

FINANCIAL HIGHLIGHTS

	(₹ crore)	
	As at <u>March 31, 2012</u>	As at <u>March 31, 2011</u>
EQUITY & LIABILITIES		
Share Capital	1,001.68	1,001.68
Reserves and Surplus	4,534.07	4,001.72
Non - Current Liabilities	17,689.39	17,608.69
Current Liabilities	4,958.66	2,915.89
	<u>28,183.80</u>	<u>25,527.98</u>
APPLICATION		
Fixed Assets	1,165.92	1,208.79
Deferred Tax Assets	836.92	1,020.91
Non - Current Assets	18,807.46	17,361.54
Current Assets	7,373.50	5,936.74
	<u>28,183.80</u>	<u>25,527.98</u>
	<u>2011-2012</u>	<u>2010-2011</u>
EARNINGS		
Total Income (₹ crore)	2,850.20	2,480.11
Profit before tax (₹ crore)	957.74	1,166.25
Profit after tax (₹ crore)	663.62	706.25
RATIOS		
Capital Adequacy (excluding Deferred Tax Assets)	21.3%	16.4%

NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Members of IFCI Limited will be held on Wednesday, July 18, 2012 at 10:30 a.m. at Air Force Auditorium, Subroto Park, New Delhi-110 010 to transact the following business:

Ordinary Business

1. To consider and adopt the Audited Balance Sheet as at March 31, 2012 and the Profit and Loss Account for the year ended March 31, 2012 and the report of the Board of Directors and Auditors' thereon.
2. To confirm the interim dividend already paid on Preference Shares as final dividend.
3. To declare dividend on Equity Shares.
4. To appoint a Director in place of Shri P G Muralidharan, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Prof Shobhit Mahajan, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Shri Prakash P Mallya, who retires by rotation and being eligible, offers himself for re-appointment.
7. To appoint Auditors and fix their remuneration and for the purpose to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of Section 224A, 225 and other applicable provisions, if any, of the Companies Act, 1956, M/s Ray & Ray, Chartered Accountants, (Firm Registration No.301072E) be and are hereby appointed as Statutory Auditors of the Company, in place of the retiring Auditors, M/s Chokshi & Chokshi, Chartered Accountants, (Firm Registration No.101872W), to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be decided by the Board / Audit Committee of Directors of the Company, in addition to reimbursement of all out of pocket expenses in connection with the audit of the Company."

Special Business

8. To consider and if thought fit, to pass, with or without modifications, the following resolution, as an Ordinary Resolution:
"RESOLVED that Shri Atul Kumar Rai, who was appointed as an Additional Director by the Board of Directors of the Company w.e.f. June 1, 2012 and who, as per the provisions of Section 260 of the Companies Act, 1956 holds office upto the date of this Annual General Meeting and in respect of whom the Company has, pursuant to

Section 257 of the Companies Act, 1956, received a notice from a member, in writing, proposing the candidature of Shri Atul Kumar Rai for the office of Director, be and is hereby appointed as a Director of the Company, not liable to retire by rotation."

"RESOLVED FURTHER that in accordance with the provisions of Section 198, 269, 309, 311 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, if any, and Article 162 of Articles of Association of the Company, Shri Atul Kumar Rai, be and is hereby re-appointed as CEO & Managing Director of the Company for a period of 5 years effective from June 1, 2012 upto May 31, 2017 on a total remuneration not exceeding ₹2 Crore (Rupees Two Crore) per annum and other benefits such as residence, gratuity and provision of Company's car and use of telephone at his residence as per the rules of the Company and as may be decided by the Board (hereinafter referred to as "the Board" which term shall be deemed to include any Committee, including the HR & Compensation Committee of Directors)."

"RESOLVED FURTHER that notwithstanding anything herein above stated where in any financial year, the Company incurs a loss or its profit are inadequate, the Company shall pay to Shri Atul Kumar Rai, CEO & Managing Director, as per the provisions of Schedule XIII to the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), or such other limits as may be prescribed by the Government from time to time as minimum remuneration."

"RESOLVED FURTHER that the consent of the Company, be and is hereby accorded to the Board to alter and vary the aforesaid terms as to remuneration (including perquisites) within the ceiling limits in that behalf laid down in schedule XIII to the Companies Act, 1956 as in force from time to time."

"RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds and things as may be deemed necessary or desirable or to settle any question or difficulty that may arise, in such manner as it may deem fit."

Registered Office: By order of the Board of Directors

IFCI Tower
61 Nehru Place
New Delhi-110019

Dated: May 14, 2012

Rupa Sarkar
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED TO THE REGISTERED OFFICE OF THE COMPANY AT LEAST FORTY- EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Explanatory Statement pursuant to the provisions of Section 173(2) of the Companies Act, 1956, setting out material facts in respect of the business under Item No. 8 is annexed hereto.
3. All documents referred to in the accompanying Notice and the Explanatory Statement as well as the other documents as required under the provisions of the Companies Act, 1956 are open for inspection at the Registered Office of the Company on all working days except Saturdays, Sundays and Holidays between 11:00 a.m. to 1:00 p.m. up to the date of ensuing Annual General Meeting.
4. Register of Members and Share Transfer Books for equity shares will remain closed from Monday, July 9, 2012 to Wednesday, July 18, 2012 (both days inclusive).
5. IFCI is not including the financial statements and other details of its subsidiaries in its financial statements in terms of exemption granted by the Ministry of Corporate Affairs under General Circulars 2/2011, dated February 8, 2011. However, annual accounts of these companies and the related detailed information will be made available to the investors of IFCI or its subsidiary companies seeking such information at any point of time on specific request in writing to the Company. The Annual Accounts of these companies are open for inspection at the registered office of IFCI and at the registered offices of the respective companies up to the date of ensuing Annual General Meeting on any working day.
6. A special notice in terms of Section 190 of the Companies Act, 1956, has been received under Section 225(1) from Members proposing the appointment of M/s Ray & Ray, Chartered Accountants, as Statutory Auditors of the Company in place of M/s Chokshi & Chokshi, Chartered Accountants, the retiring Auditors of the Company.
7. The Members holding equity shares in physical form are requested to inform the Registrar and Transfer Agents (R&TA), MCS Ltd, F-65, Okhla Industrial Area, Phase - I, New Delhi - 110 020, change of address, if any, at the earliest, quoting their registered folio number. Change of address in respect of shares held in dematerialized form

is required to be informed to the concerned Depository Participant.

8. Members holding shares in more than one folio in identical order of names are requested to write to Registrar & Transfer Agent enclosing their share certificates to enable them to consolidate the holdings in one folio to facilitate better service.
9. Members seeking any information with regard to accounts or operations are requested to write to the Company at an early date, preferably at least seven days prior to the date of Meeting, so as to enable the management to keep the information ready.
10. Members / Proxies should bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialized form are requested to bring their client ID and DPID numbers for easy identification of attendance at the Meeting.
11. Pursuant to Section 205A of the Companies Act 1956, the Company has already transferred all unclaimed dividend declared up to the financial year ended March 31, 1994 to the General Revenue Account of the Central Government as required by the Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. Those shareholders who have so far not claimed their dividend upto the aforesaid financial year may claim their dividend from the Registrar of Companies, Delhi & Haryana.
12. Consequent upon amendment to Section 205A and introduction of Section 205-C of the Companies Act, 1956, the unclaimed dividend for the financial years 1994-95 to 1998-99 has been transferred to the Investor Education & Protection Fund (IEPF). The Company had not declared any dividend for the financial years 1999-2000 to 2007-08.
13. The dividend for the financial years 2008-09, 2009-10 and 2010-11, that remained unclaimed after 30 days from the date of declaration of dividend has been transferred to the Unpaid Dividend (2008-09, 2009-10 and 2010-11 respectively) Accounts of IFCI Ltd. The Dividend remaining unclaimed for seven years from the date of transfer to the above mentioned accounts, are required to be transferred by the Company to IEPF. The due date for transfer of unpaid dividend amount to IEPF for these years are:

Year	Due Date
2008-09	22.10.2016
2009-10	16.10.2017
2010-11	18.10.2018

14. Members who have not yet encashed their dividend warrants or are not in receipt of the dividend warrants are requested to seek issuance of demand draft from IFCI. It may be noted that once the unclaimed dividend is transferred to the IEPF, no claim shall lie in respect thereof.

Registered Office: By order of the Board of Directors

IFCI Tower
61 Nehru Place
New Delhi-110019

Rupa Sarkar

Company Secretary

Dated: May 14, 2012

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 8

Shri Atul Kumar Rai, was appointed as an Additional Director by the Board of Directors of the Company in accordance with Section 260 of the Companies Act, 1956 w.e.f. June 1, 2012. Shri Atul Kumar Rai as an Additional Director, shall hold office upto the date of this Annual General Meeting. The Company has received a notice in writing, along with requisite deposit from a Member of the Company under Section 257 of the Companies Act, 1956, proposing the candidature of Shri Rai for the office of Director. The Board of Directors had re-appointed Shri Rai as CEO & Managing Director of the Company subject to the approval of the shareholders. Therefore, the approval of Members is being sought for re-appointment of Shri Atul Kumar Rai as CEO & Managing Director, not liable to retire by rotation, and payment of remuneration to him as set out in Resolution No. 8.

The original term of Shri Atul Kumar Rai as Managing Director is upto May 31, 2012 and by virtue of Articles of Association of the Company, Shri Rai also ceases to be a Director of the Company after that date. Therefore, the resolution under this item is proposed.

Information about Directors as required under Clause 49 of the listing agreement relating to corporate governance is set out separately in the notice of Annual General Meeting.

This along with Resolution under Item No. 8 may be treated as an abstract pursuant to Section 302 of the Companies Act, 1956.

Your Directors recommend the Resolution for approval of the Members.

Shri Atul Kumar Rai is interested in the resolution as it relates to his appointment. None of the other Directors of the Company are, in any way, concerned or interested in the Resolution.

INFORMATION ABOUT DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER THE CODE OF CORPORATE GOVERNANCE CLAUSE OF LISTING AGREEMENT.

At the ensuing Annual General Meeting, Shri P G Muralidharan, Prof Shobhit Mahajan and Shri Prakash P Mallya shall retire by rotation and being eligible they offer themselves for re-appointment. Shri Atul Kumar Rai, who has been appointed as an Additional Director and re-appointed as CEO & Managing Director by the Board, also seeks approval of Members for appointment. The information or details to be provided for the aforesaid Directors under Corporate Governance Code are as under:

- (a) Shri P G Muralidharan, aged 77 years, retired as Secretary to Government of India after working in various Ministries / Departments in the Central and State Governments including Finance, Commerce, Industry, Agriculture and Planning and as Chairman/ Director of various Central/ State public sector undertakings. At present, he is on the Board of Directors of Religare Asset Management Company Limited and is member of its Audit Committee. He does not hold any shares in IFCI Ltd.
- (b) Prof Shobhit Mahajan, aged 50 years is professor at Delhi University, Physics Department. He has done his M.S. (Physics) and Ph.D (Physics) from University of California, Berkeley. He has been involved for several years in research and teaching at the University of Delhi and California. He has authored several books on Science and information technology. At present, he is on the Board of IFCI Financial Services Ltd and on the Governing Board of Management Development Institute and Institute of Leadership Development. He does not hold any shares in IFCI Ltd.
- (c) Shri Prakash P Mallya, aged 63 years is former Chairman & Managing Director of Vijaya Bank. He is a Post graduate in Economics and a banker by profession. He has experience of over 34 years in the banking sector. Shri Mallya has attained remarkable achievements in the business arena and has made various valuable contributions to research work in the area of Economics. He has achieved many prestigious awards for excellence in the banking sector. At present, he is a Director on the Board of Stock Holding Corporation of India Ltd. and Falcon Tyres Ltd and is member of their Audit Committees. He does not hold any shares in IFCI Ltd.
- (d) Shri Atul Kumar Rai, aged 50 years, is a postgraduate in Economics from Jawahar Lal Nehru University and belongs to Indian Economic Service. Shri Rai has rich experience

of over 25 years. He has held various posts in the Government of India, including as Director in DDA. Under the dynamic leadership of Shri Atul Kumar Rai, as CEO & Managing Director, during the last five years, IFCI has increased its balance-sheet size substantially and also declared dividend after a gap of a decade. There has been a constant growth in top line and sustained bottom line during the last five years. IFCI has got a reasonably good rating that has helped it to raise resources at a competitive rate. The subsidiaries which were lying dormant have

become vibrant organizations that have showed substantial growth in their business and operations. The manpower has also become streamlined, motivated and goal oriented. Shri Rai is also on the Board of IFCI Venture Capital Funds Ltd, MCX Stock Exchange Ltd, IFCI Infrastructure Development Ltd, IFCI Factors Ltd. He is on the Governing Board of Management Development Institute, Rashtriya Gramin Vikas Nidhi and Institute of Leadership Development. At present, he holds 1,18,000 equity shares in IFCI Ltd.

LISTING AT STOCK EXCHANGES

The Company's Equity Shares are listed at following six Stock Exchanges in India. Besides, certain series of bonds issued by the Company on Private Placement basis are also listed on Bombay Stock Exchange Ltd.

1. Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Tower
Dalal Street, Fort
MUMBAI-400 001
2. The National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (East)
MUMBAI-400 051
3. The Delhi Stock Exchange Ltd
3/1 Asaf Ali Road
DELHI-110 002
4. The Calcutta Stock Exchange Ltd
7 Lyons Range
KOLKATA-700 001
5. The Madras Stock Exchange Ltd
Exchange Building
11, Second Line Beach
CHENNAI-600 001
6. Ahmedabad Stock Exchange Ltd
Kamdhenu Complex, 1st Floor
Opp. Sahajanand College
Panjara Pole
AHMEDABAD-380 015

The Company has paid the annual listing fee to all the Stock Exchanges for the financial year 2012-13 except to the Stock Exchanges at New Delhi, Kolkata, Ahmedabad and Chennai as the Company had applied for delisting of securities pursuant to the resolution passed at the Annual General Meeting held on September 10, 2001 and September 12, 2003.