of factors like interest rate risk, credit risk, liquidity risk, market risk in addition to other factors.

A movement of 5% in NAV mutual funds on either side can lead to a gain/loss of ₹ 94.34 Lakhs and ₹ 142.27 Lakhs on the overall portfolio as at March 31, 2022 and March 31, 2021 respectively.

A movement of 5% in NAV Venture Capital Funds on either side can lead to a gain/loss of ₹ 36.57 Lakhs and ₹ 38.39 Lakhs on the overall portfolio as at March 31, 2022 and March 31, 2021 respectively.

# NOTES Forming part of Financial Statements for the year ended 31st March, 2022

## Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. As part of its capital risk management policies, the Company reviews the capital structure to ensure that it has an appropriate portion of net debt to equity. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short-term investments. The debt equity ratio highlights the ability of a business to repay its debts. The Net financial debt position of the Company as on March 31, 2022 and March 31, 2021 is negative which signifies the Company has more than sufficient cash to pay off its liabilities

## 29) Segment Reporting :

- (a) Description of segments and principal activities

The Company is a domestic private equity fund management company which manages funds on behalf of leading Indian and International Institutions. The operations of the Company are limited to one segment viz. Asset Management and other related service. As such, there are no separate reportable business or geographical segments as per the Indian Accounting Standard 108 (Ind AS) on Operating Segment

- (b) Segment Revenue

The amount of revenue from external customers broken down by location of the customers is shown in the table below :

(Amount ₹ in lakhs)		
Revenue	For the year ended March 31, 2022	For the year ended March 31, 2021
Within India	4.50	192.55
Outside India	370.32	545.74

- (c) All assets of the Company are domiciled in India

- (d) Information about revenue from major customers

(Amount ₹ in lakhs)		
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue	370.32	333.45

## 30) CSR expenditure :

- a) Gross amount required to be spent by the Company during the year ₹ 15.18 Lakhs (Previous year ₹ 32.00 Lakhs)
- b) Amount spent during the year on :

(Amount ₹ in lakhs)			
	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	15.18	-	15.18

- 31) The Ministry of Corporate Affairs (MCA), Government of India, has vide its letter dated October 1, 2018 initiated investigation by Serious Fraud Investigation Office (SFIO) against IL&FS, the Holding Company and its subsidiaries (including the Company) under Section 212(1) of the Companies Act, 2013. As a part of its investigation, SFIO has been seeking information from the Company on an ongoing basis. The investigation is in progress and the Company is fully cooperating with the investigation agencies. On December 3, 2018, MCA on the directions of the National Company Law Tribunal, Mumbai (NCLT) has impleaded various Group Companies of IL&FS (which includes the Company) as Respondents to the Petition filed by them on October 1, 2018. Further based on another petition of the MCA under section 130 (1) of the Companies Act, 2013, the NCLT has, on January 1, 2019, ordered re-opening of books of accounts for the past financial year 2012-13 to financial year 2017-18 of IL&FS, IL&FS Financial Services Limited ('IFIN' a fellow subsidiary) and IL&FS Transportation Networks Limited ('ITNL' a fellow subsidiary). While the Company, based on its current understanding, believes that the above would not have a material impact on the financial results, the implications, if any, arising from the aforesaid developments would be known only after the aforesaid matters are concluded and hence are not determinable at this stage

## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

- 32) The term of most of the existing funds being managed / advised by the Company has already been over. Other funds being managed/advised by the company are approaching end of their term in near future which has resulted in significant reduction in the Company's fee revenue. Management expects that its future income from existing funds being managed/advised together with liquid assets held by the Company as at March 31, 2022 will be adequately sufficient to meet the Company's existing and future obligations arising over the next 12 months

Meanwhile, the IL&FS Board has been working on a resolution plan, with a view to enable value preservation for stakeholders of IL&FS Group. The resolution plan, inter alia, involves sale of assets/businesses/companies owned by IL&FS. And in this regard, the IL&FS Board has on December 21, 2018 and September 27, 2019 invited a public Expression of Interest (EoI) for sale of its entire stake in the Company. Accordingly, the Company's plans for new fund raise have been kept on hold pending completion of the stake sale. Further, with the outbreak of the pandemic the timelines for the sale process have got delayed and while there is material uncertainty with regard to the stake sale, management believes that use of the going concern assumption for preparation of these financial results is appropriate

- 33) The Board of Directors, in their meeting held on May 30, 2022 have proposed a final dividend of ₹ 0.40 per equity share amounting to ₹ 1,256.13 Lakhs partly out of general reserve. The proposal is subject to the approval of shareholders at the Annual General Meeting

### 34) Key Financial Ratios :

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	% Variance	Explanation
Current Ratio	Current Assets	Current Liabilities	11.11	7.63	45.59%	The ratio has improved due to reversal of provision of earlier year
Debt-Equity Ratio	Total Debt	Shareholders' Equity	NA	NA	NA	
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	NA	NA	NA	
Return on Equity Ratio	Net Profits after Taxes	Average Shareholders' Equity	12.58	(2.59)	-585.76%	The ratio has improved due to receipt of dividend from subsidiary
Inventory turnover ratio	Cost of Goods Sold	Average Inventory	NA	NA	NA	
Trade Receivable Turnover ratio	Revenue	Average Trade Receivable	1.10	2.31	-52.28%	The ratio has increased due to increase in fees receivable
Trade Payable Turnover ratio	Purchases or purchases or other services	Average Trade Payables	NA	NA	NA	As there is no purchase due to nature of business being service sector hence this ratio is not applicable
Net Working Capital Turnover Ratio	Revenue	Working Capital	8.20	17.70	-53.16%	The ratio has decreased due to reduction in Revenue from Operations
Net Profit Ratio	Net Profit	Revenue	333.40	(38.03)	-976.62%	The ratio has improved due to increase in Net profit after tax
Return on Capital Employed	Earning before interest and taxes	Capital Employed	11.93	(4.52)	-364.06%	The ratio has improved due to receipt of dividend from subsidiary
Return on Investment	Income during the year	Time weighted average of Investment	0.98	1.38	-29.53%	There is reduction due to lower return on investment in mutual funds

- 35) The Company has considered the possible effects that may arise as a result of the COVID-19 pandemic on its financial statements and business as a whole. There is no impact of COVID-19 on the financial results for the year ended March 31, 2022



## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

- 36) The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year except as disclosed below. The dividend payment was made to shareholders during the year who are struck off Companies as under :

(Amount ₹ in lakhs)

Shareholders	Unclaimed Dividend payable as at March 31, 2022	Unclaimed Dividend payable as at March 31, 2021
Dashtina Investments Private Limited	0.01	0.01
Prakash Mehra Pictures Private Limited	*0.00	*0.00
Kothari Intergroup Limited	*0.00	*0.00
Dreams Broking Private Limited	*0.00	*0.00
Crisres Financial Services Private Limited	*0.00	*0.01
	<b>0.01</b>	<b>0.02</b>

\* Amount are below ₹ 1,000

Below struck off companies are equity shareholders of the Company as on the Balance Sheet date :

Shareholders	No. of Shares held as at March 31, 2022	No. of Shares held as at March 31, 2021
Dashtina Investments Private Limited	1,687	1,687
Prakash Mehra Pictures Private Limited	840	840
Kothari Intergroup Limited	1	1
Dreams Broking Private Limited	55	55
Crisres Financial Services Private Limited	1,500	1,500

- 37) The disclosure requirements to be given pursuant to Gazette notification for Amendments in Schedule III to Companies Act, 2013 dated March 24, 2021 effective from April 1, 2021 pertaining to the following matters are not applicable to the company :

- Disclosure on Revaluation of property, plant and equipment and intangible assets from Registered Valuers
- Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- Registration of charges or satisfaction with Registrar of Companies
- Transactions with Crypto Currency or Virtual Currency
- The company has not been declared a willful defaulter by any Bank or financial institution or other lender
- As per clause (87) of section 2 and section 186(1) of the Companies Act, 2013 and Rules made there under, the company is in compliance with the number of layers as permitted under the said provisions
- There are no transactions recorded in books of accounts reflecting surrender/disclosure of income in the assessment under Income Tax Act, 1961
- Disclosures relating to Borrowings obtained on the basis of security of current assets and utilisation thereof

- 38) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall :

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

## NOTES Forming part of Financial Statements for the year ended 31st March, 2022

- 39) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
- (a) 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
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- 40) The Board of Directors of the Company at its meeting held on February 14, 2022 approved a Scheme of Amalgamation of its two wholly owned subsidiaries IL&FS Asian Infrastructure Managers Limited and IIML Asset Advisors Limited with the Company, subject to approval of shareholders and/or creditors of the respective companies and necessary regulatory approvals. The Appointed Date for the said Scheme of Amalgamation is scheduled to be April 1, 2022
- 41) Previous year numbers are regrouped/reclassified wherever necessary

In terms of our report attached of even date

**For KKC & Associates LLP**

Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm Registration No.: 105146W/W100621

**Hasmukh B. Dedhia**

Partner  
Membership No. – 033494

Place : Mumbai  
Date : May 30, 2022

**For and on behalf of the Board of Directors**

**S M Datta**

Chairman  
DIN : 00032812

**Manoj Borkar**

Chief Executive Officer &  
Chief Financial Officer

Place : Mumbai  
Date : May 30, 2022

**Sanjay Mitra**

Company Secretary

# FORM AOC-1

## Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

(1)	Sr. No.	1	2	3	4	5	6	7	8
(2)	Name of the subsidiary	IL&FS Asian Infrastructure Managers Limited	IL&FS Urban Infrastructure Managers Limited	IIML Asset Advisors Limited	Andhra Pradesh Urban Infrastructure Asset Management Limited	IL&FS AMC Trustee Limited	IL&FS Infra Asset Management Limited	IL&FS Investment Advisors LLC	IIML Fund Managers (Singapore) Pte Limited
(3)	The date since when subsidiary was acquired	27/04/2006	24/05/2006	01/08/2010	15/07/2016	01/01/2017	01/01/2017	31/01/2006	13/12/2011
(4)	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22
(5)	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA	NA	NA	NA	USD @ 75.8071	USD @ 75.8071
(6)	Share capital	4,59,18,370	1,00,00,000	6,40,71,000	20,00,00,000	25,00,000	19,39,80,000	1,35,00,197	11,83,62,823
(7)	Reserves & Surplus	71,21,749	6,07,90,140	5,89,09,558	2,57,80,734	17,82,941	39,36,65,249	77,36,62,232	(8,69,49,020)
(8)	Total assets	5,31,58,117	7,48,26,784	12,35,61,721	30,24,53,166	49,70,567	60,35,06,227	80,47,78,786	3,17,98,903
(9)	Total Liabilities	1,17,998	40,36,644	5,81,163	7,66,72,432	6,87,626	1,58,60,978	1,76,16,357	3,85,100
(10)	Investments	-	-	-	-	-	-	303	-
(11)	Turnover / Total Revenue	23,13,524	2,18,30,346	74,43,244	24,34,21,542	15,44,681	15,34,26,513	1,55,17,273	2,14,446
(12)	Profit before taxation	20,67,539	(1,71,28,149)	68,26,144	11,56,48,725	10,52,125	9,46,73,594	(65,98,929)	(12,71,834)
(13)	Provision for taxation	5,20,400	6,01,815	17,85,694	2,61,77,027	2,64,799	2,43,65,682	-	-
(14)	Profit after taxation	15,47,139	(1,77,29,964)	50,40,450	8,94,71,698	7,87,326	7,03,07,912	(65,98,929)	(12,71,834)
(15)	Proposed Dividend	-	-	-	-	-	-	-	-
(16)	% of shareholding	100.00%	100%	100%	51%	100%	86.61%	100%	100%

(1) Names of subsidiaries which are yet to commence operations

NIL

(2) Names of subsidiaries which have been liquidated or sold during the year

NIL

**S M Datta**  
Chairman

**Manoj Borkar**  
Chief Executive Office &  
Chief Financial Officer

**Sanjay Mitra**  
Company Secretary

# FORM AOC-1

## Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Name of Joint Ventures	IL&FS Milestone Advisors Private Limited	Standard Chartered IL&FS Singapore Pte Limited
1	Latest audited Balance Sheet Date	31-Mar-22	31-Mar-22
2	Shares of Joint Ventures held by the company on the year end	400,000 Equity Shares of ₹ 10 each	50,000 Equity shares of USD 1
3	Amount of Investment in Joint Venture	₹ 4,000,000	₹ 2,218,500
4	Extent of Holding %	40%	50%
5	Description of how there is significant influence	Based on Equity holding	Based on Equity holding
6	Reason why the joint venture is not consolidated	NA	NA
7	Networth attributable to Shareholding as per latest audited Balance Sheet (₹)	1,20,06,805	13,67,143
8	Profit / Loss for the year		
	(i) Considered in Consolidation (₹)	(4,80,378)	-
	(ii) Not Considered in Consolidation	-	-
(1)	Names of associates or joint ventures which are yet to commence operations		NIL NIL
(2)	Names of associates or joint ventures which have been liquidated or sold during the year		NIL NIL

**S M Datta**  
Chairman

**Manoj Borkar**  
Chief Executive Office &  
Chief Financial Officer

**Sanjay Mitra**  
Company Secretary

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF IL&FS INVESTMENT MANAGERS LIMITED

### Report on the audit of the Consolidated Ind AS Financial Statements

#### Qualified Opinion

1. We have audited the accompanying consolidated Ind AS financial statements of IL&FS Managers Limited ("the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its joint ventures which comprise the consolidated balance sheet as at 31 March 2022 and the consolidated statement of profit or loss (including other comprehensive income), the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information ("the Consolidated Ind AS Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries, and joint ventures as were audited by the other auditors, except for the possible impacts of the matters described in the 'Basis for Qualified Opinion' paragraph below, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its joint ventures as at 31 March 2022, and its consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

#### Basis for Qualified Opinion

3. Attention is drawn to Note 33 of the Consolidated Ind AS Financial Statements which describes the situation faced by the Group in view of the ongoing investigation by Serious Fraud Investigation Office of Ministry of Company Affairs ("SFIO") against Infrastructure Leasing & Financial Services Limited ("IL&FS" or "the Ultimate Holding Company"), and its subsidiaries (including the Group). Further, the National Company Law Tribunal ("NCLT") has ordered re-opening of books of accounts of IL&FS and its two subsidiaries (other than the Group and its joint ventures) for the past financial years as referred to in the note. In view of the aforesaid ongoing investigations of the entire IL&FS Group (including the Group) by the SFIO and re-opening of books of accounts of the Ultimate Holding Company and two of its subsidiaries by the NCLT, we are unable to comment on the consequential impact(s) upon conclusion of the said investigation and re-opening of the books of account on these on the consolidated Ind AS financial statements.
4. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group and its joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Ind AS Financial Statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained along with the consideration of audit reports of the other auditors referred to in the "Other Matters" paragraph below is sufficient and appropriate to provide a basis for our opinion on the Consolidated Ind AS Financial Statements.

#### Materiality Uncertainty relating to Going Concern

5. Attention is drawn to Note 34 of the Consolidated Ind AS Financial Statements regarding reduction in the Group's fee revenue significantly coupled with the lack of any immediate new fund raise resulting in the reduced estimates of future fee revenue, there is material uncertainty of the Group's ability to continue as going concern. However, considering management's expectations of Group's ability to, at least, meet its obligations over the next 12 months out of its earnings and liquid assets, despite prevailing uncertainty with regard to its stake sale, the management believes that use of the 'going concern' assumption for preparation of the Consolidated Ind AS Financial Statements is appropriate. Our opinion is not modified in respect of this matter.

#### Emphasis of Matter

6. Attention is drawn to Note 37 of the Consolidated Ind AS Financial Statements which describes that three entities of the Group being consolidated have ceased their operations and their respective standalone financial statements are not prepared on 'going concern' basis but on realisable value basis. Our opinion is not modified in respect of this matter.

# INDEPENDENT AUDITORS' REPORT

## Key Audit Matters

7. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the matter was addressed in our report
The below Key Audit Matter has been reported by the auditor of Andhra Pradesh Urban Infrastructure Asset Management Limited, a subsidiary of the Holding Company vide its report dated 26 May 2022 is reproduced:	
The said subsidiary is providing services to various Government authorities from which it raises majority of its revenue. Out of ₹ 1,577.93 lakhs which is shown as Trade Receivables (Gross) in its Financial Statements, the company has provided an amount of ₹ 1,125.15 lakhs as Expected Credit Loss.	<p>Audit procedures, as described, included:</p> <ul style="list-style-type: none"> <li>Assessed the design, implementation and operating effectiveness of internal controls over Management's evaluation of the Expected Credit Loss in line with laid down Ind AS principles.</li> <li>Reviewed the approvals of Audit Committee for, wherein the Company was required to evaluate the expected collection year of outstanding debtors and provide provision for same as an interest expense in the form of Expected Credit Loss.</li> <li>Understood the methodology implemented by management in line with above approvals.</li> <li>Assessed the accuracy of computations.</li> </ul>
Out of ₹ 1,577.93 lakhs shown under Trade Receivables (Gross), the company has to receive an amount of ₹ 1,229.68 lakhs (78%) which is outstanding for more than 6 months as on reporting date and which the company has considered good and recoverable.	<p>Audit procedures, as described, included:</p> <ul style="list-style-type: none"> <li>Tested the accuracy of ageing of Trade Receivables at the year end</li> <li>Obtained list of outstanding receivables and identified any Debtors with financial difficulty through discussion with Management as well as evaluating correspondence with those customers and the Company</li> <li>Tested subsequent settlement of Trade receivables after Balance Sheet date</li> <li>Noted that as the customers are either Govt. Entities/SPVs/local bodies/Govt. projects, the risk of non-realization is low</li> <li>Further noted that Debtors position is keenly monitored and reviewed</li> </ul>

## Other Information

8. The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the Consolidated Ind AS Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.
9. Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
10. In connection with our audit of the Consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated 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 and based on the work done / audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact.

# INDEPENDENT AUDITORS' REPORT

## Management's responsibility for the Consolidated Ind AS Financial Statements

11. The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these Consolidated Ind AS Financial Statements, that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group and its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.
12. In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
13. The respective Board of Directors of the companies included in the Group and its joint ventures are responsible for overseeing the financial reporting process of the Group and its joint venture.

## Auditor's responsibilities for the audit of the Consolidated Ind AS Financial Statements

14. Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Ind AS Financial Statements.
15. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - 15.1. Identify and assess the risks of material misstatement of the Consolidated 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.
  - 15.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to the Consolidated Ind AS Financial Statements and the operating effectiveness of such controls.
  - 15.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
  - 15.4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures 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 Consolidated 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 Group and its joint ventures to cease to continue as a going concern.

# INDEPENDENT AUDITORS' REPORT

- 15.5. Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 15.6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Ind AS Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
16. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
17. 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.
18. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS Financial Statements of the current year 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

19. We did not audit the financial statements of three subsidiaries, incorporated in India, whose financial statements reflect total assets of Rs. 9,109.29 lakhs as at 31 March 2022, total revenues of Rs. 3,983.93 lakhs, total net profit after tax of Rs. 1,605.67 lakhs, total comprehensive income of Rs. 1,605.89 lakhs and net cash outflows amounting to Rs. 4,240.31 lakhs for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The Consolidated Ind AS Financial Statements also include the Group's share of net loss after tax of Rs. 4.80 lakhs for the year ended 31 March 2022 in respect of one joint venture, incorporated in India, not audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and joint venture, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures is based solely on the reports of the other auditors.
20. Further, we did not audit the financial statements of three subsidiary companies, incorporated outside India, whose financial statements reflect total assets of Rs. 8,413.50 lakhs as at 31 March 2022, total revenue of Rs. 157.31 lakhs, total net loss after tax of Rs. 91.52 lakhs, total comprehensive loss of Rs. 91.52 lakhs and net cash inflows of Rs. 2,675.47 lakhs for the year ended on that date as considered in the Consolidated Ind AS Financial Statement. These financial statements have been audited by the other auditors as per the requirements of the applicable reporting framework of those countries / jurisdictions and have been converted as per the requirements of Ind AS by the management of the Holding Company. Our opinion, in so far as it relates to the amounts and disclosures included in respect of these entities and our report in terms of provisions of Section 143 of the Act, in so far as it relates to the aforesaid entities, is based solely on the reports of the other auditors and the conversion adjustments prepared by the management of the Holding Company.
21. Our opinion on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors and the financial statements certified by the management.

## Report on Other Legal and Regulatory Requirements

22. As required by section 143(3) of the Act, based on our audit and on the consideration of audit reports of the other auditors on separate financial statements of such subsidiaries and joint ventures as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:



# INDEPENDENT AUDITORS' REPORT

- 22.1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.
- 22.2. Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- 22.3. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.
- 22.4. In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- 22.5. The matter relating to going concern described under para 5 above and matters relating to investigation by SFIO against IL&FS and its subsidiaries (including the Group) and NCLT order of re opening of books of accounts of IL&FS and its two subsidiaries (other than the Group and its Joint Ventures) for the past financial years as described in para 3 above, in our opinion, may have an adverse effect on the functioning of the Group depending on final outcome of these matters.
- 22.6. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint ventures incorporated in India, none of the directors of the Group companies, and its joint ventures incorporated in India are disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- 22.7. With respect to the adequacy of internal financial controls with reference to the Consolidated Ind AS Financial Statements of the Holding Company, its subsidiary companies, and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- 22.8. In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, and joint venture incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, and joint venture incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act except in case of a subsidiary where remuneration to Directors is paid in excess by Rs. 27.89 Lakhs compared to the limits laid down under the Act; which is subject to the approval of shareholders, by special resolution, in its ensuing Annual General Meeting.
23. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of audit reports of the other auditors on separate financial statements of such subsidiaries, and joint venture as noted in the 'Other Matters' paragraph:
- 23.1. The Consolidated Ind AS Financial Statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group and its joint venture – Refer Note 16 to the Consolidated Ind AS Financial Statements.
- 23.2. The Group and its joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2022.
- 23.3. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company and/or its subsidiary companies and joint venture incorporated in India during the year ended 31 March 2022.
- 23.4. The respective Managements of the Company and its subsidiaries have represented to us and based on the reports of auditors of such subsidiaries which are referred to in para 19 above respectively, that no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group 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,

# INDEPENDENT AUDITORS' REPORT

directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.

23.5. The respective Managements of the Company and its subsidiaries have represented to us and based on the reports of auditors of such subsidiaries which are referred to in para 19 above respectively, that no funds (which are material either individually or in aggregate) have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group 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. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.

23.6. In our opinion and according to the information and explanations given to us, the dividend declared and / or paid during the year the Group is in compliance with Section 123 of the Act. Refer Note 38 to the Consolidated Ind AS Financial Statements.

24. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and based on our consideration of CARO reports issued by the respective auditors of the Company's such subsidiaries as referred to in paragraph 19 above, we report that there are no qualifications or adverse remarks in these CARO reports.

For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm Registration Number: 105146W/W100621

**Hasmukh B. Dedhia**  
Partner  
ICAI Membership No: 033494  
UDIN: 22033494AJXCHX2882

Place: Mumbai  
Date: 30 May 2022

# Annexure “A” to the Independent Auditors’ report on the Consolidated Ind AS Financial Statements of IL&FS Investment Managers Limited for the year ended 31 March 2022

(Referred to in paragraph “22.7” under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

## Report on the Internal Financial Controls with reference to the aforesaid Consolidated Ind AS Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

### Opinion

1. In conjunction with our audit of the Consolidated Ind AS Financial Statements of IL&FS Investment Managers Limited as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to the Consolidated Ind AS Financial Statements of IL&FS Investment Managers Limited (“the Holding Company”), its subsidiary companies and joint venture, which are companies incorporated in India, as of that date.
2. In our opinion, the Holding Company, its subsidiary companies and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Ind AS Financial Statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the Guidance Note”).

### Management’s responsibility for Internal Financial Controls

3. The respective management and Board of Directors of the Holding Company, its subsidiary companies, and joint venture which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to Consolidated Ind AS Financial Statements based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor’s responsibility

4. Our responsibility is to express an opinion on the Holding Company, its subsidiaries and joint venture, which are companies incorporated in India, internal financial controls with reference to the Consolidated Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing (“SA”), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Ind AS Financial Statements. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Ind AS Financial Statements were established and maintained and if such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Ind AS Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the ‘Other Matters’ paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Ind AS Financial Statements.

### Meaning of Internal Financial controls with reference to the Consolidated Ind AS Financial Statements

7. A company’s internal financial controls with reference to the Consolidated Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial controls with reference to the Consolidated Ind AS Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide

## Annexure “A” to the Independent Auditors’ report on the Consolidated Ind AS Financial Statements of IL&FS Investment Managers Limited for the year ended 31 March 2022

reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to the consolidated Ind AS Financial Statements**

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

### **Other Matters**

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls system with reference to the Consolidated Ind AS Financial Statements in so far as it relates to subsidiary companies, and joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of the said entities.

### **For KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

### **Hasmukh B. Dedhia**

Partner

ICAI Membership No: 033494

UDIN: 22033494AJXCHX2882

Place: Mumbai

Date: 30 May 2022

# CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2022

(Amount ₹ in lakhs)

Particulars	Notes Ref.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and Cash Equivalents	3	6,933.34	8,448.89
Bank balance other than above	3	12,331.56	9,366.28
Trade Receivables	4	900.36	1,184.00
Loans	5	26.73	25.65
Investments	6	3,188.13	4,132.38
Other financial assets	7	1,150.40	860.87
<b>Total Financial Assets</b>		<b>24,530.52</b>	<b>24,018.07</b>
<b>Non-Financial Assets</b>			
Income Tax Asset (net)	8	325.16	386.32
Property, Plant and Equipment	9A	27.72	41.05
Other Intangible Assets	9B	0.25	1.37
Other Non-Financial Assets	10	601.55	531.53
<b>Total Non-Financial Assets</b>		<b>954.68</b>	<b>960.27</b>
<b>TOTAL ASSETS</b>		<b>25,485.20</b>	<b>24,978.34</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
<b>Payables</b>			
<b>Trade payables</b>			
total outstanding dues of micro enterprises and small enterprises	11	24.57	20.81
total outstanding dues of creditors other than micro enterprises and small enterprises	11	697.67	737.75
<b>Total Financial liabilities</b>		<b>722.24</b>	<b>758.56</b>
<b>Non-Financial liabilities</b>			
(a) Deferred Tax Liabilities (Net)	12	952.35	974.35
(b) Employee benefit obligations	13	295.90	341.02
(c) Other Non-Financial liabilities	14	549.05	572.13
<b>Total Non-Financial liabilities</b>		<b>1,797.30</b>	<b>1,887.50</b>
<b>Equity</b>			
(a) Equity Share Capital	15	6,280.85	6,280.85
(b) Other Equity	15	14,791.63	14,689.95
<b>Equity attributable to owners</b>		<b>21,072.48</b>	<b>20,970.80</b>
Non-controlling interests		1,893.18	1,361.48
<b>Total Equity</b>		<b>22,965.66</b>	<b>22,332.28</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>25,485.20</b>	<b>24,978.34</b>

The accompanying Notes are an integral part of the consolidated financial statements

In terms of our report attached of even date

For and on behalf of the Board of Directors

**For KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration No.: 105146W/W100621

**S M Datta**

Chairman

DIN : 00032812

**Hasmukh B. Dedhia**

Partner

Membership No. – 033494

**Manoj Borkar**

Chief Executive Officer &

Chief Financial Officer

**Sanjay Mitra**

Company Secretary

Place : Mumbai

Date : May 30, 2022

Place : Mumbai

Date : May 30, 2022

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2022

(Amount ₹ in lakhs)

Particulars		Notes Ref.	For the year ended March 31, 2022	For the year ended March 31, 2021
1	<b>REVENUE</b>			
	Revenue from operations	17	4,165.42	4,614.03
	Other Income	18	1,576.98	1,248.46
	<b>Total Revenue</b>		<b>5,742.40</b>	<b>5,862.49</b>
2	<b>EXPENSES</b>			
	Employee Benefits expense	19	1,687.82	1,729.39
	Depreciation and Amortisation Expense	9	21.08	30.95
	Other Expenses	20	2,502.33	3,111.72
	<b>Total Expenses</b>		<b>4,211.23</b>	<b>4,873.06</b>
3	Profit from continuing operations before share of profit of equity accounted investees and income tax		1,531.17	989.43
4	Share of profit/(loss) of joint ventures		(4.80)	(3.95)
5	<b>Profit/(loss) before tax before exceptional items</b>		<b>1,526.37</b>	<b>985.48</b>
6	Exceptional Items		-	-
	<b>Profit/(loss) before tax after exceptional items</b>		<b>1,526.37</b>	<b>985.48</b>
7	<b>Tax Expense</b>			
	Current Tax		330.48	316.99
	Prior Year Taxes		(40.69)	(75.73)
	Deferred Tax		(74.95)	(213.37)
			<b>214.84</b>	<b>27.89</b>
8	<b>Profit/(loss) after tax for the year</b>		<b>1,311.53</b>	<b>957.59</b>
	<b>Profit/(Loss) for the year attributable to:</b>			
	Owners of the Group		778.98	786.41
	Non-controlling interests		532.55	171.18
9	<b>Other Comprehensive Income</b>			
	<b>Items that will not be reclassified to profit or loss</b>			
	Remeasurements of the defined benefit liabilities/(asset)		18.15	55.86
	Income tax relating to items that will not be reclassified to profit or loss		(52.95)	25.72
	<b>Items that will be reclassified to profit or loss</b>			
	Exchange differences in translating the consolidated financial statements of foreign operations		298.76	(247.98)
	<b>Total Other comprehensive Income</b>		<b>263.96</b>	<b>(166.40)</b>
	<b>Total Other comprehensive income for the year attributable to:</b>			
	Owners of the Group		264.80	(171.35)
	Non-controlling interests		(0.84)	4.95

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2022

(Amount ₹ in lakhs)

Particulars		Notes Ref.	For the year ended March 31, 2022	For the year ended March 31, 2021
10	<b>Total Comprehensive income/(loss) for the year</b>		<b>1,575.49</b>	<b>791.19</b>
	<b>Total comprehensive income for the year attributable to:</b>			
	<b>Owners of the Group</b>		<b>1,043.78</b>	<b>615.07</b>
	<b>Non-controlling interests</b>		<b>531.71</b>	<b>176.12</b>
	Earnings per equity share			
	Basic and Diluted		0.25	0.25

The accompanying Notes are an integral part of the consolidated financial statements

In terms of our report attached of even date

**For KKC & Associates LLP**

Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm Registration No.: 105146W/W100621

**Hasmukh B. Dedhia**

Partner  
Membership No. – 033494

Place : Mumbai  
Date : May 30, 2022

**For and on behalf of the Board of Directors**

**S M Datta**

Chairman  
DIN : 00032812

**Manoj Borkar**

Chief Executive Officer &  
Chief Financial Officer

Place : Mumbai  
Date : May 30, 2022

**Sanjay Mitra**

Company Secretary

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2022

## a. Equity Share Capital

(Amount ₹ in lakhs)

Particulars	
<b>Balance as at March 31, 2020</b>	<b>6,280.85</b>
Changes in Equity Share Capital due to prior period errors	-
<b>Restated balance at the beginning of the reporting period</b>	<b>6,280.85</b>
Changes in equity share capital	-
<b>Balance as at March 31, 2021</b>	<b>6,280.85</b>
Changes in Equity Share Capital due to prior period errors	-
<b>Restated balance at the beginning of the reporting period</b>	<b>6,280.85</b>
Changes in equity share capital	-
<b>Balance as at March 31, 2022</b>	<b>6,280.85</b>

## b. Other equity

(Amount ₹ in lakhs)

	Securities Premium Reserve	Capital Reserve on consolidation	General Reserve	Foreign Currency Translation Reserve Adjustment	Retained Earnings	Total
<b>Balance as at March 31, 2020</b>	<b>47.59</b>	<b>1,790.43</b>	<b>3,156.58</b>	<b>7,136.81</b>	<b>3,827.67</b>	<b>15,959.08</b>
<u>Total Comprehensive Income for the year</u>						
Profit	-	-	-	-	957.59	957.59
Other Comprehensive Income	-	-	-	(247.98)	81.57	(166.41)
Minority Interest	-	-	-	-	(176.12)	(176.12)
Dividend paid	-	-	-	-	(1,884.19)	(1,884.19)
<b>Balance as at March 31, 2021</b>	<b>47.59</b>	<b>1,790.43</b>	<b>3,156.58</b>	<b>6,888.83</b>	<b>2,806.52</b>	<b>14,689.95</b>
<u>Total Comprehensive Income for the year</u>						
Profit	-	-	-	-	1,311.53	1,311.53
Other Comprehensive Income	-	-	-	298.76	(34.80)	263.96
Minority Interest	-	-	-	-	(531.71)	(531.71)
Dividend paid	-	-	(942.10)	-	-	(942.10)
<b>Balance as at March 31, 2022</b>	<b>47.59</b>	<b>1,790.43</b>	<b>2,214.48</b>	<b>7,187.59</b>	<b>3,551.54</b>	<b>14,791.63</b>

The accompanying Notes are an integral part of the consolidated financial statements

In terms of our report attached of even date

For and on behalf of the Board of Directors

### For KKC & Associates LLP

Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm Registration No.: 105146W/W100621

### S M Datta

Chairman  
DIN : 00032812

### Hasmukh B. Dedhia

Partner  
Membership No. – 033494

**Manoj Borkar**  
Chief Executive Officer &  
Chief Financial Officer

### Sanjay Mitra

Company Secretary

Place : Mumbai  
Date : May 30, 2022

Place : Mumbai  
Date : May 30, 2022



# CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2022

(Amount ₹ in lakhs)

	Particulars	Figures for the year ended March 31, 2022	Figures for the year ended March 31, 2021
I	<b>Cash Flow from Operating Activities</b>		
	<b>Profit/(Loss) Before Tax</b>	<b>1,526.36</b>	<b>985.49</b>
	Adjustments For:		
	Items classified as Other Comprehensive income	18.15	55.86
	Provision made for debtors/ICD classified as exceptional item	-	-
	Provision for bad and doubtful debts	-	0.03
	Depreciation and amortisation expense	21.08	30.95
	Provision for Employee benefit obligation (net of reversal)	(45.12)	44.53
	Provision for Expected Credit Loss for trade receivables	(662.11)	513.38
	(Gain)/Loss on fair valuation of mutual funds	(223.49)	270.47
	Loss on fair valuation of venture capital funds	3.33	133.95
	Provision for diminution in value of investments	-	-
	(Profit)/Loss on sale of non-current investments	243.50	-
	(Profit)/Loss on sale of current investments	(135.02)	(482.11)
	(Profit)/Loss on sale of Property, Plant and Equipment (Net)	(0.45)	(0.68)
	Interest Income	(451.17)	(590.55)
	Dividend Income on non-current investment	-	(0.04)
	<b>Operating Profit/(Loss) Before Working Capital Changes</b>	<b>295.06</b>	<b>961.29</b>
	<b>Changes in working capital:</b>		
	<b>Adjustments for (increase)/decrease in operating assets:</b>		
	Trade Receivables	945.74	(426.75)
	Other Financial Assets	(289.80)	(84.09)
	Other Non- Current Assets	(68.91)	197.30
	<b>Adjustments for increase/(decrease) in operating liabilities:</b>		
	Trade Payables	(36.33)	(26.95)
	Other Non-financial Liability	26.23	46.73
		<b>871.99</b>	<b>667.53</b>
	Less: Taxes (paid)/refund received (net)	(228.63)	406.39
	<b>Net Cash generated from/(used in) Operating Activities</b>	<b>643.36</b>	<b>1,073.92</b>
II	<b>Cash Flow from Investing Activities</b>		
	(Purchase) / Sale of mutual funds (Net)	1,246.93	1,802.03
	(Increase)/Decrease in equity instrument	(210.33)	(123.22)
	(Investment in)/Redemption from investment in Fixed Deposits (Net)	(3,014.58)	(3,125.43)
	Proceeds from Sale of equity instrument	19.33	227.38
	Proceeds from Sale of Property, Plant and Equipment	0.46	2.46
	Purchase of Property, Plant and Equipment	(6.64)	(22.00)
	Interest Income	449.24	663.03
	<b>Net Cash generated from/(used in) Investing Activities</b>	<b>(1,515.57)</b>	<b>(575.75)</b>

# CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2022

(Amount ₹ in lakhs)

	Particulars	Figures for the year ended March 31, 2022	Figures for the year ended March 31, 2021
III	<b>Cash Flow from Financing Activities</b>		
	Dividend Paid	(942.10)	(1,884.19)
	<b>Net Cash (used in) Financing Activities</b>	<b>(942.10)</b>	<b>(1,884.19)</b>
IV	<b>Net (Decrease)/Increase in Cash and Cash Equivalent (I+II+III)</b>	<b>(1,814.31)</b>	<b>(1,386.02)</b>
	<b>Effect of exchange differences on Foreign Currency Translation</b>	<b>298.76</b>	<b>(247.98)</b>
		<b>(1,515.55)</b>	<b>(1,634.00)</b>
	Add: Cash and Cash Equivalent at the beginning of the year (Refer Note 3)	8,448.89	10,082.89
	Cash and Cash Equivalent at the end of the year	6,933.34	8,448.89

## Notes:

The accompanying Notes are an integral part of the Consolidated Financial Statements

In terms of our report attached of even date

**For and on behalf of the Board of Directors**

### For KKC & Associates LLP

Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm Registration No.: 105146W/W100621

### S M Datta

Chairman  
DIN : 00032812

### Hasmukh B. Dedhia

Partner  
Membership No. – 033494

**Manoj Borkar**  
Chief Executive Officer &  
Chief Financial Officer

### Sanjay Mitra

Company Secretary

Place : Mumbai  
Date : May 30, 2022

Place : Mumbai  
Date : May 30, 2022

# Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

## 1) Corporate Information

IL&FS Investment Managers Limited (IIML) is a Public Limited Group domiciled in India and its registered office is situated at The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400051. The Group has been incorporated under the Companies Act, 1956 on February 10, 1986 and is a domestic private equity fund management Group which manages funds on behalf of leading Indian and International Institutions

As at March 31, 2022, Infrastructure Leasing & Financial Services Limited, the holding Group owned 50.42% of the Group's equity share capital

## 2) Significant Accounting Policies

### (a) Statement of compliance :

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 (CA 2013) read with the Companies (Indian Accounting Standards) Rules as amended from time to time. These consolidated financial statements were approved by the Board of Directors and authorised for issue on May 30, 2022

### (b) Basis of preparation and presentation :

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value. The financial statements of its subsidiary IIML Fund Managers (Singapore) Pte Ltd and its Joint Ventures IL&FS Milestone Realty Advisors Private Limited and Standard Chartered IL&FS Management (Singapore) Pte Ltd have been prepared on the basis that it does not continue as a going concern and consequently, the assets were measured at the net realisable value and liabilities at the cost to settle

### (c) Basis of Consolidation :

The Consolidated financial statements incorporate the financial statements of the Group controlled by the Group and its subsidiaries. Control is achieved when the Group :

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above

The Group combines the consolidated financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter Group transactions, balances and unrealised gains on transactions between Group companies are eliminated

### (d) Investments in Joint Ventures :

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in consolidated profit and loss, and the Group's share of other comprehensive income of the investee in consolidated other comprehensive income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity

### (e) Fair Value Measurement :

#### Measurement of fair values

A number of the Group's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities

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

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

# Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement

Further information about the assumptions made in measuring fair values is included in the following notes

**(f) Financial instruments :**

**(i) Recognition and initial measurement :**

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue

**(ii) Classification and subsequent measurement :**

Financial assets

On initial recognition, a financial asset is classified and measured at

- amortised cost;
- fair value through other comprehensive income ("FVOCI")
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition except if in the period the Group changes its business model for managing the financial assets

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL :

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL

Subsequent measurement and gains and losses are recognised as :

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss

# Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

**(iii) Financial liabilities: Classification, subsequent measurement and gains and losses :**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss

**(iv) Derecognition :**

**(a) Financial Asset**

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised

**(b) Financial Liabilities :**

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss

**(v) Offsetting :**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously

**(vi) Cash and cash equivalents :**

Cash comprises of demand deposits with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term balance, as defined above as they are considered an integral part of the Group cash management

**(g) Property, plant and equipment :**

Property, plant and equipment acquired by the Group are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any

The acquisition cost includes the purchase price (excluding refundable taxes) and expenses, directly attributable to bringing the asset to the site and in working condition for its intended use

Intangible Assets are reported at acquisition value with deductions for accumulated amortisation and impairment losses, if any

Depreciation on asset is provided pro-rata from the date on which asset is ready to be put to use for its intended purpose on Straight-Line Method based on the estimated useful life of the assets, which are as follows :

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

Category of Asset	Estimated Useful Life (in years)
<b>Assets :</b>	
Furniture and Fixtures	5
Data Processing Equipments (Servers & Networking)	4
Data Processing Equipments (Others)	3
Office Equipments	4
Vehicles	4
Lease hold improvement	Over the lease period
Asset given to employees	3
<b>Intangible Assets :</b>	
Computer Software	3

As per CA 2013, depreciation of assets is required to be provided based on estimated useful life as per Schedule II of the CA 2013. However, there are certain categories of assets where the useful life of assets have been assessed as under, taking into consideration the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, the past history of replacement, anticipated technological changes etc. Pursuant to the foregoing, it is proposed to continue with the existing policy of accelerated depreciation on following category of assets :

- (i) Mobile Phones and iPad/Tablets 100% depreciated during the year of capitalisation due to extensive usage and technological obsolescence
- (ii) Vehicles as per the current policy of 4 years as against the useful life of 8 years provided in the CA 2013
- (iii) Furniture and Fixtures as per current policy of 5 years as against the useful life of 10 years provided in the CA 2013
- (iv) Office Equipment as per current policy of 4 years as against the useful life of 5 years provided in the CA 2013
- (v) Data Processing Equipment - Servers & Networking as per current policy of 4 years as against the useful life of 6 years provided in the CA 2013
- (vi) Assets provided to Employees as perquisites would be depreciated over a period of 3 years in line with the rules set in the Employee Hand Book
- (vii) Individual assets costing ₹ 5,000/- or less in the year of capitalisation shall be depreciated 100% for all the categories of assets

Residual value of all assets is retained at ₹ 1/-

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss

### (h) Revenue recognition :

#### (i) Rendering of services :

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115, Revenue from Contracts with Customers to determine when to recognise revenue and at what amount

Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur

If the consideration promised in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for rendering the promised services to a customer. The amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event

# Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

The Group principally generates revenue by providing investment management/advisory services to various funds

Services	Nature, timing of satisfaction of performance obligations and significant payment terms
Investment Management/ Advisory Services	<p>The Group provides investment management/advisory services to various funds over the life of those funds and is entitled to management/advisory fees. Management/ advisory fees are calculated on the applicable rates and bases as stipulated in the investment management/ advisory agreement between the Group and the funds. As the services are to be provided over the life of the funds, this implies that performance obligation is satisfied over time</p> <p>The transaction price of the management/advisory fees is based on the disposition proceeds, Net invested capital, Net capital commitment and outstanding capital as applicable (variable consideration-based), however, this is not constrained since it can easily and accurately be calculated</p> <p>The Group determines that it can allocate the entire amount of management/advisory fees because the management/ advisory fees relate specifically to the service provided during life of the funds. Therefore, revenue in the form of management/advisory fees is recognised over time</p>

(ii) Recognition of dividend income, interest income from financial instruments :

Dividend income is recognised in the Statement of Profit and Loss on the date on which the Group's right to receive dividend is established

Interest income or expense is recognised using the effective interest rate method

(iii) Other Services :

- Income from upfront fee is recognised at rates agreed upon with borrowers on execution of loan documents between PMDO lenders and its borrower
- Asset Management Fee is recognised when it is reasonably certain that the revenue will flow to the Group at rates agreed upon with borrowers / banks of PMDO Facility on the outstanding loan balance over the term of funding
- Consultancy fee and Professional fee are recognised when it is reasonably certain that the revenue will flow to the Group at the rates agreed upon

(i) **Income Tax :**

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income

(i) **Current tax :**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously

(ii) **Deferred tax :**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities

Deferred tax assets and liabilities are offset 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 on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously

### (j) Foreign Currencies :

The Group's consolidated financial statements are presented in INR, which is also the Group's functional currency

In preparing the consolidated financial statements of Group, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Foreign exchange gains and losses resulting from settlement of such transactions are generally recognised in the profit and loss

Non-monetary foreign currency items are carried at cost

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 (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively)

### (k) Provisions (other than for employee benefits), contingent liabilities, contingent assets and commitments :

A provision is recognised if, as a result of a past event, the Group 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. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which 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 or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable

Commitments includes the amount of purchase order (net of advance) issued to counterparties for supplying/development of assets and amounts pertaining to Investments which have been committed but not called for

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date

### (l) Impairment of financial assets :

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure :

Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original Effective Interest Rate (EIR). ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss

### (m) Employee benefits :

(i) Short Term Obligations : Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service



## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

are recognised in respect of employees' services up to the end of the reporting and are measured at the amounts expected to be paid when the liabilities are settled

- (ii) Retirement benefit costs and termination benefits : Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. The Group has no obligation, other than the contribution payable to the provident fund

The Group provides for gratuity, a defined benefit plan (unfunded). Incremental liability for gratuity based on actuarial valuation/management estimates as per the projected unit credit method as at the reporting date, is charged as expenses in the Statement of Profit and Loss. Actuarial gains and losses arising from changes in actuarial/management assumptions are recognised in other comprehensive income and shall not be reclassified to the Statement of Profit and Loss in a subsequent period

- (iii) **Leave Encashments** : The Group provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment/ availment. The liability is provided based on the actual number of days of unutilised leave at each Balance Sheet date on the basis of a management estimate/ independent actuarial valuation

(n) **Leases :**

Effective April 1, 2019, the Group has adopted Ind AS 116 - Leases. At the inception of a contract, assessment is being done 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. The Group reassesses whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed

**As a Lessor :**

A lessor shall classify each of its leases as either an operating lease or a finance lease

**As a Lessee :**

At the commencement date, a lessee shall recognise a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses would be depreciation charge for ROU assets and interest expense on lease liabilities

The Group in the capacity of lessee has classified each of its leases as short term leases (having a lease term of 12 months or lower) and has recognised the lease payments as an expense on either a straight-line basis over the lease term or another systematic basis. The related cash flows are classified as Operating activities in the Statement of Cash Flows

(o) **Earnings Per Share :**

In determining earnings per share, the Group considers the profit attributable to the owners of the Group .The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of additional equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date

(p) **Segment reporting :**

An operating segment is a component of a Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relates to transactions with any of the Group's other components, for which discrete financial information is available, and such information is regularly reviewed by the Group's Chief Operating Decision Maker (CODM) to make key decision on operations of the segments and assess its performance. The Group operates in one reportable business segment i.e. "Asset Management and other related service"

(q) **Goods and Services Tax :**

Goods and Services Tax ("GST") is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing the credits

(r) **Operating Cycle :**

Based on the nature of activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

**(s) Use of estimates and judgements :**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2022 is included in the following notes :

- (i) Note 31 Impairment of financial assets (including trade receivable)
- (ii) Note 13 Estimation of defined benefit obligations
- (iii) Note 34 Estimation for preparation of financials under going concern assumption

**(t) Cash Flow Statement :**

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information

**(u) Rounding Off :**

All amounts disclosed in the financial statement and notes have been rounded off to the nearest Lakhs, unless otherwise stated

**3) Cash and Cash Equivalents**

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash in hand	0.39	0.42
<b>Balance with banks</b>		
In current accounts	523.83	1,242.82
In fixed deposits account (with maturity of less than 3 months)	6,409.12	7,205.65
<b>Total cash and cash Equivalent as per IND AS 7</b>	<b>6,933.34</b>	<b>8,448.89</b>
<b>Other bank balances</b>		
Balances with banks for unclaimed dividend	243.15	292.46
In fixed deposits account (with maturity of more than 3 months)	12,088.41	9,073.82
<b>Total Other bank balances</b>	<b>12,331.56</b>	<b>9,366.28</b>

**4) Trade Receivable**

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade receivables</b>		
Trade Receivables considered good - Secured	882.29	1,184.00
Trade Receivables - Significant increase in credit risk	1,237.86	2,184.43
Trade Receivables - Credit Impaired	293.85	280.61
	<b>2,414.00</b>	<b>3,649.04</b>
Less : Written off (Refer note below)	-	(272.89)
Less : Allowance for Credit Losses	(1,513.64)	(2,192.15)
<b>Total Trade Receivable</b>	<b>900.36</b>	<b>1,184.00</b>

Note: As per the 'Resolution Framework' approved by the National Company Law Appellate Tribunal (NCLAT), Mumbai and National Company Law Tribunal (NCLT), entire stake in IL&FS Environmental Infrastructure & Services Ltd (IEISL), East Delhi Waste Processing

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

Company Ltd (EDWPCL) and RDF Power Projects Ltd (RDFPPL) was sold to investors. Since the sale consideration offered by investors was lesser than the liquidation value of these companies, entire consideration was distributed to secured financial creditors only and the group, being a secured operational creditor, did not get any share

Total AMC fees due from these Companies amounted to ₹ 272.89 Lakhs (Comprising of IEISL- ₹ 64.94 Lakhs, EDWPCL- ₹ 89.48 Lakhs and RDFPPL - ₹ 118.46 Lakhs. Considering the uncertainty in recovery, the Group had already made 100% provision against these dues as at March 31, 2020. Currently, based on the above facts, entire dues from IEISL, EDWPCL and RDFPPL amounting to ₹ 272.89 Lakhs has been written off during the year ended March 31, 2021

### Ageing of Trade Receivables as at March 31, 2022

(Amount ₹ in lakhs)

Particular	Unbilled Dues	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	652.63	83.06	-	-	-	735.69
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	29.02	-	-	29.02
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	135.65	135.65
	-	-	652.63	83.06	29.02	-	135.65	900.36

### Ageing of Trade Receivables as at March 31, 2021

(Amount ₹ in lakhs)

Particular	Unbilled Dues	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	811.48	258.63	-	-	-	1,070.11
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	21.99	-	-	21.99
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	91.90	91.90
	-	-	811.48	258.63	21.99	-	91.90	1,184.00

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

### 5) Loans receivables

(Amount ₹ in lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Unsecured, considered good</b>		
Loans and advances to employees	26.73	25.65
<b>Total Loans receivables</b>	<b>26.73</b>	<b>25.65</b>

### 6) Investments

(Amount ₹ in lakhs)

Particular	As at		As at	
	March 31, 2022		March 31, 2021	
	QTY	₹	QTY	₹
<b>Non-current Investments</b>				
<b>Investments in Equity Instruments</b>				
<b>Unquoted at cost</b>				
<b>In Joint Venture</b>				
IL&FS Milestone Realty Advisors Private Ltd	400,000	120.07	400,000	124.87
Standard Chartered IL&FS Management (Singapore) Pte Ltd (Refer Note 35)	50,000	-	50,000	-
<b>In Others</b>				
Avantika Gas Ltd	8,250	0.83	8,250	0.83
Tara India Fund III LLC	2	-	2	-
Tara Feeder Fund Limited	2	-	2	-
Class A – SIREF	5,615	21.28	5,615	23.37
Class C – SIREF	75,000	0.57	75,000	0.55
Class D – SIREF	25,000	0.19	25,000	0.18
<b>Total Investment in Equity Instruments (I)</b>		<b>142.94</b>		<b>149.80</b>
<b>Investment in Unquoted Redeemable Participating Shares</b>				
<b>Investment in Managerial Units of Venture Fund at cost</b>				
<b>Unquoted</b>				
Infrastructure Leasing & Financial Services Realty Fund (Class C Units)	500	0.50	500	0.50
IFIN Realty Trust	10	1.00	10	1.00
Tara India Fund IV Trust – Class C units	50	5.00	50	5.00
Tara India Fund III Trust	50	5.00	50	5.00
Tara India Fund III Domestic Trust	500	5.00	500	5.00
<b>Total Investment in Managerial Units of Venture Fund at cost (II)</b>		<b>16.50</b>		<b>16.50</b>
<b>Investment in Units of Venture Fund at FVTPL</b>				
Infrastructure Leasing & Financial Services Realty Fund (Class A Units)	192.02	112.76	232	115.00
Tara India Fund III Trust – Class A Units	2.97	24.07	24	14.06
IFIN Realty Trust – A Units	44.12	39.78	45	45.43
Tara India Fund IV Trust – Class A units	69.59	538.26	70	576.88
<b>Total Investment in Units of Venture Fund (III)</b>		<b>714.87</b>		<b>751.37</b>
<b>Total Unquoted Investments (I+II+III) (A)</b>		<b>874.31</b>		<b>917.67</b>
Aggregate amount of unquoted investments		874.31		917.67

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

(Amount ₹ in lakhs)

Particular	As at March 31, 2022		As at March 31, 2021	
	QTY	₹	QTY	₹
<b>Investment in mutual funds at FVTPL</b>				
<b>Unquoted</b>				
SBI Corporate Bond Fund – Regular Growth	-	-	43,16,285.55	521.50
Kotak Corporate Bond Fund Std. Growth	-	-	17,374.37	503.96
Birla Sun Life Savings Fund – Growth – Regular Plan	-	-	36,575.83	110.84
Kotak Low Duration Fund Growth – Regular Plan	21,858.52	596.36	16,529	434.39
Nippon India Floating Rate Fund – Growth Plan – Growth Option	21,89,615.93	793.29	21,89,615.93	758.88
ICICI Prudential Liquid Fund – Growth	6,544.83	20.49	-	-
ICICI Prudential Corporate Bond Fund – Growth	-	-	5,78,393.28	131.23
ABSL Money Manager Fund	83,855	248.44	7,799.45	22.23
ABSL Floating Rate Fund – Growth	82,127	228.24	-	-
Kotak Floating Rate Fund – Regular Growth	-	-	23,768.71	273.30
Nippon India Overnight Fund	2,10,00,000	212.84	-	-
Nippon India Money Market Fund – Growth Plan	-	-	7,976.65	254.94
Nippon India Corporate Bond Fund – Regular – Growth	2,00,00,000	214.16	448,291	203.34
<b>Total investment in mutual funds (B)</b>		<b>2,313.82</b>		<b>3,214.71</b>
<b>Aggregate amount of unquoted investments</b>		<b>2,313.82</b>		<b>3,214.71</b>
<b>Total Investment (A+B)</b>		<b>3,188.13</b>		<b>4,132.38</b>

The Group exposure to price risk for fair value measurement is disclosed in Note 31

### 7) Other Financial Assets

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposit	26.58	53.28
Advances other than capital advances	21.66	186.32
Other Advances in cash / in kind	513.04	154.29
Interest accrued	138.10	136.18
Unbilled Revenue	568.72	430.83
Less: Allowance for Credit Losses	(117.70)	(100.03)
<b>Total Other Financial Assets</b>	<b>1,150.40</b>	<b>860.87</b>

### 8) Income Tax Asset

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance payment of taxes	354.27	710.53
<b>Total (A)</b>	<b>354.27</b>	<b>710.53</b>
<b>Income tax payable (B)</b>	<b>29.11</b>	<b>324.21</b>
<b>Net Income Tax Assets (A - B)</b>	<b>325.16</b>	<b>386.32</b>

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

### 9A) Property, Plant and Equipment

(Amount ₹ in lakhs)

Description of Assets	Furniture and Fixtures	Office Equipment's	Data Processing Equipment's (Others)	Vehicles	Leasehold Improvements	Electronic Installation and Equipment	Total
<b>I Deemed Cost</b>							
<b>Balance as at March 31, 2020</b>	<b>52.57</b>	<b>45.58</b>	<b>53.60</b>	<b>66.50</b>	<b>6.12</b>	<b>5.48</b>	<b>229.85</b>
Additions	0.05	1.01	19.85	-	-	0.58	<b>21.49</b>
Disposals	(4.60)	(0.49)	-	-	-	-	<b>(5.09)</b>
<b>Balance as at March 31, 2021</b>	<b>48.02</b>	<b>46.10</b>	<b>73.45</b>	<b>66.50</b>	<b>6.12</b>	<b>6.06</b>	<b>246.25</b>
Additions	0.31	1.77	3.92	-	-	0.64	<b>6.64</b>
Disposals	(1.85)	(1.99)	(1.02)	(0.04)	-	(0.10)	<b>(5.00)</b>
<b>Balance as at March 31, 2022</b>	<b>46.48</b>	<b>45.88</b>	<b>76.35</b>	<b>66.46</b>	<b>6.12</b>	<b>6.60</b>	<b>247.89</b>
<b>II Accumulated Depreciation and impairment</b>							
<b>Balance as at March 31, 2020</b>	<b>31.69</b>	<b>39.50</b>	<b>48.20</b>	<b>61.91</b>	<b>2.02</b>	<b>1.73</b>	<b>185.05</b>
Deletion on disposal of sale	(2.09)	(0.45)	-	-	-	-	<b>(2.54)</b>
Depreciation expense	8.46	2.86	6.33	2.49	2.01	0.53	<b>22.68</b>
<b>Balance as at March 31, 2021</b>	<b>38.06</b>	<b>41.91</b>	<b>54.53</b>	<b>64.40</b>	<b>4.03</b>	<b>2.26</b>	<b>205.19</b>
Deletion on disposal of sale	(1.83)	(1.99)	(1.02)	(0.04)	-	(0.10)	<b>(4.98)</b>
Depreciation expense	6.49	2.23	7.54	2.08	0.60	1.02	<b>19.96</b>
<b>Balance as at March 31, 2022</b>	<b>42.72</b>	<b>42.15</b>	<b>61.05</b>	<b>66.44</b>	<b>4.63</b>	<b>3.18</b>	<b>220.17</b>
<b>III Net Carrying Amount</b>							
<b>Balance as at 31st March 2020</b>	<b>20.88</b>	<b>6.08</b>	<b>5.40</b>	<b>4.59</b>	<b>4.10</b>	<b>3.75</b>	<b>44.80</b>
<b>Balance as at 31st March 2021</b>	<b>9.96</b>	<b>4.19</b>	<b>18.92</b>	<b>2.10</b>	<b>2.08</b>	<b>3.80</b>	<b>41.05</b>
<b>Balance as at 31st March 2022</b>	<b>3.76</b>	<b>3.73</b>	<b>15.30</b>	<b>0.02</b>	<b>1.49</b>	<b>3.42</b>	<b>27.72</b>

Note : The Group has not revalued its Property, Plant and Equipment during the year

### 9B) Other Intangible Assets

(Amount ₹ in lakhs)

Description of Assets	Intangible Assets
<b>I Deemed Cost</b>	
<b>Balance as at March 31, 2020</b>	<b>2,016.02</b>
Additions	1.28
Disposals	(1,965.60)
<b>Balance as at March 31, 2021</b>	<b>51.70</b>
Additions	-
Disposals	-
<b>Balance as at March 31, 2022</b>	<b>51.70</b>

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

Description of Assets	Intangible Assets
<b>II Accumulated Depreciation and Impairment</b>	
Balance as at March 31, 2020	2,007.66
Deletion on disposal of sale	(1,965.60)
Depreciation expense for the year	8.27
<b>Balance as at March 31, 2021</b>	<b>50.33</b>
Deletion on disposal	-
Depreciation expense for the year	1.12
<b>Balance as at March 31, 2022</b>	<b>51.45</b>
<b>III Net Carrying Amount</b>	
Balance as at March 31, 2020	8.36
Balance as at March 31, 2021	1.37
Balance as at March 31, 2022	0.25

### 10) Other Non-Financial Assets

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid Expenses	178.09	236.14
Indirect taxes recoverable	423.46	295.39
<b>Total Non-Financial Assets</b>	<b>601.55</b>	<b>531.53</b>

### 11) Trade Payables

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade Payables</b>		
Total outstanding dues of Micro Enterprises and Small Enterprises *	24.57	20.81
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	697.67	737.75
<b>Total Trade Payables</b>	<b>722.24</b>	<b>758.56</b>

\* The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') which are disclosed in Note 28

The Company exposure to liquidity risk relating to trade payables is disclosed in Note 31

#### Ageing of Trade Payable as at March 31, 2022

(Amount ₹ in lakhs)

Particulars	Unbilled Dues	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	14.45	-	12.12	-	-	-	24.57
Others	8.96	227.02	151.82	89.66	38.88	181.33	697.67
Disputed dues – MSME	-	-	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>23.41</b>	<b>227.02</b>	<b>161.94</b>	<b>89.66</b>	<b>38.88</b>	<b>181.33</b>	<b>722.24</b>

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

### Ageing of Trade Payable as at March 31, 2021

(Amount ₹ in lakhs)

Particulars	Unbilled Dues	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	15.26	-	5.55	-	-	-	18.78
Others	22.68	243.64	212.81	81.32	104.13	73.17	739.78
Disputed dues – MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>37.94</b>	<b>243.64</b>	<b>218.36</b>	<b>81.32</b>	<b>104.13</b>	<b>73.17</b>	<b>758.56</b>

### 12) Deferred Tax Asset and Deferred Tax Liability

The deferred tax asset recognised in the accounts as of March 31, 2022 is as follows :

(Amount ₹ in lakhs)

Particulars	Closing Balance March 31, 2022	Movement Recognised in Profit and Loss	Movement Recognised in OCI	Closing Balance March 31, 2021
<b><u>Tax effect of items constituting deferred tax assets</u></b>				
Property, Plant and Equipment	41.06	(4.28)	-	45.94
Defined benefit obligation	58.06	(22.04)	(2.21)	32.21
Trade Receivables	232.77	(174.09)	-	71.51
Preliminary Expenses Written off	2.68	(0.27)	-	2.41
FVTPL financial asset	378.19	0.66	-	377.53
<b>Total</b>	<b>712.76</b>	<b>(200.02)</b>	<b>(2.21)</b>	<b>529.60</b>
<b><u>Tax effect of items constituting deferred tax liabilities</u></b>				
Others	(58.29)	1.66	-	(58.29)
Unrealised profit on subsidiary	1,723.40	(276.63)	(55.16)	1,562.24
	<b>1,665.11</b>	<b>(274.97)</b>	<b>(55.16)</b>	<b>1,503.95</b>
<b>Net Tax (Liability) / Asset</b>	<b>(952.35)</b>	<b>74.95</b>	<b>52.95</b>	<b>(974.35)</b>

### 13) Employee benefit obligations

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Provisions</b>		
Provision for compensated absences	161.37	180.01
Provision for Gratuity	18.34	58.91
Provision for Performance related pay	116.19	100.54
Other Employee Benefits	-	1.56
<b>Total Employee benefit obligations</b>	<b>295.90</b>	<b>341.02</b>



## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

a) Particulars relating to IND AS 19 “Employee Benefits” (Revised) is provided

(i) Defined-Contribution Plans :

Particulars	(Amount ₹ in lakhs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Employer’s Contribution to Provident Fund	45.93	54.81
Employer’s Contribution to Pension Fund	7.35	30.28
Employer’s Contribution to Superannuation Fund	21.90	11.30

(ii) Defined-Benefit Plans :

The Indian Group companies operates funded post retirement defined benefit plans for gratuity, details of which are as follows :

The actuarial calculations used to estimate defined benefit commitments and expenses are based on the following assumptions :

Assets and Liability (Balance Sheet Position) Particulars	(Amount ₹ in lakhs) As at	
	March 31, 2022	March 31, 2021
Present Value of Obligation	585.60	601.83
Fair Value of Plan Assets	654.93	603.07
Surplus/(Deficit)	69.32	1.24
Effects of Asset Ceiling, if any	-	-
<b>Net Asset/(Liability)</b>	<b>69.32</b>	<b>1.24</b>

Expenses Recognised during the year Particulars	(Amount ₹ in lakhs) For the year ending	
	March 31, 2022	March 31, 2021
In Income Statement	54.08	35.13
In Other Comprehensive Income	(24.73)	(40.56)
<b>Total Expenses Recognised during the period</b>	<b>29.35</b>	<b>(5.43)</b>

Changes in the Present Value of Obligation Particulars	(Amount ₹ in lakhs) For the year ending	
	March 31, 2022	March 31, 2021
Present Value of Obligation as at the beginning	601.83	710.51
Current Service Cost	36.06	37.74
Interest Expense or Cost	36.70	44.39
Benefits Paid directly by the employer	-	-
Re-measurement (or Actuarial) (gain)/loss arising from :	-	-
- change in demographic assumptions	(0.98)	-
- change in financial assumptions	(6.42)	(4.55)
- experience variance (i.e. Actual experiences assumptions)	(28.82)	(22.71)
- others	-	-
Past Service Cost	-	-
Effect of change in foreign exchange rates	-	-

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

Changes in the Present Value of Obligation Particulars	For the year ending	
	March 31, 2022	March 31, 2021
Benefits Paid	(52.77)	(201.07)
Acquisition Adjustment	-	37.52
<b>Present Value of Obligation as at the end</b>	<b>585.60</b>	<b>601.83</b>

(Amount ₹ in lakhs)

Bifurcation of Net Liability Particulars	As at	
	March 31, 2022	March 31, 2021
Current Liability (Short term)	(74.47)	(72.73)
Non-Current Liability (Long term)	(54.12)	71.49
<b>Net Liability/(Asset)</b>	<b>(128.59)</b>	<b>(1.24)</b>

(Amount ₹ in lakhs)

Changes in the Fair Value of Plan Assets Particulars	For the year ending	
	March 31, 2022	March 31, 2021
Fair Value of Plan Assets as at the beginning	603.07	739.28
Investment Income	38.97	45.53
Employer's Contribution	94.58	10.00
Benefits Paid	(73.08)	(201.07)
Return on plan assets, excluding amount recognised in net interest expense	(8.61)	0.25
Acquisition Adjustment	-	9.08
<b>Fair Value of Plan Assets as at the end</b>	<b>654.93</b>	<b>603.07</b>

(Amount ₹ in lakhs)

Expenses Recognised in the Income Statement Particulars	For the year ending	
	March 31, 2022	March 31, 2021
Current Service Cost	34.28	40.26
Past Service Cost	20.31	-
Loss/(Gain) on settlement	-	-
Net Interest Cost/(Income) on the Net Defined Benefit Liability/(Asset)	(0.49)	(0.96)
<b>Expenses Recognised in the Income Statement</b>	<b>54.09</b>	<b>39.30</b>

(Amount ₹ in lakhs)

Other Comprehensive Income Particulars	For the year ending	
	March 31, 2022	March 31, 2021
Actuarial (gains)/losses		
- change in demographic assumptions	(0.98)	-
- change in financial assumptions	(6.65)	(4.55)
- experience variance (i.e. Actual experience vs assumptions)	(28.82)	(22.71)
- Others	-	-
Return on plan assets, excluding amount recognised in net interest expense	11.71	0.09
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
	<b>(24.73)</b>	<b>(27.18)</b>

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

Financial Assumption Particulars	As at	
	March 31, 2022	March 31, 2021
Discount Rate (per annum)	6.30% - 7.18%	6.20%-6.83%
Salary Growth Rate (per annum)	5% - 6.50%	6.50%

The estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors. The above information is certified by the actuary and relied upon by the Auditors

### 14) Other Non-Financial Liabilities

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Dues payable	145.86	124.16
Other Payables	15.65	14.15
Income Received in advance	139.39	136.36
Unclaimed Dividend	243.15	292.46
Other	5.00	5.00
<b>Total Other Non-Financial Liabilities</b>	<b>549.05</b>	<b>572.13</b>

### 15) A) Share Capital

a) Share Capital of the Group consist of the following :

(Amount ₹ in lakhs)

	As at March 31, 2022		As at March 31, 2021	
	Number of shares	(Amount)	Number of shares	(Amount)
<b>SHARE CAPITAL</b>				
<b>(a) AUTHORISED</b>				
Equity shares of ₹ 2/- each with voting rights	325,000,000	6,500.00	325,000,000	6,500.00
<b>(b) ISSUED, SUBSCRIBED AND FULLY PAID UP</b>				
Equity shares of ₹ 2/- each with voting rights	314,032,740	6,280.65	314,032,740	6,280.65
<b>Add : Forfeited shares</b>		0.20		0.20
Equity shares of ₹ 2/- each with voting rights	<b>314,032,740</b>	<b>6,280.85</b>	<b>314,032,740</b>	<b>6,280.85</b>

b) Reconciliation of the number of shares outstanding at the beginning and at the end of the year :

(Amount ₹ in lakhs)

Particulars	Opening balance	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital	Closing balance
<b>As at March 31, 2022</b>					
Number of shares	314,032,740	-	314,032,740	-	314,032,740
Amount (₹)	6,280.85	-	6,280.85	-	6,280.85
<b>As at March 31, 2021</b>					
Number of shares	314,032,740	-	314,032,740	-	314,032,740
Amount (₹)	6,280.85	-	6,280.85	-	6,280.85
<b>As at March 31, 2020</b>					
Number of shares	314,032,740	-	314,032,740	-	314,032,740
Amount (₹)	6,280.85	-	6,280.85	-	6,280.85

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

- c) Details of Holding Company and shareholders holding more than 5% of the share capital :

(Amount ₹ in lakhs)

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Infrastructure Leasing & Financial Services Limited, the Holding Company	158,333,152	50.42	158,333,152	50.42

Rights, preference and restrictions attached to equity shares :

The Group has one class of Equity Shares with face value of ₹ 2/- each. Each Shareholder has a voting right in proportion to their holding of the paid up Equity Share Capital of the Group. On winding up of the Group, the holders of equity shares will be entitled to receive the residual assets of the Group, in proportion to the number of equity shares held after distribution of all preferential amounts. However, no such preferential amounts exist currently

- d) Details of Shares held by Promoters as at March 31, 2022 :

(Amount ₹ in lakhs)

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Infrastructure Leasing & Financial Services Limited, the Holding Company	158,333,152	50.42	158,333,152	50.42

- e) No shares were allotted by the Company as fully paid up by way of bonus shares for preceding five years

- f) Forfeited shares :

During the financial year 1997-98 the Group had forfeited 10,000 equity shares of ₹ 2/- each on which amount paid up was ₹ 20,000/-

- g) No shares were bought back by the Group during the last five years

### B) Other Equity

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Securities Premium Reserve	47.59	47.59
Capital Reserve on consolidation	1,790.43	1,790.43
General Reserve	2,214.47	3,156.58
Foreign Currency Translation Reserve	7,187.59	6,888.83
Retained Earnings	3,551.55	2,806.52
<b>Total Other Equity</b>	<b>14,791.63</b>	<b>14,689.95</b>

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Securities Premium Reserve</b>		
Opening Balance	47.59	47.59
<b>Closing Balance</b>	<b>47.59</b>	<b>47.59</b>
<b>Capital Reserve on consolidation</b>		
Opening Balance	1,790.43	1,790.43

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Closing Balance</b>	<b>1,790.43</b>	<b>1,790.43</b>
<b>General Reserve</b>		
Opening Balance	3,156.58	3,156.58
Less : Dividend Paid	(942.11)	-
<b>Closing Balance</b>	<b>2,214.47</b>	<b>3,156.58</b>
<b>Foreign Currency Translation Reserve</b>		
Opening Balance	6,888.83	7,136.81
Other Comprehensive Income	298.76	(247.98)
<b>Closing Balance</b>	<b>7,187.59</b>	<b>6,888.83</b>
<b>Retained Earnings</b>		
Opening Balance	2,806.52	3,827.67
Net Profit/(Loss) for the year	1,311.53	957.59
Other Comprehensive Income	(34.79)	81.57
Minority Interest	(531.71)	(176.12)
Dividend paid	-	(1,884.19)
<b>Closing Balance</b>	<b>3,551.55</b>	<b>2,806.52</b>

### Nature and purpose of reserve :

a) Security Premium Reserve :

Securities Premium Reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013

b) Capital Reserve :

Capital Reserve is on account of acquisition of its subsidiaries, being excess of the net assets acquired over the consideration paid

c) General Reserve :

The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to profit or loss

d) Exchange differences on translating the financial statements of foreign operations :

Exchange variation in Opening Equity Share Capital, Reserves and Surplus, Assets and Liabilities of IL&FS Investment Advisors LLC, Saffron Investment Trust and IIML Fund Managers (Singapore) Pte Ltd is accounted under this reserve

### 16) Contingent Liabilities (to the extent not provided for) and Capital Commitments

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Income tax demand contested by the Group*	516.65	516.65
Service tax demand contested by the Group*	1,185.22	1,185.22
Uncalled commitments on units of Venture Capital Fund	304.08	304.08

\* The Group does not expect any outflow of economic resources in respect of the claims above and therefore no provision is made in respect thereof

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

### 17) Revenue from Operations

(Amount ₹ in lakhs)		
Particulars	Figures for the year ended March 31, 2022	Figures for the year ended March 31, 2021
Fees from Advisory Services	153.80	526.00
Fees from Management and Consultancy Services	4,011.62	4,088.03
<b>Total Revenue from Operations</b>	<b>4,165.42</b>	<b>4,614.03</b>

### 18) Other Income

(Amount ₹ in lakhs)		
Particulars	Figures for the year ended March 31, 2022	Figures for the year ended March 31, 2021
a) Interest Income		
Interest on Fixed Deposits	363.61	426.32
Interest on loan	0.56	0.91
Interest on Income Tax Refund	87.00	163.32
(b) Dividend Income	-	0.04
(c) Net Gain/(Loss) on sale of investments		
On sale of other current investments	135.02	482.11
(d) Profit on sale of capital assets (net of loss on assets sold/scrapped/written off)	0.45	0.68
(e) Recovery of Bad Debts	-	158.76
(f) Foreign Exchange gain	1.22	-
(g) Other income	106.84	16.32
(h) Net gain/(loss) arising on financial assets (investments) designated as at FVTPL	220.17	-
(i) Net gain/(loss) arising on financial assets(receivables) designated as at FVTPL	662.11	-
<b>Total Other Income</b>	<b>1,576.98</b>	<b>1,248.46</b>

### 19) Employee Benefit Expense

Employee Benefit Expenses include :

(Amount ₹ in lakhs)		
Particulars	Figures for the year ended March 31, 2022	Figures for the year ended March 31, 2021
(a) Salaries and wages, including bonus	1,512.62	1,563.42
(b) Contribution to provident and other funds	153.37	150.49
(c) Staff welfare expenses	21.83	15.48
<b>Total Employee Benefit Expense</b>	<b>1,687.82</b>	<b>1,729.39</b>

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

### 20) Other Administrative and Operating Expenses

a) Other Administrative and Operating Expenses consists of :

(Amount ₹ in lakhs)		
Particulars	Figures for the year ended March 31, 2022	Figures for the year ended March 31, 2021
Rent including lease rentals	145.70	258.23
Rates and Taxes	32.76	63.17
Electricity and Water Charges	1.96	2.30
Postage and Telecommunication	13.13	11.55
Printing and Stationery	18.57	12.98
Travelling and Conveyance Expenses	88.67	53.22
Provision for doubtful trade and other receivables, loans	-	0.03
Insurance	73.60	92.38
Repairs and maintenance - Others	35.21	38.14
Directors Sitting Fees	22.78	20.03
Sub advisory Expenses	-	69.00
Expenditure on Corporate Social Responsibility (CSR)	28.17	44.69
Subscription to Clubs and association	10.38	14.92
Auditors remuneration and out-of-pocket expenses	54.72	51.58
Miscellaneous Expenses	184.96	153.59
Legal and Professional Expenses	1,548.22	1,317.44
Loss on sale of Other Non-current investments	243.50	-
Net unrealised loss arising on financial assets/Liabilities designated as at FVTPL	-	909.47
<b>Total Other Expenses</b>	<b>2,502.33</b>	<b>3,112.72</b>

Miscellaneous Expenses includes commission to non-whole time directors, advertisement expenses, service promotion expenses, subscription to clubs/association, and books and periodicals

b) Audit fees consists of amount paid/payable :

(Amount ₹ in lakhs)		
Particulars	Figures for the year ended March 31, 2022	Figures for the year ended March 31, 2021
Statutory Audit	39.52	36.11
Limited review of quarterly results	10.95	10.95
Out-of-pocket expenses	0.04	0.18
For other services, certification, etc.	4.21	4.34
<b>Total</b>	<b>54.72</b>	<b>51.58</b>

The above fees are exclusive of GST as applicable

### 21) Leases

The Group has not entered into any of the Operating Lease arrangements during the year

### 22) Dividend paid in Foreign Currencies to Non-resident Shareholders

No Dividend has been paid in Foreign Currencies to non-resident shareholders in current year and previous year

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

### 23) Earnings Per Share (EPS)

In accordance with the Indian Accounting Standard on 'Earnings Per Share' (IND AS-33), the Basic Earnings Per Share and Diluted Earnings Per Share has been computed by dividing the Profit After Tax by the number of equity shares for the respective period as under :

Particulars	March 31, 2022	March 31, 2021
Owner's interest in Profit After Tax (₹ in lakhs)	778.98	786.41
Weighted Average Number of Equity Shares in calculating Basic and Diluted EPS	314,032,740	314,032,740
(i) Nominal Value per share (₹)	2.00	2.00
(ii) Basic Earnings per share (₹)	0.25	0.25
(iii) Diluted Earnings per share (₹)	0.25	0.25

### 24) CSR Expenditure

a) Gross amount required to be spent by the Group during the year - ₹ 28.17 Lakhs

b) Amount spent during the year on :

(Amount ₹ in lakhs)

	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	28.17	-	28.17

### 25) Interest in other entities

(a) Subsidiaries :

Name of the Entity	Country of Incorporation and Residence	Percentage of Voting power As at March 31, 2022	Percentage of Voting power As at March 31, 2021
IL&FS Asian Infrastructure Managers Limited	India	100	100
IL&FS Urban Infrastructure Managers Limited	India	100	100
IL&FS Investment Advisors LLC	Mauritius	100	100
Saffron Investment Trust (IL&FS Investment Advisors LLC is 100% beneficiary)	Mauritius	100	100
IIML Asset Advisors Limited	India	100	100
Andhra Pradesh Urban Infrastructure Asset Management Limited	India	51	51
IL&FS Infra Asset Management Limited	India	86.61	86.61
IL&FS AMC Trustee Limited	India	100	100
IIML Fund Managers (Singapore) Pte Ltd	Singapore	100	100

(b) In Joint Venture :

Name of the Entity	Country of Incorporation and Residence	Percentage of Voting power As at March 31, 2022	Percentage of Voting power As at March 31, 2021
IL&FS Milestone Realty Advisors Private Limited	India	40	40
Standard Chartered IL&FS Management (Singapore) Pte Ltd	Singapore	50	50



# Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

## 26) Disclosure as required by the AS 18 on “Related Party Disclosures” are made below

- a) Name of the Related Parties (with whom transactions entered into during the year ended March 31, 2022) and Description of Relationship :

Sr. No.	Holding Company
1	Infrastructure Leasing & Financial Services Limited [IL&FS]
Sr. No.	Fellow Subsidiaries*
1	IL&FS Financial Services Limited [IFIN]
2	IL&FS Securities Services Limited [ISSL]
3	IFIN Realty Trust [IFINRT]
4	IL&FS IIDC Fund [IIDC Fund]
5	IL&FS Environmental Infrastructure & Service Limited [IEISL]
6	IL&FS Maritime International FZE [IMIFZE]
7	East Delhi Waste Processing Group Private Limited [EDWPC]
8	IL&FS Energy Development Company Limited [IEDCL]
9	IL&FS Global Financial Service (ME) Limited [ IGFMEI]
10	RDF Power Projects Limited [RDFPPL]
11	IL&FS Township Urban Asset Limited [ITUAL]
12	IIDC Limited [IIDC]
13	Tamil Nadu Water Investment Company Limited [TNWICL]
14	IL&FS Infrastructure Development Corporation Limited [IIDCL]
15	IL&FS Water Limited [IWL]
Sr. No.	Key Management Personnel
1	Mr S M Datta - Chairman & Non-Executive Independent Director
2	Mr Chitranjan S Kahlon - Non-Executive Independent Director
3	Mr Nand Kishore - Non-Executive Director
4	Mr Kaushik Modak - Non-Executive Director
5	Ms Priya Shetty - Non-Executive Director (From November 11, 2020)
6	Ms Lubna Usman - Non-Executive Director (From February 12, 2021)
7	Ms Sudakshina Bhattacharya - Non-Executive Nominee Director (Upto December 31,2020)

\*As certified by holding Company and with whom transactions done during the year

- b) The nature and volume of transactions during the year ended March 31, 2022, with the above related parties were as follows :

Nature of Transactions	(Amount ₹ in lakhs)		
	Holding Company	Fellow Subsidiary	Key Management Personnel
<b>Rent paid</b>			
IL&FS	105.51	-	-
<b>Repairs &amp; Maintenance</b>			
IL&FS	11.32	-	-
<b>Electricity Charges</b>			
IL&FS	1.58	-	-

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

(Amount ₹ in lakhs)

Nature of Transactions	Holding Company	Fellow Subsidiary	Key Management Personnel
<b>Others</b>			
Service Charges Expenses [IFIN]	-	2.50	-
Custody Charges [ISSL]	-	2.28	-
<b>Other Reimbursement (Paid)/Recovered</b>			
IFIN	-	9.86	-
IFINRT	-	38.92	-
IL&FS	2.63	-	-
<b>Payment to Directors</b>			
Sitting fees	-	-	4.65

c) Statement of significant balances as at March 31, 2022 are as follows :

(Amount ₹ in lakhs)

Nature of Transaction	Holding Company	Fellow Subsidiary
<b>Trade Receivables</b>		
IIDC Fund	-	7.56
IFINRT	-	0.93
<b>Other Financial Assets / Short Term Advances</b>		
IFIN	-	80.56
IEDCL	-	0.16
<b>Trade Payables</b>		
TNWICL	-	55.01
IFIN	-	1.97
ITUAL	-	83.16
ISSL	-	1.37
IWL	-	21.38
IL&FS	1.53	-

Out of the above trade receivable outstanding as on March 31, 2022, provision has been created of ₹ 7.72 Lakhs for IIDC Fund and IEISL.

d) The nature and volume of transactions during the year ended March 31, 2021, with the above related parties were as follows :

(Amount ₹ in lakhs)

Nature of Transactions	Holding Company	Fellow Subsidiary	Key Management Personnel
<b>Rent paid</b>			
IL&FS	224.10	-	-
<b>Insurance</b>			
IL&FS	3.17	-	-
IFIN	-	0.61	-

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

(Amount ₹ in lakhs)

Nature of Transactions	Holding Company	Fellow Subsidiary	Key Management Personnel
<b>Repairs &amp; Maintenance</b>			
IL&FS	15.28	-	-
<b>Electricity Charges</b>			
IL&FS	1.57	-	-
<b>Staff Deputation Cost</b>			
ITUAL	-	35.57	-
<b>Legal and Professional Expenses</b>			
SCIMSPL	-	8.26	-
<b>Others</b>			
Service Charges Expenses [IFIN]	-	3.25	-
Custody Charges [ISSL]	-	1.76	-
Other Income [IFIN]	-	4.69	-
<b>Other Reimbursement (Paid)/Recovered</b>			
IFIN	-	15.17	-
IFINRT	-	5.34	-
IGFMEL	-	1.01	-
IL&FS	3.77	-	-
<b>Balances Written Off</b>			
EDWPC	-	89.63	-
IEISL	-	64.94	-
IIDCL	-	0.29	-
RDFPL	-	119.10	-
<b>Payment to Directors</b>			
Sitting fees	-	-	4.70

e) Statement of significant balances as at March 31, 2021 are as follows :

(Amount ₹ in lakhs)

Nature of Transaction	Holding Company	Fellow Subsidiary
<b>Trade Receivables</b>		
IIDC Fund	-	7.56
<b>Other Financial Assets / Short Term Advances</b>		
IFIN	-	69.57
IEDCL	-	0.16
<b>Trade Payables</b>		
TNWICL	-	55.01
IFIN	-	1.16
ITUAL	-	72.58
ISSL	-	(0.06)
IWL	-	21.38
IL&FS	2.58	-

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

All transaction with related parties are priced on an arm's length basis and resulting outstanding balance are expected to be recovered in cash within six months of the reporting except for which provision is already made

Out of the above trade receivable outstanding as on March 31, 2021, provision has been created of ₹ 7.72 Lakhs for IIDC Fund and IEISL.

The Group has made 100% provisioning in respect of AMC fees recoverable and/or OPE recoverable in respect of following parties :

- i) IL&FS Environmental Infrastructure and Services Limited
- ii) East Delhi Waste Processing Company Private Limited
- iii) IL&FS Financial Services Limited
- iv) RDF Power Projects Limited
- v) IL&FS Infrastructure Development Corporation Limited

The Group is dependent on information from the Holding Company for its Related Parties as defined under Ind AS 24 and under the Companies Act, 2013. The Group had identified its related party's relationship on the basis of information made available by the Holding Company and relied upon by the auditors

### 27) Income Tax Expense

(Amount ₹ in lakhs)		
Particulars	March 2021	March 2020
<b>(a) Income Tax expense</b>		
Current Tax		
Current tax on Profit for the year	330.48	316.99
Deferred Tax	(74.95)	(213.37)
Prior Year Taxes	(40.69)	(75.73)
<b>Total Income tax expense</b>	<b>214.84</b>	<b>27.89</b>
<b>(b) Reconciliation of tax expense and accounting profit multiplied by India tax rate</b>		
Profit from operations before income tax expense	1,526.37	985.48
India tax rate	0% - 25.17%	0% - 25.17%
	384.19	316.83
<b>Tax effect of amounts which are not deductible (allowable) in calculating taxable income :</b>		
(Deduction)/disallowance under various sections of Income Tax Act, 1961	(53.71)	0.16
Deferred tax	(74.95)	(213.37)
Prior Year Taxes	(40.69)	(75.73)
<b>Total Income tax expense</b>	<b>214.84</b>	<b>27.89</b>

- 28) The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows :

(Amount ₹ in lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	12.12	5.55
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
The amount of interest paid by buyer in terms of section 16 of the Act	-	-
The amount of the payment made to the supplier beyond the appointed day during the year	-	-
The amounts of interest accrued and remaining unpaid at the end of financial year	-	-

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

Particulars	As at March 31, 2022	As at March 31, 2021
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Note - Total amount outstanding dues to MSME is ₹ 24.57 Lakhs out of the same ₹ 14.45 Lakhs is a provision made as on March 31, 2022 and for which invoice is not yet received

### 29) Segment Reporting

(a) Description of segments and principal activities :

As per requirements of Indian Accounting Standard (Ind AS) 108 on 'Operating Segments', based on evaluation of financial information for allocation of resources and assessing performance, the Group has identified a single segment i.e. providing asset management services and other related services. As such, there are no separate reportable business or geographical segments as per Ind AS108 on operating segment

(b) Segment Revenue :

The amount of revenue from external customers broken down by location of the customers is shown in the table below :

Revenue	(Amount ₹ in lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Within India	3,945.11	4,014.64
Outside India	220.31	599.39

(c) All Material assets other than financial instruments and deferred tax assets are domiciled in India

(d) Information about revenue from major customer :

Particulars	(Amount ₹ in lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue	216.52	212.29

### 30) Fair Value Measurements

(a) Financial Instruments by category :

As at March 31, 2022	(Amount ₹ in lakhs)			
	Carrying amount			
Particulars	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total
<b>Financial Assets</b>				
Cash and Cash Equivalents	-	-	6,933.34	6,933.34
Other Bank Balances	-	-	12,331.56	12,331.56

**Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022**

As at March 31, 2022	Carrying amount			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total
Trade Receivables	-	-	900.36	900.36
Loans	-	-	26.73	26.73
Equity instrument	874.31	-	-	874.31
Mutual Funds	2,313.82	-	-	2,313.82
Other Financial Assets	-	-	1,150.40	1,150.40
<b>Total Financial Assets</b>	<b>3,188.13</b>	<b>-</b>	<b>21,342.39</b>	<b>24,530.52</b>
<b>Financial Liabilities</b>				
Trade Payables	-	-	722.24	722.24
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>722.24</b>	<b>722.24</b>

(Amount ₹ in lakhs)

As at March 31, 2021	Carrying amount			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total
<b>Financial Assets</b>				
Cash and Cash Equivalents	-	-	8,448.89	8,448.89
Other Bank Balances	-	-	9,366.28	9,366.28
Trade Receivables	-	-	1,184.00	1,184.00
Loans	-	-	25.65	25.65
Equity instrument	917.67	-	-	917.67
Mutual Funds	3,214.71	-	-	3,214.71
Other Financial Assets	-	-	860.87	860.87
<b>Total Financial Assets</b>	<b>4,132.38</b>	<b>-</b>	<b>19,885.69</b>	<b>24,018.07</b>
<b>Financial Liabilities</b>				
Trade Payables	-	-	758.56	758.56
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>758.56</b>	<b>758.56</b>

(b) Fair value hierarchy :

**As at March 31, 2022** (Amount ₹ in lakhs)

Particulars	Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3
<b>Financial Assets</b>				
<b>At FVTPL</b>				
Equity instrument	874.31	-	-	874.31
Mutual Funds	2,313.82	2,313.82	-	-

# Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

As at March 31, 2021

(Amount ₹ in lakhs)

Particulars	Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3
<b>Financial Assets</b>				
<b>At FVTPL</b>				
Equity instrument	917.67	-	-	917.67
Mutual Funds	3,214.71	3,214.71	-	-

The following methods and assumptions were used to estimate the fair values :

The fair values of the units of mutual fund schemes are based on net asset value at the reporting date. The fair value of Venture Capital Funds is valued using discounted cash flow analysis and inputs based on information about market participants assumptions and other data that are available. The discount rates used is based on management estimates

The financial instruments are categorised into three levels based on the inputs used to arrive at fair value measurements as described in Note 2 (e) of the financial statement

## 31) Financial Risk Management

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

1. Credit risk
2. Liquidity risk
3. Market risk

### Risk management framework

The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors the risk management process to ensure adherence to appropriate risk limits and controls are set in place

The Board of Directors oversees how management monitors compliance with the Group's risk management process and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group

### Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a practice of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. At the end of the period, the details of the trade receivables were as follows :

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade receivables</b>		
Trade Receivables considered good – Unsecured	882.29	1,184.00
Trade Receivables – Significant increase in credit risk	1,237.86	2,184.43
Trade Receivables – Credit Impaired	293.85	280.61
	<b>2,414.00</b>	<b>3,649.04</b>
Less : Written off	-	(272.89)
Less : Allowance for Credit Losses	(1,513.64)	(2,192.15)
<b>Total Trade Receivable</b>	<b>900.36</b>	<b>1,184.00</b>

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

### Reconciliation of expected credit loss on trade receivables

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Expected credit loss at the beginning of the year	2,192.15	1,952.55
Add/(less) : changes in allowance	(678.51)	239.60
Expected credit loss at the end of the period	1,513.64	2,192.15

Others financial asset are advances recoverable on account of reimbursement of out of pocket expenses and travel advance given to employees. Provision is taken on a case to case basis depending on circumstances with respect to non-recoverability of the amount. At the end of the period, the details of the Advances were as follows :

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposit	26.58	53.28
Advances other than capital advances	21.66	186.32
Other Advances in cash in kind	513.04	154.29
Interest accrued	138.10	136.18
Unbilled Revenue	568.72	430.83
Less : Allowance for Credit Losses	(117.70)	(100.03)
<b>Total Other Financial Assets</b>	<b>1,150.40</b>	<b>860.87</b>

### Reconciliation of expected credit loss on other financial asset

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Expected credit loss at the beginning of the year	100.03	116.80
Add/(less) : changes in allowance	17.67	(16.77)
Expected credit loss at the end of the period	117.70	100.03

Cash and cash equivalents and other Bank Balances are held with Banks having high quality credit rating

### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group maintains sufficient cash to address any liquidity risk that may arise

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities

### Maturity profile of financial liabilities

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than 1 year	-	-
Non- interest bearing instrument	-	-
Trade payable	722.24	758.56



# Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

## Market risk

Market risk' is the risk that changes in market prices, such as interest rates, foreign exchange rates, equity prices and credit spreads (not relating to changes in the obligor's/issuer's credit standing) will affect the Group's income or the fair value of its holdings of financial instruments

## Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may be potential impact on the statement of profit and loss account and other comprehensive income and equity, where any transaction reference more than one currency or where asset/liabilities are denominated in a currency other than the functional currency of the Company

Considering the countries and economic environment in which the Company operates it is subject to fluctuations in exchange rate from those countries. The risk primarily relates to fluctuations in exchange rate in those countries. The risk primary relates to fluctuation in US dollars

The table sets forth information for foreign exposure in USD

Particulars	(Amount ₹ in lakhs)	
	Financial Asset As at March 31, 2022	Financial Asset As at March 31,2020
Financial Asset (USD)	110.16	2.89
Financial Liability (USD)	1.98	-
<b>Net Total (USD)</b>	108.18	2.89
<b>Net Total (INR)</b>	<b>8,021.01</b>	<b>212.29</b>

Particulars	(Amount ₹ in lakhs)	
	1% increase/(decrease) USD Impact As at March 31, 2022 (₹)	1% increase /(decrease) USD Impact As at March 31, 2021 (₹)
Impact on profit and loss account	80.21 / (80.21)	2.12 / (2.12)

## Interest rate risk

The Group is not exposed to interest rate risk as the Group has fixed interest bearing financial assets

## Price risk

The Group has invested in the Mutual Funds and Equity shares

Mutual Fund and Equity shares Net Asset Values (NAVs) are impacted by a number of factors like interest rate risk, credit risk, liquidity risk, market risk in addition to other factors

A movement of 5% in NAV mutual funds on either side can lead to a gain/loss of ₹ 115.69 Lakhs and ₹ 160.74 Lakhs on the overall portfolio as at March 31, 2022 and March 31, 2021 respectively

A movement of 5% in NAV Equity shares on either side can lead to a gain/loss of ₹ 43.72 Lakhs and ₹ 45.88 Lakhs, on the overall portfolio as at March 31, 2022 and March 31, 2021 respectively

## Capital Management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. As part of its capital risk management policies, the Group reviews the capital structure to ensure that it has an appropriate portion of net debt to equity. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short-term investments. The debt equity ratio highlights the ability of a business to repay its debts. The net financial debt position of the Group as on March 31, 2022 and March 31, 2021 is negative which signifies the Group has more than sufficient cash to pay off its liabilities

# Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

## 32) Additional information required by Schedule III

(Amount ₹ in lakhs)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss after tax		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	₹	As % of consolidated profit or loss	₹	As % of consolidated profit or loss	₹	As % of consolidated profit or loss	₹
1	2	3	4	5	6	7	8	9
<b>Parent</b>	18.80	3,961.46	(225.50)	(1,756.57)	(14.09)	(37.20)	(171.99)	(1,792.92)
<b>Subsidiaries</b>								
<b>Indian</b>								
IL&FS Asian Infrastructure Managers Limited	2.52	530.40	1.99	15.47	-	-	1.48	15.47
IL&FS Urban Infrastructure Managers Limited	3.36	707.90	(22.76)	(177.30)	0.82	2.17	(16.79)	(175.13)
IIML Asset Advisors Limited	5.85	1,233.18	6.47	50.40	-	-	4.83	50.40
Andhra Pradesh Urban Infrastructure Asset Management Limited	10.71	2,257.81	114.86	894.72	(0.48)	(1.26)	85.67	893.46
IL&FS AMC Trustee Limited	0.23	47.83	1.01	7.87	-	-	0.75	7.87
IL&FS Infra Asset Management Limited	27.89	5,876.45	90.26	703.08	0.88	2.33	67.64	705.41
<b>Foreign</b>								
IL&FS Investment Advisors LLC	37.35%	7,871.62	205.94%	1,604.20	108.36%	286.02	181.24%	1,890.21
Saffron Investment Trust	0.21%	44.82	(1.92%)	(14.96)	1.16%	3.06	(1.14%)	(11.90)
IIML Fund Managers Singapore Pte Limited	1.49%	314.14	(1.36)	(10.57)	3.67	9.68	(0.09)	(0.89)
<b>Minority Interest in all subsidiaries</b>								
Andhra Pradesh Urban Infrastructure Asset Management Limited	(5.25%)	(1,106.33)	(56.28)	(438.41)	(0.46)	(1.21)	(42.15)	(439.62)
IL&FS Infra Asset Management Limited	(3.73%)	(786.86)	(12.09)	(94.14)	0.14	0.36	(8.99)	(93.78)

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss after tax		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	₹	As % of consolidated profit or loss	₹	As % of consolidated profit or loss	₹	As % of consolidated profit or loss	₹
1	2	3	4	5	6	7	8	9
<b>Joint Ventures</b> (as per proportionate consolidation/investment as per the equity method)								
<b>Indian</b>								
IL&FS Milestone Realty Advisors Private Limited	0.57%	120.06	(0.62)	(4.80)	-	-	(0.46)	(4.80)
<b>Foreign</b>								
Standard Chartered IL&FS Asset Management Pte Limited	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>100%</b>	<b>21,072.48</b>	<b>100%</b>	<b>778.98</b>	<b>100%</b>	<b>263.96</b>	<b>100%</b>	<b>1,043.78</b>

- 33) The Ministry of Corporate Affairs (MCA), Government of India, has vide its letter dated October 1, 2018 initiated investigation by Serious Fraud Investigation Office (SFIO) against Infrastructure Leasing & Financial Services Limited (IL&FS), the Holding Company and its subsidiaries (including the Group) under Section 212(1) of the Companies Act, 2013. As a part of its investigation, SFIO and Enforcement Directorate (ED) have been seeking information from the Group on an ongoing basis. The investigation is in progress and the Group is fully cooperating with the investigation agencies. On December 3, 2018, MCA on the directions of the National Company Law Tribunal, Mumbai (NCLT) has impleaded various Group Companies of IL&FS (which includes the Group) as Respondents to the Petition filed by them on October 1, 2018. Further based on another petition of the MCA under Section 130 (1) of the Companies Act, 2013, the NCLT has, on January 1, 2019, ordered re-opening of books of accounts for the past financial year 2012-13 to financial year 2017-18 of 'IL&FS' ('the Ultimate Holding Company'), IL&FS Financial Services Limited ('IFIN' a fellow subsidiary) and IL&FS Transportation Networks Limited ('ITNL' a fellow subsidiary). While the Group, based on its current understanding, believes that the above would not have a material impact on the financial results, the implications, if any, arising from the aforesaid developments would be known only after the aforesaid matters are concluded and hence are not determinable at this stage.
- 34) The term of most of the existing funds being managed/advised by the Group has already been over. Other funds being managed/advised by the Group are approaching end of their term in near future which has resulted in significant reduction in the Group's fee revenue. Management expects that its future income from existing funds being managed/advised together with liquid assets held by the Group as at March 31, 2022 will be adequately sufficient to meet the Group's existing and future obligations arising over the next 12 months.
- Meanwhile, the IL&FS Board has been working on a resolution plan, with a view to enable value preservation for stakeholders of IL&FS Group. The resolution plan, inter alia, involves sale of assets/businesses/companies owned by IL&FS. And in this regard, the IL&FS Board has on December 21, 2018 and September 27, 2019 invited a public Expression of Interest (Eoi) for sale of its entire stake in the Company. Accordingly, the Company's plans for new fund raise have been kept on hold pending completion of the stake sale. Further, with the outbreak of the pandemic the timelines for the sale process have got delayed and while there is material uncertainty with regard to the stake sale, management believes that use of the going concern assumption for preparation of these financial results is appropriate.
- 35) Group's share of losses in a Joint venture Standard Chartered IL&FS Management (Singapore) Pte Ltd for FY 2021-22 amounts to \$ 0.30 Lakh (₹ 22.29 Lakh as at March 31, 2022). These losses exceed the investment value in the consolidated books of the company. Hence the carrying value of investment in consolidated books of the Group is written down to Nil. The total unabsorbed loss of \$ 5.58 Lakh (₹ 410.71 Lakh when converted at closing rate as at March 31, 2022) remains unrecognised as at March 31, 2022.

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

- 36) The Group has considered the possible effects that may arise as a result of the COVID-19 pandemic on its financial statements and business as a whole. The Group is a zero debt Group and also has sufficient cash reserves to tide over this global crisis. There is no impact of COVID-19 on the financial results for the period ended March 31, 2022
- 37) The financial statements of its subsidiary IIML Fund Managers (Singapore) Pte Ltd and its Joint Ventures IL&FS Milestone Realty Advisors Private Limited and Standard Chartered IL&FS Management (Singapore) Pte Ltd have been prepared on the basis that it does not continue as a going concern
- 38) The Board of Directors, in their meeting held on May 30, 2022 have proposed a final dividend of ₹ 0.40 per equity share amounting to ₹ 1,256.13 Lakhs partly out of general reserve. The proposal is subject to the approval of shareholders at the Annual General Meeting
- 39) The Board of Directors of the Company at its meeting held on February 14, 2022 approved a Scheme of Amalgamation of its two wholly owned subsidiaries IL&FS Asian Infrastructure Managers Limited and IIML Asset Advisors Limited with the Company, subject to approval of shareholders and/or creditors of the respective companies and necessary regulatory approvals. The Appointed Date for the said Scheme of Amalgamation is scheduled to be April 1, 2022
- 40) The Group did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year except as disclosed below. The dividend payment was made to shareholders during the year who are struck off Companies as under :

Shareholders	(Amount ₹ in lakhs)	
	Unclaimed Dividend payable as at March 31, 2022	Unclaimed Dividend payable as at March 31, 2021
Dashtina Investments Private Limited	0.01	0.01
Prakash Mehra Pictures Private Limited	*0.00	*0.00
Kothari Intergroup Limited	*0.00	*0.00
Dreams Broking Private Limited	*0.00	*0.00
Cisres Financial Services Private Limited	*0.00	*0.01
	<b>0.01</b>	<b>0.02</b>

\* Amount are below ₹ 1,000

Below struck off companies are equity shareholders of the Group as on the Balance Sheet date :

Shareholders	No. of Shares held as at March 31, 2022	No. of Shares held as at March 31, 2021
Dashtina Investments Private Limited	1,687	1,687
Prakash Mehra Pictures Private Limited	840	840
Kothari Intergroup Limited	1	1
Dreams Broking Private Limited	55	55
Cisres Financial Services Private Limited	1,500	1,500

All the above transactions are with the parent Company.

- 41) The disclosure requirements to be given pursuant to Gazette notification for Amendments in Schedule III to Companies Act, 2013 dated 24 March 2021 effective from 01 April 2021 pertaining to the following matters are not applicable to the Group :
- Disclosure on Revaluation of property, plant and equipment and intangible assets from Registered Valuers
  - Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
  - Registration of charges or satisfaction with Registrar of Companies
  - Transactions with Crypto Currency or Virtual Currency
  - The company has not been declared a willful defaulter by any Bank or financial institution or other lender

## Notes Forming part of The Consolidated Financial Statements for the year ended 31st March, 2022

- (f) As per clause (87) of section 2 and section 186(1) of the Companies Act, 2013 and Rules made there under, the company is in compliance with the number of layers as permitted under the said provisions
- (g) There are no transactions recorded in books of accounts reflecting surrender/disclosure of income in the assessment under Income Tax Act, 1961
- (h) Disclosures relating to Borrowings obtained on the basis of security of current assets and utilisation thereof
- 42)** The Group has not advanced or loaned or invested funds to any other person(s) or entity (ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall :
- (a) 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
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- 43)** The Group has not received any fund from any person(s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall :
- (a) 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
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- 44)** Previous year numbers are regrouped/reclassified wherever necessary

In terms of our report attached of even date

**For KKC & Associates LLP**

Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
Firm Registration No.: 105146W/W100621

**Hasmukh B. Dedhia**

Partner  
Membership No. – 033494

Place : Mumbai  
Date : May 30, 2022

**For and on behalf of the Board of Directors**

**S M Datta**

Chairman  
DIN : 00032812

**Manoj Borkar**

Chief Executive Officer &  
Chief Financial Officer

Place : Mumbai  
Date : May 30, 2022

**Sanjay Mitra**

Company Secretary

# NOTICE

Notice is hereby given that the Thirty-Sixth Annual General Meeting of the Members of the Company will be held through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") on Wednesday, September 7, 2022 at 3.00 p.m. to transact the following business :

## ORDINARY BUSINESS

- (1) To receive, consider and adopt the Standalone Audited Financial Statements and the Consolidated Audited Financial Statements of the Company for the Financial Year ended March 31, 2022 together with the Reports of the Auditors and Directors thereon
- (2) To declare dividend on Equity Shares for the Financial Year ended March 31, 2022
- (3) To appoint a Director in place of Ms Priya Shetty [DIN 08858814] who retires by rotation and being eligible, has offered herself for re-appointment

By Order of the Board of Directors

**SANJAY MITRA**  
COMPANY SECRETARY

Place : Mumbai  
Date : May 30, 2022

## Registered Office :

The IL&FS Financial Centre,  
Plot No. C-22, G Block,  
Bandra-Kurla Complex, Bandra (East),  
Mumbai 400 051

## NOTES

- (1) The Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 21/2021 dated December 14, 2021 and 02/2022 dated May 5, 2022 (collectively referred to as "MCA Circulars") and the Securities and Exchange Board of India ("SEBI") has vide its Circular dated dated May 13, 2022 (referred to as "SEBI Circular") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), MCA Circulars and SEBI Circular, the AGM of the Company is being held through VC/OAVM. The deemed venue for the 36th AGM will be The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051
- (2) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circular through VC/OAVM, the requirement of physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Route Map, Proxy Form and Attendance Slip are not annexed to this Notice
- (3) Institutional Investors, who are Members of the Company, are encouraged to attend this AGM. Pursuant to the provisions of the Act, Institutional/Corporate Members (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorisation should be sent to the Scrutinizer by e-mail to [info@mehta-mehta.com](mailto:info@mehta-mehta.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- (4) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The Members will be able to view the proceedings on the National Securities Depository Limited ("NSDL") website at <https://www.evoting.nsdl.com/>. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first serve basis as per the MCA Circulars
- (5) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act
- (6) Owing to the prevailing situation and the difficulties involved in dispatching of physical Annual Report, in compliance with the aforesaid MCA Circulars and SEBI Circular, the Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may

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note that the Notice and Annual Report 2021-22 will also be available on the Company's website [www.iimlindia.com](http://www.iimlindia.com) websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of NSDL <https://www.evoting.nsdl.com/>

(7) Book Closure and Dividend :

- (a) The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, August 31, 2022 to Wednesday, September 7, 2022 (both days inclusive). The Dividend as recommended by the Directors, if approved by the members will be payable on or after September 19, 2022 and will be paid to those members whose names appear in the Company's Register of Members as on Tuesday, August 30, 2022. In respect of the shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by NSDL and Central Depository Services (India) Limited ("CDSL"). HDFC Bank has been appointed as the banker for the payment of dividend to the Members
- (b) Pursuant to the Finance Act 2020, dividend income will be taxable in the hands of members' w.e.f. April 1, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to members at the prescribed rates. In general, to enable compliance with TDS requirements, Members are requested to update their valid Permanent Account Number ("PAN") and submit tax related documents by August 25, 2022. For the detailed process and documentation, kindly visit : <http://www.iimlindia.com/tax-dividend.aspx>
- (c) In order to enable the Company to remit dividend through any of the electronic modes of payment facility approved by the Reserve Bank of India for the payment of dividend, members are requested to submit their Bank details viz. Bank Account Number, Name of the Bank, cancelled cheque leaf, Branch details, MICR Code, IFS Code etc. Members holding shares in demat mode are requested to submit the said bank details to the Depository Participants with whom they are maintaining their demat account and members holding shares in physical mode are requested to submit the said bank details to the Company's Registrars & Transfer Agents ("RTA"). Payment through electronic mode shall be subject to timely furnishing of complete and correct information by members

(8) Members are requested to :

- (a) Intimate the RTA of the Company of changes, if any, in their registered address, bank account details etc. for shares held in physical form. For shares held in electronic form, changes, if any, should be communicated to their respective Depository Participants
  - (b) Quote Ledger Folio Nos./DP ID, DP Name and Client ID Nos. in all correspondence
  - (c) Approach the Company for consolidation of various ledger folios into one
  - (d) Get the shares transferred in joint names, if they are held in a single name and/or appoint a nominee
- (9) As per Regulation 40 of SEBI Listing Regulations, as amended, securities of a Listed Company can be transferred only in dematerialised form. Therefore, members holding shares in physical form are requested to dematerialise their shares before applying for transfer of shares
- (10) Section 101 of the Act and Rules made thereunder also allows serving notice of the general meetings in electronic mode. Therefore, the email addresses registered by the members : (a) in respect of shareholding in demat mode – with the respective Depository Participant which will be periodically downloaded from NSDL/CDSL, and (b) in respect of physical holding – through a written request letter to the RTA of the Company will be deemed to be the registered email address for serving all notices/ documents including those covered under applicable provisions of the Act. Members are therefore requested to keep their email addresses updated in case of electronic holding with their respective Depository Participants and in case of physical holding with the RTA of the Company, M/s Link Intime India Private Limited
- (11) As per applicable provisions of the Act and Rules made thereunder, the Company will be obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years, to the credit of the Investor Education and Protection Fund ("IEPF"). Hence, members who have not encashed their dividend should contact the RTA of the Company for the same. Please note that the dividend paid for 2014-2015 is due for transfer to the Investor Education and Protection Fund by October 17, 2022. Further, please note that the dividend paid for 2015-2016 is due for transfer to the Investor Education and Protection Fund next year

(12) Transfer of equity shares to the Investor Education and Protection Fund :

Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") all equity shares whose dividend has remained unpaid or unclaimed for a period of seven consecutive

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years is required to be transferred by the Company to the IEPF established by the Central Government, after completion of seven years. As per the said Rules, the Company has been sending communications to the members who have not claimed their Dividend. The shares held in physical and/or dematerialised mode pertaining to which dividend has remained unpaid/unclaimed for a consecutive period of 7 years have been transferred annually to the IEPF Account. Accordingly, the shares held in physical and/or dematerialised mode pertaining to the unpaid/unclaimed dividend for FY 2014-2015 and which has remained unpaid/unclaimed for a consecutive period of 7 years shall be transferred to the IEPF Account. The List of shares transferred and to be transferred to the IEPF Account can be found on the Company's website on [http://iimindia.com/TransferShares\\_IEPF.aspx](http://iimindia.com/TransferShares_IEPF.aspx)

Any further dividend on such shares shall be credited to the IEPF. The members may claim the shares/dividend transferred to IEPF by making an application to IEPF in Form IEPF-5 as per the IEPF Rules. The said form is available on the website of IEPF viz. <https://www.iepf.gov.in/IEPF/corporates.html>

In case the members have any queries on the subject matter and the IEPF Rules, they may contact the Company at e-mail: [investor.relations@ilfsindia.com](mailto:investor.relations@ilfsindia.com) or the Company's RTA, M/s Link Intime India Private Limited, Unit – IL&FS Investment Managers Limited, C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400 083; Tel. No.: +91-22-49186270; Fax No.: +91-22-49186060; E-mail: [iepf.shares@linkintime.co.in](mailto:iepf.shares@linkintime.co.in)

- (13) With regard to the resolutions for the appointment of a Director :

**Ms Priya Shetty :**

Ms Priya Shetty [DIN 08858814] who retires by rotation and being eligible, has offered herself for re-appointment. Accordingly, an Ordinary Resolution for re-appointment of Ms Priya Shetty as Nominee Director of Infrastructure Leasing & Financial Services Limited on the Board of the Company is being placed before the members

Ms Priya Shetty joined IL&FS Financial Services Ltd., in August 2017 as Head - Corporate Advisory Services at its Mumbai office. She has over two decades experience in investment banking. She has been engaged as a financial advisor in several landmark transactions and successfully closed diverse transactions in a range of companies across verticals. Currently she is deputed as CEO of IL&FS Securities Services Limited and is actively involved in the resolution process undertaken by the current Board of IL&FS

She was Executive Director heading Kotak's Advisory and Capital Markets practice in Financial Services and Healthcare Sectors before joining IL&FS. Over her 12 years at Kotak, she played a crucial role in successfully reinforcing its Financial Services advisory practice and established its Healthcare franchise in both M&A/PE and public market offerings. She has also worked for about 12 years with Lazard India Limited as Associate Director covering Pharmaceuticals, Chemicals, Consumer and Metals sectors

Priya has completed her Masters in Management Studies from Sydenham Institute of Management, Mumbai University and holds a Bachelor of Commerce Degree from Sydenham College, Mumbai University

Ms Priya Shetty is not related to any Director of the Company other than in the capacity of nominee of IL&FS and does not hold any shares in the Company

**Other Directorships :**

Name of Company	Position held	Membership of Committees *
IL&FS Cluster Development Initiative Limited	Director	-
Skill Training Assessment Management Partners Limited	Director	-
ISSL Settlement & Transaction Services Limited	Director	-

Note: The list of Directorships excludes Foreign Companies

\* The Membership of Committees includes only two Committees i.e. Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies as per Regulation 26 of the LODR

- (14) Attending the AGM through VC/OAVM :

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



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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 this notice to avoid last minute rush

- (b) Members are encouraged to join the Meeting through Laptops for better experience. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting. 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
- (c) Members desiring any information on the business to be transacted at the AGM are encouraged to submit their queries in advance. These queries may be submitted from their registered e-mail address, mentioning their name, DP ID and Client ID/ folio number and mobile number, to reach the Company's e-mail address at [investor.relations@iflsindia.com](mailto:investor.relations@iflsindia.com) by August 30, 2022
- (d) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [investor.relations@iflsindia.com](mailto:investor.relations@iflsindia.com) from August 22, 2022 (9.00 a.m.) to August 26, 2022 (5.00 p.m.). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM
- (e) Members who need assistance before or during the AGM, can contact NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call on a Toll Free Number 1800-1020-990/1800-22-44-30

### (15) E-Voting Facility:

- (a) In compliance with Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations and MCA Circulars and SEBI Circulars, the Company is pleased to provide to the members remote e-voting facility (i.e. voting electronically from a place other than the venue of the general meeting). The Company has appointed NSDL to provide e-voting facility to its members i.e. casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM
- (b) Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of Tuesday, August 30, 2022 may cast their vote by remote e-voting. The voting right of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being August 30, 2022. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners as on the cut-off date only shall be entitled to avail the facility of remote e-voting before the AGM as well as remote e-voting during the AGM
- (c) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after this notice is sent through e-mail and holding shares as of the cut-off date i.e. Tuesday, August 30, 2022 may obtain the login ID and password by sending a request to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the Company at [investor.relations@iflsindia.com](mailto:investor.relations@iflsindia.com). However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on <https://www.evoting.nsdl.com/> or call on toll free no. 1800-1020-990 and 1800-22-44-30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of this Notice and holding shares as of the cut-off date i.e. Tuesday, August 30, 2022 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system"
- (d) The remote e-voting period starts on Sunday, September 4, 2022 at 9.00 a.m. and ends on Tuesday, September 6, 2022 at 5.00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote is cast by a member, the member shall not be allowed to change it subsequently. The cut-off date (record date) for members eligible for remote e-voting is August 30, 2022
- (e) Members will be provided with the facility for voting through electronic voting system during the VC/OAVM proceedings at the AGM. The procedure and instructions for remote e-voting before AGM and e-voting during the AGM are same. Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM. 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
- (f) The remote e-voting module for voting on the day of the AGM shall be disabled by NSDL 15 minutes after the conclusion of the Meeting

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- (g) CS Jagdish Patel failing him CS Ashwini Inamdar of M/s Mehta & Mehta, Practicing Company Secretaries, has been appointed as the Scrutinizer for conducting the remote e-voting process before and during AGM in a fair and transparent manner
- (h) Instructions for Remote E-voting Before/During AGM :

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"> <li>Existing IDeAS user can visit the e-Services website of NSDL viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> 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 redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code 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 &amp; voting during the meeting</li> <li>Members can also download NSDL Mobile App “NSDL Speede” through App Store or Google Play Store for seamless voting experience</li> </ol>

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Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password  Option will be made available to reach e-Voting page without any further authentication  The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/Home/Login">https://web.cdslindia.com/myeasi/Home/Login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi</li> <li>After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote</li> <li>If the user is not registered for Easi / Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page  The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account  After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility</p> <p>Upon logging in, you will be able to see e-Voting option</p> <p>Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature</p> <p>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 &amp; voting during the meeting</p>

**Important note:** Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at 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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at Toll Free No.: 1800 1020 990 and 1800 22 44 30
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**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

- 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, your Password/OTP and a Verification Code

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as shown on the screen Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.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 :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is :</b>
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.nsd.com](http://www.evoting.nsd.com)
- (b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com)
- (c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) 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

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- (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**

- (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
- (i) General Guidelines for members :
- (1) Institutional members (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 [info@mehta-mehta.com](mailto:info@mehta-mehta.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). 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](http://www.evoting.nsdl.com) to reset the password
  - (3) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on Toll Free No.: 1800-1020-990 and 1800-22-44-30 or send a request to Mr Amit Vishal, Assistant Vice President, NSDL or Ms Pallavi Mhatre, Senior Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
  - (4) Process for those members whose email ids are not registered for E-voting :
    - (a) In case shares are held in physical mode – kindly provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), Self-attested scanned copy of valid PAN card and Self-attested scanned copy of Aadhaar Card by email to [investor.relations@ilfsindia.com](mailto:investor.relations@ilfsindia.com) and [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)
    - (b) In case shares are held in demat mode – kindly provide DP id-Client id (16 digit DP id + Client id or 16 digit Beneficiary id), Name, Client Master or copy of Consolidated Account Statement, Self-attested scanned copy of valid PAN card and Self-attested scanned copy of Aadhaar Card by email to [investor.relations@ilfsindia.com](mailto:investor.relations@ilfsindia.com) and [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). If you are an Individual member holding securities in demat mode, you are requested to refer to the login method explained above i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode
    - (c) Alternatively members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents
  - (5) In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual members 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
- (16) Declaration of Results :
- (a) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a

## NOTICE

consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same

- (b) The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.iimlindia.com](http://www.iimlindia.com) and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed

By Order of the Board of Directors

**SANJAY MITRA**  
COMPANY SECRETARY

Place : Mumbai  
Date : May 30, 2022

**Registered Office :**  
The IL&FS Financial Centre,  
Plot No. C-22, G Block,  
Bandra-Kurla Complex, Bandra (East),  
Mumbai 400 051







