

No. IFCI/CS/2020-257

September 14, 2020

BSE Limited
Department of Corporate Services
Phiroze JeeJeebhoy Tower
Dalal Street, Fort
Mumbai – 400 001

CODE: 500106

Dear Sir/Madam,

Re: Outcome of the Board Meeting held on September 14, 2020.

Pursuant to the provisions of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Un-Audited Standalone and Consolidated Financial Results of the Company for the Quarter ended June 30, 2020 along with the respective Limited Review Reports enclosed as **Annexure**.

Thanking You

Yours faithfully
For IFCI Limited


(Rupa Sarkar)
Company Secretary

Encl.: As above

आई एफ सी आई लिमिटेड
पंजीकृत कार्यालय:
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वेबसाइट: www.ifcilttd.com
सीआईएन: L74899DL1993GOI053677

1948 से राष्ट्र के विकास में

IFCI Limited

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Website: www.ifcilttd.com
CIN: L74899DL1993GOI053677

In Development of the Nation since 1948



IFCI LTD.
CIN: L74899DL1993GOI053677
REGD. OFFICE : IFCI TOWER
61, NEHRU PLACE, NEW DELHI - 110 019
WEBSITE: www.ifcltd.com

STATEMENT OF UNAUDITED (STANDALONE) FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

(₹ In Crores)

Particulars	Standalone Results			
	Quarter ended 30/06/20 (Unaudited)	Quarter ended 31/03/20 (Unaudited)	Quarter ended 30/06/19 (Unaudited)	Year ended 31/03/20 (Audited)
1 Revenue from operations				
a) Interest income	343.28	733.79	465.76	2,144.10
b) Dividend Income	0.15	0.11	0.11	43.24
c) Rental Income	9.97	9.52	8.12	36.19
d) Fees and commission income	5.80	5.47	6.39	22.04
e) Net gain on fair value changes	113.14	-	-	-
Total Revenue from operations	472.34	748.89	480.38	2,245.57
l) Other income	4.92	0.42	8.85	18.49
Total Income	477.26	749.31	489.23	2,264.06
2 Expenses				
a) Finance costs	289.93	318.82	385.13	1,416.35
b) Net loss on fair value changes	-	98.56	51.54	275.50
c) Impairment on financial instruments	596.66	727.08	(427.74)	421.96
d) Employee Benefits Expenses	21.87	67.40	31.60	143.92
e) Depreciation and Amortization	7.38	7.40	7.74	30.66
f) Others expenses	1.56	45.32	37.92	116.58
Total expenses	917.40	1,264.58	86.18	2,404.97
3 Profit/ (loss) before exceptional and tax (1-2)	(440.14)	(515.27)	403.04	(140.91)
4 Exceptional items				
5 Profit/ (loss) before tax (3-4)	(440.14)	(515.27)	403.04	(140.91)
6 Tax expense				
a) Income tax	-	-	-	-
b) Taxation for earlier years	-	-	-	43.99
c) Deferred Tax (Net)	(143.72)	74.41	413.41	92.98
Tax expense [6(a) to 6(c)]	(143.72)	74.41	413.41	136.97
7 Profit/(loss) for the period (5+6)	(296.42)	(589.68)	(10.37)	(277.88)
8 Other Comprehensive Income				
a) Items that will not be reclassified to profit or loss				
-Fair value changes on FVTOCI - equity securities	50.50	(7.58)	(2.49)	(30.27)
-Loss on sale of FVTOCI - equity securities	-	-	(5.12)	(5.12)
-Actuarial gain/(loss) on defined benefit obligation	-	-	6.95	-
Income tax relating to items that will not be reclassified to profit or loss				
-Tax on Fair value changes on FVTOCI - Equity securities	(17.65)	2.65	0.87	(30.87)
-Tax on Actuarial gain/(loss) on Defined benefit obligation	-	-	(2.43)	18.65
Subtotal (a)	(32.85)	(4.93)	(2.32)	(47.61)
b) Items that will be reclassified to profit or loss				
-Debt securities measured at FVTOCI - net change in fair value	5.80	(9.22)	43.25	(10.76)
-Debt securities measured at FVTOCI - reclassified to profit and loss	-	-	-	-
Income tax relating to items that will be reclassified to profit or loss				
-Tax on Fair value changes on FVTOCI - Debt securities	(0.27)	17.15	0.54	18.72
Subtotal (b)	(5.53)	7.93	43.79	7.96
Other comprehensive income / (loss) (net of tax)	(38.38)	3.00	41.47	(39.65)
9 Total comprehensive income / (loss) (after tax) (7+8)	(258.04)	(586.68)	31.20	(317.53)
10 Paid-up equity share capital (Face Value of ₹ 10/- each)	1,895.99	1,695.99	1,695.99	1,695.99
11 Other equity (as per audited balance sheet as at 31st March)				2,411.78
12 Earnings per share (face value of ₹ 10 each) (not annualised for the interim periods):				
(a) Basic (₹)	(1.56)	(3.48)	(0.06)	(1.64)
(b) Diluted (₹)	(1.56)	(3.48)	(0.06)	(1.64)

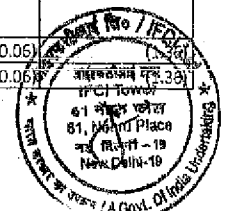
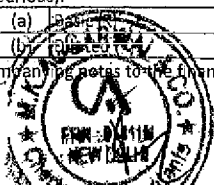


STATEMENT OF UNAUDITED (CONSOLIDATED) FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE, 2020

(₹ In Crores)

Particulars	Consolidated Results			
	Quarter ended 30/06/20 (Unaudited)	Quarter ended 31/03/20 (Unaudited)	Quarter ended 30/06/19 (Unaudited)	Year ended 31/03/20 (Audited)
1 Revenue from operations				
a) Interest Income	376.66	778.05	503.12	2,254.92
b) Dividend Income	0.26	20.08	0.69	63.21
c) Rental Income	10.28	(0.21)	8.62	28.17
d) Fees and commission Income	11.09	(112.38)	8.15	42.53
e) Net gain on fair value changes	115.10	(4.01)	-	-
f) Sale of products (Including Excise Duty)	3.54	3.34	3.71	13.84
g) Sale of services	91.19	246.95	112.59	471.23
Total Revenue from operations	608.12	931.82	636.88	2,873.90
h) Other Income	7.61	(72.83)	12.11	31.78
Total Income	615.73	858.99	648.99	2,905.68
2 Expenses				
a) Finance costs	300.54	316.02	398.84	1,451.27
b) Fees and commission expense	7.96	8.11	13.41	37.09
c) Net loss on fair value changes	-	88.98	48.90	245.92
d) Impairment on financial instruments	612.48	749.92	(405.66)	472.29
e) Cost of materials consumed	0.03	17.02	3.48	37.35
f) Purchases of Stock-in-trade	3.39	3.08	3.56	13.28
g) Employee Benefits Expenses	67.70	120.62	68.52	326.06
h) Depreciation and Amortization	18.68	19.44	19.55	81.34
i) Others expenses	48.19	64.44	93.39	331.36
Total expenses	1,058.97	1,367.63	243.99	2,995.96
3 Profit/(loss) before exceptional and tax (1-2)	(443.24)	(508.64)	405.00	(90.28)
4 Exceptional Items	-	3.96	0.20	3.96
5 Profit/(loss) before tax (3-4)	(443.24)	(512.60)	404.80	(94.24)
6 Tax expense				
a) Income tax	1.21	0.03	2.62	3.70
b) Taxation for earlier years	-	1.22	0.14	44.38
c) Deferred Tax (Net)	(143.13)	70.34	408.76	80.89
Tax expense [6(a) to 6(c)]	(141.92)	71.59	411.52	128.97
7 Profit/(loss) for the period after taxes (5-6)	(301.32)	(584.19)	(6.72)	(223.21)
8 Share of net profit of associates and joint ventures accounted for using the equity method				
9 Profit/(loss) for the period (7+8)	(301.32)	(584.19)	(6.72)	(223.21)
10 Other Comprehensive Income				
a) Items that will not be reclassified to profit or loss				
-Fair value changes on FVTOCI - Equity securities	230.75	102.35	(236.89)	(119.94)
-Gain/(loss) on sale of FVTOCI - Equity securities	-	-	(5.12)	(5.12)
-Actuarial gain/(loss) on Defined benefit obligation	1.02	(1.15)	4.77	(4.46)
Income tax relating to Items that will not be reclassified to profit or loss				
-Tax on Fair value changes on FVTOCI - Equity securities	(59.47)	(24.54)	56.41	(15.37)
-Tax on Actuarial gain/(loss) on Defined benefit obligation	(0.35)	1.82	(2.42)	19.76
b) Items that will be reclassified to profit or loss				
-Fair value changes on FVTOCI - Debt securities	5.80	(9.22)	43.25	(10.76)
-Debt securities measured at FVTOCI - reclassified to profit and loss	-	-	-	-
- Exchange differences in translating the financial statements of a foreign operation	0.03	0.76	(0.05)	1.16
Income tax relating to Items that will be reclassified to profit or loss				
-Tax on Fair value changes on FVTOCI - Debt securities	(0.27)	17.15	0.54	18.72
Other comprehensive income / (loss) (net of tax)	177.51	87.37	(139.51)	(115.01)
11 Total comprehensive Income / (loss) (after tax) (9+10)	(123.81)	(497.02)	(146.23)	(339.22)
12 Profit for the period attributable to Equity holders of the parent	(302.09)	(572.82)	(9.48)	(230.44)
Non-controlling Interest	0.77	(11.36)	2.76	7.23
13 Total comprehensive income for the period attributable to Equity holders of the parent	(190.27)	(525.42)	(63.66)	(310.65)
Non-controlling Interest	66.46	28.43	(82.57)	(28.56)
14 Paid-up equity share capital (Face Value of ₹ 10/- each)	1,895.99	1,695.99	1,695.99	1,695.99
15 Other Equity (as per audited balance sheet as at 31st March)				3,553.04
16 Earnings per share (face value of ₹ 10 each) (not annualised for the Interim periods):				
(a)	(1.59)	(3.38)	(0.06)	
(b)	(1.59)	(3.38)	(0.06)	

See accompanying notes to the financial results



Notes:

- 1 The above financial results were reviewed by the Audit Committee at the meeting held on 14th September 2020 and approved by the Board of Directors at the meeting held on 14th September 2020. These results have been subjected to limited review by M/s M.K. Aggarwal & Co, Chartered Accountants.
- 2 During the quarter ended 30th June, 2020, the Company allotted 20 crore number of equity shares @ Rs. 10 each to the President of India (Government of India) on May 21, 2020 against Rs. 200 crores received from GOI (Department of Financial Services, Ministry of Finance) on March 23, 2020.
- 3 Impairment allowance:
 - a) For the purpose of computation of Loss Given Default (LGD), till March 31, 2019, the company considered the recovery rate of accounts which got closed prior to the reporting date or continued to remain in books as non-performing accounts for 3 years or more as on the reporting date out of the accounts which slipped to non-performing category during the period seven year preceding the reporting date. Based on the analysis of recovery from NPAs in past 10 years, it was observed that present value of recovery in 5 years post NPA date, constituted 98.64 % of present value of total recovery till reporting date. Hence as a refinement of management estimate, 5 years has been taken as deemed period of closure for LGD calculation, since June 30, 2019.
 - b) The basis of determination of Impairment allowance, is arrived at a model in accordance with the accounting policy recognizing expected credit loss (ECL) based on Internally developed statistical models & other historical data which takes into account the economic activity and financial conditions including macroeconomic factors (GDP). GDP is utilized as macroeconomic variable for the computation of Probability of Default. Since impact of ongoing COVID-19 is unascertainable, worst case scenario by giving 15% shock on GDP is adopted in the said model for calculation of PD as against existing ECL on weighted average of base/best/worst case scenario at +/-10% GDP and the same continues to be adopted for the quarter ended 30th June, 2020 as well. Accordingly the net impact on provisioning is Rs.230 crore.
- 4 As required by the RBI Notification no. "DOR (NBFC),CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020 in respect of Implementation of Indian Accounting Standard (IndAS) in NBFC, the company has appropriated the difference between the Impairment allowance under Ind AS 109 and the provisioning required under RBI Prudential (IRACP) Norms (including standard assets provisioning), a sum of Rs. 11.56 crore has been taken to "Impairment Reserve".
- 5 The outbreak of Coronavirus (Covid-19) pandemic globally and in India is causing significant disturbance in the financial Markets. On 11.03.2020, the Covid-19 outbreak was declared a global pandemic by the World Health Organization (WHO). It has resulted in significant disruption in global and Indian economic activities. The situation has been under close watch by the Company to take prompt actions for continuity of business operation in optimized manner. The Company believes that impact of this outbreak will not be significant on its business and financial position.
- 6 The company is recognizing Interest Income in respect of Stage 3 Loan Assets as per the Ind AS accounting policy of the company till it is diminished due to repayment/write off/settlement. However in case of 17 borrowers undergoing NCLT/settlement, the net accumulated recognition of income in these cases amounts to Rs.297.34 crores which has been credited to statement of profit & loss A/c in various years. In the opinion of the management, complete write off will be done on final settlement/NCLT approval in these cases and there is sufficient security cover available with the company as determined by the resolution professional and hence no reversal of interest is required.
- 7 In terms of RBI Covid 19 Regulatory Package dated 27 March 2020 and 17 April 2020, the company has maintained an additional provision of Rs.397.15 crore on the standard assets as per RBI prudential norms. The company has not categorised such accounts as Stage 3 Assets. However, similar ECL provision has also been created under Ind AS Accounting.
- 8 In the context of reporting business/geographical segment as required by Ind AS 108 - "Operating Segments", the Company operations comprise of only one business segment of financing. Hence, there is no reportable segment as per Ind AS 108.
- 9 Stockholding Corporation of India Ltd. (SHCIL) had during the year 2000-01 undertaken a transaction of ₹ 24.45 crore with a client through the Calcutta Stock Exchange (CSE) under the 'Cash on Payout' scheme for the sale of 7,20,000 equity shares of DSQ Industries Limited. The said transaction was confirmed by CSE based on which post-dated cheques were issued. The cheques were stopped for payment before their due date by the Company as the underlying trade transaction was contended to be non-bonafide and disallowed by CSE. A Bank, which had granted financial assistance against the said cheques, issued a notice of demand against the Company under Section 138 of the Negotiable Instrument Act, 1881. The Bank also filed an application in the Debt Recovery Tribunal (DRT) for recovery of the amount alongwith compound interest from the Company and the client. The Company disputed the claim of the Bank. The Bank's application to the DRT was dismissed and only the client was held liable. The Bank and the client had filed an appeal in the Debt Recovery Appellate Tribunal (DRAT) against the order of DRT. The appeals were allowed vide the DRAT order dated September 23, 2011, which stated that the amount would carry compound interest from 1st August 2001 @ 19% p.a. with quarterly rests till realisation and the Bank was entitled to realize the sum from both the client and the Company. The Company filed a Revision Application in High Court, Calcutta on November 30, 2011 which was admitted but no interim relief was granted. Hence, the Company filed a Special Leave Petition (SLP) in the Supreme Court for stay of the High Court Order for not granting interim relief of staying the DRAT order, the Order of the DRAT and the recovery certificate and notice of demand issued by Presiding Officer and recovery officer of DRT respectively. The Supreme Court vide its order dated April 23, 2012 granted stay on the recovery proceedings and requested the Calcutta High Court to dispose off the Revision Application within a period of four months and the Company to deposit ₹ 30.00 crore with the Calcutta High Court Registry within a period of 4 weeks from the date of order by way of a short term deposit in a nationalised bank. Accordingly, the Company had deposited the money with the Calcutta High Court, Registry. The revision application was dismissed. The Company filed Special Leave Petition (SLP) in the Supreme Court in May 2015. The Supreme Court vide its order dated May 14, 2015 stayed the operation of the execution proceedings and the Company to deposit with the Registrar, Supreme Court of India, a fixed deposit receipt in the name of the Company and endorsed in favour of the Registrar an amount of not less than ₹ 30.00 crore. Accordingly, the Company made the deposit. The amount of ₹ 60.00 crore, deposited by the Company in the High Court (₹ 30.00 crore) and Supreme Court (₹ 30.00 crore) is shown under the heading "Long Term Loans and Advances" under the sub heading "Security and other deposits" in the Statement of Balance Sheet. The bank was granted liberty to withdraw ₹ 30.00 crore along with interest that had been lying as deposit before the High Court of Kolkata which is subject to final decision in the SLP. Accordingly, an amount of ₹ 38.04 crore was released to the Bank. Further by an order dated October 12, 2015, the Supreme Court directed the bank to withdraw an additional amount of ₹ 15.00 crore along with accrued interest from the money deposited with the Supreme Court. Accordingly, an amount of ₹ 15.45 crore was released to the Bank. The Special Leave petition has been converted into a Civil Appeal on February 08, 2017 and the matter is listed in the Supreme Court for final disposal. The matter is appearing in the weekly list for January 2020.
The amounts released to the Bank is subject to the final decision in the matter. In view of the nature of dispute, the amount of contingent liability has not been ascertained. Pending final adjudication of the matter by the Honourable Supreme Court and also in view of the legal opinion obtained by SHCIL, in the opinion of SHCIL management no provision is required to be made in the statement of Profit and Loss for quarter ended June 2020.
- 10 In case of Stock Holding Documents Management Services Ltd (a step down subsidiary of SHCIL), a fire incident occurred on December 11, 2017 at Mahape premise of the company. The Insurance company has not yet settled the claim. The company has been receiving claims for loss of documents from its clients. Majority of the clients have completed audit while others are in various stages of conducting audit through their auditors to assess damage to their documents for the final claims. Pending ascertainment of actual claim, the amount is not provided/disclosed for such claim/contingent liabilities and corresponding insurance claim receivable in the books of accounts on June 30, 2020.



11. In case of Stock Holding Corporation of India Ltd (SHCIL), there were certain unreconciled Items amounting to Rs 3.50 Cr grouped in trade receivable as on 31st March 2019. On further investigation it has been revealed that one of the employee of the company had fraudulently made payments to the non-clients amounting to Rs 2.94 Cr (net after recovery) from client bank accounts. The company has filed a First Information Report to the Rabale police station. Company can determine the amount of fraudulent payments to prior accounting periods however it cannot determine the amount of period specific loss as required under INDAS 8, as amounts recoverable from the employee and that from the Insurance claim is not fully determinable at this stage. Therefore it falls under the exception to IndAS 8 which states that if the quantum of loss cannot be ascertained clearly during the current period the accounting effects can be taken prospectively. The company on a conservative assessment, has provided for the entire recoverable of Rs 2.94 cr from the employee in the profit & loss account for the quarter ended 30th June 2020. Also the company had appointed an outside agency to prepare the bank reconciliation of the said bank account from FY 2014-15 to FY 2018-19. Rectification entries have been passed on receipt of revised bank reconciliation statement in the current financial statements.
- The company has appointed a forensic auditor to conduct detailed analysis of the fraud. The final report has been submitted by Forensic Auditor. Based on report management believes that there is unlikely of any further material financial impact of the same on the financial statements. The company has filed an Insurance claim to National Insurance Company limited for the matter as stated above.
12. On all the secured bonds and debentures issued by the Company and outstanding as on 30th June 2020, 100% security cover has been maintained against principal and interest, by way of floating charge on receivables of the Company and/or Government Securities owned by the Company.
13. The figure for the last quarter of the previous financial year are balancing figures between audited figures in respect of full financial year and the published year to date figures upto the end of the third quarter of the previous financial year which was subjected to limited review by statutory auditors.
14. The figures for the previous quarter/period have been regrouped / rearranged wherever necessary to conform to the current period presentation.

Place: New Delhi
Date: 14 September, 2020



FOR M.K. AGGARWAL & Co
FRN = 01411N

Atul Aggarwal

CA ATUL AGGARWAL
M.NO: 99374
PARTNER

By Order of the Board

(Sunil Kumar Bansal)
(Sunil Kumar Bansal)
Deputy Managing Director





M.K. AGGARWAL & CO.
CHARTERED ACCOUNTANTS
(EST. 1973)

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New Delhi-110034

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Independent Auditor's Review Report on Unaudited Standalone Financial Results of IFCI Limited for the Quarter ended 30th June 2020 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

To,
The Board of Directors of
IFCI Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of **IFCI Limited** ("The Company") for the quarter ended 30th June, 2020 (the "statement") attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors, of the Company, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting standards ('Ind AS 34') " Interim Financial Reporting", prescribed under section 133 of the Companies Act, 2013, as amended read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Financial Statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results together with the notes there on prepared in accordance with applicable Indian Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013 read with rules issued there under and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, including the manner which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

1. In accordance with the RBI circular no. "DOR (NBFC).CC.PD.No.109/22.10.106/2019-20", the company has created a provision as per RBI Prudential Norms (IRACP) which is higher than the ECL Model and accordingly a sum of Rs. 11.56 crores has been taken to "Impairment Reserve".
2. We draw attention to Note No. 5 of the financial results regarding the entity's impact of COVID-19 pandemic on its financial results. Management is of the view that there are no reasons to believe that the pandemic will have any significant impact on the ability of the entity to continue as a going concern.
3. We draw attention to Note No. 6, where the company is recognizing interest income in respect of Stage 3 Loan Assets as per Ind AS accounting policy of the company till it is diminished due to repayment/write off/settled. However in case of seventeen borrowal accounts covered under NCLT, the net impact of recognition of interest in these cases amounts to Rs.297.34 Crores which is credited to statement of profit & loss A/c in various years. In the opinion of the management, complete adjustment/write off will be done on final settlement, since there is sufficient security cover available with the company in such cases, hence no reversal of interest is required.



4. We draw attention to Note No. 7 in terms of RBI Circular No. DOR.No.BP.BC.72/21.04.048/2019-20, the company has maintained a provision of Rs 397.15 crores as on 30.06.2020, in respect of cases where moratorium has been availed by the borrowers in addition to the general provision maintained on Standard Assets as per RBI prudential norms.

Our Opinion is not modified in respect of these matters.

For M K Aggarwal & Co.
Chartered Accountants
Firm Registration No: 001411N

Atul Aggarwal

CA Atul Aggarwal
Partner
Membership No. 099374
UDIN: 20099374AAAACE8616



Place: New Delhi
Date: September 14, 2020



M.K. AGGARWAL & CO.
CHARTERED ACCOUNTANTS
(EST. 1973)

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Independent Auditor's Review Report on Unaudited Consolidated Financial Results of the Company for the Quarter ended 30th June 2020, pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

To,
The Board of Directors of
IFCI Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **IFCI LTD** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit/(loss) after tax and total comprehensive income/loss for the quarter ended 30.06.2020 (the "statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting standards ("Ind AS 34") "Interim Financial Reporting", prescribed under section 133 of the Companies Act, 2013, as amended read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



4. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
5. The consolidated financial results includes the results of the following entities:

S. No.	Name of the Entity	Relationship
1.	IFCI Limited	Parent Company
2.	IFCI Financial Services Ltd. (IFIN)	Subsidiaries
3.	IFCI Venture Capital Funds Ltd. (IVCF)	Subsidiaries
4.	IFCI Infrastructure Development Ltd. (IIDL)	Subsidiaries
5.	IFCI Factors Ltd. (IFL)	Subsidiaries
6.	MPCON Ltd.	Subsidiaries
7.	Stock Holding Corporation of India Ltd.	Subsidiaries
8.	IFIN Commodities Ltd. (indirect control through IFIN)	Step-down subsidiaries
9.	IFIN Credit Ltd. (indirect control through IFIN)	Step-down subsidiaries
10.	IFIN Securities Finance Limited (indirect control through IFIN)	Step-down subsidiaries
11.	IIDL Realtors Pvt. Ltd. (indirect control through IIDL)	Step-down subsidiaries
12.	SHCIL Services Ltd. (indirect control through SHCIL)	Step-down subsidiaries
13.	Stockholding Document Management Services Limited (indirect control through SHCIL)	Step-down subsidiaries
14.	Stockholding securities IFSC Limited (indirect control through SHCIL)	Step-down subsidiaries

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the Indian Accounting Standards as specified u/s 133 of the Companies Act, 2013, as amended read with relevant rules issued there under and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, including



the manner which it is to be disclosed, or that it contains any material misstatement

7. We did not review the unaudited financial results of six subsidiaries and seven step-down subsidiaries included in the consolidated unaudited financial results, whose financial results reflect total revenue of Rs 138.48 crores, total net profit/loss after tax of Rs (4.90) crores and total comprehensive income (net of tax) of Rs 134.23 crores for the quarter ended 30.06.2020 as considered suitably in the consolidated unaudited financial results. These unaudited financial results have been reviewed by other Auditors whose report has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above. According to the information and explanations given to us by the management, these interim financial results are not material to the Group.

Emphasis of Matter

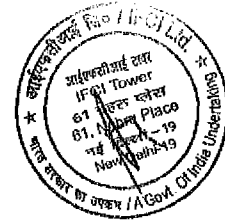
1. In accordance with the RBI circular no. "DOR (NBFC).CC.PD.No.109/22.10.106/2019-20", the company has created a provision as per RBI Prudential Norms (IRACP) which is higher than the ECL Model and accordingly a sum of Rs.11.56 crores has been taken to "Impairment Reserve".
2. We draw attention to Note No. 5 of the financial results regarding the entity's impact of COVID-19 pandemic on its financial results. Management is of the view that there are no reasons to believe that the pandemic will have any significant impact on the ability of the entity to continue as a going concern.
3. We draw attention to Note No.6, where the company is recognizing interest income in respect of Stage 3 Loan Assets as per Ind AS accounting policy of the company till it is diminished due to repayment/write off/settled. However in case of seventeen borrowal accounts covered under NCLT, the net impact of recognition of interest in these cases amounts to Rs. 297.34 Crores which is credited to statement of profit & loss A/c in various years. In the opinion of the management, complete adjustment/write off will be done on final settlement, since there is sufficient security cover available with the company in such cases, hence no reversal of interest is required.



4. We draw attention to Note No.7 in terms of RBI Circular No. DOR.No.BP.BC.72/21.04.048/2019-20, the company has maintained a provision of Rs. 397.15 crores as on 30.06.2020, in respect of cases where moratorium has been availed by the borrowers in addition to general provision maintained on the Standard Asset as per RBI Prudential norms.

Our Opinion is not modified in respect of these matters.

For M K Aggarwal & Co.
Chartered Accountants
Firm Registration No: 001411N



Atul Aggarwal

CA Atul Aggarwal

Partner

Membership No. 099374

UDIN: 20099374AAAACF2446

Place: New Delhi

Date: September 14, 2020