NIIF IFL INFRASTRUCTURE FINANCING

INNOVATIVE AND SUSTAINABLE INFRASTRUCTURE FINANCING

10TH ANNUAL REPORT FY 2023

CONTENTS

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NIIF IFL has provided long-term debt finance to Bangalore's world-class airport

FOUNDATIONS – THE CORNERSTONE

NIIF IFL has financed industrial infrastructure facilities such as warehouses and logistics infrastructure parks installed by TVS Industrial & Logistics Parks Private Limited.

CORPORATE INFORMATION

Board of Directors

Mr. Surya Prakash Rao Pendyala
Chairman (Nominee of NIIF Fund II)

Mr. Rajiv Dhar
Non-Executive Director (Nominee of NIIF Fund II)

Mr. A K T Chari
Non-Executive Director (Nominee of NIIF Fund II)

Mr. Ashwani Kumar
Independent Director

Ms. Rosemary Sebastian
(appointed w.e.f. June 7, 2022)
Independent Director

Mr. Prashant Kumar Ghose
(appointed w.e.f. February 1, 2023)
Independent Director

Management Team

Mr. Shiva Rajaraman
(appointed w.e.f. July 1, 2022)
Chief Executive Officer

Mr. Debabrata Mukherjee
Chief Business Officer

Mr. Dhananjay Yellurkar
Chief Risk Officer

Mr. Srinivas Upadhyayula
Chief Compliance Officer & General Counsel

Mr. V. Narayanan Iyer
Chief Financial Officer

Key Managerial Personnel

Mr. Shiva Rajaraman
(appointed w.e.f. July 1, 2022)
Chief Executive Officer

Mr. V. Narayanan Iyer
Chief Financial Officer

Mr. Ankit Sheth
Company Secretary and Compliance Officer

Joint Statutory Auditors

Lodha & Company
Chartered Accountants

MP Chitale & Co
(appointed w.e.f. June 8, 2022)
Chartered Accountants

Secretarial Auditors

Rathi & Associates
Practicing Company Secretaries

Internal Auditor

Ms. Archana Moghe
(appointed w.e.f April 28, 2023)

Registrar & Share Transfer Agent

For Equity Shares and Preference Shares

Link Intime India Pvt. Ltd
Address: C 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400 083
Tel: +91 22 4918 6000
E-mail: equityca@linkintime.co.in

For Debentures and Commercial Paper

MCS Share Transfer Agent Limited
Address: 3B3, 3rd Floor, B-Wing, Gundecha Onclave
Premises Co-op. Society Ltd.
Kherani Road, Saki Naka,
Andheri (E), Mumbai – 400 072
Tel: +91 9833472293
E-mail: cprabhu@mcsregistrars.com

Debenture Trustees

IDBI Trusteeship Services Limited
Address: Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai - 400001
Contact: 022-40807007
Email: nikhil@idbitrustee.com

Credit Rating Agencies

Care Ratings Limited
Address: 4th Floor, Godrej Coliseum, Somaiya Hospital
Road, Off Eastern Express Highway, Sion (E),
Mumbai - 400 022.
Email: mohit.dave@careratings.com
Website: https://www.careratings.com/

ICRA Limited
Address: 4th Floor, Electric Mansion,
Prabhadevi, Mumbai - 400 025
Email: sandeep.sharma@icraindia.com
Website: https://www.icra.in/

Registered & Corporate Office

NIIF Infrastructure Finance Limited (NIIF IFL)
Address: 3rd Floor, UTI Tower, North Wing,
GN Block, Bandra Kurla Complex, Bandra (East),
Mumbai - 400051
CIN: U67190MH2014PLC253944
Tel: 022- 68591300
E-mail: info@niifiﬂ.in
Website: www.niifiﬂ.in

INFRASTRUCTURE DEBT FUNDS – AN INNOVATIVE BUSINESS MODEL

IDF in the current framework is globally an innovative business & development model. As of March 31, 2023, IDF NBFCs had collectively refinanced a gross amount of ~ ₹ 55,000 crores Net of repayments, the outstanding amount stood at ~ ₹ 47,000 crores

The IDF model evolved as a potential solution to multiple challenges in infrastructure financing in India, as described below:

a. IDF as a solution to asset liability mismatch of banks & other lenders

Over the last 2 decades, banks have been the principal financiers of infrastructure projects in India. The largest component of liabilities of Indian banks, are deposits, whose average tenor generally does not exceed 3-5 years. However, when banks lend to infrastructure projects, they lend for tenors of 15 years or more. Since most large banks in India have ~ 10% (or more) of their loans & advances in infrastructure sectors, this has naturally led to asset liability mismatches (i.e. 3-5 year liabilities versus 15 year assets) reaching high levels in the Indian banking system.

The Government of India (GoI), after several rounds of consultation with regulators and industry, in 2012/13, felt that creation of a new class of financiers (called Infrastructure Debt Funds – IDFs), could provide a long-term solution to the asset liability mismatch problem (in respect of infrastructure lending) of the Indian banking system. Such financiers would be set up as corporate entities, intended to refinance projects, thereby taking them off the books of banks and other lenders, after projects have completed construction and at least 1 year of satisfactory operations.

b. IDF as a solution to Group concentration limits of banks & other lenders

A large number of private sector business groups in India are family owned. These large family owned groups are the largest developers of projects in most infrastructure sectors in India. In order to limit concentration risk to business groups, the regulator (RBI) has stipulated business group concentration norms for bank lending. 10 years back (i.e. at the time of creation of IDF policy and regulation), most banks had either reached or were close to reaching their (business) group concentration limits. These concentration norms are typically based on a specified % of the Capital Funds of a bank. Unless there is a large infusion in Capital Funds, a bank would be unable to lend any more to the groups to which it has reached limits. This is also applicable to other categories of financiers.

It was felt that a strategic shift of project assets from the banking system to a new class of financiers (i.e. Infrastructure Debt Funds – IDFs) through a refinance mechanism (either through loans or investment in bonds issued by infrastructure borrowers) could provide a long-term solution to freeing-up of group concentration limits on lending by existing lenders/ banks.

c. IDF to channelize long term pension, insurance fund money to (low risk) operational infrastructure projects and enable development of the bond market

Pension and insurance funds (both Indian and international) are uniquely suited to lend to infrastructure sectors, given their long-term orientation & focus. However, given regulatory norms (lending by such funds is permitted only to highly rated projects i.e. AA and above), their relatively low risk appetite and complexity of the projects, such funds would be able to lend only very few borrowers/ projects since most infra project ratings are in the range BBB to A.

Creating a new class of highly rated financiers (i.e. IDFs) could help channelize long term money from insurance and pension funds to infrastructure projects in India. In other words, pension & insurance funds would invest in bonds issued by a highly rated specialised infrastructure financier (IDF) with requisite expertise, which would thereafter on-lend to infrastructure projects. The stipulation that IDFs would borrow principally through the issuance of long-term bonds, would enable/ further the development of the bond market in India.

The new class of financiers (i.e. IDFs) set up as corporate entities, would be permitted to refinance only projects that have completed construction and at least 1 year of satisfactory operations. Such operational projects could be PPP or non-PPP projects, with or without a project authority.

Such operational projects would have no construction risk, no risk of land acquisition, no risk of not obtaining regulatory approvals and no risk of delays in equity infusion or tie up of funds. Given that at least 1 year of satisfactory operations would have been completed, such projects would also have relatively low operational risk.

In concession-based PPP projects in India, a government-owned concession authority typically provides termination payment (guarantees) in both - concessionaire (i.e. developer) and concession authority in the event of default, to project lenders, to the extent of part of the debt. These guarantees are provided in respect of operational projects in all infrastructure sectors where the asset is a national asset and cannot be mortgaged to lenders. Generally, due to various technical reasons, this guarantee covers lenders to the extent of ~70% of debt.

As against the ~70% termination guarantee coverage to other lenders, government owned project authorities would ensure a prior charge and a termination payment guarantee that covers 100% of loans and advances provided by IDFs in respect of projects in the above-mentioned sectors. This is an additional measure to ensure a high credit rating to IDFs, necessary in the initial years for IDFs.

d. Enhancing viability of projects through long tenor loans

The new class of financiers (i.e. IDFs), due to their sourcing of funds from pension & insurance funds, could provide loans & advances with longer tenors than banks, enhancing viability of projects. They could also provide fixed rate debt (which banks typically do not provide in India) for the entire tenor of the debt, thereby reducing or eliminating interest rate risk for the project. Longer term fixed rate debt enables credit enhancement leading to higher credit rating for projects.

e. Enhancing viability of projects through lower cost debt

In order to facilitate a market based strategic shift of assets from the banking system to IDFs, it is important for IDFs to be able to offer a substantially lower pricing to borrowers. Given this imperative, the GoI has provided exemption from corporate income tax to IDFs set up as companies. This tax exemption permitted by the GoI has no sunset clause i.e., is currently not limited to any specified period.

NIIF IFL'S BUSINESS AND VALUE PROPOSITION TO CUSTOMERS & BOND HOLDERS

Background

Creation of infrastructure is critical to the development of any nation, more so for developing countries like India. Infrastructure enables economic progress by driving growth, creating employment, improving productivity, quality of life and efficiency. It provides resilient and dependable supporting networks that are required by any nation, leading to business confidence, investment, growth and new economic opportunities. In protecting the environment, infrastructure plays an important role in reducing the impact of climate change. Clean energy generation and more efficient transit systems enable reduction in pollution and carbon footprint. Infrastructure ensures social benefits essential for sustainable development.

Business i.e., financing for infrastructure projects

Infrastructure development requires sustainable long-term financing that needs to be channelized from multiple sources (i.e., types of investors) and instruments (i.e., equity, mezzanine, loans, bonds etc).

Debt financing needs to be channelized to infrastructure from institutions like banks, pension funds, provident funds, insurance funds, wealth funds, sovereign funds, ESG focused funds, mutual funds, alternative investment funds (AIFs), corporate treasuries, development financial institutions, multilaterals.

Since each of these types of institutions provides debt of different tenors, there is a requirement for "disintermediation" and providing strip structures of bonds which would cater to each investor's requirement. For example, a 20 year tenor requirement can be sourced from bonds, whose redemption is disintermediated into several parts and funds raised from institutions that are best placed and most efficient for each tenor. For example, upto 3 year tenor can be met from mutual funds, 4-8 year tenor can be met from banks, family offices, wealth funds and corporate treasuries, 9-12 year tenor requirement can be met from insurance companies & multilaterals, 13-15 year tenor requirement can be met from pension/ provident funds, 16-20 year requirement can be met from retirement and sovereign funds etc.

Debt financing needs to be customized to the projected cash flow profile of each project, for example, to traffic patterns in roads & airports, monsoon patterns in rain-fed hydropower projects and contractual cash flow patterns in power generation. Infrastructure projects need to be insulated from the vagaries of interest rate cycles and associated risk, innovative instruments are required to protect projects from resource risks and to reduce the probability of default. There is also a need to provide means to insulate from climate risk and to protect the environment.

Value proposition of NIIF IFL for customers/ borrowers

NIIF IFL has been at the forefront of providing financing that provides/ enables customers:

(i) customization of repayment to above indicated projected cash flows i.e., every project has a different repayment or redemption structure

(ii) disintermediation to ensure channelization of funds to infrastructure from various sources including mutual funds, pension funds, banks, insurers, family offices, wealth funds etc

(iii) unique flexi-coupon structures linked to traffic patterns, which reduces probability of default

(iv) fixed rate financing for long tenors, enhancing viability; ensuring elimination/ reduction of interest rate risk for projects; borrowers can opt for interest resets after 5 or 10 or 15 years

(v) long tenors of upto 20 years post 1 year of commercial operations

(vi) innovative solutions to make projects safer and mitigate resource risk (for example helping development of affordable weather insurance products to mitigate wind availability risk)

(vii) advisory services on environmental sustainability including means to ensure conservation of endangered flora and fauna

(viii) advisory services to ensure compliance (for example, of warehousing infrastructure) with IFC performance standards on environmental and social sustainability

(ix) advisory services and financing on mitigating the impact of climate risk through installation of lightening arrestors etc and studies on landslides, irradiation, wind speeds (through long term satellite data) etc.

(x) advisory services on making projects more financially sustainable through identifying & obtaining the best value proposition for environmental attributes/ carbon credits

(xi) encouraging efficiency-enhancement measures, for example bifacial solar modules, robotic cleaning of solar modules, robot use in warehousing etc.

NIIF IFL engages in long-term relationships with the above value-adds with various types of developer groups including family run groups (large/ medium and small), groups run by platforms, groups run by international/ domestic funds and private equity houses.

Value proposition from NIIF IFL to bond holders

NIIF IFL, an RBI regulated entity, with its reputed ownership and backing (NIIF as majority shareholder and minority investment from the Govt of India), professional management, guidance from experienced Board of Directors/ Committees, technically and financially qualified team, its track record of almost a decade of **unparalleled pristine asset quality** (0% NPA- since inception) and credit rating (AAA), provides bond holders, both institutional and high net worth individuals, a safe vehicle to invest in, for various tenors, in a diversified low risk operational and seasoned infrastructure portfolio.

Bond investors (domestic/ foreign) can invest in longer tenors (5 to 20 years) and shorter tenors (1-5 years) to a lower extent, potentially in various types of instruments which include plain vanilla bullet bonds, bonds with amortizing redemption schedules, redeemable preference shares with customized redemption schedules, tax efficient zero-coupon bonds (specifically permitted by the Govt of India for IDF NBFCs) in order to **enhance returns** while at the same time, while continuing to invest in AAA rated instruments of highest level of **safety**.

NIIF IFL has financed solar project in Rajasthan of NVR Infrastructure and Services Pvt Ltd (part of Blupine group , which is backed by UK based Actis private equity)

VISION, MISSION AND VALUES

Profile

NIIF IFL was established in 2014 as an IDF NBFC registered with RBI. NIIF IFL's has an ownership structure with reputed investors including NIIF (majority shareholder), Aseem Infrastructure (majority owned by NIIF), HDFC Bank Limited (minority shareholder), and the Government of India (minority shareholder). NIIF IFL's debt instruments have been rated AAA since inception.

Vision

Be the partner of choice to finance sustainable Infrastructure for a transforming India.

Mission

We offer sustainable infrastructure financing solutions that provide long term value to all our stakeholders and to our society at large which is young, growing and taking a global leadership role.

Values - Aspire

A Alliance: We work and grow together while leveraging the collective strength of our people and partners to achieve the shared goals and objectives.

S Service: We develop deep relationships by consistently delighting our stakeholders through quick and efficient execution.

P Passion: We bring energy, enthusiasm, and joy to our work every day. We are inspired and committed to deliver results.

I Integrity: We function with fair and honest intent. Our thoughts and speech are aligned with everything that we do.

R Responsible: We strive to function with the highest level of corporate governance and work ethics, are accountable for our decisions, actions, and behaviour while minimizing the adverse impact on the environment.

E Excellence: We continuously learn, upgrade our knowledge, and build expertise to provide the best solution to our clients and stakeholders.

Our Sectoral Expertise

Transportation

Roads

Ports

Airports

Pipelines

Energy

Solar Energy

Wind Energy

Hydro Energy

Transmission and Distribution

Social and Commercial Infrastructure

Hospitals & Educational Institutions

Warehousing and Cold Chains

Communication

Telecommunication

Telecommunication Towers

Telecom Services

CHAIRMAN'S MESSAGE

Dear Shareholders,

Greetings!

It gives me immense pleasure to present to you, the Annual Report of your Company for the financial year FY 2023.

Background

FY 2023 was a very historic year in many ways. It was a year in which the world and India managed to get ahead of the impact of the most destructive pandemic in over 100 years and get back to development and business with renewed enthusiasm. At the same time, it was also a year of international geopolitical turmoil, high energy prices, inflation, and the inevitable tightening of monetary policies across the world. Under the above-mentioned difficult circumstances, the Indian economy demonstrated remarkable resilience, together with macroeconomic and financial stability, with the regulators and the Government of India keeping a steady hand on the tiller.

During the first few months of the year, our Company smoothly navigated its first ever leadership change albeit with no change in its priorities and business, with guidance and support from the Board of Directors.

The Annual Report for FY 2023, being placed before the shareholders, would once again demonstrate that the Company has achieved a strong growth in business with healthy financial performance and profitability and it continues to be one of India's best infrastructure financiers in terms of a unique business model, calibrated growth, proactive risk management, unparalleled asset quality (with 0% NPA), thorough regulatory compliance, highest standards of corporate governance and constructive implementation of environmental & social goals, reflecting the effectiveness of its corporate culture, management actions and supervision of the Board of Directors.

Macro-economic and infrastructure Review

FY 2023 was exceptional for the Indian economy, showcasing its heightened global significance and future potential. Even as most major nations grappled with high inflation, supply chain disruptions and recessionary indicators, India's GDP grew at an impressive 7.2% pa. Continued capex spending led by the government and supplemented by the private sector, prudent interventions by the government and regulators to manage liquidity, inflation & global headwinds, helped support the economic momentum.

The pursuit of three pivotal pillars – infrastructure, energy security and manufacturing – has unleashed several opportunities, putting India on the trajectory of becoming consistently one of the world's fastest-growing large economies.

The government continued to focus on Infrastructure, with the Union Budget for FY 2023 and FY 2024 seeing the highest ever allocations for capital expenditure. Sectors like green energy generation, transportation (road networks and airports), power transmission, and e-mobility have been at the core of this focus.

Strong All-round Performance

Your Company delivered a commendable performance in FY 2023 across all metrics. Loans and advances in infrastructure increased by 26% to ₹ 17,839 Crores in FY 2023, making us the largest Infrastructure Debt Fund (IDF) in India. During the year, we continued to focus on our key theme “green” infrastructure (i.e. renewable energy generation) together with diversification of our portfolio to various sectors including airports, roads and logistics. The growth of 26% is notable given that incremental infrastructure financing by banks in India during the same period, declined by 1%. As has been the case since inception, we continued to maintain 0% NPA during the year. This is a testament to our risk assessment and project selection capabilities, oversight of our Credit and Risk Management Committees as well as robust systems for actively monitoring projects financed by us.

During FY 2023, your Company’s net profit grew substantially, increasing by 39% to ₹ 325 Crores. In an environment marked by fluctuating interest rates, we ensured a competitive cost of borrowing, by appropriately timing and sizing bond issuances. We also ensured satisfactory asset-liability matching (ALM), by ensuring fixed rate lending and fixed rate borrowing, for matching tenors.

Healthy Capitalisation

In FY 2023, our business remained well-capitalised due to the proactive and early equity infusion by shareholders led by the majority shareholder NIIF and the Government of India in the previous financial year. This enabled better planning in FY 2023 for steady growth. Consequently, the capital adequacy ratio has consistently remained well above the minimum required by regulation.

Building Technological Excellence

Technology remains a hallmark of our operations. Our efforts are focused on digitising and automating operations to enhance efficiency and transparency, which would enable faster decision-making, robust real-time tracking of the portfolio, while ensuring cybersecurity.

Advancing ESG Journey

As a responsible organisation, we recognise the significance of ESG practices for sustainable growth and a better world. Our adherence to International Finance Corporation (IFC) Performance Standards (PS) facilitates rigorous environmental and social (E&S) risk assessments and portfolio evaluations based on Sustainable Development Goals (SDGs) indicators. E&S risks are integrated into our risk management process and monitored by the Senior Management, Risk Management Committee and Board of Directors.

We have undertaken various pioneering efforts to support our customers in reducing their carbon footprint, developing ESG frameworks, and monitoring and reporting ESG parameters. We take pride in our focus on renewable power asset financing, which has extended power access to ~10 million people, generated over 10,000 jobs (directly and indirectly) and prevented 10 million tons of CO2 emissions. Furthermore, we actively support borrowers in optimising resource efficiency, reducing pollution and mitigating biodiversity risks.

Commitment to CSR

We have consistently maintained that business growth and profitability must be complemented by a sense of responsibility to society. Your Company is committed to endeavouring to ensure significant social impact by leveraging our strengths and networks. During FY 2023, our Company continued its commitment to CSR activities, principally in 2 areas – providing quality healthcare in areas that need it most, as well as providing a holistic learning environment and improved quality of education.

Embracing the Future

Recent events have given many reasons for optimism about India - the success of the Chandrayaan mission, India’s leadership of G20, India’s strong showing in international sporting events and of course, India’s increasing standing in the global arena in terms of economic performance and a fundamentally strong domestic focussed economy. At the core of all the above is the significantly increased emphasis on infrastructure and its financing. Ambitious plans such as enhancing renewable energy capacity to 500 GW by 2030, building 2 lakh km of highways and building 200 new airports in the next five years, fortifying logistics, augur well for the economy and its citizens.

With foresight, national policy makers and regulators, have recently introduced several well-calibrated changes to regulations, which are intended to enable Infrastructure Debt Funds (IDFs) such as our Company, to play a greater role in financing infrastructure. With anticipation and optimism, I look forward to seeing your Company grow from strength to strength and play a larger and more significant role in India’s infrastructure story.

Closing Comments

In closing, our progress until now has been gratifying. Our resolute focus on business priority has been the cornerstone of our success, bolstering return of equity, asset quality, and environmental sustainability. We have evolved into a prime platform for visionary professionals to have a career and excel in India's infrastructure financing landscape.

I thank all our stakeholders for their unconditional support throughout our journey. I extend my heartfelt gratitude to the government, regulators and the entire financial ecosystem creating an enabling business environment. I thank the customers, bondholders and service providers for placing their trust in us. My deep appreciation to the employees and management for their tireless dedication and leadership. As we continue our journey of growth and impact, I look forward to their continued support going forward.

Surya Prakash Rao Pendyala
Chairman

CEO'S MESSAGE

Dear Shareholders,

I am delighted to share with you, my first message after completion of 1 year in NIIF IFL as CEO, through this Annual Report, summarising inter alia recent regulatory changes, the Company's performance, activities, results and contribution to infrastructure financing in FY 2023, seen in the light of the policy objectives of the Government of India for IDFs and stakeholder requirements & expectations.

Recent Regulatory Changes

The High-Level Committee on Infrastructure Financing (1st & 2nd reports - 2010/2014) set up by the Government of India which originally recommended the creation of IDFs, envisaged that IDFs would refinance ₹ 50,000 crores of infrastructure projects in the initial years. Against the backdrop of the issues arising out of the COVID pandemic and earlier ILFS default (both of which had systemic consequences), reaching the targeted figure has taken a couple of years longer than estimated. The gross refinance disbursement by IDFs (all of which have AAA ratings for their debt instruments), is currently estimated at ~₹ 60,000 crores in the last 7 years. At present, there are 3 IDF NBFCs in India.

The IDF industry had requested the Government of India & RBI for certain changes which could enable a larger contribution by IDFs to infrastructure financing. RBI, after consultation with the Government of India, announced a review of the regulatory framework for IDF NBFCs in August 2023.

In order to enable IDFs to play a greater role in financing of infrastructure projects, RBI has now permitted the following:

(i) withdrawal of requirements for a sponsor for an IDF

(ii) permission for IDFs to finance TOT (Toll Operate Transfer) road projects as direct lenders

(iii) permission for IDFs to access ECBs from foreign institutions

(iv) withdrawal of the mandatory requirement for tripartite agreements for financing PPP projects

The above regulatory changes provide flexibility to IDFs in both assets and liabilities and are expected to enable faster growth of the sector, without compromising on quality parameters. We acknowledge the role of policy makers and regulators, who have made (and continue to make) suitable changes to ensure that policy & regulation relating to infrastructure financing including that of IDFs, keeps pace with market dynamics.

Review of Our Performance

In FY 2023, NIIF IFL continued to hold its position among the top 7 financiers (among 40 active players in the space, including 20 banks, 3 IDF NBFCs, 6 other NBFCs, 5 mutual funds, 5 multilaterals/ development banks and a few debt-focused AIFs) of private/ PPP infrastructure projects in India with disbursement of ₹ 6,561 crores. In line with national priorities and NIIF's ESG thrust, the primary focus of the Company during the year under review, was towards financing & enhancing viability of principally utility-scale solar/ wind power generation projects, water, airports. Our long-tenor fixed-rate offering has enabled enhancement of viability of projects, reflected in increase in credit ratings post such financing.

We financed the above principally by borrowing ₹ 4,420 crores through the issue of long tenor bonds and ₹ 550 cr from other permitted instruments. We channelised long-term funds (through the issue of AAA rated bonds) from retirement funds, insurance companies, banks etc. We continued to be one of the largest private sector NBFC fund raisers in India through the bond market during FY 2023, with a focus on longer tenors.

In FY 2023, NIIF IFL continued to demonstrate a diversified (by geography, sub-sector, developer group and counterparty) high quality asset portfolio, comfortable liquidity and ALM profile, low interest rate risk (fixed rate borrowing & substantially fixed rate lending), satisfactory capitalisation (well above the regulatory requirements), satisfactory gearing (well below rating covenants).

Our Customers

Our 126 customers (borrowers) have demonstrated exceptional resilience in the aftermath of the COVID pandemic and NIIF IFL ended FY 2023 with 0% NPA and nil DPD. This is also a reflection of our strong project selection, underwriting capabilities, strong risk guardrails and real-time project monitoring mechanisms. The average internal portfolio rating of the company has improved and is currently rated A+.

The high level of repeat business (45%) from existing customer groups in FY 2023 reflects their continued confidence in our value proposition and product offering.

Our Team

The hard work, perseverance and agility of our relatively small, enthusiastic and young team of 44 employees & experienced management has ensured that, despite the macroeconomic challenges, residual impact of the pandemic, impact of international military conflicts and fluctuating interest rate environment of FY 2023, our underlying asset portfolio has seen a growth of 26% and yet has remained clean, with 0% NPA and zero DPD. Among other things, such performance has been important for the re-establishment of trust in NBFCs by market participants consequent to high profile defaults by ILFS, DHFL & others in past years.

Culture Initiatives, CSR and ESG

Culture represents the unique character and personality of an organisation and is the sum of values, behaviours, systems, practices, beliefs, traditions, interactions and attitudes. A visible and positive culture attracts talent, drives engagement, performance and innovation. This is critical for an organisation like ours, which is growing and continues to work for larger development goals (while at the same time, give asset growth, profitability and asset quality equal importance) along with finding ways and means to make infrastructure projects viable, through financial/ technical structuring and innovation.

NIIF IFL's culture initiatives are uniquely driven and led bottoms up, through a committee which includes junior and middle level employees (ably supported by the management and HR) whose objective is to (i) set culture goals, (ii) measure and demonstrate culture (iii) alignment of the right values, behaviour to enable business growth (iv) put in place a system of rewards (v) implement an effective platform for employee "voice" upto the boardroom. To this end, even the MISSION and VISION statements have been uniquely drafted by the employees and thereafter discussed and approved by the Board of Directors.

I would like to emphasise two distinctive areas in which the culture focus has resulted in a remarkably different way of working, and consequently with respect to impact:

- that the degree of employee engagement at a personal level is very high across the organisation with respect to our CSR initiatives that have focused largely on education and quality healthcare for segments of society that are in dire need but cannot afford it.
- that the degree of enthusiasm for implementing our ESG mandate is very high across the organisation where discussions on "lightening arrester" is as important as that of "debt service coverage ratio".

Growth trajectory, Plans & Outlook for FY 2024

There are 3 key dates that every employee of NIIF IFL remembers with pride - NIIF IFL's loan book crossed ₹ 5,000 crores on October 1, 2019, ₹ 10,000 crores on September 30, 2021 and ₹ 20,000 crores on August 7, 2023. The above represents a doubling of asset size every 2 years. The entire growth has been in low risk and seasoned infrastructure projects that have completed on an average, 5 years of operations. While the loan book size has seen significant change, one thing has however, remained the same – the 0% NPA track record.

In August 2023, NIIF IFL provided ₹ 834 crores its first large road project, Hampi Expressways (sponsored by a subsidiary of Tata Realty and Infrastructure Limited), with a tripartite agreement (termination payment guarantee) executed with NHAI. This represents a landmark transaction for the Company.

In FY 2024, we plan to enhance project viability by providing innovative flexi-coupon self adjustable redemption premium structures tailormade to match project cash flows, working with insurers to implement novel insurance solutions (like energy shortfall insurance) to protect infrastructure projects from climate risks.

We plan to channelise funds from several new classes of investors into infrastructure, including family offices, endowment funds, wealth management companies, gratuity funds, provident funds of foreign embassies in India, global impact funds, multilaterals, pension funds, insurance funds etc. We plan to reduce our cost of borrowing through the issue of innovatively structured bond instruments and cumulative redeemable preference shares (CRPS) and Zero-Coupon Bonds (ZCB) of long tenors. The lower cost of borrowing will enable us to provide lower cost funding to infrastructure projects as well as increase returns for our shareholders.

Given the policy actions to curb inflation in developed nations (and consequent interest rate hikes globally by central banks) as well as the increasing impact of the military conflict in Ukraine, on global supply chains and livelihoods, it is a difficult to anticipate with any degree of accuracy, the extent of movement of macro factors (including liquidity and interest rates) in India, which have a deep impact on our fund raising and channelising of long term funds to infrastructure projects.

Under the circumstances, I believe that with prudent risk management, long term out of the box thinking coupled with optimism and practical innovative solutions, the talent of our young employees, the commitment of our leadership team and the support & stewardship of Board, Committee members, shareholders, bondholders we would continue to make a positive difference to infrastructure financing in India and to all our stakeholders in the current year FY 2024.

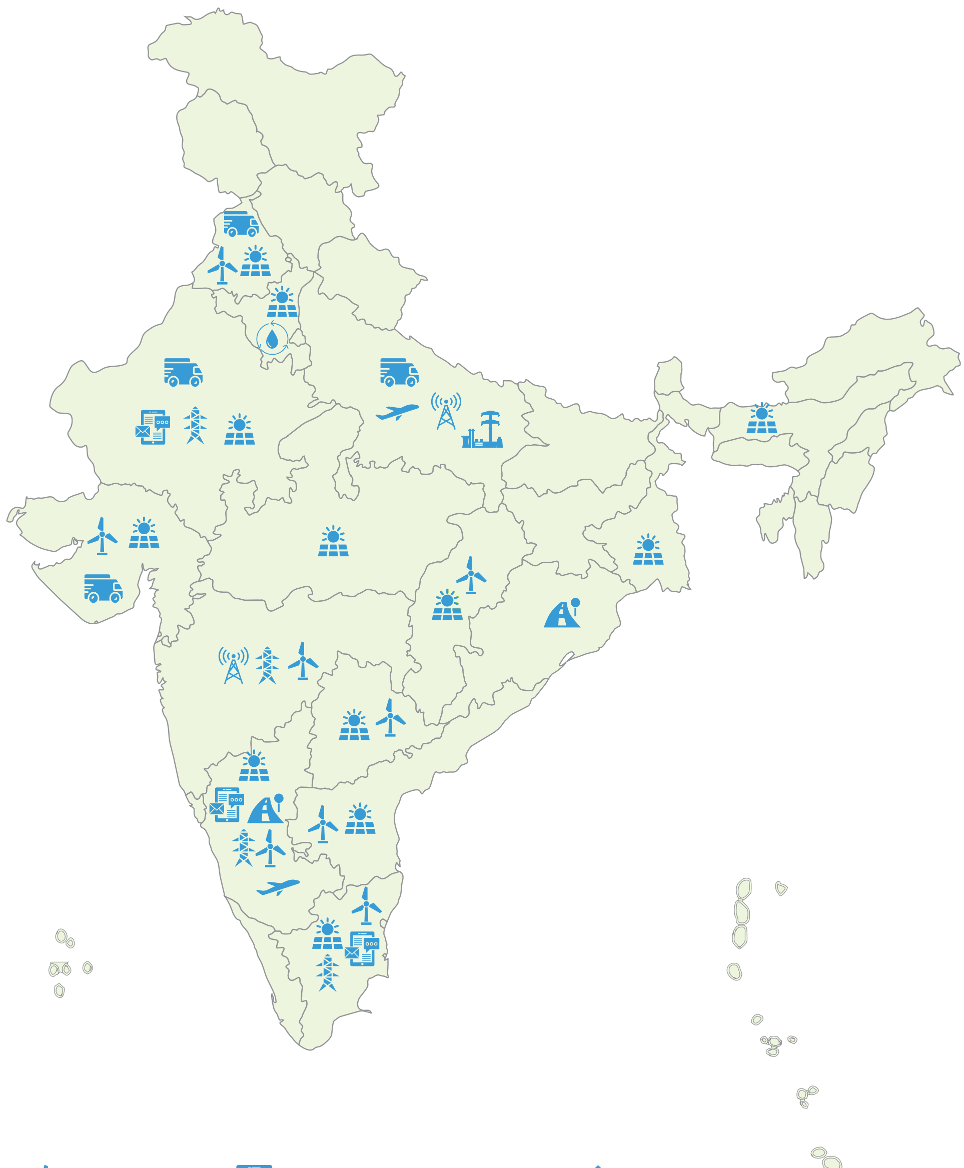
Warm regards,

Shiva Rajaraman

Chief Executive Officer

Geographical Presence (of projects financed by NIIF IFL)

SUPPORTING INFRASTRUCTURE DEVELOPMENT ACROSS INDIA



Solar Power

Wind Power

Social and Commercial

Power Transmission

Roads

Transport and Logistics

Communication

Airport

Captive Power

Water and Sanitation

Board of Directors

GUIDING VISION AND LEADERSHIP

Mr. Surya Prakash Rao Pendyala
Chairman

Mr. Rajiv Dhar
Nominee Director of National Investment & Infrastructure Fund II

Mr. AKT Chari
Nominee Director of National Investment & Infrastructure Fund II

Mr. Ashwani Kumar
Independent Director

Ms. Rosemary Sebastian
Independent Director

Mr. Prashant Kumar Ghose
Independent Director

1. Mr. Surya Prakash Rao Pendyala, currently the Executive Director & Chief Investment Officer – Indirect Investments, National Investment and Infrastructure Fund Limited (NIIF), is the Chairman of our Company since March 2019. A seasoned professional with over 35 years of experience in the financial services sector, he has expertise in infrastructure lending and investment, corporate finance, project finance, strategic planning and execution, and establishing and growing new businesses.

As a founding member of NIIF, Mr. Rao was instrumental in its establishment and growth. His contributions encompass developing business strategy, instituting systems and processes, formulating policies, fund-raising, building the ESG practice, and setting up the NIIF Fund of Funds.

Prior to joining NIIF, Mr. Rao spent over three decades with the State Bank of India (SBI), where he held several key positions. In his last position at SBI, he headed the Tamil Nadu and Pondicherry operations as the Chief General Manager, leading a team of 20,000+ employees and managed a balance sheet of USD 30 billion spread across 1,100 branches. Prior to this, he headed SBI's Private Equity and Venture Capital Fund vertical as General Manager. He has also served as the Deputy CEO of the SBI Macquarie Infrastructure Fund, a USD 1.2 billion joint venture with the Macquarie Group of Australia. He was instrumental in the fund's investments into airports, telecom towers, thermal power, small hydro, and transportation sectors.

Mr. Rao is a Merit Certificate holder in Cost and Management Accountancy, and also holds a Diploma in Business Finance. He has participated in executive education programmes from the Harvard Business School, Duke University, Indian Institute of Management (IIM), Ahmedabad, IIM, Calcutta, and the Indian School of Business (ISB).

2. Mr. Rajiv Dhar is the Managing Director and CEO of NIIF Ltd since May 2023. He has over 35 years of multifaceted experience across Financial Services, Telecom, Oil & Gas (upstream and downstream), Construction, and Real Estate, spanning several countries. With an excellent track record of leadership in Strategic Planning, M&A, ESG, Corporate Finance, FP&A, Risk Management and Tax, he has led several successful capital raising assignments and has excellent relationships with leading sovereign wealth funds, pension funds, banks and multilateral finance agencies across the globe.

Previously, as the Chief Operating Officer ("COO") of NIIF since 2017, he was instrumental in serving as a member of the Investment Committees and shaping various key functions including Investment Operations, Finance, ESG, Legal, Compliance, Information Technology and Human Resources, ensuring the best-in-class governance framework of NIIF and its portfolio companies.

Before joining NIIF, Mr. Dhar was the Executive Director at the esteemed Omzest Group in the Middle East, steering strategy and finance for the holding company and has on the Board and Committees of crucial portfolio companies. Prior to this, he spent over 15 years with the esteemed TATA Group, holding diverse management and leadership positions across group companies, showcasing his versatility and expertise. He currently serves on the Board of Aseem Infrastructure Finance Limited, Hindustan Infralog Private Limited (joint venture between DP World and NIIF) and NIIF Infrastructure Finance Limited.

He is a commerce graduate and member of the Institute of Chartered Accountants of India (ICAI). He has also completed the Executive Development Program at Wharton Business School and the Leadership Management Program at Harvard Business School.

3. Mr. AKT Chari was an Advisor at IDFC Limited. A keen Project Finance Specialist, he has over 40 years of experience. Prior to joining IDFC, he worked with the Industrial Development Bank of India (IDBI) for 25 years where he held the position of Chief General Manager/Adviser - Corporate Finance. In this role, his responsibilities included appraisal of projects - infrastructure and industrial, project monitoring and portfolio management in the SME and venture capital sectors. He has been Independent Director on various boards including HDFC Pension Management Company Limited and HDFC Life Insurance Company Limited.

4. Mr. Ashwani Kumar is a seasoned banker having an experience of around 37 years. He was the Chairman and Managing Director of Dena Bank for a 5-year term (January 2013 to December 2017). Previously, he was an Executive Director at Corporation Bank. Appointed by the Government of India (GoI), he served as a Director on the Board of Life Insurance Corporation of India (LIC) for more than 5 years, alongside being the Chairman of Audit and Risk Management Committees and a Member of Investment and Executive Committees. As the Chairman of the Indian Banking Association (September 2015- October 2016), Mr. Kumar effectively liaisoned with the Reserve Bank of India (RBI), the GoI and other Statutory bodies to promote sound and progressive banking practices. He was the President of the Indian Institute of Banking & Finance (IIBF), Chairman of the Institute of Banking Personnel Selection (IBPS). He was also a member of the Board of Supervision NABARD.

Mr. Kumar is a Certified Associate of the Indian Institute of Bankers. He holds a master's degree in science from Lucknow University. He has attended a number of training programmes notably at Kellogg School of Management Chicago, NIBM and other reputed institutions. He has also attended on-the-job training in Bullion at Nova Scotia London and Société Générale Paris.

5. Ms. Rosemary Sebastian is a former central banker with 38 years of professional track record. She was the Executive Director of the RBI, overseeing financial supervision for NBFCs and Cooperative Banks. During her career, she has handled various responsibilities in central banking, regulation and supervision of banking and non-banking entities, financial inclusion, consumer protection, public debt management and internal audit among others.

She has contributed significantly to important Committees of the and has served as its Nominee Director on the Board of a large public sector bank. Ms. Sebastian is post graduate from Osmania University and has a law degree from Mumbai University. She is currently serving as an Independent Director on the Boards of two reputed Companies.

6. Mr. Prashant Kumar Ghose has nearly five decades finance and industry experience, spanning steel, cement, fertilisers, chemicals and consumer sectors. He worked at Tata Steel, where he was Chief Financial Controller (Corporate) and then Chief of Strategic Finance. He then moved to Tata Chemicals (TCL) as Chief Financial Officer before being elevated to its Board as Executive Director & CFO. He has worked on multiple M&A and fund-raising transactions globally, and was recognised as CFO of the Year thrice, twice by IMA and once by CNBC TV18.

Mr. Ghose has held multiple board positions including for TCL across Europe, North America, Africa and Infinity Retail, Tata Consulting Engineers, Air Asia India and Tata Services. He has also been on international boards - IMACID Morocco and JOil Singapore. Prior to joining TCL, he was on the boards of TAYO (erstwhile Tata Yodogawa), Tata Pigments, Stewart's & Lloyd and others. He also was the advisor to the Group Chairman, Tata Group for over two years. He is currently a member on three Indian National Committees of CII and is a member and trustee of the CFO Board.

Mr. Ghose is a B.Com (Hons) graduate, a member of the Institute of Cost & Works Accountants and the ICSI, and an alumnus of the Advanced International General Management Program of CEDEP, INSEAD. He has attended the Financial Management programme at Wharton School and Strategy at Harvard Business School.

Management

TEAM DRIVING OUR SUCCESS AND EXCELLENCE

Mr. Shiva Rajaraman
Chief Executive Officer (CEO)

Mr. Debabrata Mukherjee
Chief Business Officer (CBO)

Mr. Dhananjay Yellurkar
Chief Risk Officer (CRO)

Mr. Srinivas Upadhyayula
Chief Compliance Officer and General Counsel

Mr. V. Narayanan Iyer
Chief Financial Officer (CFO)

1. Mr. Shiva Rajaraman is the CEO of NIIF Infrastructure Finance Limited (NIIF IFL). He has over 27 years of experience in infrastructure finance, innovative and sustainable funding, and advisory.

Previously, as founder CEO & Wholetime Director of L&T Infra Debt Fund Limited, one of India's leading Infrastructure Debt Funds (IDF) with an excellent quality asset base, he built and led a top-notch team in introducing innovative financing and credit enhancement solutions to PPP projects in renewable energy, roads, and transmission sectors. The team successfully procured bond and equity investor funding from national and international investor groups including long-term focussed pension/ provident/ insurance funds. Previously, at L&T Financial Services (LTFS), he was part of the Group Executive Committee, which collectively managed the ₹ 80,000 crores diversified businesses including a substantial high-quality debt-financed renewable energy (aggregating 6,000 MW) and road refinance portfolios.

Mr. Rajaraman is a member of the GoI's Inter-Ministerial Steering Committee (IMSC) for the National Infrastructure Pipeline (NIP). He has been a member of several expert groups and national committees, including the Project Finance Sub-Group for the NIP and the Expert Group constituted by the Ministry of Finance, guiding the development of a new infrastructure rating framework. He has been a member of the Infrastructure Committees of CII, FICCI, and IVCA (industry associations) and held directorship at reputed Companies including and Indian Highway Management Company Ltd (IHMCL), a company promoted by the National Highways Authority of India (NHAI) along with other institutions which has implemented electronic tolling solutions (including FASTAG) in India.

Mr. Rajaraman has also worked with India's specialised infrastructure financier IDFC (now IDFC First Bank) for nearly 10 years, in various positions in Project Finance and Risk. He started his career with the Equity Group of Dresdner Kleinwort Benson (now Commerzbank).

Mr. Rajaraman is recognised as an infrastructure finance expert and trainer. Passionate about teaching, he conducts training programs for young professionals, senior government and RBI officials.

He holds a bachelor's degree in commerce from Loyola College, Chennai, and an MBA from Bharathidasan Institute of Management (BIM), Tiruchirappalli, India.

2. Mr. Debabrata Mukherjee, joined NIIF IFL in August 2015. He is the Chief Business Officer (CBO) of the Company and spearheads project finance, fund raising and investment.

In a career spanning over 29 years in financial services, Mr. Mukherjee has worked with leading Indian and global institutions across corporate and project finance, special situation investments, advisory services and investment banking. He has worked on all forms of capital - debt, mezzanine and equity, having been involved in evaluating, advising, structuring and funding of projects exceeding US$ 10 billion.

Formerly as a Senior Director in the project finance business of IDFC Ltd., Mr. Mukherjee led debt and structured investments across transport, social infrastructure, hospitality, industrial and commercial real estate sectors. He also worked on special situation investments and corporate advisory transactions in IDFC, advising power, transport and telecom developers on business plan, investment opportunities, PPP project bids, risk mitigation and financial structuring. Prior to this, he worked in the areas of corporate finance and investment banking and held key positions in ASK Raymond James, BNP Paribas and SBI Capital Markets, managing M&A, equity and debt capital markets and structured finance transactions for several Indian business houses and multinational clients.

Mr. Mukherjee holds a Post Graduate Diploma in Business Management from IIM, Bangalore and a Bachelor's degree in Mechanical Engineering from Jadavpur University, Kolkata.

3. Mr. Dhananjay Yellurkar, joined the Company in January 2016, and served as the Chief Risk Officer (CRO). He has responsible for developing and implementing risk management framework, nurturing a risk awareness culture and monitoring the risk management activities to ensure a healthy portfolio of infrastructure project assets. He has over three decades of experience in risk management, project finance and advisory services for leading Indian institutions.

Formerly, Mr. Yellurkar was Head – Risk and Asset Monitoring Group at L&T Infrastructure Finance Company Ltd., overseeing the wholesale finance risk for L&T Financial Services. Prior to this, he held key positions in infrastructure advisory and corporate finance with CRISIL Risk & Infrastructure Solutions Limited, Ernst & Young and ICICI Ltd.

Mr. Yellurkar holds a Master in Business Administration degree from Northeastern University, Boston and a Bachelor's degree in Electronics & Communications Engineering from Karnataka University, Dharwad.

4. Mr. Srinivas Upadhyayula currently serves as NIIF Infrastructure Financial Limited's Chief Compliance Officer (CCO) and General Counsel (GC). Prior to this, he was a Senior Director (Legal & Compliance) in IDFC Ltd's Special Situations Management Group (SSMG). He has over 30 years of experience in legal, compliance (regulatory and statutory), and governance function. His expertise spans project and non-project / corporate / infrastructure finance documentation, as well as litigation and recovery management in the Banking and Financial sector. He specialised in managing delinquent accounts, recovery planning, conducting portfolio reviews to identify trends, financial restructuring, and loan structuring.

Prior to IDFC Limited, Mr. Upadhyayula worked with Asset Reconstruction Company (India) Ltd (Arcil) as Senior Vice-President & Group Head – Legal. He started his career as an Advocate (Civil and Labour) in the District Courts of Vizianagaram and Visakhapatnam. He then worked with Sterling Tree Magnum (India) Ltd, a Law officer at Canara Bank and as Deputy General Manager (Legal) IDBI Bank Ltd.

Mr. Upadhyayula is a Bachelor of Law with a specialisation in Company Law and Banking Law from Andhra University and has also completed CAIIB.

5. Mr. V. Narayanan Iyer, is a finance professional with over 30 years of work experience across diverse organisations and sectors. He has more than 17 years of leadership and management experience in creating sound financial systems, robust internal controls and effective Governance, Compliance and Risk Management framework. His experience includes scaling new business initiatives, change management and productivity/efficiency improvements in growing organisations. His strengths include business planning, financial reporting, budgeting and P&L management.

Formerly, Mr. Iyer served as the CFO of Piramal Foundation for more than four years and Senior Director – Finance at IDFC Ltd. for six years. At IDFC, he was responsible for financial control, reporting, audit, treasury, and loan operations. He also worked in Deutsche Bank for more than nine years and his last position was Joint Controller – India for the Deutsche Bank group operations across India.

Mr. Iyer is a postgraduate in Commerce (M. Com). He is also an associate member of the Institute of Cost Accountants of India and the Institute of Company Secretaries of India.

BOARD OF DIRECTORS, MANAGEMENT AND SENIOR TEAM

Board Meeting (to finalise strategy for FY 2024-2028) held on March 3, 2023 at the Hotel Leela, Bengaluru

From left to right:

Ms. Prajakta Waikul (Senior Officer – Administration);
Ms. Sona Mutha (NIIF Fund II representative);
Ms. Shweta Mohite (Manager – Secretarial & Compliance);
Mr. V Narayanan Iyer (Chief Financial Officer);
Mr. Ankit Sheth (Company Secretary & Compliance Officer);
Mr. Dhananjay Yellurkar (Chief Risk Officer);
Mr. Ashwani Kumar (Independent Director);
Mr. Rosemary Sebastian (Independent Director);
Mr. Shiva Rajaraman (Chief Executive Officer);
Mr. Prashant Kumar Ghose (Independent Director);
Mr. Surya Prakash Rao Pendyala (Chairman - Nominee of NIIF Fund II);
Mr. A K T Chari (Non-Executive Director - Nominee of NIIF Fund II);
Mr. Rajiv Dhar (Non-Executive Director - Nominee of NIIF Fund II);
Mr. Sanchit Jain (NIIF Fund II representative);
Mr. Debabrata Mukherjee (Chief Business Officer);
Mr. Srinivas Upadhyayula (Chief Compliance Officer & General Counsel);
Ms. Pragya Giri (Senior Vice President - Human Resource);
Mr. Vipul Kothari (Associate Vice President - Finance and Accounts);
Mr. Nilesh Shrivastava (NIIF Fund II representative);
Mr. Amit Ruparelia (Director - Resources);
Mr. Atul Kulkarni (Director - Infrastructure Finance);
Mr. Rohan Shinde (Head IT).

ENSURING STRONG GOVERNANCE PRACTICES

Composition of Board of Directors and Committees - as on March 31, 2023

Name	Position	Board	Audit Committee	Nomination & Remuneration Committee	Risk Management Committee*	Asset Liability Management Committee	IT Strategy Committee	Corporate Social Responsibility Committee	Stakeholders Relationship Committee	Credit Committee
Mr. Ashwani Kumar	Independent Director	M	C	C	C	-	-	C	C	-
Ms. Rosemary Sebastian	Independent Director	M	M	M	-	-	C	M	-	-
Mr. Prashant Kumar Ghose	Independent Director	M	-	-	-	-	-	-	-	-
Mr. Surya Prakash Rao Pendyala	Non-Executive Director	C	-	M	-	-	-	M	M	C
Mr. Rajiv Dhar	Non-Executive Director	M	M	(PI)	M	-	M	-	M	-
Mr. AKT Chari	Non-Executive Director	M	-	-	M	-	-	-	-	M
Mr. Nilesh Shrivastava	Observer (NIIF Representative)	(O)	(O)	-	(O)	-	-	-	-	M
Ms. Varsha Purandare	Independent External Member	-	-	-	-	-	-	-	-	M
Mr. Shiva Rajaraman	Chief Executive Officer	-	-	-	-	C	M	-	-	M
Mr. Debabrata Mukherjee	Chief Business Officer	-	-	-	-	M	-	-	-	-
Mr. Dhananjay Yellurkar	Chief Risk Officer	-	-	-	-	M	M	-	-	-
Mr. V. Narayanan Iyer	Chief Financial Officer	-	-	-	-	M	M	-	-	-
Mr. Amit Ruparelia	Director-Resources	-	-	-	-	M	-	-	-	-
Mr. Rohan Shinde**	Senior Vice President – Information Technology	-	-	-	-	-	M	-	-	-
	ID/ Member	50 %	67 %	67 %	33 %	-	17 %	67 %	33 %	-

*Mr. Prashant Kumar Ghose (ID), Mr. Shiva Rajaraman, Chief Executive Officer (CEO) and Mr. Dhananjay Yellurkar, Chief Risk Officer (CRO) were inducted to the Risk Management Committee with effect from April 28, 2023.

**Mr. Rohan Shinde, Senior Vice President – Information Technology, has resigned from the Company with effect from June 16, 2023.

RBI mandated Committees **ID: Independent Director**

C Chairperson M Member O Observer PI Permanent Invitee

TEAM

Our business is driven by an engaged and motivated workforce with critical domain expertise, which is an enabler for our growth. We foster an environment that encourages collaboration, openness, inclusion and celebrate wins – both big and small.

In FY 2023, the Company continued its focus on nurturing and upskilling talent through its structured training programmes. Learning and development *initiatives of the Company are aimed at building skills and capabilities of the team (technical, financial, behavioural) in order to meet its current and future needs.

During the year, the Company also developed a framework to identify and nurture future leaders/ successors by enhancing leadership effectiveness and capabilities.

The Company is dedicated to providing facilities and resources to support physical, mental and emotional wellbeing of its employees. Multiple health and wellness initiatives have been taken during FY 2023 such as, e-consultation with doctors, on-call counselling support and awareness sessions apart from providing regular insurance cover for employee and their families.

The organisation maintains a high level of employee connect and has established various touchpoints such as HR connect, skip-level meetings with senior leaders and townhalls that are intended to communicate organisational direction and initiatives as well as receive feedback from employees and promotes a culture of openness and transparency.

A diverse workforce fosters creativity, innovation and enhances organisational culture. Our commitment to diversity is indicated inter alia in a strong gender mix whereby 36% of our talent comprises of women. We maintain a zero tolerance towards any form of harassment including sexual misconduct and stand by our commitment to providing a safe, secure, and healthy environment for all.

There were no POSH (Prevention of Sexual Harassment) complains received during FY 2023 or earlier years.

While there was a significant increase in attrition in the financial services sector in FY 2023, the Company's attrition was lower at 16%.

NIIF IFL has evolved into a prime platform for professionals to have a career in innovative and sustainable Infrastructure financing.

The Company's had 44 employees on March 31, 2023.

NIIF IFL's office located at BKC, Mumbai.

ACCOMPLISHMENTS – SURPASSING EXPECTATIONS

12 MW (DC) Solar Power Project at Tamil Nadu selling power to C&I offtakers, financed by NIIF IFL to Capsol Energy Private Limited (Radiance Renewables - part of Green Growth Equity Fund).

COMPETITIVE EDGE

Superior value to clients

We provide long-term debt financing solutions with fixed interest rates (of different tenors) and structured repayment schedules aligned to our client's project cash flows. This helps them in reducing cash flow variability by de-risking the projects from interest rate volatility. We also leverage our domain expertise to structure customised financing solutions that meet the specific needs of the projects and clients.

Strong ESG focus

We have institutionalised robust practices aligned with ESG guidelines. This ensures that the projects we invest in have a minimum negative impact on the society and environment. Further, we also undertake E&S assessment in credit appraisal thus reducing risks.

Credit appraisal expertise

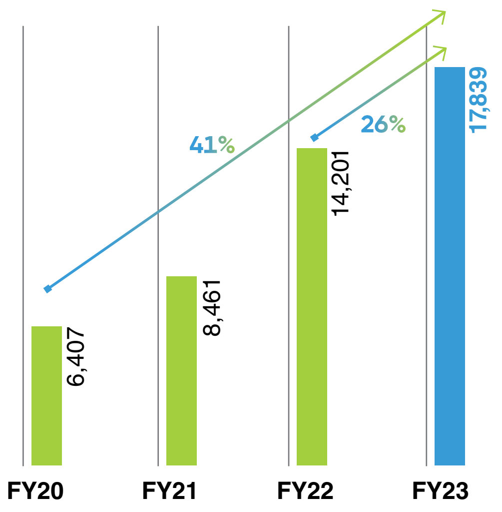
Our team possesses sectoral expertise and appraisal skills, ensuring quick credit assessments of projects to deliver solutions on time. We have implemented robust policies and processes which ensure minimal risk and safeguard our investment.

Performance Highlights

DEMONSTRATED CONSISTENCY IN PERFORMANCE

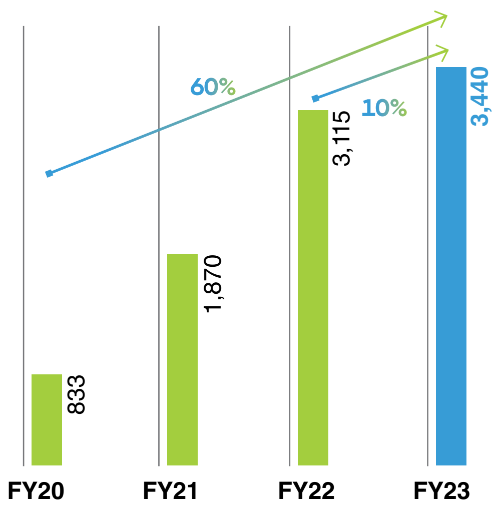
Loan Book

₹ Crores



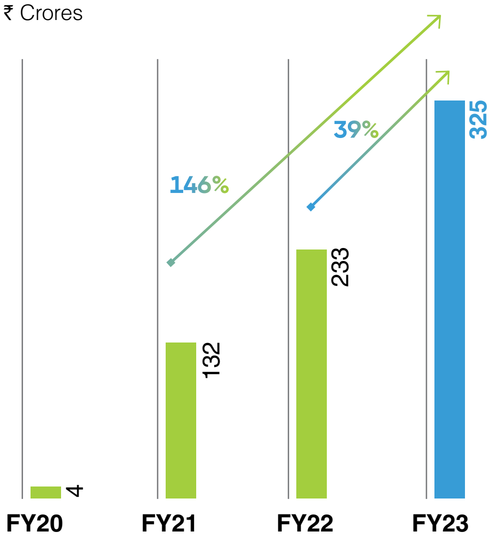
Net Worth

₹ Crores



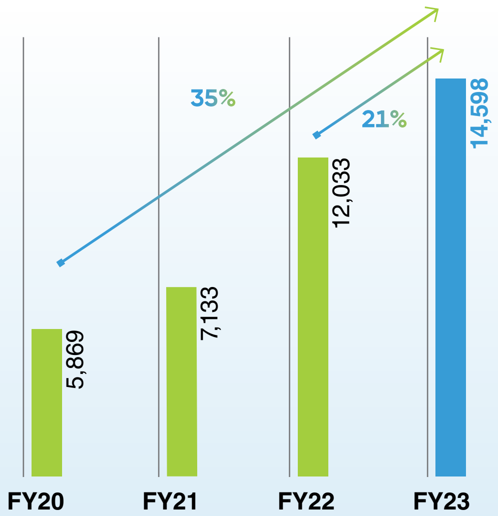
Net Profit

₹ Crores

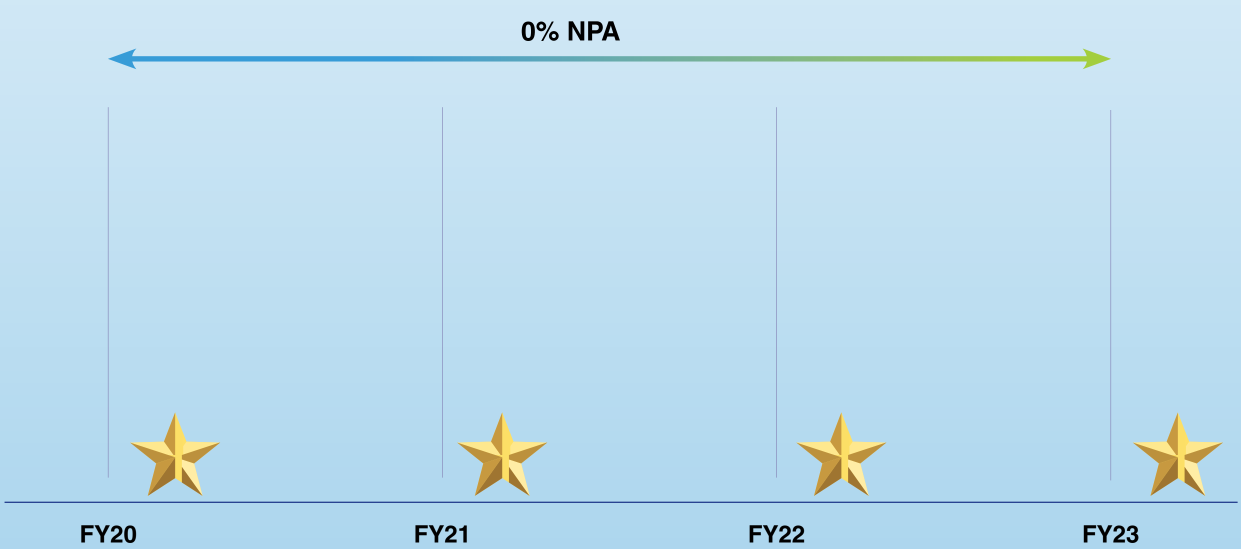


Borrowings

₹ Crores



NPA



0% NPA (Non-Performing Assets) since commencement in 2014

Key CSR Endeavors FY 2023

CORPORATE SOCIAL RESPONSIBILITY

Limbs on Wheels by Inali Foundation (Health)

NIIF IFL has supported people with disabilities with prosthetic limbs for enhancing their livelihood opportunities and reducing inequalities.

Inali Foundation is a not-for-profit organization established with the objective of providing prosthetic limbs at no cost, to people with disabilities. By providing limbs, the Foundation wants to enable day to day essential activities for such persons so that they can get back their livelihoods and jobs. Founded on the ethos of giving back to society, the Inali Foundation works towards enabling beneficiaries and people around them by mainstreaming them into livelihood. Till date, they have provided more than 6000 robotic limbs to people with disabilities.

In India 60% of the population with loss of limbs and similar disabilities, are from rural areas and do not have access to prosthetic care because of many reasons including high cost and no financial support to commute to local rehab centers. As a result, they live without proper care.

"LIMBS ON WHEELS" is a project by Inali Foundation wherein the objective is to help people who can't reach the local rehab centers because of socio economic challenges. Inali Foundation has designed a van equipped with all the required facilities to make and fit the limbs/arms in the villages where the patients live.

In FY 2023, NIIF IFL provided funding to enable provision of limbs to 250 people with disability through 'LIMBS ON WHEELS' project across Sambhal district - Uttar Pradesh, Mansa, Chandigarh - Punjab and Kolkata - West Bengal. This project will help beneficiaries get back their livelihood opportunities, thereby reducing inequalities.

Ophthalmic Van for providing comprehensive eye care by Mission for Vision (Health)

Mission for Vision (MFV) is a not-for-profit organization working from 2000 for the eradication of avoidable blindness. The organization's vision is to restore vision to every visually impaired human being, irrespective of nationality, religion or socio-economic status and its values center on quality, cost efficiency, sustainability, and service to all. Mission For Vision enables high quality, comprehensive and equitable eye health care in India.

Around one fourth of the world's blind people are in India. 80% of blindness and visual impairment can be prevented. However, availability, accessibility, affordability, and acceptability of eye care services pose as key barriers to eye health. Visual impairment can severely impact the quality of life limiting one's ability to learn, earn and participate in society. To address the need, Mission for Vision conducts multiple projects like, Retinoblastoma (eye cancer for children), Mission Jyot (Community eye care center to provide primary eye service), Retinopathy of Prematurity (neonatal blindness), Mission Netra (cataract services for elderly) etc.

Bihar is the third most populous state of India with total population of 10.41 crores, contributing to 8.6% of India's total population. Nearly 89% of Bihar's population lives in rural areas.

To provide primary eye care services to more than 6000 people from marginalized communities across 3 districts of Gaya, Jehanabad and Nawada in Bihar, NIIF IFL supported Mission For vision with 1 mobile ophthalmic van. This mobile ophthalmic van will enable comprehensive eye screening for approx. 6000 people, spectacles for approx. 2400 people with refractive error correction and cataract surgeries to be enabled for 600 people.

NIIF IFL supported Mission for Vision with Ophthalmic Van which will provide door-step comprehensive eye care services for the marginalized communities.

Improved quality of education through installation of Solar Power in Shelter homes and school by TAABAR Society (Education)

TAABAR (Training Awareness and Behaviour Change about Health and Rehabilitation) is an Indian non-profit and non- governmental organization, that provides care and protection to children in need, provides residential care, education and skill building programs, day care programs and healthcare support since 2007.

TAABAR runs shelter homes and schools in multiple districts of Rajasthan. Most of the schools and homes are in backward communities and lacks infrastructure. Districts in Rajasthan have multiple power cuts, especially the rural communities and children spend lot of their school hours without electricity. In this situation, running computer classes or labs becomes a challenge without uninterrupted source of power.

To provide a holistic learning environment and improved quality of education, NIIF IFL supported TABAAR Society with installation of 48 KW solar power in 2 shelter homes and 1 school in Jaipur district, Rajasthan. The project aims at providing holistic educational support including computer literacy through uninterrupted source of (daytime) energy per year, for 500 children from economically weaker sections. The savings can be further used for development of children through library set-up, skill trainings, higher education requirements etc. Apart from this, the project will also support sustainable energy generation and contribute towards carbon emission avoidance.

NIIF IFL supported TAABAR to promote a holistic learning environment amongst students of shelter homes and school through installation of Solar Panels.

Powering school of children with special needs with Solar energy by Vipla Foundation (Education)

Vipla Foundation (formerly known as Save The Children India), has the objective of ensuring Learning, Growing and Flourishing for children. Their programs are built on two major pillars – Early Interventions and System Strengthening. They believe that early interventions not only improve the quality of lives of our beneficiaries vastly, but also save time and brings larger impact.

In India, a child born with special needs faces a lot of dependency and for the poor this situation is extreme. The Special Care Centre (SCC) was established in the wake of an educational survey conducted in the slums of western and suburban Mumbai in 1982. It was observed that in many households, there were socially deprived and handicapped children who were being neglected and marginalized by their families and the community at large. The Special Care Centre was thus established to provide hearing impaired and intellectually disabled children with customized education. The school complex features state- of-the-art infrastructure such as classrooms, occupational and physiotherapy rooms, a library, canteen, dining area, play area and many other such facilities. The holistic range of interventions, including those catering to nutritional and health aspects, therapeutic interventions, academics, extracurricular activities, and employability skill training. However, the resources are always limited leaving minimal scope for quality enhancement as well as increasing range of services that can be offered to the children.

NIIF IFL has partnered with Vipla Foundation to support efficient use of resources through installation of solar energy in school for children with special needs. In the long run, this will increase investment in nutrition, clean and hygienic ambiance, and access to extra-curricular activities for children with special needs along with sustainable energy generation.

NIIF IFL has supported Vipla Foundation to promote holistic education and efficient use of resources in school for children with special needs.

Environment, Social and Governance

ENSURING SUSTAINABLE AND RESPONSIBLE BUSINESS PRACTICES

We are a responsible financial institution and continue to uphold the highest standards for our E&S risk assessments.

Our dedicated E&S risk team with relevant experience and academic qualification undertake a detailed assessment of funding proposals as per IFC Performance Standards at the time of sanction and conducts annual E&S monitoring of the portfolio based on Sustainable Development Goals (SDGs) indicators. Further, we undertake to periodically track E&S covenants for compliance purposes and visit project sites to review site EHS practices and conditions.

We intend to provide value-added ESG services through our dedicated E&S risk team to our customers, including support in carbon credit transactions, development of ESG frameworks, and monitoring and reporting of ESG KPIs (Key Performance Indicators).

Climate Change Mitigation

We are conscious of the national commitment to reduce the carbon emission intensity of the economy. In this direction, we have financed renewable power projects with a cumulative capacity of ~7 GW as of March 2023. This has helped avoid net carbon emissions of more than 10 million tons of CO2 during the year.

We are aware that Climate Change is a global crisis and efforts need to be taken at the local level to reduce or mitigate its impacts. We have started assessing Climate Change risks in our funding proposals. Relevant training programmes are arranged for our teams at reputed training institututions, for example IIM, Ahmedabad's programme on Climate Risk assessments.

Increase Power Access:

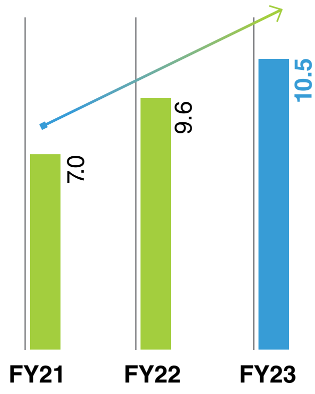
As per the recent report of the Ministry of Power, India's per capita electricity consumption was 1,255 kWh in FY 2021- 22, which is around one-third of the global average of per capita electricity consumption. The renewable power assets financed by us have resulted in increasing power access to ~10 million people in our country.

Development Impact:

We have supported in creation of more than 10,000 jobs directly and indirectly through our funding in our portfolio companies during the year.

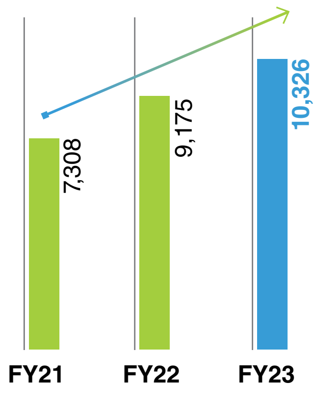
Net CO_2 emissions avoidance

mn tonnes



Job Creation

no. of personnel



As a responsible financial institution, we have covenants and conditions in our financing agreements relating to E&S. Our borrowers understand the importance of E&S practices. Our borrowers in airports, logistics, and solar power sectors are undertaking resource efficiency and pollution prevention initiatives. We further continuously monitor environmental quality parameters to keep a close watch on their E&S performances.

To mitigate biodiversity risks in our renewable power assets located in sensitive natural ecosystems, we have stipulated suitable conditions in our loan agreements. Accordingly our borrowers monitor adverse biodiversity incidents (bird electrocution/collision with project powerlines). During FY 2022-23, no incidents of mortality of any endangered species of birds were reported.

Empowering clients to achieve positive E&S impact

Case Studies

Resource efficient operations, at TVS Industrial Logistics Park

Edge IFC International Finance Corporation
Creating Markets, Creating Opportunities

This certifies that

TVS Industrial & Logistics Parks Pvt Ltd

has become an

EDGE CHAMPION

This letter confirms that TVS Industrial & Logistics Parks Pvt Ltd is a partner of IFC's EDGE Green Buildings Market Transformation Program and holds the distinction of an EDGE Champion. The distinction of EDGE Champion is given as a recognition of your ongoing collaboration with IFC in pursuit of our shared aspirations to move the construction industry on to a lower carbon, more resource-efficient path through certified green buildings.

5th September 2022

Date

- Achieved prestigious EDGE (Excellence in design for Greater Efficiencies) certification for its green initiatives
- Energy efficient lightening and renewable energy sourcing resulting in savings of **>11 mn** units during the year
- Use of rainwater harvesting, water-efficient fixtures and water recycling resulting in savings of **>7 lakhs KL** in the year
- Applied waste reduction strategies and ensured proper waste disposal and recycling.

Reducing impact on environment & ecology, at Renew Group

- A project located in a water-stressed area in Jaisalmer, Rajasthan uses a robotic method for dry cleaning solar modules.
- The project has undergrounded low voltage powerlines falling in natural habitats of Great Indian Bustards (GIB), a critically endangered bird in India.
- The high voltage line for power evacuation is equipped with bird diverters to prevent collision/ electrocution of birds

Resource efficiency & pollution prevention, at Hyderabad International Airport

- Commissioned 10 MW solar plant in airport premises that meets 35% power requirement of the airport.
- Targeted Net Zero Carbon by 2035 – use of green power, fuel switch, energy-efficient equipment.
- In-house waste composting plant with a processing capacity of 2 MT of food waste per day

Conservation of Great Indian Bustard (GIB), a Critically Endangered Bird of India, at ENEL Vayu project in Kutch

- Installed LED-based bird diverters on powerlines falling in priority habitats of GIB. These diverters glow after sunset and cause visual barriers to birds, thereby avoiding collision and electrocution. These diverters comply with the Supreme Court Committee's technical specifications.

Resource efficiency and pollution prevention at Bengaluru International Airport

Airport Carbon Accreditation

Level 4+, aim to become Net Zero Carbon by 2030

- Bengaluru International Airport (BIAL) has achieved the prestigious Level 4+ under the Airport Carbon Accreditation (ACA) program with an aspiration to become Net Zero Carbon by 2030.
- BIAL has received ACI's (Airport Carbon Accreditation) Green Airports Recognition 2023 Platinum award in the 15-35 million passengers per annum category, as a recognition of its Plastics Circularity initiatives such as single-use plastic elimination and roads from plastic waste at Bengaluru Airport.
- T2 in Bengaluru airport is a first-of-its-kind 'Terminal in a Garden' comprising a total of 620 endemic plants, 3,600+ plant species, 150 palm species, 7,700 transplanted trees, 100 varieties of lilies, 96 lotus species and 180 rare, endangered and threatened species and 10 ecological habitats
- The engineered bamboos used for the first time in India, are fire retardant and long-lasting, while the gardens and forest cover naturally cleanse the air. Solar panels and daylight harvesting results in overall 24.9% energy savings. Rainwater harvesting, six major rainwater-fed ponds with 413 million litres of water to cater to the airport's requirements

INNOVATION – ENDLESS POSSIBILITIES

NIIF IFL has financed state-of-the-art tower infrastructure installed by Summit Digitel Infrastructure Limited.

LOGISTICS ROBOTS - ENHANCED EFFICIENCY IN WAREHOUSING

TVS Industrial and Logistics Parks Private Limited

TVSILP provides comprehensive warehousing solutions that are tailored to meet the unique needs of their clients. They specialize in a variety of warehouse services that helps their customers with efficient & cost-effective solutions that are designed to maximize the efficiency of their operations including deployment of intralogistics robots.

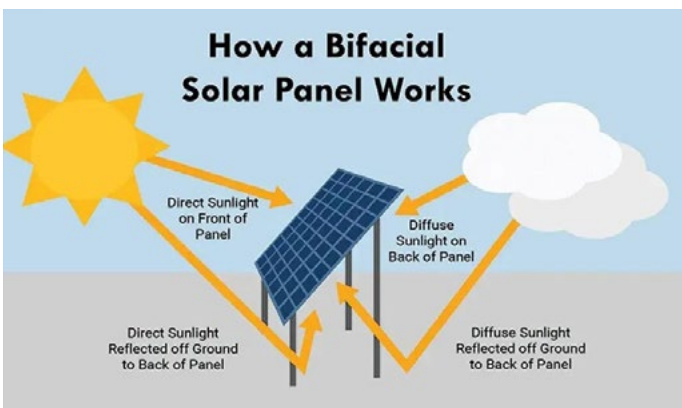
Warehouse robotics enhances warehouse efficiency by optimizing storage capacity, dynamically adjusting cargo placement and streamlining warehouse processes. They can work at a faster pace and helps in reducing handling costs by up to 50%. Furthermore, they are precise which can improve accuracy & reduce errors in intralogistics. Robotic automation gives warehouse operations a competitive advantage over others by enabling them to execute more quickly with higher throughput & reduced risk of accidents. All the top tenants of TVSILP are leveraging/adopting warehouse robotics to improve their order fulfillment and better inventory management.

As per the Press release dated 1st Aug'23 by TVSILP, the collaboration between TVS ILP and NIIF IFL will accelerate the deployment of innovative and financially viable solutions that address India's infrastructure needs while minimizing environmental impact.

https://www.thehindu.com/business/tvs-ilp-lines-up-400-mn-to-double-its-portfolio-of-products/article67146981.ece

BIFACIAL MODULES - IMPROVED ENERGY GENERATION IN SOLAR POWER PROJECTS

Clean Solar Power (Bhainsada) Private Limited



- Although bifacial solar modules were invented some years back, their wider use has been seen in the recent past
- Bifacial modules have solar panels on both sides as compared to conventional single-sided modules. While the front of the panel receives direct sunlight, the back of the panel receives 3 types of sunlight – (i) direct diffused sunlight (ii) diffused sunlight reflected off the ground and (iii) direct sunlight reflected off the ground
- Bifacial modules generate 5-15% more power than conventional single sided modules. As compared to conventional single sided modules, bifacial modules reduce space required on per unit of power generation
- NIIF IFL has financed the O2 Group's operational solar power project of 335 MW (DC) capacity in Rajasthan where bifacial modules are installed

LIGHTENING ARRESTER – ENHANCED PROTECTION FROM LIGHTENING FOR SOLAR POWER GENERATION PROJECTS

Early Streamer (Lightening Arrester) offers a safe and reliable system to protect a solar power project from direct lightening strikes. The lightening Arrester enables protection, typically covering ~300 metres radius.

Early Streamer is designed to become the point of discharge for lightening bolt, instead of the bolt hitting a random object such as a solar panel. At the point of discharge, the electricity can be safely conducted into the ground using the lightening protection system, protecting the solar project site.

NIIF IFL has provided financing to the solar power project at Musiri, Trichy, Tamil Nadu of M/s Walwhan Renewable Energy Ltd (WREL). The site witnesses a few days of severe lightening strikes during monsoon.

WSTNL (WREL) at Musiri taluka, Trichy district, Tamil Nadu

LED BIRD DIVERTER – ADDED PROTECTION TO ENDANGERED BIRDS ON POWERLINES

ENEL Vayu at Abdasa Taluka, Kutch, Gujrat

The powerlines connecting ENEL Vayu project in Abdasa taluka, Kutch district of Gujarat fall in the Great Indian Bustard (GIB) Priority Area, very near to the Lala-Budiya GIB Sanctuary. Dynamic solar-powered LED type Bird Flight Diverters are installed on these powerlines to dissuade the Critically Endangered birds to come close to the powerlines and avoid collision. Abdasa taluka in Kutch district of Gujarat has dusty weather conditions and these diverters were found effective as these glow in less light and dusty conditions. These are clearly visible to birds from a distance of ~300 metres and glow from dusk to dawn. These diverters are equipped with solar cells, battery and an electronic circuit that switches on automatically under low light conditions.

MODULE TESTING – INCREASED ACCURACY IN DEGRADATION ESTIMATION IN SOLAR POWER GENERATION PROJECTS

Clean Max Pluto Solar Power LLP

The testing of modules by NIIF IFL empanelled agencies like Mahindra Teqo etc. is conducted to assess potential degradation of modules in future that could impact power generation. This helps in better risk assessment of the projects funded by NIIF IFL.

The modules testing procedure involves

- Visual inspection of photovoltaic/ crystalline modules to understand cosmetic and non-cosmetic defects that can hamper future performance
- Maximum power determination for photovoltaic/ crystalline modules at standard test conditions with a flash solar simulator to arrive at average degradation on yearly basis
- Electroluminescence testing of photovoltaic modules for the categorization of modules on the basis of micro cell cracks observed to understand the impact of acceptable/ major/critical defects

ROBOTIC CLEANING – REDUCED REQUIREMENT OF WATER AND LOWER LIFE-CYCLE OPERATING EXPENSE FOR SOLAR PROJECTS

Clean Solar Power (Bhainsada) Private Limited

Fully automatic and semi-automatic robotic cleaning technologies are currently being adopted by solar power developers like ReNew etc. for water-less cleaning of solar modules. Robotic cleaning is more cost effective than wet cleaning – especially in areas where there is water scarcity, it facilitates real-time performance monitoring via a central management system and increases power generation as it minimises soiling loss and enables cleaning of modules at more frequent intervals.

Further, ground water usage for module cleaning requires permission from authorities which can cause procedural delays in project implementation and maintenance. The use of innovative solutions like robotic cleaning is gaining traction and will become more cost effective as project sizes grow larger.

REAL-TIME MONITORING: PROACTIVE AND EARLY IDENTIFICATION OF POTENTIAL PROBLEMS IN INFRASTRUCTURE PROJECTS

In the past, monitoring of projects financed by us, was largely based on historical data provided by borrowers. The earliest identification of potential problems was typically with a lag of 3-6 months and was largely with the benefit of hindsight.

In FY 2023, NIIF IFL has initiated the process of real-time monitoring of projects by leveraging technology. Real-time monitoring is achieved through logging into the software of the solar/ wind power generation plants (referred to as the SCADA system – Supervisory Control and Data Acquisition) and obtaining access to key data to collect, integrate into MIS, analyse and check for any deviations from projected generation/ thresholds. The above is made possible through a contractual arrangement with the borrower.

The detailed level of real-time monitoring is exceptional and provides us with valuable insights. For instance, in a wind power generation project, it enables us to identify the specific component of a turbine that is not functioning properly. This facilitates the timely detection of potential issues in infrastructure projects.

The team at NIIF IFL possesses technical expertise to comprehensively comprehend the outputs and implement essential early mitigation measures, in close consultation with the borrower. The IT team at NIIF IFL is responsible for maintaining cybersecurity measures in accordance with established IT security protocols.

NIIF IFL is one of the first financial institutions to operationalise the above mechanism, which provides a competitive advantage in assessment and maintenance of portfolio quality.

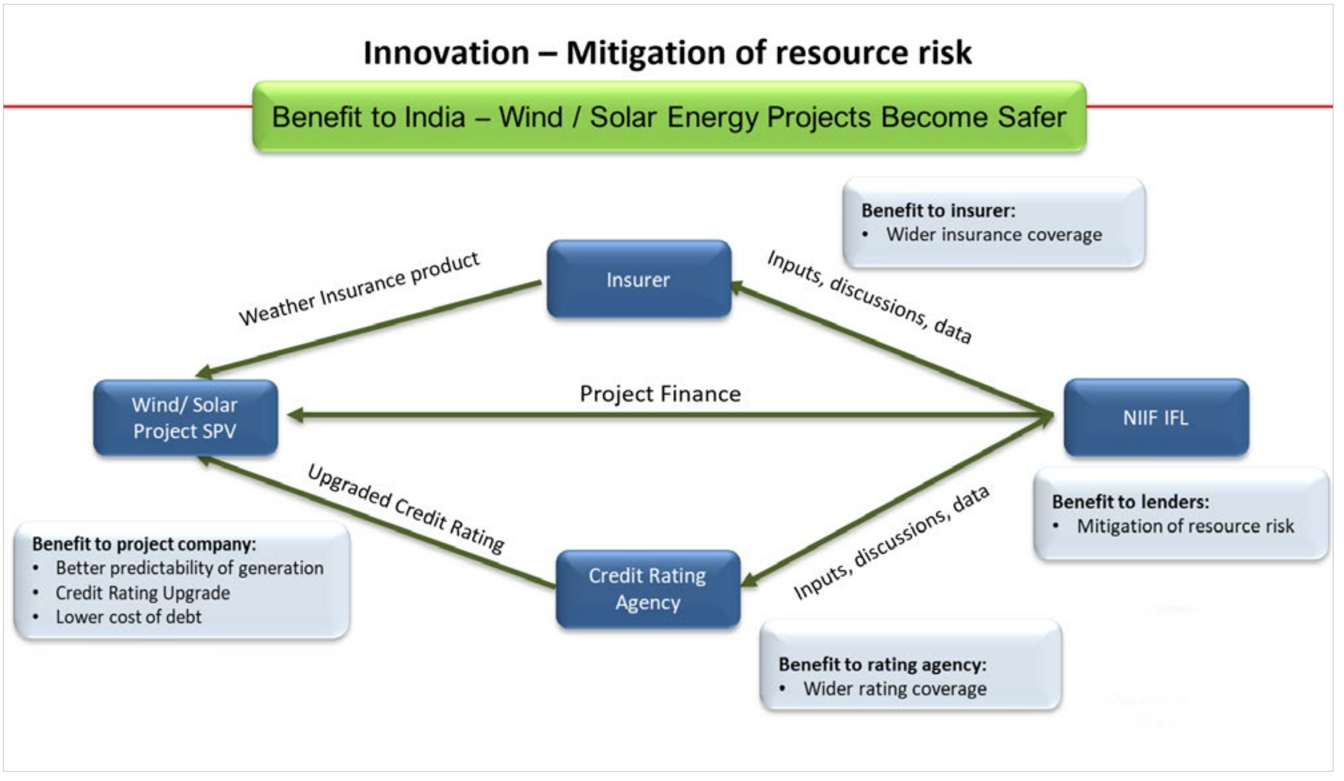
Real time monitoring of a wind project by NIIF IFL

WEATHER INSURANCE AT AN AFFORDABLE COST IS AN EFFECTIVE STRATEGY TO MANAGE RESOURCE RISK IN WIND ENERGY GENERATION PROJECTS.

The key risk factor for wind energy generation projescts is insufficient wind availability, wind speed and/ or wind intensity.

NIIF IFL, along with a reputed insurer, is in the process of enabling the development of an affordable weather insurance product to mitigate the above risk. While such products have existed in the past, their relative lack of affordability resulted in their low popularity among wind energy developers.

The product being developed by NIIF IFL and a reputed insurer, is expected to make wind projects safer (for borrowers and lenders) at an affordable cost, lead to credit enhancement and thereby reduced cost of funds for such projects, making them more sustainable. We expect the higher level of safety to lead to higher level of investments in the sector.



STATUTORY REPORTS

Notice of 10th Annual General Meeting

Registered Office: 3rd Floor, UTI Tower, North Wing, GN Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra.

NOTICE IS HEREBY GIVEN THAT THE TENTH ANNUAL GENERAL MEETING OF MEMBERS OF NIIF INFRASTRUCTURE FINANCE LIMITED WILL BE HELD ON WEDNESDAY, SEPTEMBER 27, 2023 AT 11:30 AM ON MS TEAMS (THROUGH AUDIO-VISUAL MEANS) TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the financial year ended March 31, 2023 and the Report of the Board of Directors along with annexures and Auditors Reports thereon.

2. To appoint a Director in place of Mr. AKT Chari (DIN: 00746153), who retires by rotation and being eligible, offers himself for re-appointment.

By the Order of the Board of Directors

Ankit Sheth
Company Secretary
Membership Number: A27521

Date: September 5, 2023
Place: Mumbai

Registered office: 3rd Floor, UTI Tower, North Wing,
GN Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
CIN: U67190MH2014PLC253944
Tel no: +91 22 6859 1300
Email Id: niif-compliance@niififl.in
Website: www.niififl.in

Notes:

1. Pursuant to Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 22/2020 dated June 15, 2020, Circular No. 33/2020 dated September 28, 2020, Circular No. 39/2020 dated December 31, 2020, Circular No. 10/2021 dated June 23, 2021, Circular No. 20/2021 dated December, 2021, Circular No. 03/2022 dated May 5, 2022 and Circular No. 11/2022 dated December 28, 2022 physical attendance of the Members to the Annual General Meeting (AGM) is not required and AGM be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the proxy form and attendance slip are not annexed to this Notice. Accordingly, route map is also not annexed in this notice.

3. The Members can join the AGM in the VC mode 15 minutes before and after the scheduled time of commencement of the Meeting by following the procedure mentioned in the Notice.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Where Body Corporates are Members of the Company, they are entitled to appoint their authorized representatives to attend the AGM through VC/OAVM. Accordingly, corporate members are requested to e-mail a certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the Meeting to niififl- compliance@niififl.in from their e-mail Id registered with the Company.

6. The Statement as required under Section 102 of the Companies Act, 2013 (“the Act”) is annexed to the notice.

7. Queries proposed to be raised at the AGM may be sent to the Company on niif-compliance@niifinl.in will enable the management to compile the relevant information to reply the same in the meeting.

8. All the relevant documents referred to in this AGM Notice and Explanatory Statement etc., Register of Directors’ and Key Managerial Personnel and their shareholding maintained under section 170, Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act and other documents shall be made available to the members from whom request is received on niif-compliance@niififl.in through their e-mail address registered with the Company.

9. In case a poll is ordered to be taken by the Chairman or demanded in accordance with section 109 of the Act members can cast their vote during the Meeting by sending an email to niif-compliance@niififl.in from their email address registered with the Company.

10. In case a poll is demanded, Chairman shall follow the procedure provided in Section 109 of the Act and the rules made thereunder.

Instructions for members for attending the AGM through VC/OAVM are as under:

1. Members will be provided with a facility to attend the AGM through OAVM via Microsoft Teams Meeting. The link for VC will be shared by the Company via email.

2. Members are requested to click on the MS Teams link and join meeting to participate in the meeting details of which will be provided separately.

3. Members are requested to join the Meeting through Laptop or tablet for better experience.

4. Members will be required to allow camera and use high-speed Internet to avoid any disturbance during the Meeting.

5. Please note that participants connecting from mobile devices or tablets or through laptop or tablet 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.

6. Members who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, mobile number at niififl-compliance@niififl.in The same will be replied by the Company suitably.

By the Order of the Board of Directors

Ankit Sheth
Company Secretary
Membership Number: A27521

Date: September 5, 2023
Place: Mumbai

Registered office: 3rd Floor, UTI Tower, North Wing,
GN Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
CIN: U67190MH2014PLC253944
Tel no: +91 22 6859 1300
Email Id: niif-compliance@niififl.in
Website: www.niififl.in

ANNEXURE-A

DETAILS OF DIRECTOR RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

Particulars	Mr. AKT Chari
Age	83 years
Date of appointment on the Board	March 12, 2019
Qualifications	Mr. AKT Chari holds a degree in Electrical Engineering from the University of Madras, India
Nature of expertise & experience	Mr. AKT Chari was an Advisor at IDFC Project Finance. A keen Project Finance Specialist, he has over 35 years of experience. Prior to joining IDFC, he worked with the Industrial Development Bank of India (IDBI) for 25 years where he held the position of Chief General Manager/Adviser - Corporate Finance. In this role, his responsibilities included appraisal of projects - infrastructure and industrial, project monitoring and portfolio management in the SME and venture capital sectors. He has been Independent Director on various Boards including HDFC Pension Management Company Limited.
Relationship with other Director/ Key Managerial Personnel	Not related to any Director/ Key Managerial Personnel
Terms and conditions of appointment/ re-appointment	Liable to retire by rotation
Remuneration last drawn	Refer to Corporate Governance Report forming part of the Annual Report.
Remuneration proposed to be paid	Mr. AKT Chari, Non-Executive Director shall be paid sitting fees for attending Board and/or Committee Meetings
Number of meetings of the Board attended during the financial year 2022-23	6/6
Number of meetings of the Board attended during the current financial year (2023-24)	4/4
Directorships held in other companies	NIL
Memberships / Chairmanships of committees of other companies	NIL
No. of shares held in the Company	NIL

Directors' Report

To,
The Members,
NIIF Infrastructure Finance Limited

Your Directors are pleased to present the Tenth (10th) Directors' Report on the business and operations of the Company ("NIIF Infrastructure Finance Limited" or "NIIF IFL" or "the Company") along with the Audited Financial Statements of the Company for the financial year ("FY") ended on March 31, 2023. These financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as required under the Companies Act, 2013 ("the Act"). This report states compliance as per the requirements of the Act, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations" or "Listing Regulations") and other rules and regulations as applicable to the Company. The pdf version of the report is also available on the Company's website (https://www.niififl.in/)

1. Financial Statements & Results

a. Financial Results:

The Company's performance during the financial year ended March 31, 2023, as compared to the previous financial year ended March 31, 2022, is summarized below:

Financial Performance

(Amount in ₹ Crores)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2023
Total Income	984.3	1,404.3
Total Expenditure	751.0	1,078.5
Profit before tax	233.3	325.8
Tax Expenses	-	-
Profit for the year	233.3	325.8
Other comprehensive income	(0.2)	(1)
Total comprehensive income for the year	233.1	324.8
Earnings per share (Face value ₹ 10)		
Basic (in ₹)	2.31	2.37
Diluted (in ₹)	2.31	2.37

b. Capital Adequacy:

The Company's capital adequacy ratio is 20.85% as on March 31, 2023, compared to 23.49% in the previous year which is significantly above the threshold limit of 15% as prescribed by RBI.

c. Debt Equity Ratio:

The Company's Debt: Equity ratio as on March 31, 2023, stands at 4.35 times. This is significantly below the Debt: Equity ratio stipulated by rating agencies.

d. Transfer to reserves:

During the financial year under review ₹ 64.96 crores have been transferred to Statutory Reserve under section 45-IC of RBI Act, 1934. These details are given in the notes to the Financial Statements.

e. Operations:

The Company's performance during the year ended March 31, 2023, in comparison with the year ended March 31, 2022, is summarized as follows:

i. Total Revenue: ₹ 1,404 crores as of March 31, 2023, compared to ₹ 984 crores as of March 31, 2022 (a 43% increase over the previous year).

ii. Loan book: ₹ 17,839 crores as of March 31, 2023, compared to ₹ 14,201 crores as of

March 31, 2022 (a 26% increase over the previous year).

iii. Healthy asset quality with nil Non-Performing Assets (NPAs) in both the Financial Years.

f. Material events during the year:

i. The Company has put in place all the compliance policies applicable to NBFC-ND-SI and NBFC-IDF as per the extant RBI Regulations.

ii. No material changes and commitments have occurred from the closure of FY till the date of this Report, which would materially affect the financial position of the Company.

2. Dividend

For the financial year under review, your Company has not considered the proposal to pay dividend, in order to strengthen its balance sheet.

3. Resource Mobilisation

Non-Convertible Debentures (NCDs) raised by the Company during the financial year under review are held by Retirement Benefit Funds (~₹ 1,887 crores), Insurance Companies (₹ 1,305 crores), Banks (₹ 1,034 crores) and others (~₹ 194 crores). As on March 31, 2023, the outstanding amount of NCDs was ₹ 14,598 crores.

Further, the Company raised funds through Commercial Papers (CPs) of ₹ 550 crores from Mutual funds. As on March 31, 2023, the outstanding amount of CPs was Nil.

The abovementioned Debt securities are listed on Debt segment of National Stock Exchange of India Limited.

4. Credit Rating

The CARE Ratings Limited (CARE) and ICRA Limited (ICRA) have reaffirmed highest rating for the various facilities availed / to be availed by the Company, details of which are given below:

Facility	Name of Rating Agency – CARE Rating Limited	Amount (₹ Crores)	Name of Rating Agency – ICRA Limited	Amount (₹ Crores)
Non-Convertible Debentures including Zero Coupon Bonds	AAA/ Stable	41,739.00	AAA/ Stable	31,000.00
Market Linked Debentures			PP-MLD AAA/ Stable	1,000.00
Commercial Papers	A1+	2,500.00	A1+	1,000.00
Total		**44,239.00**		**33,000.00**

With the above rating affirmations, the Company continues to enjoy high credit quality rating for its Debentures and Commercial Papers.

5. State of Affairs of the Company

The Management Discussion and Analysis Report forming part of this Report, is attached as **Annexure I**.

During the financial year under review, there has been no change in the nature of business of the Company.

6. Share Capital

During the financial year under review, the Board of Directors of the Company at their meeting held on February 1, 2023, approved the proposal to increase the authorised share capital of the Company.

The Board of Directors also approved issuance of 1,00,000 Non-Convertible Redeemable Preference Shares ("NCRPS") of face value of ₹ 1,00,000 each for cash, aggregating to a nominal value of ₹ 1,000 Crore (Rupees One Thousand Crore only) on a private placement basis, in one or more tranches. The details of authorized share capital are as under:

Share Capital	Before Boards' approval	After Boards' approval
Authorized Share Capital	**26,99,99,99,993**	**36,99,99,99,993**
181,50,00,000 Equity Share Capital of ₹ 10/- each	18,15,00,00,000	18,15,00,00,000
8,80,95,238 Preference Shares (including Compulsory Convertible Preference Shares) of ₹ 21/- each	185,00,00,000	185,00,00,000
25,92,59,259 Preference Shares (including Compulsory Convertible Preference Shares) of ₹ 27/- each	6,99,99,99,993	6,99,99,99,993
1,00,000 Non-Convertible Redeemable Preference Shares of ₹ 1,00,000/- each	-	1000,00,00,000

The Shareholders of the Company at their Extra-ordinary General Meeting ("EGM") held on March 24, 2023, deferred the proposals to increase in authorised share capital and issue NCRPS due to regulatory developments concerning the issuance of NCRPS and the need to consult stakeholders, including holders of Compulsory Convertible Preference Shares ("CCPS") as a matter of good governance.

Accordingly, the share capital structure of the Company as on March 31, 2023, is as under:

Share Capital	FY 2023
Authorized Share Capital	**26,99,99,99,993**
181,50,00,000 Equity Share Capital of ₹ 10/- each	18,15,00,00,000
8,80,95,238 Preference Shares (including Compulsory Convertible Preference Shares) of ₹ 21/- each	185,00,00,000
25,92,59,259 Preference Shares (including Compulsory Convertible Preference Shares) of ₹ 27/- each	6,99,99,99,993
Issued, Subscribed and Paid-up Share capital	**19,09,01,91,573**
103,02,83,466 Equity share Capital of ₹ 10/- each	10,30,28,34,660
8,79,27,757 Preference Shares (including Compulsory Convertible Preference Shares) of ₹ 21/- each	184,64,82,897
25,70,69,408 Preference Shares (including Compulsory Convertible Preference Shares) of ₹ 27/- each	6,94,08,74,016

7. Depository

As on March 31, 2023, 100% of the Company's Equity Shares, Non-Convertible Debentures (NCD's) were held in dematerialized mode.

8. Directors and Key Managerial Personnel ("KMP")

i. Appointment/Resignation of Directors

The composition of the Board is in accordance with the provisions of Section 149 of the Act and Regulation 17 of the SEBI Listing Regulations with an appropriate combination of Independent Directors and Non-Executive Directors.

As on March 31, 2023, the Board of Directors comprised of 6 (six) Directors out of which 3 (three) were Independent Directors (including 1 Woman Director).

The Board is of the opinion that the Company's Independent Directors possess the necessary qualifications, experience, and expertise, as well as the highest levels of integrity. The terms and conditions of appointment of Independent Directors are available on the website of the Company at https://www.niififl.in/

During the financial year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

Ms. Ritu Anand (DIN: 05154174) Independent Director of the Company, retired from the Board of the Company, on completion of her tenure of appointment, with effect from May 6, 2022. Accordingly, Shareholders of the Company on the recommendation of Board of Directors, at their EGM held on June 8, 2022, appointed Ms. Rosemary Sebastian (DIN: 07938489) as an Independent Director of the Company for a term of 3 years with effect from June 7, 2022.

In terms of SEBI Listing Regulations, the Company is classified as a "High Value Debt Listed Entity". As per Regulation 17 of the SEBI Listing Regulations, the Company is required to appoint an additional Independent Director, in order to meet the requirement that the Board of Directors has at least 50% Independent Directors. Accordingly, Shareholders of the Company, on the recommendation of Nomination and Remuneration Committee and the Board of Directors, at their EGM held on March 24, 2023, appointed Mr. Prashant Kumar Ghose (DIN: 00034945) as an Independent Director of the Company for a term of 3 years with effect from February 1, 2023.

ii. Directors Retiring by Rotation

In accordance with the relevant provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. AKT Chari, Non-Executive Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting ("AGM") and, being eligible, offered himself for re-appointment. Your Directors recommended his re-appointment. Profile of Mr. AKT Chari has been given in the Notice to the AGM.

iii. Director(s) Disclosure / Board 's Independence

Based on the declarations and confirmations received in terms of the applicable provisions of the Act, circulars, notifications and directions issued by the RBI and other applicable laws, none of the Directors of the Company are disqualified from being appointed as Directors of the Company.

The Company has received necessary declarations from all the Independent Directors under Section 149(7) of the Act, confirming that they meet the criteria of independence laid down in Section 149(6) of the Act and Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations as amended from time to time.

The Independent Directors met once on May 5, 2022 in respect of the financial year ended March 31, 2023. The matters considered and discussed there, inter-alia, included those prescribed under Schedule IV to the Act. All the Independent Directors attended the meeting held on May 5, 2022.

The Independent Directors have confirmed compliance with the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, relating to inclusion of their name in the databank of Independent Directors.

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company has familiarized the Independent Directors with the Company, their roles & responsibilities in the Company, nature of industry in which the Company operates, business model of the Company, etc. The details relating to the familiarization programme, are available on the website of the Company at https://www.niififl.in/

iv. Appointment / Resignation of KMPs:

During the financial year under review, Mr. Sadashiv S. Rao, Chief Executive Officer ('CEO") of the Company retired from the post of CEO (Key Managerial Personnel) of the Company, on completion of tenure of appointment with effect from June 30, 2022. Accordingly, the Board of Directors of the Company at its meeting held on June 3, 2022, approved the appointment of Mr. Shiva Rajaraman as Chief Executive Officer (CEO) (Key managerial Personnel) of the Company, with effect from July 1, 2022.

v. List of Directors and KMPs' as on March 31, 2023:

Name of the Director / KMP	DIN/PAN	Type / Category
Mr. Surya Prakash Rao Pendyala	02888802	Chairman and Non-Executive Director
Mr. Rajiv Dhar	00073997	Non-Executive Director
Mr. A K T Chari	00746153	Non-Executive Director
Mr. Ashwani Kumar	02870681	Independent Director
Ms. Rosemary Sebastian *	07938489	Independent Director
Mr. Prashant Kumar Ghose**	00034945	Independent Director
Mr. Shiva Rajaraman***	AMOPS4303E	Chief Executive Officer
Mr. V. Narayanan Iyer	AAAPI2722B	Chief Financial Officer
Mr. Ankit Sheth	BFPPS8108Q	Company Secretary

* *Ms. Rosemary Sebastian (DIN:07938489) was appointed as an Independent Director of the Company, with effect from June 7, 2022.*

** *Mr. Prashant Kumar Ghose (DIN: 0003495) was appointed as an Independent Director of the Company, with effect from February 1, 2023.*

*** *Mr. Shiva Rajaraman, Chief Executive Officer ("CEO") of the Company was appointed with effect from July 1, 2022.*

Note:
Ms. Ritu Anand (DIN: 05154174) Independent Director of the Company has retired from the Board of the Company, on completion of tenure of appointment with effect from May 6, 2022.
Mr. Sadashiv S. Rao, Chief Executive Officer ('CEO") of the Company retired from the post of CEO (Key Managerial Personnel) of the Company, with effect from June 30, 2022, on completion of tenure of appointment.

vi. Fit and Proper criteria & Code of Conduct:
All the Directors meet the fit and proper criteria stipulated by the Reserve Bank of India ("RBI"). All the Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct of the Company.

9. Orderly Succession for Board and Senior Management

The Company recognizes the importance of implementing effective succession plan for the Board of Directors and Senior Management team in order to secure a successful future of the organization. The Company has a succession plan in place for appointments to the Board, CEO, and Senior Management, as well as Key Managerial Personnel.

10. Directors and Officers Insurance

The Company has taken Directors and Officers (D & O) Insurance for all the Directors (including Independent Directors) and Senior Management of the Company. The Board is of the opinion that the sum assured, and the risks presently covered under the D & O Insurance are adequate and commensurate with the size of operations of the Company.

11. Annual Board Evaluation

The Independent Directors at their Meeting evaluated the performance of each Non- Independent Director and of the entire Board as a whole. Each Board member's attendance, participation and contribution of his/her expertise was evaluated. All the Independent Directors were present for the Meeting.

Pursuant to the provisions of the Act, as amended from time to time, the Nomination and Remuneration Committee also carried out an annual evaluation of the Board as well as of the Board's Committees and individual Directors including Chairman of the Board. The conclusions were discussed in the Meeting of the Nomination and Remuneration Committee where the performance of the Board, its committees and individual Directors were reviewed.

Based on the above, Nomination and Remuneration Committee summarized the performance evaluation reports to the Chairman of the Board and provided feedback to individual Directors.

The Board expressed satisfaction with the performance of all Directors, the Chairman, the Board, and its Committees.

12. Report on Performance of Subsidiaries, Associates and Joint Venture Companies

Holding Company:
Your Company does not have any Holding Company.

National Investment and Infrastructure Fund II (NIIF's Strategic Opportunities Fund) ("NIIF Fund II") holds 39.73 % equity stake (on fully diluted basis) in the Company. National Investment and Infrastructure Fund Limited (NIIF) is an investor-owned fund manager, anchored by the Government of India (GoI) in collaboration with leading global and domestic institutional investors. It currently manages three funds and has a majority stake in the Company through its Strategic Opportunities Fund.

Sponsor Company
As per RBI Master Directions, an IDF NBFC is required to have an Infrastructure Finance Company (NBFC IFC) or a Bank as a "Sponsor". Such "Sponsor" needs to hold an equity stake of 30-49% in the IDF NBFC.

Aseem Infrastructure Finance Limited (AIFL) is the Sponsor of your Company. AIFL is registered with the Reserve Bank of India ("RBI") as an NBFC- IFC and has requisite approvals to act as a Sponsor of the Company. AIFL owns 30.83% equity stake (on a fully diluted basis) in your Company.

Subsidiary Company, Joint Ventures, Associates Company
During the financial year under review, your Company did not have a Subsidiary / Associate / Joint Venture Company. The Company did not become a part of any Joint Venture during the year.

Accordingly, a statement containing salient features of the financial statements of Subsidiary /Joint Ventures/ Associates is not applicable to the Company for the financial year under review.

13. Public Deposits

The Company being a "Non-Deposit Accepting Non-Banking Financial Company", provisions of Section 73 and Section 74 of the Act read with Rule 8(5)(v) &

(vi) of the Companies (Accounts) Rules, 2014, are not applicable to the Company.

During the financial year under review, the Company has not accepted any deposits including from the public and shall not accept any deposits from the public without obtaining prior approval from the Reserve Bank of India.

14. Particulars of Contracts or Arrangement with Related Parties

During the financial year under review, all transactions entered by the Company with related parties were in the ordinary course of business and on an arm's length basis and were not considered material as per the provisions of Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Related Party Policy of the Company. Hence, disclosure in form AOC-2 under Section 134(3)(h) of the Act, read with Rule 8 of the Companies (Accounts of Companies) Rules, 2014, is not applicable.

Omnibus approval of the Audit Committee is obtained for Related Party Transactions ("RPTs") which are of a repetitive nature and entered in the ordinary course of business and at arm's length. A statement on RPTs specifying the details of the transactions, pursuant to each omnibus approval granted, was placed on a quarterly basis for review by the Audit Committee, during the financial year.

The details of contracts and arrangements with related parties of your Company for the financial year under review is provided in the notes to the Standalone Financial Statements, which forms part of this Annual Report. The Company has in place a RPT Policy as required under applicable laws. Details of the RPT policy are available on the website of the Company at https://www.niififl.in/

Pursuant to regulation 23 of the SEBI Listing Regulations and applicable provisions of the Act, read with the applicable rules made thereunder, the material Related Party Transactions to be entered by the Company with related party requires prior approval of the members of the Company. Accordingly, shareholders of the Company at their EGM held on March 24, 2023, approved Material Related Party Transactions to be entered by the Company for FY 2024.

15. Particulars of Loans, Guarantees, Investments and Securities

The Company by virtue of being a Non-Banking Financial Company registered under Chapter III-B of the Reserve Bank of India Act, 1934 is exempt from the provisions of Section 186 of the Act.

However, details of loans given, investments made, guarantees given and security provided, if any, are covered under the provisions of Section 186 of the Act and are provided in the notes to the Standalone Financial Statements, which forms part of this Annual Report.

16. Policy for Fit and Proper Selection of Directors

In terms of Section 178 of the Act read with rules framed thereunder and other applicable laws, the Board has adopted a Policy on Fit and Proper Criteria for Directors for their appointment in the Company.

17. Remuneration Policy for Directors, Key Managerial Personnel, Senior Management Personnel and Other Employees

i. Independent-Non-Executive Directors ("INEDs")

INEDs are paid sitting fees for each meeting of the Board, or the meetings of Committees, attended by them. The INEDs have not been granted any stock options by the Company.

The Board of Directors at their meeting held on August 5, 2022, approved payment of sitting fees to Mr. AKT Chari (Non- Executive Director) in addition to INEDs. The Board also approved revision in the sitting fees payable to INEDs and Mr. AKT Chari (Non- Executive Director) for each meeting of the Board or the Committees meetings attended by them.

ii. Particulars of remuneration to Employees

In accordance with the provisions of Section 197(12) of the Act and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of every employee covered under the said rule, are available at the registered office of the Company during working hours before the Annual General Meeting and will be made available to any shareholder on request. In terms of Section 178 of the Act, the Board of Directors adopted a Remuneration Policy which inter alia sets out the criteria for deciding remuneration of Directors, Key Managerial Personnel, Senior Management and other employees of the Company. Details of the Remuneration Policy are available on the website of the Company at https://www.niififl.in/.

18. Whistle-Blower Policy/ Vigil Mechanism

In compliance with the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and regulation 22 of the SEBI Listing Regulations, the Company has formulated a Whistle blower policy/ Vigil mechanism for Directors and Employees to report concerns. The said policy is available on the Company's website at https://www.niififl.in/.

This vigil mechanism of the Company is overseen by the Audit Committee and provides adequate safeguard against victimization of employees and Directors and also provides direct access to the Chairman of the Audit Committee in exceptional circumstances. The whistleblower complaints are reviewed by the Audit Committee on an annual basis.

During the financial year under review, there were no complaints received by the Company.

19. Risk Management Framework

The Company has constituted a Risk Management Committee ("RMC") in terms of the requirements of Regulation 21 of the SEBI Listing Regulations and RBI Regulations and also adopted a Risk Management Policy. The details of the same are disclosed in the Corporate Governance Report.

The overall risk management objective of the Company is to balance the trade-off between risk and return. An independent risk management function ensures that the risk is managed through a well-formulated risk management framework as well as through policies approved by the Board of Directors encompassing independent identification, measurement, and management of risks across the Company.

The risk management processes are guided by well-defined policies appropriate for the various risk categories viz. credit risk, market risk, interest rate risk, concentration risk, operational risk, liquidity risk, E&S (environmental & social) risk supplemented by periodic monitoring through the Board and Management level Committees such as Credit Committee ("CC"), Asset-Liability Committee ("ALCO"), RMC, etc.

The Company has developed an Internal Capital Adequacy Assessment Process (ICAAP) Policy to identify, assess and manage all risks that may have a material adverse impact on business/financial position/capital adequacy of the Company.

The ICAAP encompasses capital planning, assessment of material risks and the relationship between risk and capital. The capital management framework is complemented by the risk management framework, which covers the policies, processes, methodologies and frameworks established for the management of material risks. It includes a comprehensive internal capital adequacy assessment process scheduled to be conducted annually, which can determine the adequate level of capitalisation necessary for meeting regulatory norms and current and future business needs.

Stress testing, which is a key aspect of the ICAAP and the risk management framework, provides an insight on the impact of extreme but plausible scenarios on NIIF IFL's risk profile and capital position.

The RMC, a Committee constituted by the Board, approves policies related to risk and oversee risk management in the Company as per the defined risk framework.

The Audit Committee of the Board ("ACB") supervises functions and operations of the Company, which ultimately enhances the risk and control governance framework within the Company.

The Board appointed Chief Risk Officer ("CRO") functions independently with specific roles and responsibilities to ensure that the highest standards of risk management are met. The CRO ensures that the Company follows a maker-checker principle with the risk team playing the checker role independently. Though the CRO reports to the CEO, his independence is safeguarded by ensuring that the RMC meets the CRO without the presence of the CEO at least on a quarterly basis. The CRO does not have any reporting relationship with the business verticals of the Company and is not given any business targets. Further 'dual-hatting' is avoided by ensuring that the CRO is not given any other responsibility.

Credit Risk

Apart from the prudential limits set by the RBI for IDF-NBFCs, the Company has set lower internal limits for exposure to promoter groups, exposure to various infrastructure sectors/sub-sectors, minimum credit rating for borrowers, etc. The Credit Policy along with the Risk Management Policy of the Company ensure that the risk appetite of the Company is prudent and in line with the Company strategy. As part of the sanctioning process, each borrower is rated internally, and disbursement is done as per the well laid out norms. Covenant testing, monitoring, and re-rating of each borrower is conducted annually, and findings are presented to the Risk Management Committee. Portfolio concentration risk is managed by analyzing counterparty, industry, sector, geographical region, single and group borrower limits. Periodic scenario analysis of the credit portfolio is also reviewed, and necessary corrective measures are implemented.

E&S Risk

NIIF IFL is a responsible financial institution and recognizes E&S (environmental and social) risks associated with infrastructure projects financed by it. The Company takes action to avoid, prevent or mitigate such risks. The Company has rolled out an E&S Risk Policy in order to ensure E&S integration in the credit appraisal and loan disbursal processes, as well as post-lending monitoring phases.

NIIF IFL has adopted IFC - PS (International Finance Corporation-Performance Standards) framework for conducting Environmental & Social Due Diligence (ESDD) at the time of credit appraisal.

Market & Liquidity Risk

The ALM policy of the Company provides the framework to monitor and manage the market and liquidity risks. The policy also defines structural liquidity limits beyond the buckets prescribed by RBI. The ALCO (Asset Liability Committee) of the Company reviews the liquidity risk and the interest rate sensitivity profile of the organization on a regular basis. Monitoring and management of Liquidity (Asset-Liability and Interest Rate) and Market Risk is carried out using quantitative techniques, such as sensitivity analysis, duration analysis and quantifying earnings at risk.

Operational Risk

The Company has a Board approved Operational Risk Management framework. Ongoing monitoring of Key Risk Indicators ("KRI") is conducted, and corrective actions are implemented on KRI exceptions. An oversight Committee of Senior Management representatives viz. the Operational Risk Management Committee, meets periodically to review the operational risk profile of the organization.

20. Corporate Social Responsibility (CSR)

The Company supports projects which create long-term and sustainable impact within the causes listed in Schedule VII of the Act, with a focus on Healthcare & Education. Details of the CSR policy is available on the website of the Company at https://www.niifIfl.in/.

21. Internal Financial Controls

The Company has laid down a set of standards, processes and structure which enables implementation of Internal Financial Controls across the organization with reference to Financial Statements and that such controls are adequate and are operating effectively.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems by the internal auditors/Head - Internal Audit (HIA) during their audit. During the financial year under review, there has been no material observation by the Auditors of the Company, citing inadequacy of such controls.

The internal control systems are regularly assessed and strengthened in terms of standard operating procedures. Your Company also periodically engages outside experts to carry out independent reviews of the effectiveness of various business processes. The observations and best practices suggested are reviewed by the Management and Audit Committee and are appropriately implemented to strengthen internal controls.

22. Compliance Function

Pursuant to RBI guidelines on 'Scale Based Regulation (SBR)- A Revised Regulatory Framework for NBFCs' on Compliance Function and Role of Chief Compliance Officer (CCO), the Company has put in place a policy on compliance framework with the objective of promoting better compliance culture in the Company. The Board appointed Chief Compliance Officer (CCO) who functions independently with specific roles and responsibilities to propagate the compliance function as an integral part of the corporate governance, internal control, and risk management process of the Company.

The objective of the compliance policy is to clearly spells out the Company's compliance philosophy, expectations on compliance culture, structure and role of compliance function, the role of CCO and requirements for identifying, assessing, and monitoring, managing, and reporting on compliance risk.

23. Internal Audit Function

The Company has put in place Risk Based Internal Audit framework to monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board of Directors, an independent and reasonable assurance on the adequacy and effectiveness of the organization's risk management, internal control, and governance processes. The framework is commensurate with the nature of the business, size, scale and complexity of the Company's operations.

The Risk Based Internal Audit plan is developed based on the risk profile of business activities of the organization. The audit plan covers process audits, compliance with the policies, standard operating procedures and regulations & follows a risk-based approach.

The Board has put in place the policy to safeguard the independence of Head - Internal Audit. The Head - Internal Audit meets the Audit Committee on a quarterly basis without the presence of CEO and Senior Management.

The audit plan is approved by the Audit Committee, which regularly reviews compliance with the plan.

24. Information Technology and IT Security

The Company has been in the forefront in implementing the latest information technology and tools towards enhancing our internal operations and customer experience.

The Company continued its focus on digital transformation initiatives during the year providing improved business efficiencies, ease of operations, and effective risk management. One of the critical digital initiatives undertaken by the Company includes Risk Assessment Management tool for evaluating and monitoring risk across multiple clients of the Company.

The Company is in the process of implementing digital initiatives including implementation of a smart Asset Liability Management and Treasury Management System to get end-to-end visibility into liability maturity patterns and manage the complete lifecycle of a loan. With this we can track and manage multiple investment instruments under one platform. The Company is also engaged in the pre implementation phase for other upcoming initiatives related to real-time monitoring of projects to which the Company has advanced debt, as well as compliance and document management system.

In order to create and enhance awareness, the Company has conducted learning programs on cyber security and its importance to enable employees to comply with the regulatory/statutory guidelines as well as ensure protection of systems. A robust governance mechanism was established to manage the cyber risk inherent in business processes and information assets through monitoring mechanisms and rigorous reviews.

25. Disclosure of Large Corporate Entity

The Company has been identified as a "Large Corporate" under the framework provided by SEBI notification no. SEBI/HO/DDHS/ CIR/P/2018/144 dated November 26, 2018, and accordingly, has ensured that more than 25% of its incremental borrowings during the year was by way of issuance of debt securities.

26. Code of Conduct as prescribed under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and their Immediate Relatives. Details of the policy is available on the website of the Company at https://www.niififl.in/

27. Directors' Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, ("Act") in relation to the audited financial statements of the Company for the year ended March 31, 2023, the Board of Directors hereby confirm that:

a. in the preparation of the annual accounts, the applicable accounting standards had been followed and there were no material departures from the same;

b. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2023 and of the profit of the Company for the financial year ended on that date;

c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the annual accounts of the Company have been prepared on a going-concern basis;

e. the Directors have laid down Internal Financial Controls to be followed and such Internal Financial Controls were adequate and were operating effectively;

f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

28. Material Adverse Orders, if any

There are no significant and material orders passed by the RBI or the Ministry of Corporate Affairs or courts or Tribunals or other Regulatory/Statutory authorities which will have an impact on the going-concern status of the Company and Company's operations in future.

29. Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the year under review, as stipulated under the RBI Regulations, is attached as **Annexure I**.

30. Auditors and Reports

The matters related to Auditors and their Reports are as under:

i. Statutory Auditors and their report:

There are no qualifications or adverse remarks made in the Auditor's reports for the financial year ended March 31, 2023. Hence, the same does not call for any further comments under Section 134(3)(f) of the Act.

Further, pursuant to Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including Housing Finance Companies) dated April 27, 2021, issued by the Reserve Bank of India ("RBI"), the statutory audit of the entities with asset size of ₹ 15,000 crores and above as at the end of previous year should be conducted under joint audit of a minimum of two audit firms.

As on March 31, 2022, the Company has appointed M/s Lodha & Co (Firm Registration Number 301051E) as Statutory Auditors of the Company.

On March 31, 2022, the Company had reached the asset size of ₹ 15,000 crores. Hence, as prescribed in the abovementioned circular, the Company was required to appoint Joint Statutory Auditors to conduct the statutory audit of the Company. Accordingly, Shareholders of the Company on the recommendation of Audit Committee and Board of Directors, at their EGM held on June 8, 2022, appointed M/s M P Chitale & Co, (Firm Registration No. 101851W), as Joint Statutory Auditors of the Company to hold office for a period of 3 (Three) years till the conclusion of the 12th Annual General Meeting of the Company.

The Company has received a letter from M/s Lodha & Co and M/s M P Chitale & Co, confirming that they are willing, eligible and not disqualified to act as a Joint Statutory Auditors of the Company.

ii. Secretarial Auditors and their report:

As required under provisions of Section 204 of the Companies Act, 2013 and pursuant to Regulation 24A of Listing Regulations, the reports in respect of the Secretarial Audit for FY 2023 carried out by M/s. Rathi & Associates, Practicing Company Secretaries, in Form MR-3 forms part of this report.

The secretarial auditors made the following observation:

a. There was a delay in submission of the notice of record date to the Stock Exchange as per Regulation 60(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

b. The Company is yet to install a software for maintaining Structural Digital Database for monitoring of Unpublished price sensitive information as per the requirement of Regulation 3(5) of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Management Response:

a. The Company has taken the following measures to prevent similar lapses in the future:

   i. Implementation of a system that will provide record date and other compliance notifications.

   ii. A group email ID has been established with all internal stakeholders to enable prompt and effective tracking of all communications.

b. The Company has onboarded Razor Cube by Practice League for maintaining Structural Digital Database for monitoring of unpublished price sensitive information as per the requirement of Regulation 3(5) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and automating all the declarations/ approvals/ confirmations required under the Insider Trading Policy.

Apart from above mentioned observations, the Secretarial Audit Report for the financial year ended March 31, 2023 does not contain any qualification, adverse remark, or reservation. Accordingly, the Board is not required to provide any further explanation or comments under Section 134(3) of the Companies Act 2013, and the Secretarial Audit Report is attached as **Annexure II** to this report.

iii. Internal Audit Function and their report:

Pursuant to RBI Risk Based Internal Audit ("RBIA") framework, Mr. Srinivas Upadhyayula was the Head – Internal Audit ("HIA") of the Company during the financial year under review. The Board of Directors of the Company, on the recommendations of Nomination and Remuneration Committee and Audit Committee, at their meeting held on April 28, 2023, appointed Ms. Archana Moghe as HIA of the Company with immediate effect.

The Internal Audit Function reports are reviewed quarterly by the Audit Committee. The Internal Audit Function report does not contain any material qualification, reservation, adverse remark or disclaimer.

iv. Cost Auditors and their report:

The provisions of Cost Records and Cost Audit as prescribed under Section 148 of the Companies Act, 2013 are not applicable to the Company.

v. Reporting of frauds by auditors:

During the financial year under review, there were no material or serious instances of fraud falling within the purview of Section 143 (12) of the Companies Act, 2013 and rules made thereunder, by officers or employees reported by the Statutory Auditors, Secretarial Auditors and Internal Auditors of the Company during the course of the audit conducted.

31. Protection of Women at Workplace

Your Directors state that, the Company has complied with the provisions relating to constitution of Internal Complaints Committee ("ICC") as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, ("Sexual Harassment Act"). The objective of the ICC is to prevent, prohibit and redress sexual harassment of women at workplace. The Board confirms that during the financial year under review, the Company did not receive any sexual harassment complaints.

32. Corporate Governance

As a professionally managed enterprise with National Investment and Infrastructure Fund II ('NIIF Fund II') as the controlling shareholder and with effective board oversight, the Company's pursuit of delivering long-term value to all its stakeholders is predicated on sound Corporate Governance practices. Corporate Governance at NIIF IFL is an ongoing process. It involves a commitment to moral values and business ethics. Regular upgrades are made to systems, policies, and frameworks to meet the challenges of rapid expansion in a dynamic external business environment.

The Company believes that good & transparent Corporate Governance practices enable the Board and the Management to direct and control the affairs of the Company in an efficient manner thereby helping the Company to achieve its goal and benefit the interest of all its stakeholders. The report on Corporate Governance has been furnished and is marked as **Annexure IV**.

i. Board of Directors:

The Board meets at regular intervals to discuss and decide on the Company's performance and strategies. During the financial year under review, the Board met 6 (six) times.

The meetings of the Board were held on May 6, 2022, June 3, 2022, August 5, 2022, November 2, 2022, February 1, 2023, and March 3, 2023.

Further details on the Board Meetings are provided in the Corporate Governance Report, which forms part of this Report.

ii. Audit Committee

The Company has a duly constituted Audit Committee with its composition, quorum, powers, role and scope in line with the applicable provisions of the Act and SEBI Listing Regulations.

During the financial year under review, the Audit Committee reviewed the internal controls put in place to ensure that the accounts of the Company are properly maintained and that the accounting transactions are in accordance with prevailing laws and regulations. In conducting such reviews, the Committee found no material discrepancy or weakness in the internal control system of the Company. The Committee also reviewed the procedures laid down by the Company for assessing and managing risks.

Further details on the Audit Committee are provided in the Corporate Governance Report, which forms part of this Report. During the financial year under review, all recommendations made by the Audit Committee were accepted by the Board.

iii. Nomination and Remuneration Committee

Your Company has a duly constituted Nomination and Remuneration Committee ("NRC"), with its composition, quorum, powers, role and scope in line with the applicable provisions of the Act and SEBI Listing Regulations.

Further details on the NRC are provided in the Corporate Governance Report, which forms part of this Report.

Pursuant to the provisions of Section 178(3) of the Act and Regulation 19 of the SEBI Listing Regulations, the Company has formulated Remuneration Policy of the Company which inter alia, includes the criteria for determining qualifications, positive attributes and independence of Directors, identification of persons who are qualified to become Directors, Key Managerial Personnel and Senior Management.

iv. Corporate Social Responsibility Committee

In accordance with Section 135 of the Act, your Company has a Corporate Social Responsibility (CSR) Committee. The Company's CSR activities are guided and monitored by its CSR Committee. The CSR Policy is available on the Company's website at https://www.niififl.in/

As a part of its initiatives under CSR, the Company has undertaken projects in the areas of promoting education, health care, relief measures and vocation training. The projects are also in line with the statutory requirements under the Act and its CSR Policy.

During the financial year under review, the Company has contributed and spent ₹ 3.73 crores towards CSR projects. The required disclosure as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules 2014 has been appended as **Annexure III** to this report.

v. Other Committees

Board has constituted various other committee as stipulated in the Act, SEBI Listing Regulations and RBI Master Directions. Details of such Committees are provided in the Corporate Governance Report, which forms part of this Report.

33. Annual Return

The Annual Return in form MGT-7 for the Company is available on the Company's website at https://www.niififl.in/

34. RBI Guidelines

The Company has constituted various Committees in compliance with applicable regulations/directions issued by the RBI (as amended from time to time). These Committees primarily measure, monitor, report and control risks of the Company. The Company always operates in compliance with the applicable laws including RBI regulations. The Company has complied with all applicable regulations and guidelines issued by the applicable authorities including the RBI. As required under the Non-Banking Financial Company – Systemically important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, the management of the Company, in addition to this report, have prepared a management discussion analysis report which forms part of this report.

35. Board Policies

The details of the key policies approved and adopted by the Board as required under the Companies Act, 2013, Securities and Exchange Board of India (SEBI) regulations and RBI regulations to be updated on the website are provided in **Annexure V** to the Board's report.

36. Other Disclosures

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014, are furnished as under:

i. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Considering the nature of operations of the Company whereby the Company is not engaged in any manufacturing activity, the particulars regarding conservation of energy and technology absorption as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts)

Rules, 2014 are not applicable and have not been included.

There were no foreign exchange earnings/ outgo during the financial year under review as well as during the previous financial year.

ii. Secretarial Standards

The Company complies with the applicable Secretarial Standards with respect to the Board Meetings & General Meetings.

37. General

The Directors of the Company state that no disclosures or reporting is required in respect of the following items as there were no transactions on these items during the period under the review:

a) Issue of equity shares with differential rights as to dividend, voting or otherwise and under Employees Stock Option Scheme as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014.

b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

c) Instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Companies Act, 2013.

d) Receipt of any remuneration or commission from any of its holding or subsidiary Company by the managerial personnel of the Company.

e) Revision of the Financial Statements for the year under review.

f) Material changes and commitments occurred between the end of the financial year of the Company and the date of the Report, which could affect the Company's financial position.

g) Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

h) Proceeding for Corporate Insolvency Resolution Process initiated Under the Insolvency and Bankruptcy Code, 2016.

i) Instance of one-time settlement entered with any Banks and/or Financial Institutions.

j) Scheme for provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

k) Failure to implement any Corporate Action.

l) Transfer of un-paid or unclaimed amount to Investor Education and Protection Fund (IEPF).

m) Obtained any registration / license / authorisation, by whatever name called from any other financial sector regulators.

38. Acknowledgements and Appreciation

The Board would like to acknowledge the dedication and hard work of the Company's employees at all levels, as well as the support of the Company's diverse stakeholders. During the period under review, the relationship with regulatory authorities, shareholders, customers, bondholders, rating agencies and other stakeholders remained positive.

The Board appreciates the support and cooperation of all stakeholders.

By Order of the Board of Directors

Surya Prakash Rao Pendyala
Chairman
DIN: 02888802

Place: Mumbai
Date: July 27, 2023

Registered Office:
3rd Floor, North Wing,
UTI Tower, GN Block,
Bandra Kurla Complex, Bandra (East)
Mumbai 400051

CIN: U67190MH2014PLC253944
Website: https://www.niififl.in/

ANNEXURE I

Management Discussion & Analysis

I. Industry Structure and Developments

Post COVID 19, in FY 2023, the world faced the Russia-Ukraine conflict which severely impacted inflation and commodity prices. Large economies of the world hiked rates in order to tackle inflation and this resulted inter alia in a global slowdown in growth. Most economists and institutions lowered growth forecasts for the world in general and advanced economies in particular.

Against this backdrop, the Indian economy grew by over 7% in FY 2023, and is projected to be one of the fastest growing economies in FY 2024. India has been exceptionally resilient as compared to other large economies of the world. With a relatively stable political environment, food security, availability of vaccines, digital transformation, a strong regulatory structure for financial services and internal demand for goods and services, India is expected to lead the world in various areas. Assuming a normal monsoon, S&P has projected 6.7% growth for the next 3 years for India.

The 2023 Union Budget projected a 33% increase in infrastructure capital investment (3.3% of GDP, ₹ 10 lakh crores or USD ~120 Bn), which is the highest such allocation. The National Infrastructure Pipeline (NIP) has over 9000 projects, with a substantial number of projects in the transportation, energy, urban infrastructure and logistics sectors. The next 2-3 years appear bright for infrastructure projects in India and consequently, infrastructure financing.

II. Opportunities and Threats

Opportunities

The capital base of NIIF Infrastructure Finance Limited ("NIIF IFL") will help the Company to participate and finance larger operational infrastructure projects and grow faster.

Further, the notification by the Government of India, including Data Centres and Energy Storage Systems including dense charging infrastructure and grid-scale battery systems in the definition of infrastructure, is expected to widen the market for infrastructure financing. This will help NIIF IFL in further diversifying its loan portfolio by lending to newer infrastructure sectors.

The announcement and notification permitting IDF NBFCs to issue zero coupon bonds was done ~2 years back. IDF NBFCs could however, not utilize this opportunity due to procedural issues. The recent resolution of issues relating to application for zero coupon bonds (ZCB) could enable IDF NBFCs to avail this opportunity in FY 2024 and thereby further diversify its bond investor base and reduce cost of borrowing.

Threats

Continued availability of liquidity in the banking system may lead some infrastructure project companies/ borrowers to avail financing from banks which could impact the opportunities available for refinancing by NBFC-IDFs. Also, in view of limited credit growth, commercial banks and new development finance institutions are likely to aggressively lend to operational infrastructure projects thereby posing competition to the NBFC-IDFs. New investment platforms like InVITs in matured sectors such as roads, renewables and transmission can affect the pipeline of operating assets available for refinancing by NIIF IFL.

Also, difficulties in project execution in various sectors due to disturbance of supply chain and availability of labour may impact timelines for commissioning of projects and thus delay the pipeline of operational projects for Company.

NIIF IFL is dependent on the bond markets for its liabilities (as mandated by regulatory guidelines) and any significant movement in terms of yields or liquidity will affect its fund raising.

Success of NBFC-IDFs is significantly dependent on a facilitative regulatory framework; any adverse change in the regulatory framework can have an impact on the profitability of NIIF IFL.

The relatively recent floods and cyclones have impacted lives in many states in India. These climatic events have impacted projects in several districts of the impacted states. While projects financed by NIIF IFL are insured against various risks, the severity of climatic events could impact project performance.

III. Segment wise and Operational Performance of the Company

NIIF IFL grew its loan book from ₹ 14,201 crores to ₹ 17,839 crores at the end of FY 23 (growth of 26% over last year) by refinancing several operational infrastructure projects across multiple sectors. Gross disbursements made were ₹ 6,561 crore. NIIF IFL was able to increase its exposure in sectors like solar power generation, power transmission, telecommunication infrastructure, ports, logistics and other commercial infrastructure projects. On the liabilities side, NIIF IFL has maintained strong ties with a diversified base of investors including insurance companies, retirement benefit funds, banks, corporates, mutual funds etc.

The outstanding NCDs borrowing of NIIF IFL as of March 31, 2023, stood at ₹ 14,598 crores. All the issuances were rated "AAA" by the rating agencies ICRA and CARE. The issuances were subscribed by a wide variety of investors including insurance companies, retirement benefit funds, banks, corporates and mutual funds.

Asset quality remains healthy with nil Non-Performing Assets (NPAs). The capitalization of the Company is comfortable with a Capital Adequacy Ratio of 20.85% as on March 31, 2023.

NIIF IFL Financial Performance Highlights

A summary of NIIF IFL's FY23 financial performance and its comparison with FY22 performance is as under:

- Total Revenue: ₹ 1,404 crore as at March 31, 2023 in comparison with ₹ 984 crore as at March 31, 2022 (Growth of 43% over last year).
- Loan book: ₹ 17,839 crore as at March 31, 2023 in comparison with ₹ 14,201 crore as at March 31, 2022 (Growth 26% over last year).
- Healthy asset quality with nil Non-Performing Assets (NPAs) in both the Financial Years.
- The Company's Debt Equity ratio as on March 31, 2023, stands at 4.35 times.

IV. Outlook

The Company is well positioned to embark on a robust growth path over the next few years. The strategy going forward would be to significantly increase the loan book with focus on asset quality and maintain a balanced and diversified portfolio across multiple sectors in the infrastructure domain.

The growth would be underpinned by strong credit appraisal and structuring skills, disciplined risk and asset management practices and continuous monitoring of the portfolio. On the liabilities side, the Company will continue its endeavour to raise long term debt from a diversified base of investors and optimize borrowing cost.

V. Risk and Concerns

Details of Risk and Concerns arising out of the Company's business model and present economic conditions and risk management framework are placed in the Board's Report under the head risk management framework.

VI. Internal controls systems and their adequacy

The Company has laid down a set of standards, processes and structure which enables implementation of Internal Financial Controls across the organization with reference to Financial Statements and such controls are considered adequate and are operating effectively. During the year under review, no material observation was observed for inefficiency or inadequacy of such controls. More details are placed in Internal Control and Internal Audit section of Board's Report.

VII. People

Talent is a key anchor and differentiator for a service-based organisation such as ours. Our people, their diverse skill sets, proven expertise, and deep industry knowledge constitute our human capital. During the year, we continued strengthening our team across functions.

We promote diversity and inclusion in the workplace where all our employees are treated with dignity and respect. Our women workforce comprises of 37% women across functions including at managerial levels. The organization intends to continue to strengthen women workforce.

Apart from promoting gender diversity, the Company also believes in bringing age diversity in the workplace. Your Company conducted campus recruitment drives in premier campuses and inducted young professionals who can bring in fresh ideas and innovative thinking. These professionals are inducted into the system and are groomed to take up higher responsibilities early on in their careers.

Your Company is focused on the overall wellbeing of the employees. The benefits provided to the employees include accident insurance, health insurance, parental benefits, wellness allowance, annual health check-ups and sessions by health experts are widely accessed by our employees.

Your organization offers a variety of learning and development opportunities to our employees to enhance technical and behavioural competencies.

The programs focus on building competencies as well compliances capabilities across functions and roles. We extend support to professional learning through our professional development program.

As on March 31, 2023, workforce of the Company stood at 44. Further details are placed in Annual Report.

ANNEXURE II

Secretarial Audit Report

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

To
The Members,
NIIF Infrastructure Finance Limited
Mumbai

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate governance practices by NIIF Infrastructure Finance Limited (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended 31st March, 2023, 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:

1. 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, 2023, according to the provisions of:

   (i) the Companies Act, 2013 ("the Act") and the rules made there under;

   (ii) the Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

2. 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 (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

   (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), as amended;

   (iii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (to the extent applicable);

3. The provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report: -

   a. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

   b. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

   c. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; and

   e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

4. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with other Acts, Laws and Regulations applicable specifically to the Company as mentioned hereunder:

   (i) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016;

   (ii) Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016;

   (iii) Master Circular – "Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015";

(iv) Master Circular – "Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015";

(v) Master Direction – Know Your Customer (KYC) Direction, 2016.

(vi) Master Direction – Information Technology Framework for the NBFC Sector.

(vii) Master Direction – Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016.

(viii) Master Direction – Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016.

5. The provisions and guidelines prescribed under the Securities Contracts (Regulation) Act, 1956 ('SCRA') and rules made thereunder were not applicable to the Company during the Financial Year under report.

6. The provisions of the 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 were not applicable to the Company during the Financial Year under report.

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India;

(ii) The Listing Agreement entered into by the Company with the National Stock Exchange of India Limited ("NSE"), the Stock Exchange on which the Company's Non-Convertible Debentures are listed;

During the Financial Year under report, the Company has generally complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, and Secretarial Standards etc. as specified above except the following:

1. *There was a delay in submission of the notice of record date to the Stock Exchange as per Regulation 60(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and*

2. *The Company is yet to install a software for maintaining Structural Digital Database for Monitoring of Unpublished price sensitive information as per the requirement of Regulation 3(5) of the SEBI (Prohibition of Insider Trading) Regulations, 2015.*

We further report that:

The Board of Directors of the Company is duly constituted and the Company only has Non-Executive Directors and Independent Directors including one woman director in compliance with the provisions of the Companies Act, 2013. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Except in case of meetings convened at a shorter notice, adequate Notice was given to all Directors to schedule the Board meetings and the agenda and detailed notes on agenda was sent at least seven days in advance. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings, the decisions of the Board were taken with requisite majority.

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 year under report, the following event had a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. referred to above:

(a) Issue of Secured Redeemable Non-Convertible Debentures ("NCDs") of the face value of ₹ 10,00,000/- each through Private placement basis as under:

Sr. No.	Date of Allotment	No. of NCDs allotted	Amount raised from issue of NCDs (₹ in Crores)
1.	May 17, 2022 (Re-issuance I)	5,000	500
2.	May 27 , 2022	4,000	400
3.	July 04 , 2022	8,090	809
4.	July 14 , 2022	2,410	241
5.	August 30, 2022 (Re-issuance I)	2,000	200
6.	September 13, 2022	2,250	225
7.	October 14, 2022 (Re-issuance II)	800	80
8.	October 20, 2022 (Re-issuance I)	5,220	522
9.	November 30, 2022 (Option II, Reissuance II)	900	90
10.	January 23 , 2023	6,840	684
11.	February 24, 2023(Re-issuance I)	1,580	158
12.	March 16, 2023	1,510	151
13.	March 23, 2023 (Reissuance –IV)	3,600	360

(b) The Company raised ₹ 550 Crores vide issue of Commercial Papers through private placement basis during the year under review. However, the same were redeemed during the year under review.

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

NEHA R LAHOTY
PARTNER
FCS 8568
COP No. 10286
UDIN : F008568E000688621
P.R. Certificate No.: 668/2020

Place: Mumbai
Date: July 27, 2023

Note: This report should be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.

Annexure

To
The Members
NIIF Infrastructure Finance Limited
Mumbai

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 NIIF Infrastructure Finance Limited (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 check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test check basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

NEHA R LAHOTY
PARTNER
FCS 8568
COP No. 10286
UDIN : F008568E000688621
P.R. Certificate No.: 668/2020

Place: Mumbai
Date: July 27, 2023

ANNEXURE III

Annual CSR Report of the Company

For the Financial Year 2022-2023

1. Brief outline on CSR Policy of the Company:

NIIF Infrastructure Finance Limited ("NIIF IFL" or "Company") believes that profitability must be complemented by a sense of responsibility towards all stakeholders with a view to make a material, visible and lasting difference to the lives of disadvantaged sections of the society, preferably in the immediate vicinity in which the Company operates but at the same time ensure widespread spatial distribution of its CSR activities all over India befitting its status as a conscientious corporate citizen. For NIIF IFL, CSR is an extension of its overall ethos of responsible business.

The CSR activities are undertaken by NIIF IFL as per the Companies CSR policy as formulated by the CSR Committee and approved by the Board of Directors, Companies (CSR Policy) Rules 2014, Companies (CSR Policy) Amendment Rules, 2021, the and circulars related to CSR issued by the Ministry of Corporate Affairs from time to time.

2. Composition of the CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Ashwani Kumar	Independent Director - Chairman	3	3
2.	Mr. Surya Prakash Rao Pendyala	Nominee Director of NIIF Fund II - Member	3	3
3.	Ms. Ritu Anand*	Independent Director - Member	0	0
4.	Ms. Rosemary Sebastian **	Independent Director - Member	3	3

** Ms. Ritu Anand (DIN: 05154174) Independent Director of the Company has retired from the Board of the Company, on completion of tenure of appointment with effect from May 6, 2022.*
*** Ms. Rosemary Sebastian (DIN:07938489) was appointed as the Independent Director of the Company, with effect from June 7, 2022.*

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

CSR Policy – CSR Policy.pdf (https://www.niififl.in/)

CSR Projects & Committee – CSR Report FY 2023.pdf (https://www.niififl.in/)

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 if applicable (attach the report) – Not Applicable

5. Calculation of Net Profit and CSR Expenditure under Section 135 of the Companies Act, 2013.

Sr. No.	Particulars	Amount (in INR)
(a)	Average net profit of the Company as per sub-section (5) of section 135.	1,86,04,75,751
(b)	Two percent of average net profit of the Company as per sub-section (5) of section 135.	3,72,09,515
(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	-
(d)	Amount required to be set-off for the financial year, if any.	-
(e)	Total CSR obligation for the financial year [(b)+(c)-(d)].	3,72,09,515

6. Amount Spent on CSR Projects.

Sr. No.	Particulars	Amount (in INR)
(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	3,66,00,000
(b)	Amount spent on Administrative Overheads.	7,00,000
(c)	Amount spent on Impact Assessment, if applicable.	-
(d)	Total amount spent for the Financial Year [(a)+(b)+(c)].	3,73,00,000

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 3.73 crores	-	-	-	-	-

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
i.	Two percent of average net profit of the Company as per sub-section (5) of section 135	3,72,09,515
ii.	Total amount spent for the Financial Year	3,73,00,000
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	90,485
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)]	90,485

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY 2021-22	Nil						
2	FY-2020-21	Nil						
3	FY-2019-20	Nil						

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

If Yes, enter the number of Capital assets created/ acquired -

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
1.	NIL						

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135. – N.A.

Sd/-
Shiva Rajaraman
Chief Executive Officer

Sd/-
Ashwani Kumar
Chairman, CSR Committee

ANNEXURE IV

Report on Corporate Governance

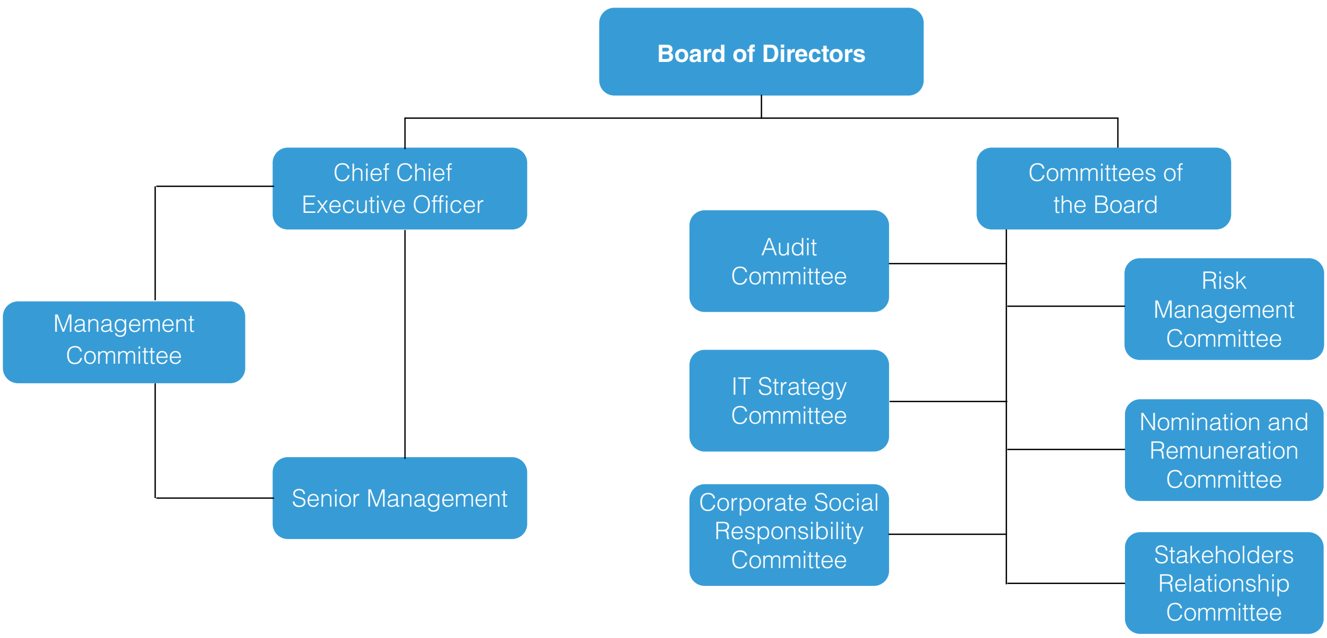
Philosophy of Corporate Governance:

Corporate Governance is the management of an organization's activities in accordance with policies that increase value for all stakeholders. Corporate Governance is an ongoing process at NIIF IFL. It involves a commitment to values and ethical business practices. Regular updates are made to systems, policies, and frameworks to meet the challenges of rapid growth in a dynamic external business environment.

Corporate Governance practices are essential to NIIF IFL's pursuit of delivering long-term value to all of its stakeholders, as it is a professionally managed business with effective board oversight.

The Company places great emphasis on values such as employee empowerment and integrity, employee and community safety, transparency in the decision-making process, fair and ethical dealings with all, and stakeholder accountability. The aforementioned internal guidelines on Corporate Governance have been uploaded to the Company's website at https://www.niififl.in/.

Diagrammatic representation of the Governance Structure of the Company:



In accordance with the provisions of the Act and the SEBI Listing Regulations, the Directors' Report must contain numerous disclosures. The following disclosures pertain to the Board of Directors, its committees, and their meetings:

Board of Directors ("Board")

The Board of Directors is central to the Company's corporate governance system. The Directors have the responsibility of establishing strategic goals for the management and ensuring that the long-term interests of all stakeholders are served by adhering to and enforcing the principles of good corporate governance.

Board members' diverse areas of knowledge and expertise are necessary for providing an independent and objective perspective on business issues and evaluating them from the perspective of the Company's stakeholders. The Company is professionally managed, and the Board of Directors is independent of the management.

Committees of the Board that handle specific responsibilities specified by applicable laws, such as the Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, IT Strategy Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, and so on, empower the Board's functioning by exchanging information and delivering a focused approach and expedient resolution of diverse matters.

In accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, your Company's Board of Directors has an optimal mix of Non-Executive, and Independent Directors. As of March 31, 2023, the Board of Directors consists of 6 (six) Directors, 3 (three) of whom are Independent Directors, including one Woman Director.

The Company has appointed a Chief Executive Officer, Chief Financial Officer, and Company Secretary who are not members of the Board of Directors in accordance with the provisions of the Act. In accordance with RBI regulations, the Company has also appointed a Chief Compliance Officer, a Chief Risk Officer, and a Head of Internal Audit.

The composition of the Board of Directors as at March 31, 2023, including other details are given below:

Name of Director	Category	No. of Directorships in other Public Cos*	No. of Committee Memberships in other Public Cos$	Chairpersonship in Committees of other Public Cos#
Mr. Surya Prakash Rao Pendyala (DIN 02888802)	Non-Executive (Nominee) Director – Chairman	1	1	-
Mr. Rajiv Dhar (DIN 00073997)	Non-Executive (Nominee) Director	1	1	-
Mr. A K T Chari (DIN 00746153)	Non-Executive (Nominee) Director	-	-	-
Ms. Rosemary Sebastian ** (DIN 07938489)	Independent Director	2	2	
Mr. Ashwani Kumar (DIN 02870681)	Independent Director	3	3	-
Mr. Prashant Kumar Ghose *** (DIN 00034945)	Independent Director	1	-	-

Note:

* *The above list of other directorships includes Public Companies (listed and unlisted) but does not include Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.*

$ *It includes Chairmanship or Membership of the Audit Committee and Stakeholders' Relationship Committee of Public Companies (listed and unlisted) only*

\# *Excluding Chairpersonship which is mentioned in the next column.*

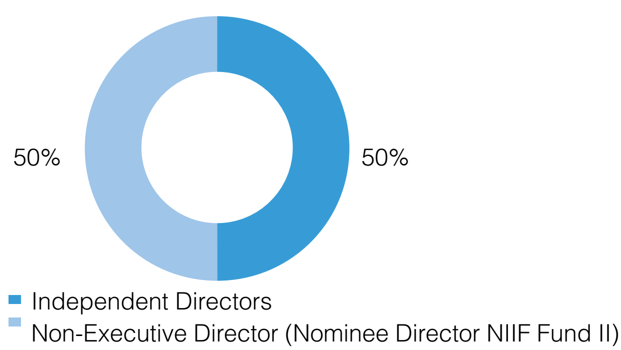
** *Ms. Rosemary Sebastian (DIN: 07938489) was appointed as Independent Director on the Board of the Company, with effect from June 7, 2022.*

*** *Mr. Prashant Kumar Ghose (DIN: 00034945) was appointed as Independent Director on the Board of the Company, with effect from February 1, 2023.*

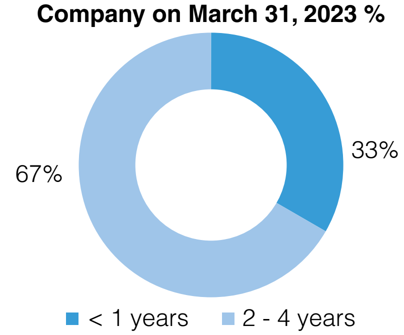
The Board of Directors is of the opinion that all Independent Directors of the Company fulfil the conditions of independence as prescribed under Section 149(6) of the Act.

As per declarations received, no Director serves as an Independent Director in more than seven equity listed companies or three equity listed companies if he/she is a full-time director/managing Director in any listed Company. In accordance with RBI Scale Based Regulations, the Independent Directors also confirmed that they are not on the Board of more than three NBFCs (NBFC-Middle Layer or NBFC – Upper Layer at the same time.

Board Composition %



Duration for which Directors are on the Board of the Company on March 31, 2023 %



A. Board Meetings

i. Agenda and Minutes

The Company Secretary receives details on the matters which require the approval of the Board / Board Committees, from various departments of the Company in advance, so that they can be included in the Board/Board Committee agenda. All relevant information is incorporated, in the agenda papers for facilitating meaningful and focused discussions at the meetings.

In order to comply with statutory requirements, the following minimum information is included in the agenda of each quarterly/annual Board Meeting:

- Meeting minutes from previous Board and Committee meetings
- Recording Circular Resolution(s)
- Financial results
- Compliance certificate
- Status of action on previous Board meeting items
- Business requirements
- Borrowings and investments
- Evaluation of policies of the Company
- Payment of Auditors' Fees

The Board is kept informed on all issues, including the following, in accordance with various regulatory requirements and business needs:

- Strategic initiatives and business plans
- Capital outlay and updates
- Internal Financial Controls
- Organisational structure and succession planning
- Details of fraud incidents and corrective action taken
- Supervisory and observation letters issued by the RBI
- Compliance with the Companies Act, SEBI regulations, RBI regulations, and shareholder-related issues.
- Risk management system, Risk Management Policy, and Risk Management Strategy
- Adherence to corporate governance standards
- Adherence to the fair practices code
- The operation of the customer grievance redressal mechanism
- Changes in the regulatory environment

The Company is in compliance with the provisions of the notified Secretarial Standards on the subject.

ii. Attendance of Directors

As a best practice, the Company ensures that the Directors are present at all meetings. 6 (six) Board meetings were held during FY 2023 on May 6, 2022, June 3, 2022, August 5, 2022, November 2, 2022, February 1, 2023, and March 3, 2023.

The following table shows the attendance of the Directors at the aforementioned events, Board meetings, and the most recent Annual General Meeting:

Name of Directors	No. of Board meetings during FY 2022-23		Attendance in the last AGM dated September 28, 2022
	Held	Attended	Yes/ No
Mr. Surya Prakash Rao Pendyala	6	6	Yes
Mr. Rajiv Dhar	6	6	No
Mr. A K T Chari	6	6	No
Ms. Ritu Anand*	1	1	No
Ms. Rosemary Sebastian**	4	4	Yes
Mr. Ashwani Kumar	6	6	No
Mr. Prashant Kumar Ghose***	2	2	No

* *Ms. Ritu Anand (DIN: 05154174) Independent Director of the Company has retired from the Board of the Company, on completion of tenure of appointment with effect from May 6, 2022.*

** *Ms. Rosemary Sebastian (DIN: 07938489) was appointed as Independent Director on the Board of the Company, with effect from June 7, 2022.*

*** *Mr. Prashant Kumar Ghose (DIN: 00034945) was appointed as Independent Director on the Board of the Company, with effect from February 1, 2023.*

iii. Details of the Directorships in other listed entities as on March 31, 2023:

Name of Director	Name of listed entity*	Category	Shareholding of Directors
Mr. Surya Prakash Rao Pendyala	Nil	Not applicable	Nil
Mr. Rajiv Dhar	Nil	Not applicable	Nil
Mr. A K T Chari	Nil	Not applicable	Nil
Ms. Rosemary Sebastian	Nil	Not applicable	Nil
Mr. Ashwani Kumar	Saurashtra Cement Limited	Independent Director	Nil
	Macrotech Developers Limited	Independent Director	Nil
Mr. Prashant Kumar Ghose	Nil	Nil	Nil

** Includes entities whose equity shares are listed on a stock exchange*

In terms of Regulation 26 of the SEBI Listing Regulations, none of the Directors of the Company were members of more than 10 Committees or acted as the Chairperson of more than 5 Committees across all listed companies in India, in which they are a Director.

Pursuant to the provisions of Section 165(1) the Act and 17A of the SEBI Listing Regulations, none of the Directors:

i. hold Directorships in more than 20 companies (Public or Private),

ii. hold Directorships in more than 10 public companies,

iii. hold Membership of Board Committees (Audit & Stakeholders Relationship Committees) in excess of 10 and Chairpersonship of Board Committees in excess of 5,

iv. serve as Director in more than 7 listed companies,

v. serve as Managing Director/Whole Time Director in any listed Company serves as Independent Director in more than 3 listed companies.

The Directors have no relationship with one another. Furthermore, no Directors own the Company's equity shares or non-convertible debentures.

B. Code of Conduct

The Company has designed and implemented a Code of Conduct for the employees and Directors of the Company. The employees including the senior management of the Company is governed by this Code of Conduct. The salient features of the said Code of Conduct policy are as under:

i. Maintain highest degree Corporate Governance practices

ii. Confidentiality of information

iii. Accuracy of Company Records and Reporting

iv. Protecting Company's Assets

v. Responsibilities

vi. Fairness in workplace

vii. Ensure compliance with laws

C. Board Diversity

The Board comprises of adequate number of Directors with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The present composition broadly meets this objective. The Directors are persons of eminence in areas such as banking, finance, auditing, lending, strategy, administration, regulation etc. and bring with them experience/skills which add value to the performance of the Board. The Directors are selected purely on the basis of merit and fulfillment of Fit & Proper criteria prescribed by Reserve Bank of India.

D. Familiarisation Programme

At the time of appointment, the Independent Directors are made aware of their roles and responsibilities through a formal letter of appointment which stipulates various terms and conditions. At Board and Committee meetings, the Independent Directors are regularly familiarized on the business model, strategies, operations, functions, policies and procedures of the Company. All Directors attend the familiarization program conducted by the Company. The details of training programs attended by the Independent Directors has been posted on the Company's website at https://www.niififl.in/.

E. Meetings of Independent Directors

As stipulated by the Code of Independent Directors under the Act and Rules made thereunder and SEBI Listing Regulations as amended from time to time, one Meeting of Independent Directors was held during the year.

The Meeting was conducted to enable Independent Directors, discuss matters relating to Company's affairs and put forth their views without the presence of Non-Independent Directors and members of the Management. In this Meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole.

F. Chart setting out the competencies of the Board

The Board of the Company comprises qualified members with the required skills, competence and expertise for effective contribution to the Board and its Committee.

The table below summarizes the list of core skills/ expertise/ competencies identified by the Board of Directors for effectively conducting the business of the Company and that the said skills are available with the existing composition of the Board.

Skill Areas	Mr. Surya Prakash Rao Pendyala	Mr. Rajiv Dhar	Mr. A K T Chari	Ms. Rosemary Sebastian	Mr. Ashwani Kumar	Mr. Prashant Kumar Ghose
Leadership qualities	✓	✓	✓	✓	✓	✓
Business and Strategic planning	✓	✓	✓	✓	✓	✓
Industry knowledge and experience	✓	✓	✓	✓	✓	✓
Engagement	✓	✓	✓	✓	✓	✓
Governance, Compliance and Audit purview	✓	✓	✓	✓	✓	✓
Information Technology		✓		✓		
Risk Management			✓		✓	✓

G. Other Committees of the Company

For ensuring smooth business activities and as per the requirements of the Act, SEBI Listing Regulations and RBI Directions, the Company has constituted certain Board Committees and Executive/Management Committees. The Core Committees constituted by the Board of Directors of the Company under the requirements of the Act, SEBI Listing Regulations and RBI Directions, are as under:

The List of Committees constituted by the Company are as under:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee
6. Asset and Liability Management Committee
7. IT Strategy Committee
8. Credit Committee
9. Investment Committee
10. Finance Committee
11. Allotment Committee
12. IT Steering Committee
13. Internal Complaints Committee

A. Audit Committee

The Company has in place the Audit Committee in accordance with the provisions of the Act, SEBI Listing Regulations and RBI Guidelines as amended from time to time.

All the members are financially literate and at least one member has accounting or financial management expertise. The Chief Financial Officer and the representatives of the Statutory Auditors and Head Internal Audit /Internal Auditors are permanent invitees to the Audit Committee Meetings. The Company Secretary of the Company acts as the Secretary to the Audit Committee. The Audit committee charter is in line with the Act.

i. Composition of Audit Committee

Our Audit Committee comprises of 3 (three) members viz. Mr. Ashwani Kumar, Ms. Rosemary Sebastian and Mr. Rajiv Dhar. Out of the above, two members viz Mr. Ashwani Kumar and Ms. Rosemary Sebastian are Independent Directors. Mr. Ashwani Kumar is the Chairman of the Audit Committee.

All members of the Audit Committee are financially literate and have the necessary accounting and related financial management expertise.

The Chief Executive Officer, the Chief Financial Officer, Chief Business Officer, Chief Risk Officer, Chief Compliance Officer & General Counsel, the Statutory Auditors and the Head Internal Audit of the Company are invited for each of the Audit Committee meeting of the Company. The Company Secretary acts as the Secretary to the Committee.

Terms of Reference of the Audit Committee are as follows:

1. oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of Auditors of the listed entity;
3. approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. reviewing, with the management, the Annual financial statements and Auditor's report thereon before submission to the Board for approval, with particular reference to:
    a. matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
    b. changes, if any, in accounting policies and practices and reasons for the same;
    c. major accounting entries involving estimates based on the exercise of judgment by management;
    d. significant adjustments made in the financial statements arising out of audit findings;
    e. compliance with listing and other legal requirements relating to financial statements;
    f. disclosure of any related party transactions;
    g. modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. reviewing and monitoring the Auditor's independence and performance, and effectiveness of audit process;

8. approval or any subsequent modification of transactions of the listed entity with related parties;

9. scrutiny of inter-corporate loans and investments;

10. valuation of undertakings or assets of the listed entity, wherever it is necessary;

11. evaluation of internal financial controls and risk management systems;

12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. discussion with internal auditors of any significant findings and follow up there on;

15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

16. discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. to review the functioning of the whistle blower mechanism;

19. approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

21. reviewing the utilization of loans and/ or advances from/investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

ii. Meetings of Audit Committee and attendance of Audit Committee members

During the FY 2023, the Audit Committee met 4 (four) times on May 5, 2022, August 4, 2022, November 2, 2022 and January 31, 2023.

The attendance of the Audit Committee members at the Audit Committee meetings held during the FY 2023 is given in the table below:

Name of the Committee member	No. of Audit Committee meetings	
	Held	Attended
Mr. Ashwani Kumar	4	4
Ms. Ritu Anand*	1	1
Ms. Rosemary Sebastian **	3	3
Mr. Rajiv Dhar	4	4

* *Ms. Ritu Anand (DIN: 05154174) Independent Director of the Company has retired from the Board of the Company, on completion of tenure of appointment with effect from May 6, 2022.*

***Ms. Rosemary Sebastian (DIN: 07938489) was appointed as Independent Director on the Board of the Company, with effect from June 7, 2022.*

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee was formed to recommend to the Board the appointment of Directors, Senior Management and Key Managerial Personnel. The Committee further ensures fit and proper status of existing / proposed directors. The Committee is formed as per the provisions of the Act, Listing Regulations and the RBI Directions.

i. Composition of Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of the following Members as on March 31, 2023:

a. Mr. Ashwani Kumar - Chairman

b. Mr. Surya Prakash Rao Pendyala

c. Ms. Rosemary Sebastian

Mr. Rajiv Dhar shall be a permanent invitee or observer of the Committee.

The terms of reference of the Nomination and Remuneration Committee are as follows:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, appointment, the remuneration of the Directors, Key Managerial Personnel and other employees keeping in consideration various factors viz qualification, expertise, diversity etc;

2. 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:

    a. use the services of an external agencies, if required;

    b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

    c. consider the time commitments of the candidates.

3. formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;

4. devising a policy on diversity of Board of Directors;

5. identifying persons who are qualified to become Directors and who may be appointed in Senior management/ KMP in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.

6. 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.

7. recommend to the Board, all remuneration, in whatever form, payable to Senior management.

ii. Meetings of Nomination and Remuneration Committee (NRC) and attendance of NRC members

During the FY 2023, the Nomination and Remuneration Committee met 3 (three) times on May 5, 2022, November 2, 2022, and January 31, 2023. The attendance of the Nomination and Remuneration Committee members at the NRC meetings held during the FY 2023 is given in the table below:

Name of the Committee member	No. of Nomination and Remuneration Committee meetings	
	Held	Attended
Mr. Surya Prakash Rao Pendyala	3	3
Mr. Ashwani Kumar	3	3
Ms. Ritu Anand	1	1
Ms. Rosemary Sebastian	2	2

iii. Performance Evaluation

Annual Performance Evaluation

The evaluation framework for assessing the performance of your Company's Directors includes, among other things, contributions at the Meeting(s) and strategic inputs or perspectives regarding the growth and performance of your Company. In accordance with the provisions of the Act and the framework for Board performance evaluation, the NRC and the Board of Directors have conducted an annual evaluation of the Board's performance, as well as the performance of its various Committees, individual Directors, and the Chairman. The Independent Directors at their meeting, reviewed the performance of Non-Independent Directors and the Board as a whole.

A mechanism for evaluating the performance of the Board, its Committees, individual Directors, and the Chairman of the Board has been adopted. Evaluation criteria include, among others, strategic perspective, Chairmanship of Board and Committees, attendance, time devoted and preparedness for the Meetings, quality, quantity and timeliness of the flow of information between the Board Members and the Management, contribution at the Meetings, effective decision-making ability, role and effectiveness of the Committees. The Directors provide feedback on the performance of the Board, its Committees, and its Chairman.

Outcome of the Evaluation

The Directors of your Company are satisfied with the operation of the Board and its Committees, as well as the performance of the Chairman. The Committees operate effectively, and in addition to the mandated terms of reference for each Committee, significant issues are brought up and discussed at Committee meetings. The Chairman of the Board took into account the Directors' insightful comments and suggestions. The Board was also pleased with the contributions made by Directors' in their respective roles, which reflects the overall commitment of each Director.

C. Stakeholders' Relationship Committee

The Company has constituted a Stakeholders Relationship Committee ("SRC") to look into various aspects of interest of Shareholders, Debenture holders and other Security holders. The Committee is formed as per the provisions of the Act and the SEBI Listing Regulations.

i. Composition of Stakeholders Relationship Committee

The Stakeholder's Relationship Committee comprises of the following Members:

a. Mr. Ashwani Kumar - Chairman

b. Mr. Surya Prakash Rao Pendyala

c. Mr. Rajiv Dhar

The terms of reference of the role of Stakeholders Relationship Committee ("SRC") are as follows:

1. resolving the grievances of the security holders of the listed entity 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.

2. review of measures taken for effective exercise of voting rights by shareholders.

3. review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

4. review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

ii. Meeting of SRC and attendance of SRC members

During the FY 2023, the Stakeholders Relationship Committee met 2 (two) times August 5, 2022, and February 1, 2023. The attendance of the Stakeholders Relationship Committee members at the SRC meeting held during the FY 2023 is given in the table below:

Name of the Committee member	No. of Stakeholders Relationship Committee meetings	
	Held	Attended
Mr. Surya Prakash Rao Pendyala	2	2
Mr. Ashwani Kumar	2	2
Mr. Rajiv Dhar	2	2

iii. Details of the investor complaints received during the FY 2023 are given as below:

No. of complaints received	No. of complaints not solved to the satisfaction of the shareholders	No. of pending complaints at the end of the year
Nil	Nil	Nil

The Company Secretary acts as the Secretary to the Stakeholder Relationship Committee.

D. Risk Management Committee

The Risk Management Committee reviews and monitors risks across the organization, credit risk, market risk, operational risk and portfolio level risk. As per the documented charter duly approved by the Board of Directors, the primary function of the Risk Management Committee inter- alia is to ensure that risk taking be within clearly defined risk limits and boundary parameters as defined in the Board approved Credit Policy, Asset Liability Management (ALM), and Operational Risk Management (ORM) Policy of the Company and adequate processes are implemented to identify, measure, monitor and mitigate the risks.

i. Composition of Risk Management Committee (RMC)

The composition of the said Committee as on March 31, 2023 is as under:

a. Mr. Ashwani Kumar - Chairman
b. Mr. Rajiv Dhar
c. Mr. A K T Chari

The Board of Directors at their meeting held on April 28, 2023, reconstituted the RMC by inducting the Chief Executive Officer, Chief Risk Officer and Mr. Prashant Kumar Ghose as members of the RMC.

The composition of the said Committee as on date is as under:

a. Mr. Ashwani Kumar - Chairman
b. Mr. Rajiv Dhar
c. Mr. A K T Chari
d. Mr. Prashant Kumar Ghose
e. Mr. Shiva Rajaraman (Chief Executive Officer)
f. Mr. Dhananjay Yellurkar (Chief Risk Officer)

The following are the terms of reference of the RMC:

1. to formulate a detailed Risk Management policy which shall include:

   a. a framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information technology including business continuity plan, cyber security risks, market risk or any other risk as may be determined by the Committee.

   b. measures for risk mitigation including systems and processes for internal control of identified risks.

2. to ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. to monitor and oversee implementation of the Risk Management policy, including evaluating the adequacy of Risk Management systems;

4. to periodically review the Risk Management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5. to keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6. the appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee.

7. the Risk Management Committee shall coordinate its activities with other Committees, in instances where there is any overlap with activities of such Committees, as per the framework laid down by the board of directors.

ii. Meetings of Risk Management Committee and attendance of Risk Management Committee members

During the FY 2023, the Risk Management Committee met 5 (five) times on May 5, 2022, August 4, 2022, October 6, 2022, November 2, 2022, and January 31, 2023, The attendance of the members at the Risk Management Committee meetings held during the FY 2023 is given in the table below:

Name of the Committee Member	No. of Risk Management Committee Meetings	
	Held	Attended
Mr. Ashwani Kumar	5	5
Mr. Rajiv Dhar	5	5
Mr. A K T Chari	5	5

E. Corporate Social Responsibility (CSR) Committee

The Company believed that profitability must be complemented by a sense of responsibility towards all stakeholders. The CSR Committee, as mandated under Section 135 (3) of the Act had formulated and recommended to the Board, a CSR Policy which indicates the activities to be undertaken by the Company as specified in Schedule VII of the Act and recommends the amount of expenditure to be incurred on the said activities. The CSR Committee had been constituted pursuant to the provisions of Section 135 of the Act.

i. Composition of CSR Committee

The CSR Committee as on March 31, 2023, comprised of the following Members:

a. Mr. Ashwani Kumar - Chairman

b. Mr. Surya Prakash Rao Pendyala

c. Ms. Rosemary Sebastian

ii. Meeting(s) of CSR Committee and attendance of CSR Committee members

During the FY 2023, the CSR Committee met 3 (three) times on August 4, 2022, January 3, 2023, and January 31, 2023. The attendance of the CSR Committee members at the CSR meetings held during the FY 2023 is given in the table below:

Name of the Committee member	No. of CSR Committee meetings	
	Held	Attended
Mr. Ashwani Kumar	3	3
Mr. Surya Prakash Rao Pendyala	3	3
Ms. Rosemary Sebastian	3	3

F. IT Strategy Committee

The IT Strategy Committee has been constituted as per the requirements of RBI's master directions on Information technology.

i. Composition of IT Strategy Committee

The Committee comprises of the following members as on March 31, 2023:

a. Ms. Rosemary Sebastian- Chairperson

b. Mr. Rajiv Dhar

c. Chief Executive Officer

d. Chief Risk Officer

e. Chief Financial Officer

f. Head - IT*

**Head - IT has resigned from the Company w.e.f. June 16, 2023*

ii. Meetings of the Committee and attendance of the Committee members

During the FY 2023, the IT Strategy Committee met 2 (Two) times on September 14, 2022, and February 7, 2023. The attendance of the IT Strategy Committee members at the meetings held during the FY 2023 is given in the table below:

Name of the Committee member	No. of IT Strategy Committee meetings	
	Held	Attended
Ms. Rosemary Sebastian	2	2
Mr. Rajiv Dhar	2	2
Chief Executive Officer	2	2
Chief Risk Officer	2	2
Chief Financial Officer	2	2
Head - IT	2	2

G. Asset - Liability Management Committee (ALCO)

The ALCO is a decision-making body responsible for integrated balance sheet management from risk-return perspective and includes the strategic management of interest rate and liquidity risks. Primary function of the ALCO inter-alia includes balance sheet planning from risk-return perspective including the strategic management of interest rate and liquidity risks, review the results of and progress in implementation of the decisions made in the previous meetings and articulate the current interest rate view and base its decisions for future business strategy on this view.

i. Composition of ALCO

The Asset Liability Management Committee comprises of the following members viz.:

a. Mr. Shiva Rajaraman (Chief Executive Officer) – Chairman

b. Mr. Debabrata Mukherjee (Chief Business Officer)

c. Mr. Dhananjay Yellurkar (Chief Risk Officer)

d. Mr. V. Narayanan Iyer (Chief Financial Officer)

e. Mr. Amit Ruparelia (Director – Resources)

ii. Meetings of ALCO and attendance of ALCO Members

During the FY 2023, the ALCO met 6 (Six) times on May 20, 2022, June 29, 2022, August 30, 2022, October 28, 2022, January 12, 2023 and March 20, 2023.

The attendance of the members at the ALCO meetings held during the FY 2023 is given in the table below:

Name of the Committee member	No. of ALCO meetings	
	Held	Attended
Mr. Sadashiv Rao*	2	2
Mr. Shiva Rajaraman**	4	4
Mr. Debabrata Mukherjee	6	6
Mr. Dhananjay Yellurkar	6	6
Mr. V. Narayanan Iyer	6	6
Mr. Amit Ruparelia	6	6

* *Mr. Sadashiv Rao retired from the post of Chief Executive Officer (CEO) of the Company w.e.f. June 30, 2022.*

** *Mr. Shiva Rajaraman was appointed as the Chief Executive Officer (CEO) of the Company w.e.f. July 1, 2022.*

Remuneration of Directors

The Independent Directors are paid sitting fees, travelling, lodging and other incidental expenses for attending Meetings of Board / Committees. Apart from the above, the Company does not have any pecuniary relationship with the Non-Executive/ Independent Directors. During the year under review, the Company did not enter into any other transactions with the Non-Executive Directors.

Your Company paid the Independent Directors sitting fees for attending meetings upto August 5, 2022, as detailed below:

Attending Meeting of	Amount in ₹
Board	50,000 per meeting
Committees	25,000 per meeting

The Board of Directors at their meeting held on August 5, 2022 approved payment of sitting fees to Mr. AKT Chari, Non-Executive Director, in addition to the Independent Directors of the Company, as well as a revision in the sitting fees payable to them for Board and other Committee meetings. The revised meeting attendance fees payable by Independent Directors and Mr. AKT Chari are as follows:

Attending Meeting of	Amount in ₹
Board	80,000 per meeting
Credit Committee Meeting	75,000 per meeting
Other Committees	60,000 per meeting

Details of sitting fees paid to the Independent Directors and Non-Executive Directors during the FY 2023 are given in the table below:

Name of the Director	Board Meeting	Independent Directors Meeting	Audit Committee Meeting	Nomination & Remuneration Committee Meeting	CSR Meeting	IT Strategy Committee Meeting	Stakeholders Relationship Committee Meeting	Risk Management Committee	Credit Committee
Ms. Ritu Anand - Independent Director	50,000	25,000	25,000	25,000	-	-	-	-	-
Ms. Rosemary Sebastian - Independent Director	3,20,000	-	1,45,000	1,20,000	1,45,000	1,20,000	-	-	-
Mr. Ashwani Kumar - Independent Director	4,20,000	25000	1,70,000	1,45,000	1,45,000	-	1,20,000	2,30,000	-
Mr. Prashant Kumar Ghose - Independent Director	1,60,000	-	-	-	-	-	-	-	-
Mr. AKT Chari - Non-Executive Director	4,20,000	-	-	-	-	-	-	2,30,000	10,75,000

Particulars of Senior Management including the changes therein since the close of the previous financial year.

The details of Senior Management as on March 31, 2023 pursuant to SEBI Regulations:

Sr. No.	Name	Designation
1.	Mr. Shiva Rajaraman	Chief Executive Officer
2.	Mr. Debabrata Mukherjee	Chief Business Officer
3.	Mr. Dhananjay Yellurkar	Chief Risk Officer
4.	Mr. Srinivas Upadhyayula	Chief Compliance Officer & General Counsel
5.	Mr. V. Narayanan Iyer	Chief Financial Officer
6.	Mr. Ankit Sheth	Company Secretary

Changes in Senior Management since the close of the previous financial year:

During the financial year under review, Mr. Sadashiv S. Rao, Chief Executive Officer ("CEO") of the Company retired from the post of CEO (Key Managerial Personnel) of the Company, on completion of tenure of appointment with effect from June 30, 2022. Accordingly, the Board of Directors of the Company at its meeting held on June 3, 2022, approved the appointment of Mr. Shiva Rajaraman as Chief Executive Officer (CEO) (Key managerial Personnel) of the Company, with effect from July 1, 2022.

Shareholders & General Information

a. General Body Meetings

The particulars of the last three Annual General Meetings ("AGMs") of the Company are provided in the below Table:

Details of AGM	Date and Time	Venue	Special resolutions passed
7th AGM	June 24, 2020, at 5.00 pm	Through Video Conferencing on MS Teams	To approve issuance of Non-Convertible Securities, including but not limited to Non-Convertible Debentures ("NCDs") and Commercial Papers ("CPs"), on private placement basis,
8th AGM	September 21, 2021, at 2.00 pm	Through Video Conferencing on MS Teams	a. To approve limits under section 180(1)(c) of Companies Act, 2013 and powers. b. To approve limits under section 180(1)(a) of Companies Act, 2013 and powers
9th AGM	September 28, 2022, at 11.00 am	Through Video Conferencing on MS Teams	-

The particulars of Extraordinary General Meetings convened during the year are provided in the below Table:

Date and Time	Venue	Resolutions passed
June 8, 2022, at 3.15 pm	Through Video Conferencing on MS Teams	a. To approve issuance of Non-Convertible Debentures on private placement basis and filing of Shelf Placement Memorandum. b. To approve appointment of M/s. MP Chitale & Co., as a joint statutory auditor of the Company for a period of three years and remuneration to be paid to them. c. To approve the appointment of Ms. Rosemary Sebastian (DIN: 07938489), as an Independent Director of the Company.
March 24, 2023 at 3.30 pm	Through Video Conferencing on MS Teams	a. To approve material Related Party Transactions with Aseem Infrastructure Finance Limited for FY 2024. b. To approve appointment of Mr. Prashant Kumar Ghose (DIN: 00034945), as an Independent Director.

General Shareholder Information

Date, Time and Venue of the 10th Annual General Meeting	September, 27, 2023 at 11:30 A.M by way of video conferencing/ other audio visual means
Financial Year	2022-23
Dividend Payment Date	NA
Name and address of Stock Exchanges where Company's securities are listed	The Non-Convertible Securities and Commercial Papers* of the Company are listed on the National Stock Exchange of India Limited. **National Stock Exchange Limited** Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 **As on March 31, 2023, the outstanding amount of CPs was Nil*
Listing fees	Annual listing fees, as prescribed, have been paid to the said stock exchanges up to March 31, 2023.
Stock code	The Equity Shares of the Company are not listed on the Stock Exchange; hence the Stock code is not applicable.
Market price data- high, low during each month in last financial year;	Not applicable, as the Equity Shares of the Company are not listed.
Performance in comparison to broad-based indices such as BSE sensex, CRISIL Index etc	Not applicable, as the Equity Shares of the Company are not listed.
In case the securities are suspended from trading, the directors report shall explain the reason thereof	During the FY 2023, none of the securities of the Company were suspended from trading
Share Registrar and Transfer Agents	In terms of Regulation 7 of the SEBI Listing Regulations, MCS Share Transfer Agent Limited is the Registrar and Share Transfer Agent and handles all relevant share registry services for Non-Convertible Debentures and Commercial Papers. **MCS Share Transfer Agent Limited** 201, D Wing, 2nd Floor, Gokul Industrial Estate Building, Sagbaug, Marol Co-op Industrial Area B/H Times Square, Andheri East, Mumbai – 400 059. Contact:022-28516020 Website: https://www.mcsregistrars.com All the securities of the Company are in dematerialised form, hence there are no physical transfer of securities.
Shareholding pattern and distribution of shareholding as on 31st March, 2023	

Name of the Shareholder	No of equity share of face value 10/- each	% of Shareholding
National Investment and Infrastructure Fund II and its nominees	546,350,979	53.03
Aseem Infrastructure Finance Limited	423,932,487	41.14
Housing Development Finance Corporation Limited*	6,00,00,000	5.83
Total	**1,030,283,466**	**100.00**

**Now merged with HDFC Bank Limited*

Name of the Shareholder	No of CCPS	Face Value of CCPS (₹)	% of shareholding
President of India, represented by and acting through the Secretary, Department of Economic Affairs, Ministry of Finance, Government of India	8,79,27,757	21	100.00
President of India, represented by and acting through the Secretary, Department of Economic Affairs, Ministry of Finance, Government of India	257,069,408	27	100.00

Dematerialization of shares and liquidity	As on March 31, 2023, Equity Shares, Preference Shares, Non-Convertible Debentures (NCD's) were held in dematerialized mode.
Outstanding global depository receipts or american depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity;	As on March 31, 2023, the Company did not have any outstanding GDRs/ADRs/ Warrants or any Convertible Instruments.
Commodity price risk or foreign exchange risk and hedging activities;	The Company does not deal in any commodity and there were no foreign exchange earnings/ outgo. Hence, the Company is not directly exposed to any commodity price and foreign exchange risk. The Company does not enter into hedging activities.
Plant locations	Not applicable
List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.	The details are furnished in the Directors' Report forming part of the Annual Report.
Corporate Identification Number (CIN) / Registration no. of the Company as per Companies Act with the Registrar of Companies	U67190MH2014PLC253944
Permanent Account Number (PAN)	AADCI5030Q
Address for correspondence	Investors and shareholders can correspond with the share transfer agent of the Company or the Company at the following addresses: **Registrar and Share Transfer Agent (Equity and Preference shares)** **Link Intime India Pvt. Ltd.** Address: C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400083 E-mail: equityca@linkintime.co.in Website: http://www.linkintime.co.in **Registrar and Share Transfer Agent (Non-Convertible Debentures and Commercial Paper)** **MCS Share Transfer Agent Limited** 201, D Wing, 2nd Floor, Gokul Industrial Estate Building, Sagbaug, Marol Co-op Industrial Area, B/H Times Square, Andheri East, Mumbai – 400 059 Email: cprabhu@mcsregistrars.com Website: https://www.mcsregistrars.com **DEBENTURE TRUSTEES** **IDBI Trusteeship Services Limited** Registered Office: Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400001 Contact: 022-40807007 Email: nikhil@idbitrustee.com **Company's correspondence details:** 3rd Floor, North Wing, UTI Tower, GN Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Phone No.: +91 2268591301 Email: niif-compliance@niififl.in
Transfer of Unclaimed / Unpaid Amounts to the Investor Education and Protection Fund	During the year under review, no amount was due for transfer to Investor Education and Protection Fund.
Registration / license/ authorization, obtained from other financial sector regulators	RBI's certificate of Registration no. N.13.02078 dated September 22, 2014
Area and country of operation	India

Other Disclosures

Particulars		Details
a.	**Disclosures on Materially Significant Related Party Transactions that may have potential conflict with the interests of the Company**	The details of Related Party Transactions are furnished in the Directors' Report forming part of the Annual Report. None of the transactions with any of the related parties were in conflict with the Company's interest. The Company has in place a RPT Policy as required under the applicable laws. Details of the RPT policy is available on the website of the Company at https://www.niififl.in/ Details of all related party transactions form a part of the Financial Statements as required under Ind AS-24 and the same forms part of the Annual Report.
b.	**Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;**	During the year under review, there was a one incident where the Company has failed to intimate to Stock Exchange about the Record date within the stipulated time period as per Regulation 60(2) of SEBI Listing Regulations. Pursuant to SEBI Circular No. SEBI/HO/DDHS_Div2/P/CIR/2021/699 dated December 29, 2021, the National Stock Exchange of India Limited, has imposed fine amounting to ₹ 10,000 (Rupees Then Thousand Only) (Plus GST) on the Company for the said non-compliance. The Company has paid the requisite amount of fine to the National Stock Exchange of India Limited Apart from above mentioned incidence of non- compliance, during the year under review, as also during the last three years, no penalties or strictures were imposed on the Company by any stock exchange, SEBI or other statutory authority on matters relating to the capital markets.
c.	**Details of establishment of vigil mechanism / whistle blower policy, and affirmation that no personnel has been denied access to the audit committee**	The details of establishment of whistle blower policy/vigil mechanism are furnished in the Directors' Report forming part of the Annual Report.
d.	**Details of compliance with mandatory requirements and adoption of the non-mandatory requirements**	The details of compliance with mandatory requirements and adoption of the non-mandatory requirements are mentioned below in point no. 'o' of this report.
e.	**Web link where policy for determining 'material' subsidiaries is disclosed.**	The Company does not have any Subsidiary Company, hence formulation of Policy for determining Material Subsidiaries as per Regulation 16 of the Listing Regulations is not applicable for the Company.
f.	**Web link where policy on dealing with related party transactions.**	The Company's policy on dealing with the Related Party Transactions is in place and the same is displayed on the website of the Company at https://www.niififl.in/
g.	**Disclosure of commodity price risks or foreign risk and commodity hedging activities.**	The Company does not deal in any commodity and there were no foreign exchange earnings/ outgo. Hence, the Company is not directly exposed to any commodity price and foreign exchange risk. The Company does not enter into hedging activities.
h.	**Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**	Not Applicable
i.	**Certificate from a Company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.**	The Company has received a certificate from M/s. Rathi & Associates, Practicing Company Secretary, to the effect that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI/Ministry of Corporate Affairs or such other statutory authority. The said certificate has been enclosed as **Annexure A.**
j.	**Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof**	During the financial year under review, all the recommendation of the various Committees were accepted by the Board.

Particulars	Details
k. 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	Total fees paid by the Company during the FY 2023 to the Joint Statutory Auditors including all entities in their network firm/entity of which they are a part, is given below:

Sr. No.	Particulars	Amount (₹ in crore)
	M/s. Lodha & Co.	
1.	Statutory Audit Fee	0.16
2.	Tax Audit Fees	0.02
3.	Other Certifications	0.02
	M/s. M. P. Chitale & Co	
1.	Statutory Audit Fee	0.16
2.	Tax Audit Fees	-
3.	Other Certifications	0.02

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

No. of complaints filed during the financial year	No. of complaints disposed of during the financial year	No. of complaints pending as on the end of the financial year
Nil	Nil	Nil

m. Compliance certificate from either the auditors or practicing Company secretaries regarding compliance of conditions of corporate governance shall be annexed with the Directors' report.

The Company is a High Value Debt Listed Entity ("HVDLE") pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 dated September 7, 2021. Accordingly, the Regulation 16 to Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Corporate Governance became applicable to the Company with effect from September 7, 2021. The Company has been submitting the quarterly corporate governance compliance report to the stock exchange as required under regulation 27(2) of the SEBI Listing Regulations from the applicable period.

The Company has obtained a certificate from M/s. Rathi & Associates, Practicing Company Secretaries regarding compliance with the provisions relating to corporate governance laid down under the SEBI Listing Regulations. The said Certificate is attached as **Annexure B** and forms part of this Report.

n. Compliance certificate from Chief Executive Officer and the Chief Financial Officer under SEBI Listing Regulations

The Chief Executive Officer and Chief Financial Officer have provided the requisite compliance certificate to the Board with regard to the financial statements and internal controls relating to financial reporting for the year ended March 31, 2023, as required under the SEBI Listing Regulations. The said Certificate is attached as **Annexure C** and forms part of this Report.

o. The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations applicable to the Company being a High Value Debt Listed Entity. The Company has also complied with the discretionary requirements as under:

- **Modified opinion(s) in audit report:**
  The Company confirms that its financial statements have unmodified audit opinion.

- **Reporting of internal auditor:**
  The Head Internal Audit (HIA) of the Company directly reports to the Chief Executive Officer (CEO). The HIA has a one-on-one meeting with the Audit Committee without the presence of the CEO.

- **Separate posts of Chairperson and the Chief Executive Officer:**
  The Company has appointed separate persons to the post of the Chairperson and the Chief Executive Officer, such that the Chairperson shall be a Non-Executive Director; and not be related to the Chief Executive Officer as per the definition of the term "relative" defined under the Companies Act, 2013.

p. Declaration signed by the Chief Executive Officer stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of board of directors and senior management.

The Listing Regulations requires listed Companies to lay down a code of conduct for its Directors and Senior Management, incorporating duties of Directors prescribed in the Act. Accordingly, the Company has a Board approved code of conduct for Board members and Senior Management of the Company. This code has been placed on the Company's website and can be accessed at https://www.niififl.in/

All the Directors on the Board and Senior Management Personnel of the Company have affirmed compliance with the code of conduct as adopted by the Company. A declaration signed by the Chief Executive Officer to this effect is reproduced at the end of this report and marked as **Annexure D**.

q. Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his tenure.

None of the Independent Director of the Company has resigned before the expiry of his/her respective tenure(s) during the FY 2023.

However, Ms. Ritu Anand (DIN: 05154174) Independent Director of the Company has retired from the Board of the Company, on completion of tenure of appointment with effect from May 6, 2022

r. Disclosures with respect to demat suspense account/ unclaimed suspense account.

Not Applicable.

Annexure A

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members of
NIIF Infrastructure Finance Limited
North Wing, 3rd Floor, UTI Tower,
GN Block, Bandra Kurla Complex,
Mumbai – 400 051

We have examined the compliance of conditions of Corporate Governance by NIIF Infrastructure Finance Limited (CIN: U67190MH2014PLC253944) having its Registered Office situated at North Wing, 3rd Floor, UTI Tower, GN Block, Bandra Kurla Complex, Mumbai – 400 051 ('hereinafter referred to as 'the Company'), for the financial year ended March 31, 2023, as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**Listing Regulations**').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examinations have been limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the Listing Regulations. 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 knowledge, information and according to the explanations given to us and the representations made by the Directors and the Management of the Company, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of the Listing Regulations.

We further state that such compliance 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 **RATHI & ASSOCIATES**
COMPANY SECRETARIES

NEHA R LAHOTY
PARTNER
FCS No.: 8568
COP No.: 10286
UDIN : F008568E000688687
P.R. Certificate No.: 668/2020

Place: Mumbai
Date: July 27, 2023

Annexure B

CERTIFICATE ON NON–DISQUALIFICATION OF DIRECTORS

(Pursuant to Schedule V Para C Clause 10(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
NIIF INFRASTRUCTURE FINANCE LIMITED
North Wing, 3rd Floor,
UTI Tower, GN Block,
Bandra Kurla Complex,
Mumbai 400 051.

We have examined the relevant register, records, forms, returns and disclosures received from the Directors of NIIF Infrastructure Finance Limited having CIN: U67190MH2014PLC253944 and having Registered Office at North Wing, 3rd Floor, UTI Tower, GN Block, Bandra Kurla Complex, Mumbai - 400 051 (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this certificate, in accordance with Circular No. NSE/CML/2022/01 dated January 7, 2022 issued by the National Stock Exchange of India Limited read with Schedule V Para C Clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status of the portal www.mca.gov.in) as considered necessary and explanation furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Director of the Companies by the Securities Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of the Director	DIN	Nature of Directorship	Date of Appointment in the Company
1.	Mr. Prashant Kumar Ghose	00034945	Independent Director	01-02-2023
2.	Mr. Alwarthirunagari Kuppuswamy Thiruvenkata Chari	00746153	Nominee Director	12-03-2019
3.	Mr. Rajiv Dhar	00073997	Nominee Director	12-03-2019
4.	Mr. Surya Prakashrao Pendyala	02888802	Nominee Director	12-03-2019
5.	Mr. Ashwani Kumar	02870681	Independent Director	30-09-2020
6.	Ms. Rosemary Sebastian	07938489	Independent Director	07-06-2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

NEHA R LAHOTY
PARTNER
FCS No.: 8568
COP No.: 10286
UDIN : F008568E000688775
P.R. Certificate No.: 668/2020

Place: Mumbai
Date: July 27, 2023

Annexure C

COMPLIANCE CERTIFICATE

(Pursuant to Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Board of Directors of
NIIF Infrastructure Finance Limited

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of the Company, to the best of our knowledge and belief certify that:

a) We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2023 and that to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading;

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee that:

   i. there have been no significant changes in internal control over financial reporting during this year;

   ii. there have been no significant changes in accounting policies during this year; and

   iii. there have been no instances of significant fraud of which we have become aware and the

   iv. involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Shiva Rajaraman
Chief Executive Officer

Sd/-
V. Narayanan Iyer
Chief Financial Officer

Place: Mumbai
Date: July 27, 2023

Annexure D

DECLARATION BY CHIEF EXECUTIVE OFFICER

[Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors,
NIIF Infrastructure Finance Limited

I, Shiva Rajaraman, Chief Executive Officer of NIIF Infrastructure Finance Limited hereby declare that, all the Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct of the Company laid down for them for the year ended March 31, 2023.

Sd/-
Shiva Rajaraman
Chief Executive Officer

Place: Mumbai
Date: July 27, 2023

ANNEXURE V

List of key policies of NIIF Infrastructure Finance Limited updated on the website

Sr. No.	Name of Policy	Website Link
1.	Interest Rate Policy	https://www.niififl.in/pdf/corporate-governance/NIIF%20IFL_Interest%20Rate%20Policy.pdf
2.	Fair Disclosure Code	https://www.niififl.in/pdf/corporate-governance/Fair-Practice-Code.pdf
3.	Related Party Transactions	https://www.niififl.in/pdf/corporate-governance/NIIF%20IFL_Policy%20for%20Related%20 Party%20Transactions.pdf
4.	Internal guidelines on Corporate Governance	https://www.niififl.in/pdf/corporate-governance/NIIF%20IFL_Internal%20Guidelines%20on%20 Corporate%20Governance%20(2).pdf
5.	Whistle Blower Policy	https://www.niififl.in/pdf/corporate-governance/NIIF_IFL_Whistleblower%20Policy.pdf
6.	Corporate Social Responsibility Policy	https://www.niififl.in/pdf/corporate-governance/NIIF%20IFL_Policy%20for%20Corporate%20 Social%20Responsibility.pdf
7.	Insider Trading Policy	https://www.niififl.in/pdf/corporate-governance/Insider%20Trading%20Policy.pdf
8.	Remuneration Policy	https://www.niififl.in/pdf/corporate-governance/Remuneration%20Policy-20-04-2023.pdf
9.	Code of conduct and Ethics	https://www.niififl.in/pdf/corporate-governance/NIIF%20IFL_Code%20of%20Conduct%20and%20 Ethics%20(1).pdf
10.	Familiarisation Programme for Independent Directors	https://www.niififl.in/pdf/corporate-governance/NIIF%20IFL%20-%20Familiarization%20 Programme%20FY%202023%20-%202024.pdf
11.	Policy on appointment of statutory auditors	https://www.niififl.in/pdf/corporate-governance/NIIF%20IFL_Policy%20on%20appointment-of%20 SCAs%20and%20SAs.pdf

Financial Statements

Independent Auditors' Report

To the Members of

NIIF Infrastructure Finance Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of NIIF Infrastructure Finance Limited ("the Company"), which comprises of Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matters	Auditor's response
1.	**Impairment of financial assets –** Provision for expected credit losses as on March 31, 2023 for loans carried at amortised cost amounts to ₹ 124.88 Crores [As at March 31, 2022 – ₹ 99.40 Crores] [Refer Note no. 2 & 31.3 to the Financial Statements] Ind AS 109 - "Financial instruments" (Ind AS 109) requires the Company to provide for impairment of its financial assets (designated as amortised cost or fair value through other comprehensive income) using the expected credit loss (ECL) approach. The recognition and measurement of ECL on financial instrument involves significant judgement and estimates. (i) Data Input – The application of ECL model requires several data inputs to calculate Probability of Default (''PDs') and Loss Given Default ("LGD"). The increased risk relating to the completeness and accuracy of the data considered to create assumptions in the model. (ii) Model estimations – Judgmental model used to estimate ECL which involves determination of Probability of Default (PD), Loss given default (LGD), Exposure at default (EAD) and management overlay.	**Audit Procedure performed:** We performed the following audit procedures: • Performed process walkthroughs to identify the key systems, applications and controls used in the impairment allowance processes. • Testing the design and operating effectiveness of the key controls over the completeness and accuracy of data, inputs, assumptions into the Ind AS 109 Impairment model. • Reviewed the Board approved loss allowance policy and verified the alignment of methodology adopted for computation of ECL that addresses the policies approved by the Board of Directors • We tested the operating effectiveness of the controls for staging of loans and advances based on their past-due status. • Evaluated whether the methodology applied by the Company is compliant with the requirements of the relevant accounting standards, RBI's master directions relating to Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances and confirmed that the calculations are performed in accordance with the approved methodology.

Sr. No	Key Audit Matters	Auditor's response
	(iii) Completeness and accuracy of the data from internal and external sources used in the Models. Considering the significance of ECL to the overall standalone financial statements and the degree of Management's estimates and judgements involved in this matter that requires significant auditors' attention. We have considered the expected credit loss allowance on financial assets to be a key audit matter.	• We tested the arithmetical accuracy of the computation of ECL provision performed by the Company in spreadsheets. • Assessing whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in financial statements are appropriate and sufficient. • We have also obtained management representations wherever considered necessary

Information Other than the Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Board Report including annexures to the Board report but does not include the financial statement and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Board report including annexures to the Board report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and those charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 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 entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of and identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The financial statements of the Company for the previous year ended March 31, 2022 were audited by Lodha & Company, Chartered Accountants, being the sole auditors and had expressed an unmodified opinion vide their report dated May 06, 2022 on such financial statements. This report has been relied upon by M. P. Chitale & Co. (Joint Auditors) for the purpose of the audit of the financial statements. Our conclusion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. Pursuant to the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records.

   (c) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies

(Indian Accounting Standards) Rules, 2015, as amended.

(e) On the basis of the written representation received from the directors as on March 31, 2023 taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a Directors in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure "B".**

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Sec 197(16) of the Act, as amended:

According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company.

(h) With respect to the matters to be included in the Auditor's report in accordance with the rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial performance in its financial statements. [Refer note no 27 to financial statements]

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The management has represented, that to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contains any material misstatement. [Refer note 33(g) and (h) to the financial statements.]

v. The Company has not declared or paid dividend during the financial year 2022-23. Accordingly, reporting under rule 11 (f) of Companies (Audit and Auditors) Rules, 2014 is not applicable.

For LODHA & COMPANY
Chartered Accountants
Firm registration No. – 301051E

R. P. Baradiya
Partner
Membership No. 044101
UDIN: 23044101BGTQZE7206

Place: Mumbai
Date: April 28, 2023

For M. P. Chitale & Co.
Chartered Accountants
Firm registration No. – 101851W

Ashutosh Pednekar
Partner
Membership No. 041037
UDIN: 23041037BGPVNR8925

Place: Mumbai
Date: April 28, 2023

Annexure "A" referred to in "Report on Other Legal and Regulatory Requirements" section of our report to the members of NIIF Infrastructure Finance Limited of even date:

i. (a) In respect of Company's Property, Plant and Equipment (PPE) and Intangible Assets:

The Company has maintained proper records, showing full particulars, including quantitative details and situation of PPE and relevant details of right-of-use assets.

A. The Company has maintained proper records showing full particulars of intangible assets.

B. During the year, the management has carried out physical verification of all the PPE. In our opinion, the frequency of verification is reasonable considering the size of the Company and nature of its PPE. No material discrepancies were noticed on such verification.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of the immovable property disclosed in the financial statements included under PPE are held in the erstwhile name of the Company.

(c) The Company has not revalued any of its PPE (including right- of-use assets) and intangible assets during the year and hence reporting under clause 3(i)(d) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder and hence reporting under clause 3(i)(e) of the Order is not applicable to the Company. [Refer note no. 33(c) to the financial statements]

ii. (a) The Company is engaged in providing financial services primarily into non-banking financial services (NBFC). Accordingly, it does not hold any inventories and hence reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of ₹ 5 crores on the basis of security of current assets by banks and financial institutions during the year and hence reporting under of clause 3(ii)(b) of the Order are not applicable to the Company.

iii. In respect of Investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:

(a) The Company is engaged in providing financial services primarily into non-banking financial services (NBFC) and hence reporting under Clause 3(iii)(a) and 3(iii)(e) of the Order are not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not made any investments, nor given any guarantee or nor provided any security during the year. In respect of the loans granted during the year, having regard to the nature of business carried on by the Company, the terms and conditions thereof are not prejudicial to the interest of the Company.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as stipulated.

(d) The Company has not granted any loans or advances in the nature of loans during the year either payable on demand or without specifying any terms or period of repayment during the year and hence reporting under clause 3(iii)(f) of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence reporting under clause 3(iv) of the Order is not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, no deposits or amounts which are deemed to be deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 have been accepted by the Company and hence reporting under Clause 3(v) of the Order is not applicable to the Company.

vi. In our opinion and according to the information and explanations given to us and to the best of our knowledge, the Central Government has not specified the maintenance of cost records under section 148(1) of the Act for the services of the Company and hence reporting under Clause 3(vi) of the Order is not applicable to the Company.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is regular in depositing undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income tax, sales tax, custom duty, duty of excise, value added tax, cess and other material statutory dues during the year with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues mentioned in clause vii (a) which have been not deposited on account of any dispute.

viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence reporting under clause 3(viii) of the Order is not applicable to the Company.

ix. (a) Based on our audit procedures and on the basis of information and explanations given to us, we are of the opinion that the Company has not defaulted in the repayment of loans or other borrowings or in the repayment of interest thereon to the lenders and hence reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) On the basis of information and explanations given to us, the Company has not been declared as willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the term loans (by way of issuance of non-convertible debentures) have been applied for the purposes they have been raised and have been temporarily invested in fixed deposits and mutual funds with Banks until its deployment for the stated purposes.

(d) The Company has not raised any short - term funds during the year and hence reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiaries, associates or joint venture and hence reporting under clause 3(ix)(e) and 3(ix)(f) of the Order is not applicable to the Company.

x. (a) In our opinion and according to the information and explanations given to us, the Company has utilized the monies raised by way of debt instruments (by way of issuance of non-convertible debentures) for the purposes for which they were raised. The Company has not raised any money by way of initial public offer or further public offer during the year.

(b) According to the information and explanations given to us and based on our examination of the records, there were no preferential allotment and private placement of shares and debentures during the year.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by the management.

(b) During the year, no report under sub section 12 of Section 143 of the Act has been filed in Form ADT-4 as prescribed in rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government and hence reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) Based on our audit procedures performed and according to the information and explanation given to us, no whistle blower complaints were received during the year by the Company and hence provisions of clause 3(xi)(d) of the Order is not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3(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, all the transactions with related parties are in compliance with section 177 and 188 of the Act and all the details have been disclosed in the financial statements as required by the applicable Accounting Standards. (Refer note no. 32 of the financial statements)

xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining nature, timing and extent of our audit procedure.

xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year.

xvi. (a) The Company being a NBFC- IDF is registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) Since, the Company is registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi)(b) and (c) of the Order is not applicable to the Company.

(c) In our opinion, the Company is not a Core Investment Company and there is no core investment company within the "Companies in the Group" as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.

xviii. There has not been a resignation of the statutory auditors of the Company during the year and hence reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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 it should not be construed as a guarantee or 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. According to the information and explanations given to us, there are no amounts unspent in respect of corporate social responsibility towards ongoing or other than ongoing projects and hence reporting under clause 3(xx) (a) and (b) of the Order is not applicable to the Company.

xxi. Since the Company did not have any subsidiary, joint venture or an associate, it is not required to prepare consolidated financial statements and hence reporting under Clause 3(xxi) of the Order is not applicable to the Company.

For LODHA & COMPANY **Chartered Accountants** Firm registration No. – 301051E	**For M. P. Chitale & Co.** **Chartered Accountants** Firm registration No. – 101851W
R. P. Baradiya Partner Membership No. 044101 UDIN: 23044101BGTQZE7206	**Ashutosh Pednekar** Partner Membership No. 041037 UDIN: 23041037BGPVNR8925
Place: Mumbai Date: April 28, 2023	Place: Mumbai Date: April 28, 2023

Annexure "B" referred to in "Report on Other Legal and Regulatory Requirements" section of our report to the members of NIIF Infrastructure Finance Limited of even date:

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of the NIIF Infrastructure Finance Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential component of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the entity are being made only in accordance with authorisations of management (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements and (4) also provide reasonable assurance by the internal auditors through their internal audit reports given to the organisation from time to time.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, broadly in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential Component of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For LODHA & COMPANY
Chartered Accountants
Firm registration No. – 301051E

R. P. Baradiya
Partner
Membership No. 044101
UDIN: 23044101BGTQZE7206

Place: Mumbai
Date: April 28, 2023

For M. P. Chitale & Co.
Chartered Accountants
Firm registration No. – 101851W

Ashutosh Pednekar
Partner
Membership No. 041037
UDIN: 23041037BGPVNR8925

Place: Mumbai
Date: April 28, 2023

Balance Sheet

As at March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

		Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS				
I	**Financial assets**			
(a)	Cash and cash equivalents	1	533.58	1,241.55
(b)	Loans	2	17,717.01	14,093.00
(c)	Other financial assets	3	0.29	0.25
			18,250.88	**15,334.80**
II	**Non Financial assets**			
(a)	Current tax assets (net)	4	147.65	115.22
(b)	Property, plant and equipment	5a	0.48	0.65
(c)	Right of use assets	5b	5.75	-
(d)	Intangible asset under development	5c	0.28	0.85
(e)	Intangible assets	5d	0.88	-
(f)	Other non-financial assets	6	0.50	1.58
			155.54	**118.30**
Total assets			**18,406.42**	**15,453.10**
LIABILITIES AND EQUITY				
LIABILITIES				
I	**Financial liabilities**			
(a)	Payables			
	(I) Trade payables	7		
	(i) total outstanding dues of micro enterprises and small enterprises		0.02	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		0.65	0.78
	(II) Other payables	8		
	(i) total outstanding dues of micro enterprises and small enterprises"		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		3.32	3.03
(b)	Debt Securities	9	14,949.81	12,322.74
(c)	Lease liabilities	10 (a)	5.95	-
(d)	Other financial liabilities	10 (b)	2.38	7.68
			14,962.13	**12,334.23**
II	**Non-Financial liabilities**			
(a)	Provisions	11	2.87	2.00
(b)	Other non-financial liabilities	12	1.69	1.93
			4.56	**3.93**
EQUITY				
(a)	Equity share capital	13A	1,030.28	1,030.28
(b)	Instruments entirely equity in nature	13A	878.74	878.74
(c)	Other equity	13B	1,530.71	1,205.92
			3,439.73	**3,114.94**
Total liabilities and equity			**18,406.42**	**15,453.10**

The accompanying notes are an integral part of these financial statements (See notes 1 to 42)

As per our attached report of even date

For **For Lodha & Co.**
Chartered Accountants
ICAI Firm Registration No. 301051E

R. P. Baradiya
Partner
Membership No. 044101

For **M.P.Chitale & Co.**
Chartered Accountants
ICAI Firm Registration No. 101851W

Ashutosh Pednekar
Partner
Membership No. 041037

For and on behalf of the Board of Directors
NIIF Infrastructure Finance Limited

Surya Prakash Rao Pendyala
Chairman

Rajiv Dhar
Director

Shiva Rajaraman
Chief Executive Officer

V. Narayanan Iyer
Chief Financial Officer

Ankit Sheth
Company Secretary

Place: Mumbai
Date: 28th April, 2023

Statement of Profit and Loss

For the year ended March 31 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

		Notes	For year ended March 31, 2023	For year ended March 31, 2022
	Revenue from operations			
	Interest income	14	1,397.08	977.19
	Fees and commission income	15 (a)	5.19	-
	Net gain on fair value changes	15 (b)	1.85	-
I	**Total revenue from operations**		**1,404.12**	**977.19**
II	Other income	16	0.11	7.12
III	**Total income (I+II)**		**1,404.23**	**984.31**
	Expenses			
	Finance costs	17	1,017.01	676.97
	Fees and commission expense	18	0.16	0.36
	Impairment on financial instruments	19	25.47	46.13
	Employee benefits expenses	20	21.56	14.81
	Depreciation, amortisation and impairment	5 & 21	2.37	2.43
	Other expenses	22	11.92	10.36
IV	**Total expenses**		**1,078.49**	**751.06**
V	**Profit before tax (III - IV)**		**325.74**	**233.25**
VI	**Tax expense**	23	-	-
	Current tax		-	-
	Deferred tax		-	-
	Total tax expenses		-	-
VII	**Profit for the year (V - VI)**		**325.74**	**233.25**
VIII	**Other comprehensive income**			
A	(i) Items that will not be reclassified to profit or loss			
	- Remeasurements of post-employment benefit obligations		(0.95)	(0.15)
	- Income tax relating to items that will not be reclassified to profit or loss		-	-
B	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Other comprehensive income (A+B)		**(0.95)**	**(0.15)**
IX	**Total comprehensive income for the year (VII + VIII)**		**324.79**	**233.10**
X	**Earnings per equity share (nominal value of share- ₹10 each)**			
	Basic (₹)		2.37	2.31
	Diluted (₹)		2.37	2.31

The accompanying notes are an integral part of these financial statements (See notes 1 to 42)

As per our attached report of even date

For **For Lodha & Co.**
Chartered Accountants
ICAI Firm Registration No. 301051E

R. P. Baradiya
Partner
Membership No. 044101

For **M.P.Chitale & Co.**
Chartered Accountants
ICAI Firm Registration No. 101851W

Ashutosh Pednekar
Partner
Membership No. 041037

For and on behalf of the Board of Directors
NIIF Infrastructure Finance Limited

Surya Prakash Rao Pendyala
Chairman

Rajiv Dhar
Director

Shiva Rajaraman
Chief Executive Officer

V. Narayanan Iyer
Chief Financial Officer

Ankit Sheth
Company Secretary

Place: Mumbai
Date: 28th April, 2023

Cash Flow Statement

For the year ended 31 March 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

		For year ended March 31, 2023	For year ended March 31, 2022
A.	**Cash flow from operating activities**		
	Profit before tax	325.74	233.25
	Adjustments for:		-
	Depreciation, amortisation & Impairment	2.37	2.43
	Interest on Debt Securities - EIR Adjustments	11.03	2.97
	Interest on Loan - EIR adjustment	(10.69)	(11.12)
	Net gain on sale of property, plant and equipments	(0.02)	(0.02)
	Write back of excess fund received	-	(2.19)
	Interest lease liabilities	0.49	0.14
	Impairment on financial instruments	25.47	46.13
	Operating profit before working capital changes	**354.39**	**271.59**
	Changes in working capital:		
	(Decrease)/Increase in trade payables	(0.11)	0.03
	(Decrease)/Increase in Other payables	0.28	(0.53)
	(Increase)/Decrease in other financial assets	(0.04)	3.56
	(Decrease)/Increase in other financial liabilities	(5.30)	0.86
	Increase/(Decrease) in Provision	0.87	1.31
	Increase/(Decrease) in other non financial liabilities	(0.24)	0.28
	Increase/(Decrease) Interest accrual on debt securities	102.86	77.67
	(Increase)/Decrease in non-financial assets	0.13	(0.73)
	(Increase)/Decrease in loans	(3,638.80)	(5,704.58)
		-	-
	Cash flow generated from/(used in) operations	**(3,185.96)**	**(5,350.54)**
	(Payment) of tax (net)	(32.43)	(30.47)
	Net Cash flow generated from/(used in) operations (A)	**(3,218.39)**	**(5,381.01)**
B.	**Cash flows from investing activities**		
	Purchase of property, plant and equipment/intangible assets	(1.44)	(0.97)
	Sale of property, plant and equipments	0.43	0.02
	Net cash flow generated from/(used in) investing activities (B)	**(1.01)**	**(0.95)**
C.	**Cash flows from financing activities**		
	Proceeds from issuance of equity share capital (including Security Premium)	-	317.84
	Proceeds from issuance of CCPS	-	694.15
	Share Issue expense	-	(0.07)
	Proceeds from debt securities issued (Net)	2,513.18	4,872.17
	Payment for the lease liability	(1.75)	(0.64)
	Net cash generated from/(used in) financing activities (C)	**2,511.43**	**5,883.45**
	Net Increase / (Decrease) in cash and cash equivalents (D) = (A + B + C)	**(707.97)**	**501.49**
	Cash and cash equivalents at the beginning of the Year (E)	1,241.55	740.06
	Cash and cash equivalents at the end of the Year (F) = (D) + (E)	**533.58**	**1,241.55**
	Cash and cash equivalents include the following		
	Cash and Balances with banks in current account	11.41	96.00
	Fixed deposits with maturity less than 3 months	522.17	1,145.55
	Total cash and cash equivalents	**533.58**	**1,241.55**

The accompanying notes are an integral part of these financial statements (See notes 1 to 42)

As per our attached report of even date

For **For Lodha & Co.**
Chartered Accountants
ICAI Firm Registration No. 301051E

R. P. Baradiya
Partner
Membership No. 044101

For **M.P.Chitale & Co.**
Chartered Accountants
ICAI Firm Registration No. 101851W

Ashutosh Pednekar
Partner
Membership No. 041037

For and on behalf of the Board of Directors
NIIF Infrastructure Finance Limited

Surya Prakash Rao Pendyala
Chairman

Rajiv Dhar
Director

Shiva Rajaraman
Chief Executive Officer

V. Narayanan Iyer
Chief Financial Officer

Ankit Sheth
Company Secretary

Place: Mumbai
Date: 28th April, 2023

Statement of Changes in Equity

as at March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

A1 Equity share capital

	Note	Number	Amount
As At March 31, 2021		915,730,161	915.73
Issued during the year	13	114,553,305	114.55
Changes in Equity Share Capital due to prior period errors		-	-
Restated balance at the beginning of the previous reporting period		-	-
As At March 31, 2022		1,030,283,466	1,030.28
Issued during the period	13	-	-
As At March 31, 2023		1,030,283,466	1,030.28

A2 Compulsorily convertible preference share capital

	Note	Series I Number	Amount	Series II Number	Amount
As At March 31, 2021		87,927,757	184.65	-	-
Issued during the year	14	-	-	257,069,408	694.09
As At March 31, 2022		87,927,757	184.65	257,069,408	694.09
Issued during the year	14	-	-	-	-
As At March 31, 2023		87,927,757	184.65	257,069,408	694.09

A3 Other equity

	Reserves and surplus					
	Securities Premium	Special reserve u/s. 45-IC of the RBI Act, 1934	Impairment Reserve	Surplus in the statement of profit and loss	General Reserve	Total
As At March 31, 2021	**344.37**	**87.83**	**0.04**	**336.48**	**0.88**	**769.60**
Premium on shares issued	203.29	-	-	-	-	203.29
Transfers to Special reserve u/s. 45-IC of the RBI Act, 1934	-	46.62	-	(46.62)	-	-
Share capital issue expenses	(0.07)	-	-	-	-	(0.07)
Changes in reserves due to prior period errors	-	-	-	-	-	-
Other comprehensive income	-	-	-	(0.15)	-	(0.15)
Profit for the year	-	-	-	233.25	-	233.25
As at March 31, 2022	**547.59**	**134.45**	**0.04**	**522.95**	**0.88**	**1,205.92**
Transfers to Special reserve u/s. 45-IC of the RBI Act, 1934	-	64.96	-	(64.96)	-	-
Changes in reserves due to prior period errors	-	-	-	-	-	-
Other comprehensive income	-	-	-	(0.95)	-	(0.95)
Profit for the year	-	-	-	325.74	-	325.74
As At March 31, 2023	**547.59**	**199.41**	**0.04**	**782.78**	**0.88**	**1,530.71**

The accompanying notes are an integral part of these financial statements (See notes 1 to 42)

As per our attached report of even date

For **For Lodha & Co.**
Chartered Accountants
ICAI Firm Registration No. 301051E

R. P. Baradiya
Partner
Membership No. 044101

For **M.P.Chitale & Co.**
Chartered Accountants
ICAI Firm Registration No. 101851W

Ashutosh Pednekar
Partner
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For and on behalf of the Board of Directors
NIIF Infrastructure Finance Limited

Surya Prakash Rao Pendyala
Chairman

Rajiv Dhar
Director

Shiva Rajaraman
Chief Executive Officer

V. Narayanan Iyer
Chief Financial Officer

Ankit Sheth
Company Secretary

Place: Mumbai
Date: 28th April, 2023

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

1 Corporate information

NIIF Infrastructure Finance Limited (Formerly IDFC Infrastructure Finance Limited) ('the Company') is a public limited company, incorporated in India on March 7, 2014, under the provisions of Companies Act, applicable in India and is a Non-Banking Finance Company (NBFC - IDF) regulated by the Reserve Bank of India ('RBI'). The registered office of the Company is located at 3rd Floor, UTI Tower, North Wing, GN Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051.

The Company has received a Non-Banking Financial Company (NBFC - IDF) license from Reserve Bank of India (RBI) on September 22, 2014. The object of the Company is to undertake infrastructure debt fund activities i.e. mainly re-financing existing debt of infrastructure companies.

The financial statements for the year ended March 31, 2023 were authorised for issue in accordance with a resolution of the board of directors on April 28, 2023.

As per RBI regulations, the Sponsor of the Company is M/s Aseem Infrastructure Finance Limited, which is a NBFC-Infrastructure Finance Company registered with RBI. The majority shareholder is M/s National Investment and Infrastructure Fund II which is an Alternative Investment Fund registered with the Securities and Exchange Board of India (SEBI).

2 Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

A Basis of preparation

(i) Compliance with Ind AS

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD. No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) is measured at fair value;
- assets held for sale – measured at fair value less cost to sell;
- defined benefit plans – plan assets measured at fair value;

The financial statement are presented in Indian Currency (INR) and all values are rounded to nearest rupee crores except when otherwise indicated.

(iii) Order of liquidity

The Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. Pursuant to Ind AS 1 and amendment to Division III of Schedule III to the Companies Act, 2013 on October 11, 2018, the Company presents its balance sheet in the order of liquidity as the Company does not supply goods or services within a clearly identifiable operating cycle. A maturity analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in Note 29. The Company prepares and present its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of Schedule III to the Act as amended from time to time. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows' as amended from time to time.

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

(iv) Use of Estimates

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

Judgement, estimates and assumptions are required in particular for:

Business model assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortized cost or fair value through other comprehensive income that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held"

Impairment of financial assets

The Company recognizes loss allowances for expected credit losses on its financial assets measured at amortized cost. At each reporting date, the Company assesses whether the above financial assets are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The Company's ECL calculations are outputs of number of underlying assumptions regarding the choice of variable inputs and their interdependencies such as macroeconomic scenarios and estimated recovery from collateral and board approved guidance.

Recognition and measurement of provisions and contingencies:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

Determination of lease term:

Ind AS 116 – Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances."

B Policy on segment

The Company operates in a single reportable segment i.e. lend/invest in Infrastructure projects. The Company also operates in a single geographical segment i.e. domestic. The chief operating decision maker (CODM) in the Company

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

to make decisions for performance assessment and resource allocation, is the Chief Executive Officer (CEO) and in the internal reporting provided to the CEO for corporate planning, there are no separate reportable segments (including geographical segments).

C (I) Property plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives of fixed assets.

Vehicles	4 years
Computers	3 years
Office Equipments (mobiles & Camera)	2 years
Office Equipments (Others)	5 years
Leasehold Improvements	Tenure of lease
Server/networking equipment	6 years
Furniture and fixtuers	10 years

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit and loss within other gains/(losses).

(II) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss.

Intangible assets not ready for use on the date of Balance sheet is shown as Intangible assets under development.

D Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period"

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Short term leases are leases with a lease term of 12 months or less and leases of low value assets. The company recognises the lease payments associated with short term leases as an expense in profit or loss."

E Impairment of non-financial asset

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

F Taxes on Income

The Company is an Infra Debt Fund - Non Banking Finance Company (IDF - NBFC) registered with the Reserve Bank of India on September 22, 2014. The income of the Company, being IDF-NBFC, is exempt under section 10(47) of the Income Tax Act, 1961, from with effect from financial year 2019-20.

G Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs are added to, or subtracted from, that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

at fair value through profit and loss are recognised immediately in statement of profit and loss.

Financial assets

Classification and subsequent measurement of financial assets:

Classification of financial assets

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss), and
- those measured at amortised cost.

For assets measured at fair value, gains and losses will either be recorded in profit and loss or other comprehensive income.

Debt Instruments

For investments in debt instruments, this will depend on the classification of debt instruments depending on:

(i) the Company's business model for managing the asset; and

(ii) the cash flow characteristics of the asset (SPPI).

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- how the asset’s performance and the business model is evaluated and reported to key management personnel
- the risks that affect the performance of the business model and how these risks are assessed and managed
- how managers are compensated.

Solely Payment of Principal and Interest (“SPPI”) Assessment

As a second step of its classification process, the Company assesses the contractual terms of financials to identify whether they meet the SPPI test, where the business model is to hold assets to collect contractual cash flows, the Company assesses whether the financial instruments cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit and loss.

The Company reclassifies debt investments when and only when its business model for managing those assets changes."

Equity Instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer’s net assets.

The Company measures all equity investments at fair value through profit and loss, except where the Company’s management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit and loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit and loss as other income when the Company's right to receive payments is established Gains

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

and losses on equity investments at FVTPL are included in the statement of profit and loss.

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost e.g. Debentures, Bonds etc. The assets held under amoritsed costs are not traded/sold, except for management of concentration risk or for any such similar exigency to protect the value of asset. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in investment income using the effective interest rate method.

Fair value through other comprehensive income: Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit and loss on initial recognition):

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

Fair value through profit and loss: Assets that do not meet the criteria for amortised cost or fair value through OCI, are measured at fair value through profit and loss e.g. investments in mutual funds. A gain or loss on a debt investment that is subsequently measured at fair value through profit and loss is recognised in profit and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises.

Equity instruments

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

Interest Income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance). The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and tees and points paid or received that are integral to the effective interest rate, such as origination fees. When the Company revises the estimates of future cash flows, the carrying amount of the respective financial asset is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit and loss. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Interest Income from Fixed Deposits placed with banks is recognised on accrual basis by the Company.

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

Fees and Commission Income

Fee income is recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based the requirement of Ind AS 115 unless included in the EIR. The fees included in this part of the statement of profit and loss include other fees charged for servicing a loan, non-utilisation fees relating to loan commitments when it is unlikely that these will result in a specific lending arrangement and advisory fee.

Modification of loans

The Company sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. When this happens, the Company assesses whether or not the new terms are substantially different to the original terms. The Company does this by considering, among others, the following factors:

(i) if the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay.

(ii) whether any substantial new terms are introduced, such as a profit share/equity-based return that substantially affects the risk profile of the loan.

(iii) significant extension of the loan term when the borrower is not in financial difficulty.

(iv) significant change in the interest rate.

(v) change in the currency the loan is denominated in.

(vi) insertion of collateral, other security or credit enhancements that significantly affect the credit risk associated with the loan.

If the terms are substantially different, the Company derecognises the original financial asset and recognises a 'new' asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Company also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit and loss as a gain or loss on derecognition.

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Company recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit and loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate.

De-recognition of financial assets

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either

(i) the Company transfers substantially all the risks and rewards of ownership, or

(ii) the company neither transfers nor retains substantially all the risks and rewards of ownership and the Company has not retained control.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit and loss if such gain or loss would have otherwise been recognised in profit and loss on disposal of that financial asset.

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

Financial liabilities and equity instruments

Classification as debt or equity:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

The Company has issued Compulsorily Convertible Preference Shares (CCPS) - Tranche I & Tranche II in March'21 & March'22 respectively. The CCPS do not carry any voting rights. The CCPS are not redeemable & each CCPS shall be converted into one equity share of ₹10 each upon induction of a new investor or expiry of 3 (Three) years from the date of issuance of First Tranche CCPS (30 March 2021), whichever is earlier. CCPS have liquidation preference over Equity Shares, in accordance with the Insolvency and Bankruptcy Code, 2016.

Classification and subsequent measurement

Financial liabilities are measured at amortised cost.

Financial liabilities (including borrowings and debt securities) are subsequently measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees. "

Interest expenses on Financials Liabilities

The Interest Expenses on Financial liabilities along with amortisation of transaction costs incurred are recognised as Finance Cost in the Statement of Profit and Loss.

De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. A substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit and loss. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred are adjusted to the carrying amount of the liability and are amortised over the remaining term of the modified liability."

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

Fair Value Measurement

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility. The details are available in Note 34 to the financial statements."

H Impairment - Expected Credit Loss Measurement

The Company assesses on a forward looking basis the expected credit losses associated with loans and debentures carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer Note 31.3 for details of impairment methodology applied by the Company.

I Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

J Provisions and contingent liabilities

Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the Management of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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."

K Employee benefits

Defined contribution benefits include provident fund, superannuation fund. Defined Employee benefits includes gratuity fund, compensated absences and long term incentive plans.

Defined contribution plan

The Company pays contribution to provident fund, superannuation fund and pension fund as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Defined benefit plan

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

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This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit and loss as past service cost.

Compensated absences

Accumulated leave which is expected to be utilised within next 12 months is treated as short term compensated absences and the accumulated leave which are carried forward beyond 12 months are treated as long term compensated absences Compensated absences are provided for, based on actuarial valuation report as short term and long term compensated absences. The actuarial valuation is done as per projected unit credit method as at the reporting date Actuarial gains/ losses are immediately taken to Statement of profit and loss and are not deferred.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of short-term compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

The Company has a long term incentive plan which is paid in three annual tranches. The Company accounts for the liability as per an actuarial valuation report. The actuarial valuation of the long term incentives liability is calculated based on certain assumptions, as per the projected unit credit method made at reporting period. Actuarial gains/losses are immediately taken to Statement of profit and loss and are not deferred.

L Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year, conversion of mandatorily convertible instruments from the date the contract is entered into and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares."

M Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except :

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

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is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

- When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

The Company expenses off 50% of eligible input tax credit in line with applicable Goods and Services Tax laws.

N New Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

Ind AS 1 Presentation of Financial Statements - The amendments require companies to disclose their material accounting policies rather than their significant accounting policies Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements

Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors - The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates" Accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty" Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty

Ind AS 12 Income Taxes - The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations The amendments narrowed the scope of the Initial recognition exemption of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences Accordingly, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on transactions such as initial recognition of a lease and a decommissioning provision

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

1 Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Cash on Hand	ß	-
Balance with bank:		
In current account	11.41	96.00
In deposit account (with original maturity less than 3 months)	522.17	1,145.55
Total	**533.58**	**1,241.55**

Note: The figures of ₹ 50,000 or less have been denoted by ß. Amount of cash on hand is ₹ 5,796

2 Loans (At amortised costs)

		As at March 31, 2023	As at March 31, 2022
	Term loans	13,377.29	11,201.86
	Debt Securities	4,443.40	2,955.91
	Total Loans (*)	**17,820.69**	**14,157.77**
	Interest accrued on loans	4.38	9.46
	Interest accrued on debt securities	16.82	25.17
	Total Gross Loans	**17,841.89**	**14,192.40**
	Less: Impairment loss allowance	(124.88)	(99.40)
	Total Net Loans	**17,717.01**	**14,093.00**
(*)	The loans outstanding before adjustment of Effective Interest Rate, Premium Amortisation and Discount Accretion	17,839.47	14,200.55
(a)	**The above amount includes:**		
	(i) Secured by tangible assets	17,839.47	14,200.55
	(ii) Secured by intangible assets	-	-
	(iii) Covered by Bank / Government guarantees	-	-
	(iv) Unsecured	-	-
	Total- Gross	17,839.47	14,200.55
	Less: Impairment loss allowance	(124.88)	(99.40)
	Total- Net	**17,714.59**	**14,101.16**
(b)	**Loans in India**	**17,714.59**	**14,101.16**
(c)	**Loans outside India**		
	Less: Impairment loss allowance	-	-
	Total- Net	-	-
	Total [b+c]	**17,714.59**	**14,101.16**

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise) CIN No: U67190MH2014PLC253944

3 Other financial assets

	As at March 31, 2023	As at March 31, 2022
Receivables from Group Company*	0.04	-
Deposits	0.25	0.25
Total	**0.29**	**0.25**

* Refer note 32

4 Current tax assets (Net)

	As at March 31, 2023	As at March 31, 2022
Income tax paid	147.65	115.22
Total	**147.65**	**115.22**

The Company had filed application with Central Board of Direct Taxes (CBDT) for notification as Infrastructure Debt Fund (IDF) from Financial year 2014-15, the year of receipt of licence from RBI as NBFC-IDF, and has been claiming tax exemption under Section 10(47) read with Rule 2F of the Income Tax Act.

The CBDT has issued a notification dated October 21, 2019 notifying the Company under Section 10(47) of the Income Tax Act w.e.f. Financial year 2019-20 (i.e from the financial year starting 1st April 2019).

The Company has made an application to CBDT for review of the said notification with a request to notify it under section 10(47) of Income Tax Act with retrospective effect, i.e. w.e.f. Financial year 2014-15 (the year in which it received RBI registration as NBFC-IDF). In the interim, the tax liability from Financial year 2014-15 till financial year 2018-19 amounting to ₹ 108.01 crore had been provided for in earlier years.

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

5 a Property, plant and equipment

As at March 31, 2023	Gross block				Accumulated depreciation				Net block
	Balance as at April 1, 2022	Additions	Disposals	Balance as at March 31, 2023	Balance as at April 1, 2022	Depreciation charge for the year	On disposals	Balance as at March 31, 2023	Balance as at March 31, 2023
Freehold Land (Refer note below)	0.04	-	-	0.04	-	-	-	-	0.04
Vehicles (owned)	0.56	-	0.32	0.24	0.49	0.06	0.32	0.23	0.01
Computers	0.66	0.14	0.06	0.74	0.35	0.14	0.06	0.43	0.31
Office Equipments	0.15	0.09	0.02	0.22	0.10	0.04	0.01	0.13	0.09
Leasehold Improvements	1.76	-	-	1.76	1.61	0.15	-	1.76	-
Furniture	0.04	-	-	0.04	0.01	0.00	-	0.01	0.03
Total tangible assets	**3.21**	**0.23**	**0.40**	**3.04**	**2.56**	**0.39**	**0.39**	**2.56**	**0.48**

As at March 31, 2022	Gross block				Accumulated depreciation				Net block
	Balance as at April 1, 2021	Additions	Disposals	Balance as at March 31, 2022	Balance as at April 1, 2021	Depreciation charge for the year	On disposals	Balance as at March 31, 2022	Balance as at March 31, 2022
Freehold Land (Refer note below)	0.04	-	-	0.04	-	-	-	-	0.04
Vehicles (owned)	0.94	-	0.38	0.56	0.80	0.08	0.38	0.49	0.07
Computers	0.57	0.09	-	0.66	0.23	0.12	-	0.35	0.31
Office Equipments	0.13	0.03	0.01	0.15	0.08	0.02	-	0.10	0.05
Leasehold Improvements	1.76	-	-	1.76	1.01	0.59	-	1.61	0.15
Furniture	0.04	-	-	0.04	0.01	0.01	-	0.01	0.03
Total tangible assets	**3.48**	**0.12**	**0.39**	**3.21**	**2.13**	**0.82**	**0.38**	**2.56**	**0.65**

Note: The freehold land has been mortgaged in favour of Debenture Trustees against the secured debentures issued by the Company.

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

5 b Right of use Assets

As at March 31, 2023	Gross block				Accumulated depreciation				Net block
	Balance as at April 1, 2022	Additions	Disposals	Balance as at March 31, 2023	Balance as at April 1, 2022	Depreciation charge for the year	On disposals	Balance as at March 31, 2023	Balance as at March 31, 2023
Right of use Assets	-	7.66	-	7.66	-	1.92	-	1.92	5.75
Total	**-**	**7.66**	**-**	**7.66**	**-**	**1.92**	**-**	**1.92**	**5.75**

As at March 31, 2022	Gross block				Accumulated depreciation				Net block
	Balance as at April 1, 2021	Additions	Disposals	Balance as at March 31, 2022	Balance as at April 1, 2021	Depreciation charge for the year	On disposals	Balance as at March 31, 2022	Balance as at March 31, 2022
Right of use Assets	5.25	-	0.41	4.85	3.23	1.61	-	4.85	-
Total	**5.25**	**-**	**0.41**	**4.85**	**3.23**	**1.61**	**-**	**4.85**	**-**

5 c Intangible assets under development

Particulars	As at March 31, 2023	As at March 31, 2022
Loan Management Software	-	0.85
Risk Assessment Software	0.28	-
Total Intangible assets under development	**0.28**	**0.85**

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 Years	2-3 Years	> 3 years	Total
March 31, 2023					
Projects in progress	0.28	-	-	-	0.28
Projects temporarily suspended	-	-	-	-	-
March 31, 2022					
Projects in progress	0.85	-	-	-	0.85
Projects temporarily suspended	-	-	-	-	-

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

5 d Intangible Asset

As at March 31, 2023	Gross block				Accumulated depreciation				Net block
	Balance as at April 1, 2022	Additions	Disposals	Balance as at March 31, 2023	Balance as at April 1, 2022	Depreciation charge for the year	On disposals	Balance as at March 31, 2023	Balance as at March 31, 2023
Intangible Asset	-	0.94	-	0.94	-	0.06	-	0.06	0.88
Total Intangible Asset	**-**	**0.94**	**-**	**0.94**	**-**	**0.06**	**-**	**0.06**	**0.88**

As at March 31, 2022	Gross block				Accumulated depreciation				Net block
	Balance as at April 1, 2021	Additions	Disposals	Balance as at March 31, 2022	Balance as at April 1, 2021	Depreciation charge for the year	On disposals	Balance as at March 31, 2022	Balance as at March 31, 2022
Intangible Asset	-	-	-	-	-	-	-	-	-
Total Intangible Asset	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Notes

As at and for the year ended March 31, 2023
(All amounts in ₹ crores, unless stated otherwise)
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6 Other non-financial assets

	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	0.35	0.99
Supplier Advance	0.01	0.13
Other Advance	0.14	0.46
	0.50	**1.58**

7 Trade payables*

	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises	0.02	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.65	0.78
Total	**0.67**	**0.78**

Trade Payables ageing schedule

Particulars	Outstanding as on 31, March 2023 from due date of payment				
	< 1 year	1 to 2 Years	2 to 3 Years	> 3 Years	Total
MSME	0.02	-	-	-	0.02
Others	0.51	0.14	-	-	0.65
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule

Particulars	Outstanding as on 31, March 2022 from due date of payment				
	< 1 year	1 to 2 Years	2 to 3 Years	> 3 Years	Total
MSME	-	-	-	-	-
Others	0.78	-	-	-	0.78
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

8 Other payables

	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.32	3.03
	3.32	**3.03**

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

9 Debt Securities

	As at March 31, 2023	As at March 31, 2022
At Amortised cost		
Debentures (Secured, non convertible)(*) fully paid up, privately placed	14,525.78	11,753.37
Commercial papers (unsecured)	-	248.20
Interest accrued but not due	424.03	321.17
Total (A)	**14,949.81**	**12,322.74**
(*) The borrowings outstanding before adjustment of unamortised fees under Effective Interest Rate	14,598.00	12,033.00
Debt securities in India	14,949.81	12,322.74
Debt securities outside India	-	-
Total (B)	**14,949.81**	**12,322.74**
Face value per debenture	1,000,000	1,000,000

Based on Original Maturity	**Rate of interest range**			
	4% to 6%	**6% to 8%**	**8% to 10%**	**Grand Total**
1) Less than 1 year	-	-	-	-
2) 1Year to 3Years	300	-	-	300
3) 3Years to 5Years	-	-	150	150
4) >5Years	-	10,731	3,417	14,148
Grand Total	**300**	**10,731**	**3,567**	**14,598**

10 (a) Lease liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities	5.95	-
Total	**5.95**	**-**

10 (b) Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Advance receipts from borrowers	2.38	7.68
Total	**2.38**	**7.68**

11 Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity	0.19	0.43
Provision for employee benefits	0.09	-
Provision for compensated absences	0.43	0.68
Provision for long term incentive plan	2.16	0.89
Total	**2.87**	**2.00**

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise) CIN No: U67190MH2014PLC253944

12 Other non-financial liabilities

	As at March 31, 2023	As at March 31, 2022
Statutory dues (PF, Assets GST)	1.69	1.93
Total	**1.69**	**1.93**

13 A Share capital

	As at March 31, 2023		As at March 31, 2022	
	Number	(₹ in Crs)	Number	(₹ in Crs)
Authorised shares				
Equity shares of ₹ 10 each	1,815,000,000	1,815.00	1,815,000,000	1,815.00
Compulsorily convertible preference shares of ₹ 21 each (Series I)	88,095,238	185.00	88,095,238	185.00
Compulsorily convertible preference shares of ₹ 27 each (Series II)	259,259,259	700.00	259,259,259	700.00
Issued, subscribed & fully paid-up shares				
Equity shares of ₹ 10 each	1,030,283,466	1,030.28	1,030,283,466	1,030.28
Compulsorily convertible preference shares of ₹ 21 each (Series I)	87,927,757	184.65	87,927,757	184.65
Compulsorily convertible preference shares of ₹ 27 each (Series II)	257,069,408	694.09	257,069,408	694.09
Total		**1,909.02**		**1,909.02**

(a) Movements in equity share capital.

	As at March 31, 2023		As at March 31, 2022	
	Number	(₹ in Crs)	Number	(₹ in Crs)
Outstanding at the beginning of the year	1,030,283,466	1,030.28	915,730,161	915.73
Issued during the year	-	-	114,553,305	114.55
Outstanding at the end of the year	**1,030,283,466**	**1,030.28**	**1,030,283,466**	**1,030.28**

(b) Movements in preference share capital (Face Value 21) Series I

	As at March 31, 2023		As at March 31, 2022	
	Number	(₹ in Crs)	Number	(₹ in Crs)
Outstanding at the beginning of the year	87,927,757	184.65	-	-
Issued during the year	-	-	87,927,757	184.65
Outstanding at the end of the year	**87,927,757**	**184.65**	**87,927,757**	**184.65**

Movements in preference share capital (Face Value 27) Series II

	As at March 31, 2023		As at March 31, 2022	
	Number	(₹ in Crs)	Number	(₹ in Crs)
Outstanding at the beginning of the year	257,069,408	694.09	-	-
Issued during the year	-	-	257,069,408	694.09
Outstanding at the end of the year	**257,069,408**	**694.09**	**257,069,408**	**694.09**

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise) CIN No: U67190MH2014PLC253944

(c) Terms / rights attached to equity shares

i The Company has equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

ii In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iii The dividend proposed by the Board of Directors is subject to the approval of shareholders at the ensuing Annual General Meeting, except in case of interim dividend. Such dividend is not recognised as a liability at the Balance Sheet date.

(d) Terms / rights attached to Compulsorily Convertible Preference Shares (CCPS)

i The Company has issued Compulsorily Convertible Preference Shares (CCPS) having a par value of ₹ 21 (Series I) & 27 (Series II) per share.

ii The CCPS shall carry a pre-determined cumulative dividend rate of 0.001% per annum. In addition to the same, if the holders of Equity Shares are paid dividend in excess of 0.001% per annum, CCPS holders shall be entitled to dividend at such higher rate. The dividend shall be payable, subject to cash flow solvency, in the event the board of directors of the Company declare any dividend for the relevant year, and shall be paid in priority to Equity Shares

iii The CCPS are not redeemable & each CCPS shall be converted into one equity share of ₹10 each upon induction of a new investor or expiry of 3 (Three) years from the date of issuance of First Tranche CCPS (30 March 2021), whichever is earlier.

iv Subject to Section 47(2) of the Companies Act, 2013, the CCPS do not carry any voting rights.

v CCPS shall have liquidation preference over the Equity Shares, in accordance with the Insolvency and Bankruptcy Code, 2016

(e) Details of shares held by the promoter entity

	As at March 31, 2023		As at March 31, 2022	
	Number	% of Holding	Number	% of Holding
Outstanding at the beginning of the year	-	-	-	-

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise) CIN No: U67190MH2014PLC253944

(f) Details of shareholders holding more than 5% of the shares in the Company

Equity shares	As at March 31, 2023		As at March 31, 2022	
	Number	% of Holding	Number	% of Holding
National Investment & Infrastructure Fund II & Nominees (^)	546,350,979	53.03%	546,350,979	53.03%
Aseem Infrastructure Finance Limited	423,932,487	41.15%	423,932,487	41.15%
Housing Development Finance Corporation Limited	60,000,000	5.82%	60,000,000	5.82%
0.001% Compulsorily Convertible Preference Shares (Series I)				
President of India (*)	**87,927,757**	**100.00%**	**87,927,757**	**100.00%**
(*) Represented by and acting through the Secretary, Department of Economic Affairs, Ministry of Finance, Government of India				
0.001% Compulsorily Convertible Preference Shares (Series II)				
President of India (*)	**257,069,408**	**100.00%**	**257,069,408**	**100.00%**

(*) Represented by and acting through the Secretary, Department of Economic Affairs, Ministry of Finance, Government of India

13 B Other Equity

		As at March 31, 2023	As at March 31, 2022
(a)	Surplus in the statement of profit and loss	782.78	522.96
(b)	Securities premium	547.59	547.59
(c)	General Reserves	0.88	0.88
(d)	Special reserve u/s. 45-IC of the RBI Act, 1934	199.41	134.45
(e)	Impairment Reserve	0.04	0.04
	Total	**1,530.71**	**1,205.92**
(a)	**Surplus in the Statement of Profit and Loss**		
	Opening balance	522.96	336.48
	Net profit for the year	325.74	233.25
	Items of other comprehensive income	(0.95)	(0.15)
	Transfer to Special Reserve u/s. 45-IC of RBI Act, 1934	(64.96)	(46.62)
	Closing balance	**782.78**	**522.96**
(b)	**Securities Premium**		
	Opening balance	547.59	344.37
	Changes during the year	-	203.29
	Share capital issue expenses	-	(0.07)
	Closing balance	**547.59**	**547.59**
(c)	**General Reserve**		
	Opening balance	0.88	0.88
	Appropriations during the year	-	-
	Closing balance	**0.88**	**0.88**
(d)	**Special Reserve u/s. 45-IC of RBI Act,1934**		
	Opening balance	134.45	87.83
	Appropriations during the year	64.96	46.62
	Closing balance	**199.41**	**134.45**

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

		As at March 31, 2023	As at March 31, 2022
(e)	**Impairment Reserve**		
	Opening balance	0.04	0.04
	Appropriations during the year	-	-
	Closing balance	0.04	0.04
	Total	**1,530.71**	**1,205.92**

Nature and purpose of reserve

a) Securities premium

Securites premium represents the excess of issue price over face value of equity shares & compulsorily convertible preference shares (CCPS) issue during the year. As per secton 52 (3) of the Companies Act, 2013, expenses on issue of equity share have been adjusted against securities premium.

b) General Reserves

General Reserve represents appropriation of retained earnings and are available for distribution to shareholders.

c) Special reserves u/s 45-IC of RBI Act, 1934

As per section 45-IC of RBI Act, 1934, every non-banking financial company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty per cent (20%) of its net profit every year as disclosed in the profit and loss account and before any dividend is declared. No appropriation of any sum from the reserve fund shall be made by the non-banking financial company annually.

d) Impairment Reserve

In terms of RBI circular reference DOR (NBFC) .CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020, NBFCs are required to hold expected credit loss allowances in accordance with the provisions of IndAS 109. In parallel NBFCs are required to compute provisions as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP). Where the expected credit loss allowance computed under IndAS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs are required to appropriate the shortfall from their retained earnings to a separate 'Impairment Reserve'

14 Interest Income

	Year ended March 31, 2023	Year ended March 31, 2022
On financial assets measured at amortised costs		
Interest on loans (refer note no.41)	1,350.22	954.66
Interest on deposits with Bank	46.86	22.53
Total	**1,397.08**	**977.19**

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise) CIN No: U67190MH2014PLC253944

15 (a) Fees and commission income

	Year ended March 31, 2023	Year ended March 31, 2022
Fees and commission income	5.19	-
Total	**5.19**	**-**

15 (b) Net gain on fair value changes

	Year ended March 31, 2023	Year ended March 31, 2022
Gain from Mutual fund Investment		
- Realised	1.85	-
- Unrealised	-	-
Total	**1.85**	**-**

16 Other Income

	Year ended March 31, 2023	Year ended March 31, 2022
Shared Service Cost Recovery	0.09	0.67
Profit on sale of asset	0.02	0.02
Interest on IT Refunds	-	4.14
Miscellaneous Income	-	2.29
Total	**0.11**	**7.12**

17 Finance Costs

On financial liabilities measured at amortised costs	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense		
(i) Debt securities	1,014.45	675.19
(ii) Lease Liabilities	0.49	0.14
Other borrowing cost (Rating fee & Other expenses)	2.07	1.64
Total	**1,017.01**	**676.97**

18 Fees and commission expense

	Year ended March 31, 2023	Year ended March 31, 2022
Commission paid to project authorities	0.16	0.36
	0.16	**0.36**

19 Impairment on financial instruments

On financial liabilities measured at amortised costs	Year ended March 31, 2023	Year ended March 31, 2022
Term loans & Debentures	25.47	46.13
Total	**25.47**	**46.13**

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

20 Employee benefits expense

	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	19.42	13.37
Contribution to gratuity fund {Refer note 28(c)}	0.42	0.34
Contribution to provident and other funds {Refer note 28(b)}	1.20	0.84
Staff welfare expenses	0.52	0.26
Total	**21.56**	**14.81**

21 Depreciation, amortisation and impairment

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of property, plant and equipment	0.39	0.82
Ammortisation of right to use of assets	1.92	1.61
Ammortisation of intangible assets	0.06	-
Total	**2.37**	**2.43**

22 Other expenses

	Year ended March 31, 2023	Year ended March 31, 2022
Professional fees	2.05	2.58
Rates and taxes	1.46	2.43
Computer and IT related expenses	2.12	1.10
Insurance charges	0.26	0.39
Electricity charges	0.16	0.13
Travelling and conveyance	0.55	0.11
Printing and stationery	0.05	0.02
Communication costs	0.02	0.06
Stamp duty and registration fees	0.31	0.31
Directors' sitting fees	0.41	0.16
Contribution towards corporate social responsibility	3.73	2.56
Donations	-	0.10
Auditor's remuneration [see note (b) below]	0.38	0.31
Advertising & publicity	0.09	0.05
Miscellaneous expenses	0.33	0.05
Total	**11.92**	**10.36**
Breakup of Auditors' remuneration		
Audit fees	0.32	0.27
Tax audit fees	0.02	0.02
Certification fees	0.04	0.02
Out-of-pocket expenses	ß	-
Total	**0.38**	**0.31**

Note: The figures of ₹ 50,000 or less have been denoted by ß. Amount of out of pocket expense is ₹ 38,000

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise) CIN No: U67190MH2014PLC253944

(b) Contribution for corporate social responsibility (CSR)

Amount required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year ₹ 3.73 crore (previous year ₹ 2.56 crore). Amount spent towards CSR during the year and recognised as expense in the statement of profit and loss on CSR related activities is ₹ 3.73 crore (previous year ₹ 2.56 crore), which comprise of following:

	Year ended March 31, 2023	Year ended March 31, 2022
Amount spent during the year on:		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	3.73	2.56
(iii) On purposes other than (i) above - unspent balance	-	-
Total	**3.73**	**2.56**
(a) shortfall at the end of the year	-	-
(b) total of previous years shortfall	-	-
(c) reason for shortfall	NA	NA
(d) nature of CSR activities	Promoting Healthcare & Education	Promoting Healthcare & Education
(e) details of related party transactions	Nil	Nil
(f) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	Nil	Nil

23 Income tax

The Company is registered as Infrastructure Debt Fund (IDF-NBFC) with RBI. As per Section 10(47) of the Income Tax Act, any income of IDFs notified by Central Board of Direct Taxes (CBDT) for this purpose is exempt from income tax.

24 (i) Employee benefit obligations

a) Defined contribution plans

The Company has recognised the following amounts in the statement of profit and loss towards contribution to defined contribution plans which are included under contribution to provident and other funds:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Provident fund	0.82	0.55
Pension fund	0.38	0.29

b) Defined benefit plans

The Company has a defined benefit gratuity plan in India (funded). The Company's defined benefit gratuity plan is a final salary plan for India employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. As per internal policy gratuity liabilities for all employees is uncapped and ₹ 20 lakhs limit is not applicable.

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

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The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

i) Balance sheet

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2021	**4.34**	**4.41**	**(0.07)**
Current service cost	0.36	-	0.36
Interest expense/(income)	0.21	-	0.21
Return on plan assets	-	0.21	(0.21)
Remeasurements due to actual return on plan assets less interest on plan assets	-	(0.05)	0.05
Actuarial loss / (gain) arising from change in financial assumptions	0.04	-	0.04
Actuarial loss / (gain) arising from change in demographic assumptions	(0.09)	-	(0.09)
Actuarial loss / (gain) arising on account of experience changes	0.14	-	0.14
Benefit payments	(0.75)	(0.75)	-
As at March 31, 2022	**4.25**	**3.82**	**0.43**
Current service cost	0.40	-	0.40
Interest expense/(income)	0.18	-	0.18
Employer contributions	-	1.62	(1.62)
Remeasurements due to actual return on plan assets less interest on plan assets	-	0.13	(0.13)
Actuarial loss / (gain) arising from change in financial assumptions	(0.04)	-	(0.04)
Actuarial loss / (gain) arising from change in demographic assumptions	(0.09)	-	(0.09)
Actuarial loss / (gain) arising on account of experience changes	1.06	-	1.06
Benefit payments	(2.20)	(2.20)	-
As at March 31, 2023	**3.56**	**3.37**	**0.19**

	As at March 31, 2023	As at March 31, 2022
Present value of plan liabilities	3.56	4.25
Fair value of plan assets	3.37	3.82
Plan liability net of plan assets	**0.19**	**0.43**

ii) Statement of profit and loss

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Employee benefit expense	-	-
Losses on acquisition	-	-
Current service cost	0.40	0.36
Total	**0.40**	**0.36**
Finance costs	0.02	(0.01)
Gains/(losses) on settlements	-	-
Net impact on the profit before tax	**0.42**	**0.34**

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise) CIN No: U67190MH2014PLC253944

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Remeasurements of the net defined benefit liability:		
Opening amount recognized in OCI outside profit and loss account	(0.09)	(0.24)
Return on plan assets excluding amounts included in interest expense/income	0.03	0.05
Actuarial loss / (gain) arising from change in financial assumptions	(0.04)	0.04
Actuarial loss / (gain) arising from change in demographic assumptions	(0.09)	(0.08)
Actuarial loss / (gain) arising on account of experience changes	1.06	0.14
Actuarial gains/(losses) arising from changes in experience	-	-
Net impact on the other comprehensive income before tax	**0.87**	**(0.09)**

iii) Defined benefit plan assets

Category of assets (% allocation)	As at March 31, 2023	As at March 31, 2022
Insurer managed funds	3.37	3.82
Total	**3.37**	**3.82**

iv) Actuarial assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.30%	5.90%
Salary escalation rate*	10.00%	9.00%

* takes into account the inflation, seniority, promotions and other relevant factors

v) Sensitivity

Gratuity

As at March 31, 2023	Change in assumption	Impact on defined benefit obligation	
		Increase	Decrease
Discount rate	0.50%	(0.17)	0.17
Salary escalation rate	0.50%	0.17	(0.17)

As at March 31, 2022	Change in assumption	Impact on defined benefit obligation	
		Increase	Decrease
Discount rate	0.50%	(0.05)	0.05
Salary escalation rate	0.50%	0.05	(0.05)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

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When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

vi) Maturity

The defined benefit obligations shall mature after year end as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Within the next 12 months (next annual reporting period)	1.06	2.37
Between 2 and 5 years	2.43	1.46
Between 5 and 10 years	0.65	0.73
Beyond 10 years	0.41	0.45
Total expected payments	**4.55**	**5.01**

The weighted average duration of the defined benefit obligation is 2.94 years (previous year - 2.33 years)

vii) Provision for long term incentive plan (LTIP)

Particulars	As at March 31, 2023	As at March 31, 2022
Liability for long term incentive plan	2.16	0.89

viii) Provision for leave encashment

Particulars	As at March 31, 2023	As at March 31, 2022
Liability for long term incentive plan	0.43	0.68

24 (ii) Lease

Disclosure on Lease in accordance with Indian Accounting Standard (Ind AS) 116 on 'Leases'

A) Payment of Rent from April 01, 2022 to March 31, 2023 is ₹ 2.20 Crore (Previous Year ₹ 2.05 Crore).

B) The following is the breakup of Current and non-current portion of Lease Liability:

Particulars	March 31, 2023	March 31, 2022
Current	1.84	-
Non Current	4.11	-
Total Lease Liability	**5.95**	**-**

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

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C) The following is the movement of Lease Liability

Particulars	March 31, 2023	March 31, 2022
Opening Balance	-	2.42
Addition	7.66	-
Interest Expense on lease liability	0.49	0.14
Actual payment of rent	2.20	2.56
Closing Balance	**5.95**	**-**

D) The Carrying Value of Right of Use Asset

Particulars	March 31, 2023	March 31, 2022
Opening Balance	-	2.02
Addition	7.66	-
Gross Carrying value	7.66	2.02
Depreciation	1.91	2.02
Carrying value of right of use asset	5.75	-

E) The following represents the Contractual Maturity of the Lease Liability on an undiscounted basis

Particulars	March 31, 2023	March 31, 2022
On demand	-	-
Upto 3 months	0.55	-
Above 3 months to 12 months	1.66	-
Above 1 Year -3 Years	4.42	-
Above 3 Years-5 Years	-	-
Above 5 Years	-	-
Total	**6.62**	**-**

25. Segment information

The Company is engaged in business of financing by way of loans (non banking financial services). All other activities of the Company revolve around the main business and accordingly there are no separate reportable segments, as per Ind AS 108 – Operating Segments.

26. Earnings per share (EPS)

a) The basic earnings per share has been calculated based on the following:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net profit after tax available for equity shareholders (A)	325.74	233.25
Weighted average number of ordinary shares	1,030,283,466	9,169,855
Weighted average number of compulsorily convertible preference shares (CCPS)	344,997,165	907,450
Weighted average number of shares (B)	1,375,280,631	10,077,305

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

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b) The reconciliation between the basic and the diluted earnings per share is as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Basic earnings per share (A/B)	2.37	2.31
Diluted earnings per share (A/B)	2.37	2.31

27. Capital commitments

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Estimated amount of contracts remaining to be executed on capital account (net of advances)	-	0.22
Undisbursed commitments	-	813.00
Total	-	813.22

There are no contingent liabilities as at March 31, 2023 & March 31, 2022

28 Capital management

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI) of India. The adequacy of the Company's capital is monitored using, amongst other measures, the regulations issued by RBI. Company has complied in full with all its externally imposed capital requirements over the reported period. The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

The following additional information is disclosed in terms of the RBI circular (Ref No. DNBR .PD. 008 / 03.10.119 / 2016-17 dated September 01, 2016) and RBI circular DNBR(PD) CC No. 053 / 03.10.119 / 2015-16 :

Capital to risk assets ratio (CRAR):	Year ended March 31, 2023	Year ended March 31, 2022
Tier I capital	3,432.83	3,114.90
Tier II capital	124.88	99.40
Total capital	**3,557.71**	**3,214.30**
Risk weighted assets	17,061.47	13,685.14
CRAR (%)	20.85%	23.49%
CRAR - Tier I capital (%)	20.12%	22.76%
CRAR - Tier II capital (%)	0.73%	0.73%
Amount of subordinated debt considered as Tier II capital	-	-
Amount raised by issue of perpetual debt instruments	-	-

Notes

As at and for the year ended March 31, 2023

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Regulatory Tier I capital, which comprises share capital, share premium, special reserves, share option outstanding account, retained earnings including current year profit and non-controlling interests less accrued dividends & Intangible assets. Certain adjustments are made to Ind AS based results and reserves, as prescribed by the Reserve Bank of India.

Maturity analysis of assets and liabilities

29 The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	533.58	-	533.58	1,241.55	-	1,241.55
Loans	1,066.77	16,650.24	17,717.01	836.40	13,256.60	14,093.00
Other financial assets	0.04	0.25	0.29	-	0.25	0.25
Non-financial assets				-	-	-
Income tax assets (Net)	-	147.65	147.65	-	115.22	115.22
Property, plant and equipment	-	0.48	0.48	-	0.65	0.65
Right of use Assets	-	5.75	5.75	-	-	-
Intangibles Including Intangibles under development	-	1.16	1.16	-	0.85	0.85
Other non-financial assets	0.50	-	0.50	1.58	-	1.58
Total assets	**1,600.89**	**16,805.53**	**18,406.42**	**2,079.53**	**13,373.57**	**15,453.10**
Financial liabilities						
Payables						
(I) Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	0.02	-	0.02	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.65	-	0.65	0.78	-	0.78
(II) Other payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3.32	-	3.32	3.03	-	3.03
Debt securities	1,163.03	13,786.78	14,949.81	2,177.72	10,145.02	12,322.74
Borrowings (Other than debt securities)	-	-	-	-	-	-
Finance Lease liabilities	1.84	4.11	5.95	-	-	-
Other financial liabilities	2.38	-	2.38	7.68	-	7.68
Non-financial Liabilities						
Provisions	0.75	2.12	2.87	0.13	1.87	2.00
Other non-financial liabilities	1.69	-	1.69	1.93	-	1.93
Total liabilities	**1,173.68**	**13,793.01**	**14,966.69**	**2,191.27**	**10,146.89**	**12,338.16**
Net	**427.21**	**3,012.52**	**3,439.73**	**(111.74)**	**3,226.68**	**3,114.94**

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

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30 Fair value measurement

a) Financial Instruments by Category

The following table provides categorization of all financial instruments at carrying value except for financial assets and financial liabilities not measured at fair value if, the carrying amount is a reasonable approximation of fair value.

As at March 31, 2023	**At FVTPL**	**At FVOCI**	**Amortised Cost**
Financial Assets			
Loans			
- Term loans	-	-	13,283.55
- Debentures and bonds	-	-	4,412.26
- Accrued interest on loans, debentures and bonds		-	21.20
Cash and Cash Equivalents	-	-	533.58
Other financial assets	-	-	0.29
Total financial assets	**-**	**-**	**18,250.88**
Financial Liabilities			
Debt Securities			
- Debentures and bonds	-	-	14,525.78
- Commercial paper	-	-	-
- Accrued interest on borrowings			424.03
Trade payables	-	-	0.67
Other Payables	-	-	3.32
Lease liability	-	-	5.95
Other financial liabilities	-	-	2.38
Total financial liabilities	**-**	**-**	**14,962.13**

As at March 31, 2022	**At FVTPL**	**At FVOCI**	**Amortised Cost**
Financial Assets			
Loans			
- Term loans	-	-	11,123.22
- Debentures and bonds	-	-	2,935.16
- Accrued interest on loans, debentures and bonds			34.63
Cash and Cash Equivalents	-	-	1,241.55
Other financial assets	-	-	0.25
Total financial assets	**-**	**-**	**15,334.80**
Financial Liabilities			
Debt Securities			
- Debentures and bonds	-	-	11,753.37
- Commercial paper	-	-	248.20
- Accrued interest on borrowings			321.17
Trade payables	-	-	3.81
Other financial liabilities	-	-	7.68
Total financial liabilities	**-**	**-**	**12,334.23**

Note: There are no other categories of financial instruments other than those mentioned above. The financial assets are shown gross of provision for Expected Credit Loss.

Notes

As at and for the year ended March 31, 2023
(All amounts in ₹ crores, unless stated otherwise)
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b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

As at March 31, 2023

Assets and liabilities measured at amortised cost for which fair values are disclosed	Note	Level 1	Level 2	Level 3	Total
Financial assets					
Loans					
- Term loans	2	-	-	13,283.55	13,283.55
- Debentures and bonds	2	-	-	4,412.26	4,412.26
- Accrued interest on loans, debentures and bonds	2			21.20	21.20
Total financial assets		**-**	**-**	**17,717.01**	**17,717.01**
Financial liabilities					
Debt securities					
- Debentures and bonds	9	-	-	14,525.78	14,525.78
- Commercial papers	9	-	-	-	-
- Accrued interest on borrowings	9	-	-	424.03	424.03
Total financial liabilities		**-**	**-**	**14,949.81**	**14,949.81**

As at March 31, 2022

Assets and liabilities measured at amortised cost for which fair values are disclosed	Note	Level 1	Level 2	Level 3	Total
Financial assets					
Loans					
- Term loans	2	-	-	11,123.13	11,123.13
- Debentures and bonds	2	-	-	2,935.24	2,935.24
- Accrued interest on loans, debentures and bonds	2	-	-	34.63	34.63
Total financial assets		**-**	**-**	**14,093.00**	**14,093.00**
Financial liabilities					
Debt securities					
- Debentures and bonds	9	-	-	11,753.37	11,753.37
- Commercial papers	9	-	-	248.20	248.20
- Accrued interest on borrowings	9	-	-	321.17	321.17
Total financial liabilities		**-**	**-**	**12,322.74**	**12,322.74**

i) There are no transfers between levels 1, 2 and 3 during the year.

ii) The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise) CIN No: U67190MH2014PLC253944

The Company uses the following hierarchy for determining and disclosing the fair value of financial assets by valuation technique:

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

The hierarchies used are as follows:

Level 1: Level 1: The fair value of financial instruments traded in active markets (such as mutual funds) is based on quoted market prices at the end of the reporting period. The mutual funds are valued using the closing NAV. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

c) Valuation technique used to determine fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

Specific valuation techniques used to value financial instruments include:

- the fair value of the unquoted mutual fund units is determined using observable NAV representing repurchase price issued by the mutual fund/venture capital fund.
- the fair values of interest rate swaps is calculated as the present value of the estimated future cash flows based on the observable yield curves.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis and the discount rates used were adjusted for counterparty or own credit risk.

d) Valuation Process

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team directly reports to the chief financial officer (CFO) and audit committee (AC). Discussion on valuation processes and result are held between CFO, AC and the valuation team regularly in line with Company's quarterly reporting periods.

Notes

As at and for the year ended March 31, 2023

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e) Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Loans				
Rupee loans	13,377.29	13,377.29	11,201.86	11,201.86
Debentures and Bonds	4,443.40	4,443.40	2,955.91	2,955.91
Accrued interest on loans, debentures and bonds	21.20	21.20	34.63	34.63
Total financial assets	**17,841.89**	**17,841.89**	**14,192.40**	**14,192.40**
Financial liabilities				
Debt securities				
Debentures	14,525.78	14,525.78	11,753.37	11,753.37
Commercial papers	-	-	248.20	248.20
Total financial liabilities	**14,525.78**	**14,525.78**	**12,001.57**	**12,001.57**

Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual creditworthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts. They are classified as Level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk. The fair values of financial liabilities measured at amortised cost i.e. debt securities issued were calculated based on their cash flows discounted using a current borrowing rate. They are classified as Level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risk. Accordingly, fair value of such instruments is not materially different from their carrying amounts.They are classified as Level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risk. For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments include, cash and bank balances, trade and other payables, other financial assets and liabilities. Such amounts have been classified as Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

31 Financial risk management

31.1. Introduction

Risk management is an integral part of the business practices of the Company. The framework of risk management concentrates on formalising a system to deal with the most relevant risks, building on existing management practices, knowledge and structures. The process of risk management is paramount to the Company and each employee is accountable for risks relating to his/her responsibilities. The key risk management tenets adopted by the Company includes maker-checker principle and three levels of defence (first level - employee, second level - risk team, third level - internal audit). The Company is exposed to credit risk, interest rate risk, liquidity risk, price risk and operations risk through its business operations.

31.2. Risk management structure

The Company has set up a robust risk governance framework based on the following key principles:

- The Board has ultimate responsibility for the Company's risk management framework. The board is principally responsible for approving the Company's risk related strategies and policies.

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- To ensure that the Company has a sound system of risk management and internal controls in place, the board has established a risk committee. The risk committee assists the board in relation to the oversight and review of the Company's risk management principles and policies, strategies, appetite, processes and controls. The risk committee has direct access to the Company's management and has open communication with them.

- Policies, processes and systems are put in place for effective risk management.

- The Company has an independent risk unit which is entrusted with the responsibility of implementing risk policy and processes for risk identification, assessment, measurement, monitoring and control. It reports to the Chief Risk Officer (CRO), who in turn reports directly to the Chief Executive Officer (CEO) of the Company. The board has put in place the policy to safeguard the independence of CRO (The CRO meets the Risk Management Committee (RMC) on a quarterly basis without the presence of CEO).

- The Company's Resources team is primarily responsible for funding and liquidity risks and is guided by the asset liability management policy. The market risks of the Company are supervised by the asset liability committee.

- The Company's maintains SOPs for all its processes. Operational risks of the Company are monitored by business operations risk committee.

- The Business team monitors project assets on regular basis and highlights pending compliances to senior management on quarterly basis. It also conducts annual site visits and monitors financial covenants.

- Annual review of financial and operational performance of projects and their re-rating is conducted by the risk team.

- Risk management processes are also audited quarterly by internal audit and findings and recommendations are provided to the audit committee.

31.3. Credit risk

Credit risk is the risk of suffering financial loss, should any of the Company's customers, clients or market counterparties fail to fulfil their contractual obligations to the Company. Credit risk arises mainly from loans and advances arising from lending activities.

Credit risk is the single largest risk for the Company's business, management therefore carefully manages its exposure to credit risk. The credit risk management and control are centralised in a risk committee which reports regularly to the Board. The company adheres to high standards of credit risk management and mitigation. The lending proposals are subjected to a thorough assessment of promoters; group financial strength and leverage; operational & financial performance track record; cash flows; valuation of collateral.

The exposures are subjected to regular monitoring of (i.e. cash flows of the projects, security cover and operational performance is regularly monitored). The Company manages and controls credit risk by setting limits on the amount of exposure at each sector/sub-sector level. The concentration of risk is monitored in relation to such limits.

31.3.1.Credit risk measurement - loans and advances

The estimation of credit exposure for risk management purposes is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a loans and advances (including loan commitments) entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations counterparties. The Company measures credit risk using probability of default (PD), exposure at default (EAD) and loss given default (LGD). This is similar to the approach used for the purpose of measuring expected credit loss (ECL) under Ind AS 109.

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The Company's concentration risk is managed at the sector/sub-sector level. These limits are approved by the risk committee and reviewed at regular intervals. The following table shows the risk concentration towards each sector/ sub-sector.

Sector/sub-sector	Exposure limit as per risk policy		Exposure as % of total exposure		Amount Outstanding (₹ in Crs)	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Energy Generation - Wind	25%	25%	10.98%	14.08%	2,186.59	1,999.11
Energy Generation - Solar	45%	45%	39.47%	31.00%	6,431.85	4,401.67
Energy Generation - Hydro	15%	15%	0.00%	0.00%	-	-
Energy Generation - Other	25%	25%	18.45%	16.54%	3,716.07	2,349.35
Energy Transmission	25%	25%	3.73%	10.66%	746.80	1,513.70
Total Energy Sector	85%	-	-	-	-	-
Transport - Roads	-	-	4.06%	2.24%	119.79	318.36
Ports, Airports, Railways etc. (without tripartite)	25%	25%	8.59%	8.28%	1,720.24	1,175.69
Logistics	25%	25%	1.98%	2.84%	399.94	403.99
Bulk Material Transportation	25%	25%	2.31%	3.33%	464.99	472.99
Other social and commercial infrastructure	25%	25%	0.00%	1.02%	-	145.40
Hospitals	25%	25%	0.88%	1.76%	178.05	249.47
Education Institutions	25%	25%	0.37%	0.96%	73.87	136.22
Water & Sanitation	15%	15%	2.75%	0.00%	521.79	-
Communication	15%	15%	6.43%	7.29%	1,279.49	1,034.59
Total			**100.00%**	**100.00%**	**17,839.47**	**14,200.55**

a) Credit risk grading

The Company uses internal credit risk grading framework that reflects its assessment of the probability of default of individual counterparty. The Company use internal rating model tailored to various categories of counterparties. Borrower and loan specific information collected at the time of initial application and annual re-rating exercise is fed into risk rating model. This is supplemented by external data such as credit bureau scoring information.

The framework is robust and comparable to credit models used by premier credit rating bureaus. The credit rating model considers various parameters (such as promoter strength, operating risk, market risk, financial factors, etc.) and a score is assigned to each parameter between 1 (lowest) to 5 (highest). The internal rating grade is based on the final score derived from the credit rating model.

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The Company's internal score scales and mapping of internal rating grades are set out below:

Internal score	Internal rating grades	Description of the grade
5.00 - 4.00	iAAA	Highest Safety
3.91 - 4.00	iAA+	High Safety
3.81 - 3.90	iAA	
3.71 - 3.80	iAA-	
3.61 - 3.70	iA+	Adequate Safety
3.51 - 3.60	iA	
3.41 - 3.50	iA-	
3.11 - 3.40	iBBB+	Moderate Safety
2.81 - 3.10	iBBB	
2.61 - 2.80	iBBB-	
2.25 - 2.60	iBB+, iBB & iBB-	Moderate Risk
1.00 - 2.25	iB, iC & iD	High Risk/ Very High Risk/ Default

As per risk rating policy, the Company does not finance the projects below having internal rating grade below iBBB, arrived as per the above mentioned risk rating framework. In case of difference between internal rating grade and external credit rating (if any), then lower of the two ratings would be considered while evaluating the minimum rating criteria.

However, at the time of sanction, if the external credit rating is below internal rating grade, but is expected to improve due to various factors (including refinance loan terms), Company may provide financial assistance to such borrowers on the condition that the disbursement would be made only after the minimum investment grade rating as aforesaid is obtained.

An annual review of the loans / debentures (credit substitutes) would be conducted to determine the credit migration and rating of the portfolio. The analysis below summarises the credit quality of the Company's debt portfolio at March 31.

Internal rating grades	% of total customer		% of total outstanding	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
iAAA	0%	0%	0%	0%
iAA+, iAA, iAA-	30%	33%	44%	40%
iA+, iA, iA-	48%	40%	39%	36%
iBBB+	17%	18%	15%	20%
iBBB	3%	6%	2%	3%
iBBB-	2%	3%	0%	1%
Total	**100%**	**100%**	**100%**	**100%**

b) Expected credit loss measurement

Ind AS 109 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company.

- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired. Refer note 31(b)(i) below for a description of how the Company determines when a significant increase in credit risk has occurred.

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- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'. Refer note 31(b)(ii) below for a description of how the Company defines credit-impaired and default.
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 have their ECL measured based on expected credit losses on a lifetime basis while for Stage 3, probability of default is taken as 100%. Refer note 31(b)(iii) below for a description of inputs, assumptions and estimation techniques used in measuring the ECL.
- A pervasive concept in measuring ECL in accordance with Ind AS 109 is that it should consider forward-looking information.

The following diagram summarises the impairment requirements under Ind AS 109:

Stage 1	**Stage 2**	**Stage 3**
(Initial recognition)	(Significant increase in credit risk since initial recognition)	(Credit-impaired assets)
12-month expected credit losses	**Lifetime expected credit losses**	**PD taken as 100%**

i) Significant increase in credit risk (SICR)

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the quantitative, qualitative or backstop criteria have been met.

Quantitative criteria:

The credit risk on a financial asset of the Company are assumed to have increased significantly since initial recognition when contractual payments are more than 61 days past due. Accordingly the financial assets shall be classified as Stage 2, if on the reporting date, it has been more than 61 days past due.

Qualitative criteria:

For all financial instruments held by the Company, if the borrower is on the watch list and/or the instrument meets one or more of the following criteria:

- Internal rating downgrade of two notches or more
- Any event/s of non-cooperation
- Evidence of diversion of funds

Backstop:

A backstop is applied and the financial instrument considered to have experienced a significant increase in credit risk if the borrower is more than 61 days past due on its contractual payments.

The Company has not used the low credit risk exemption for any financial instruments in the year ended March 31, 2023.

ii) Default and credit-impaired asset

The Company defines a financial asset as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria:

The borrower is more than 90 days past due on its contractual payments to be considered in default.

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Qualitative criteria:

The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

- the borrower is in long-term forbearance
- the borrower is insolvent

The criteria above have been applied to all financial instruments held by the Company and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the probability of default (PD), exposure at default (EAD) and loss given default (LGD) throughout the Company's expected loss calculations.

iii) Upgradation from higher stage to lower stage

For upgradation from higher stage to lower stage (i.e. to have cured):

Loan and advances is not moved from higher stage to lower stage immediately after payment of overdue amount, following cooling off period is applied:

From Stage 2 to Stage 1

- Continues in lower than 61 dpd for at least six months From Stage 3 to Stage 2
- Continues in lower than 90 dpd for at least six months or
- Moves to Zero dpd

This period of six months has been determined based on an analysis which considers the likelihood of a financial instrument returning to default status after cure using different possible cure definitions."

iv) Measuring ECL – Explanation of inputs, assumptions and estimation techniques

The Expected Credit Loss (ECL) is measured on either a 12-month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the probability of default (PD), exposure at default (EAD), and loss given default (LGD), defined as follows:

PD Estimation:

The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

The lifetime PD is developed by applying a maturity profile to the current 12M PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

The credit quality of the portfolio is assessed using internally developed credit rating model. The internal rating grade is determined for every initial application and annual re-rating is also performed for all existing counterparties. In the absence of default/SMA history and limited number of counterparties involved, credit rating data available in public domain has been used to assign PDs to Internal rating grades.

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- For Stage 1, 12 month PD are calculated. CRISIL 1 year cumulative default rate data and GDP forecast estimates have been used to arrive at 12 month PD for base case, best case and worst case economic scenarios.

- For Stage 2, Lifetime PD are calculated by considering the survival rate of the counterparty for the remaining maturity. The PD is based on CRISIL average transition matrices based on corporates.

- For Stage 3, Lifetime PD is taken as 100%.

Internal rating grades – 12 month PD Mapping:

Internal rating grades		PD% Base Case	PD% Best Case	PD% Worst Case
Highest Safety	iAAA	0.03%	0.03%	0.20%
High Safety	iAA+	0.03%	0.03%	0.40%
	iAA	0.03%	0.03%	0.40%
	iAA-	0.03%	0.03%	0.40%
Adequate Safety	iA+	0.05%	0.03%	0.71%
	iA	0.05%	0.03%	0.71%
	iA-	0.05%	0.03%	0.71%
Moderate Safety	iBBB+	0.48%	0.04%	3.41%
	iBBB	0.48%	0.04%	3.41%
	iBBB-	0.48%	0.04%	3.41%
Moderate Risk	iBB+	3.51%	0.77%	11.48%
	iBB	3.51%	0.77%	11.48%
	iBB-	3.51%	0.77%	11.48%
High Risk	iB	9.21%	2.96%	22.09%
Very High Risk	iC	23.46%	10.07%	43.25%
Default	iD	100.00%	100.00%	100.00%

Exposure at default:

EAD is based on the amounts the Company expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD).

For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12 month or lifetime basis. This will also be adjusted for any expected overpayments made by a borrower. Early repayment/refinance assumptions are also incorporated into the calculation.

Loss given default:

Loss Given Default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type and security coverage.

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- In case of re-financing of operating road project, the Company enters into a tripartite agreement with the concessionaire and NHAI/any other project authority for ensuring a compulsory buyout with termination payments. The LGD for road project loans is taken as 5% since the entire credit exposure arising out of loan agreement is secured by way of tripartite agreement with Government authorities. 5% assumption on LGD is hence assumed only to capture any time delay in enforcing the tripartite agreement .

- In case of re-financing of other operating infrastructure project loans, the primary credit support is cash flow control and additional comfort is taken as project assets as collateral. In absence of actual instances of default and consequential recoveries, the LGD rates under "Foundation IRB approach" as prescribed by RBI, after considering the threshold level of collateralisation and required level of over collateralisation for full recognition of collateral, have been taken as a proxy measure.

ECL computation:

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month).

v) Forward-looking information incorporated in the ECL model

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Company has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for portfolio.

Judgment has also been applied in this process. Forecasts of these economic variables (the “base economic scenario”) are provided on a regular basis and provide the best estimate view of the economy over the next five years.

The assessment of SICR is performed using the Lifetime PD under each of the base, and the other scenarios, multiplied by the associated scenario weighting, along with qualitative and backstop indicators. This determines whether the whole financial instrument is in Stage 1, Stage 2, or Stage 3 and hence whether 12-month or lifetime ECL should be recorded. Following this assessment, the Company measures ECL as either a probability weighted 12 month ECL (Stage 1), or a probability weighted lifetime ECL (Stages 2 and 3). These probability-weighted ECLs are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting (as opposed to weighting the inputs).

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Company considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the Company’s different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

The Company has identified the "GDP growth rate" as a key driver for the expected credit loss. To smoothen the GDP growth rate for past 15 years, GDP growth rates achieved during black swan events such as during the COVID period (FY21) and subsequent high revival growth rate (FY22) have not been considered while taking the GDP numbers for March 2023 ECL workings.

The following table sets out the assumptions used for base case, best case and worst case ECL scenarios, taking GDP growth rate as key driver for expected loss:

Notes

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Year ended March 31, 2023

ECL Scenario	Assigned probabilities %	FY24	FY25	FY26	FY27	FY28
Base case	50%	5.89%	6.33%	6.21%	6.07%	6.00%
Best case	20%	8.71%	9.15%	9.03%	8.89%	8.82%
Worst case	30%	3.07%	3.51%	3.39%	3.25%	3.18%

Year ended March 31, 2022

ECL Scenario	Assigned probabilities %	FY23	FY24	FY25	FY26	FY27
Base case	50%	8.15%	6.89%	6.99%	7.04%	6.54%
Best case	20%	11.08%	9.82%	9.92%	9.97%	9.46%
Worst case	30%	5.23%	3.97%	4.06%	4.11%	3.61%

The GDP estimates are used to project the grade wise PD for base case, best case and worst case scenario. The final (weighted) ECL is arrived at by assigning 50%, 20% and 30% weights to the base case, best case and worst case ECL respectively.

The GDP estimates are presented for financials years

	Year ended March 31, 2023			Year ended March 31, 2022		
	Base case	Best case	Worst case	Base case	Best case	Worst case
Assigned probabilities %	50%	20%	30%	50%	20%	30%
ECL (in Crs)	14.56	3.13	123.84	7.24	2.21	63.50

Scenario weighted ECL as on March 31, 2023 is ₹45.06 crore (March 31, 2022 is ₹ 23.11 crore).

vi) Financial assets measured on a collective basis

ECL is calculated on individual basis for all loan assets.

vii) Proposal appraisal

The Company collects relevant project/ corporate documents and initiate appraisal of the proposal. The evaluation process encompasses establishment of viability of proposal including borrower's ability to service the loan. The evaluation is undertaken through a combination of review of project/corporate documents, external rating rationales (if any), meetings with project promoters/key officials, site visits, etc.

Proposals shall be approved by the Board/ Committee of the Board post recommendation by the decision board.

Term loans /debentures can have fixed rate or floating rate of interest linked to the Company's benchmark rate or another agreed benchmark. There may be reset of spreads after defined intervals.

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Below is the mix of assets with spread reset dates falling within 1 year and more than 1 year:

Particulars	As at March 31, 2023	As at March 31, 2022
Less than 1 year	1.47%	2.12%
More than 1 year	98.53%	97.88%

viii) Overview of modified and forborne loan

All the loan assets of the Company are categorised under Stage 1 and there are no modified or forborne loans.

c) Credit risk exposure

i) Maximum exposure to credit risk - Loans and debenture measured at amortised subject to impairment

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised. The gross carrying amount of financial assets below also represents the Company's maximum exposure to credit risk on these assets.

Term loans and debentures	As at March 31, 2023			Total
	Stage 1	Stage 2	Stage 3	
Performing				
Highest Safety	-	-	-	-
High Safety	7,835.66	-	-	7,835.66
Adequate Safety	6,972.42	-	-	6,972.42
Moderate Safety	3,031.39	-	-	3,031.39
Non- performing				
Moderate Risk	-	-	-	-
High Risk/ Very High Risk/ Default	-	-	-	-
Total	**17,839.57**	**-**	**-**	**17,839.57**

Term loans and debentures	As at March 31, 2022			Total
	Stage 1	Stage 2	Stage 3	
Performing				
Highest Safety	-	-	-	-
High Safety	5,665.18	-	-	5,665.18
Adequate Safety	5,167.40	-	-	5,167.40
Moderate Safety	3,367.97	-	-	3,367.97
Non- performing				
Moderate Risk	-	-	-	-
High Risk/ Very High Risk/ Default	-	-	-	-
Total	**14,200.55**	**-**	**-**	**14,200.55**

Notes

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ii) Maximum exposure to credit risk - Financial instruments not subject to impairment

The Company does not have any exposure to Financial instruments not subjected to impairment. The Company is exposed to credit risk from investments held in debt-oriented mutual fund units. These investments are measured at fair value through profit and loss. The following table contains an analysis of the maximum credit risk exposure from investment in mutual funds not subject to impairment (i.e. measured at FVTPL):

iii) Collateral and other credit enhancement

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

The Company employs a range of policies and practices to mitigate credit risk. The most common of these is accepting collateral for funds advanced. The Company has internal policies on the acceptability of specific classes of collateral or credit risk mitigation.

The Company prepares a valuation of the collateral obtained as part of the loan origination process. This assessment is reviewed periodically. The principal collateral types are:

- charges over tangible assets such as property, plant and equipment; and
- charges over book debts, inventories, bank deposits, and other working capital items; and
- charges over financial instruments such as debt securities and equities.

The fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a regular basis.

Particulars	Gross Exposure	Impairment allowance	Undrawn amount	EIR Adjustment	Carrying amount
As at March 31, 2023					
Loans to corporate entities/individuals:					
- Term loans	13,377.29	93.74	-	53.56	13,283.55
- Debentures and bonds	4,443.40	31.14	-	17.79	4,412.26
- Accrued interest on loans, debentures and bonds	21.20	-	-	-	21.20
Total	**17,841.89**	**124.88**	**-**	**71.35**	**17,717.01**
As at March 31, 2022					
Loans to corporate entities/individuals:					
- Term loans	11,201.86	78.70	813.00	45.94	11,123.16
- Debentures and bonds	2,955.91	20.70	-	2.99	2,935.21
- Accrued interest on loans, debentures and bonds	34.63	-	-	-	34.63
Total	**14,192.40**	**99.40**	**813.00**	**48.93**	**14,093.00**

Notes

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iv) Loss allowance

The loss allowance recognised in the period is impacted by a variety of factors, as described below:

- transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent “step up” (or “step down”) between 12-month and Lifetime ECL;
- additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period;
- impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models;
- impacts on the measurement of ECL due to changes made to models and assumptions;
- financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period.

An analysis of change in the gross carrying amount of the loan portfolio and corresponding loss allowance:

The following table further explains changes in the gross carrying amount of the loan portfolio to help explain their significance to the changes in the loss allowance tor the same portfolio as discussed below:

Term loans and debentures	Year ended March 31, 2023			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	14,192.40	-	-	14,192.40
New assets originated or purchased	6,560.59	-	-	6,560.59
Assets derecognised or repaid	(2,911.10)	-	-	(2,911.10)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
Closing balance	**17,841.89**	**-**	**-**	**17,841.89**

Term loans and debentures	Year ended March 31, 2022			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	8,476.70	-	-	8,476.70
New assets originated or purchased	9,356.91	-	-	9,356.91
Assets derecognised or repaid	(3,641.21)	-	-	(3,641.21)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
Closing balance	**14,192.40**	**-**	**-**	**14,192.40**

Notes

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The following table explains the changes in the loss allowance between the beginning and at the end of the annual period due to various factors:

Term loans and debentures	Year ended March 31, 2023			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	99.41	-	-	99.41
New assets originated or purchased	45.92		-	45.92
Assets derecognised or repaid	(20.45)	-	-	(20.45)
Net remeasurement of loss allowance	-		-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
Closing balance	**124.88**	**-**	**-**	**124.88**

Term loans and debentures	Year ended March 31, 2023			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	53.28	-	-	53.28
New assets originated or purchased	65.50	-	-	65.50
Assets derecognised or repaid	(27.85)	-	-	(27.85)
Net remeasurement of loss allowance	8.48	-	-	8.48
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
Closing balance	**99.41**	**-**	**-**	**99.41**

The origination of new loan assets is the primary factor that contributed to the change in the loss allowance during the period.

31.3.2. Other financial assets

The Company has credit risk exposure in cash and cash equivalents, deposits with banks, and other financial assets. Cash and cash equivalents and bank deposits are held with only high rated banks/financial institutions only, therefore credit risk is perceived to be low. The Company has no significant concentration of credit risk.

31.4. Liquidity risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stressful circumstances. To limit this risk management has adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a monthly basis. The Company has developed internal control processes and contingency plans for managing liquidity risk.

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Prudent liquidity risk management implies maintaining liquid investments. In accordance with the Company's policy, the liquidity position is assessed by setting limits on the amount of liquidity exposure and monitoring exposures in relation to each such limits:

a) Liquidity Risk framework

Category	Limits
Limits on cumulative negative gaps, as a % of cumulative outflows [maximum]	- 10% of cumulative outflows for 0 to 7 days, over 7 days to 14 days - 20% of cumulative outflows for 14 days to 1-month - 30% of cumulative outflows for 1-month to 6-months - 40% of cumulative outflows for 6-months to 1-year - 55% of cumulative outflows for 1-year to 3-years - 70% of cumulative outflows for 3-years to 5-years
Capital adequacy ratio (CRAR) [minimum]	15%
Capital Classification	Tier II Capital shall not exceed Tier I Capital
Borrowings through shorter tenor bonds and commercial papers (CPs)	Up to 10% of total outstanding borrowings
Credit rating [minimum]	A
Liquidity coverage ratio (LCR) [minimum]	0.70
Earnings at risk (EaR) [maximum]	₹ 15 Crore

b) Analysis of financial assets and liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities balance sheet date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Company expects that many customers will not request repayment on the earliest date it could be required to pay and the table does not reflect the expected cash flows indicated by its deposit retention history.

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As at and for the year ended March 31, 2023

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As at March 31, 2023	1 - 7 Days	8 - 14 Days	15 Days - 1 Month	Over 1 Month to 2 Months	Over 2 Months to 3 Months	Over 3 Months to 6 Months	Over 6 Months to 1 Year	Over 1 Year to 3 Years	Over 3 Year to 5 Years	Above 5 Years	Total
Financial assets											
Loans	-	22.95	17.46	26.09	200.47	253.99	568.76	2,504.93	2,499.38	11,768.39	17,862.42
Total undiscounted financial assets	-	22.95	17.46	26.09	200.47	253.99	568.76	2,504.93	2,499.38	11,768.39	17,862.42
Financial liabilities											
Debt securities	-	-	48.55	88.36	33.21	459.20	533.71	2,870.00	9,177.00	1,812.00	15,022.03
Total undiscounted financial liabilities	**-**	**-**	**48.55**	**88.36**	**33.21**	**459.20**	**533.71**	**2,870.00**	**9,177.00**	**1,812.00**	**15,022.03**

As at March 31, 2022	1 - 7 Days	8 - 14 Days	15 Days - 1 Month	Over 1 Month to 2 Months	Over 2 Months to 3 Months	Over 3 Months to 6 Months	Over 6 Months to 1 Year	Over 1 Year to 3 Years	Over 3 Year to 5 Years	Above 5 Years	Total
Financial assets											
Loans	-	37.31	20.34	23.77	138.98	202.93	415.75	2,322.06	2,264.69	8,812.04	14,237.86
Total undiscounted financial assets	**-**	**37.31**	**20.34**	**23.77**	**138.98**	**202.93**	**415.75**	**2,322.06**	**2,264.69**	**8,812.04**	**14,237.86**
Financial liabilities											
Debt securities	-	151.94	62.58	440.85	33.21	438.29	1,050.84	2,240.00	6,622.00	1,314.46	12,354.17
Total undiscounted financial liabilities	**-**	**151.94**	**62.58**	**440.85**	**33.21**	**438.29**	**1,050.84**	**2,240.00**	**6,622.00**	**1,314.46**	**12,354.17**

c) Public disclosure on liquidity risk

The disclosure in terms of RBI circular ref. DOR.NBFC(PD)CC.NO.102/03.10.001/2019-20 dated November 04, 2019 on liquidity risk management framework for NBFCs Is provided below-

(i) Funding concentration based on significant counterparty

	Year	No. of counterparties	Amount (₹ in Crs)	% of Total Borrowings	% of Total Liabilities
1	March 31, 2023	21	10,695.00	73.26%	71.46%
2	March 31, 2022	24	9,566.70	79.50%	77.54%

(ii) Top 20 large deposits - Nil

(iii) Top 10 borrowings: ₹ 7,995 Crore (represent 54.77% of total borrowings) (previous year 6,674 crore represent 55.46% of total borrowings)

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(iv) Funding concentration based on significant instrument/product

Sr no	Name of instrument	March 31, 2023		March 31, 2022	
		Amount (₹ in Crs)	% of Total Liabilities	Amount (₹ in Crs)	% of Total Liabilities
1	Non Convertible Debentures	14,598.00	100.00%	12,074.54	97.86%
2	Commercial papers	-	-	248.20	2.01%

(v) Stock ratios:

Sr no	Instrument	March 31, 2023			March 31, 2022		
		As a % of total public funds	As a % of total liabilities	As a % of total assets	As a % of total public funds	As a % of total liabilities	As a % of total assets
(a)	Commercial papers	NA	Nil	Nil	NA	2%	2%
(b)	Non Convertible Debentures (original maturity <1 year)	NA	Nil	Nil	NA	Nil	Nil
(c)	Other short term liabilities	NA	8%	6%	NA	18%	14%

(vi) Institutional set-up for liquidity risk management

The Company has instituted Asset Liability Management Policy under which the Asset Liability Management Committee (ALCO) has been set up for oversight Asset Liability Management (ALM), including liquidity risk management. The overall ALM framework as well as liquidity risk is managed by-

(i) **Board-**which provides the overall direction for the Policy and framework.

(ii) **ALCO-**comprises of Chief Executive Officer (CEO), Chief Risk Officer (CRO), Chief Financial Officer (CFO) and Chief Business Officer (CBO). It is a decision making body responsible for strategic management of interest rate and liquidity risks.

(iii) **Asset Liability Management Support Group-**which consist of operating staff from Risk, Accounts and Resources group, who analyse/monitor liquidity profile, limits & report to ALCO & RBI.

(iv) **Finance Committee**-comprises of CEO, CRO, CBO and CFO which is authorised to borrow monies through various instruments permitted by RBI.

(v) **Resources Group-**which is ALM support group and is responsible for fund raising, maintain appropriate liquidity buffers, provide market related inputs and actively implement ALM strategy.

D) Disclosure on Liquidity Coverage Ratio (LCR) under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies

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	Particulars	Total Unweighted Value (average)*	Total Weighted Value (average)#	Total Unweighted Value (average)*	Total Weighted Value (average)#	Total Unweighted Value (average)*	Total Weighted Value (average)#	Total Unweighted Value (average)*	Total Weighted Value (average)#
High Quality Liquid Assets		**31-Mar-23**		**31-Dec-22**		**30-Sep-22**		**30-Jun-22**	
1	Total High Quality Liquid Assets (HQLA)1	997.96	997.96	1,421.68	1,421.68	1,466.52	1,466.52	545.17	545.17
Cash Outflows									
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-
4	Secured wholesale funding	308.51	354.78	157.42	181.03	345.69	397.55	161.15	185.32
5	Additional requirements, of which	-	-	-	-	-	-	-	-
(i)	Outflows related to derivative exposures	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	747.93	860.12	398.69	458.59	228.75	263.06	587.30	675.39
7	Other contingent funding obligations	-	-		-	-	-	-	-
8	Total Cash Outflows	1,056.44	1,214.90	556.11	639.62	574.44	660.61	748.45	860.71
Cash Inflows									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	391.85	293.88	410.78	308.08	271.98	203.99	241.62	181.21
11	Other cash inflows	612.69	459.51	146.89	110.17	200.11	150.08	472.57	354.43
12	Total Cash Inflows	1,004.54	753.39	557.67	418.25	472.09	354.07	714.19	535.64
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13	Total HQLA		997.96		1,421.68		1,466.52		545.17
14	Total Net Cash Outflows (Higher of inflow less outflows or 25% of outflows		461.51		221.37		306.54		325.07
15	LIQUIDITY COVERAGE RATIO (%)		216%		642%		478%		168%

*Unweighted values calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).
Weighted values calculated after the application of respective stress factors on inflow (75%) and outflow (115%).

Notes :

1. HQLA includes unencumbered portion of current account balance, short term fixed deposits with scheduled commercial banks

2. The above numbers of quarter end reporting date are simple average values of previous 3 months

    (a) the main drivers of their LCR results and the evolution of the contribution of inputs to the LCR's calculation over time:

    (b) intra-period changes as well as changes over time: Quarterly LCR mentioned in table above

    (c) the composition of HQLAs: Mentioned in above table

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(d) concentration of funding sources: Refer 31.4 (c) liquidity risk

(e) derivative exposures and potential collateral calls: NA

(f) currency mismatch in the LCR: NA

(g) other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile: NA

31.5. Market Risk

The risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and mutual fund NAV's.

a) Interest rate risk-lending

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Company's main interest rate risk arises from lending with variable rates, which expose the Company to cash flow interest rate risk. During March 31, 2023 and March 31, 2022, the Company's lending portfolio at variable rate are mainly denominated in Indian rupees (₹).

The Company's fixed rate lending portfolio is carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

i) Interest rate risk exposure

The exposure of the Company's lending portfolio to interest rate changes at the end of the reporting years are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate lending portfolio	262.33	301.30
Fixed rate loans	17,577.14	13,899.25
Total	**17,839.47**	**14,200.55**

As at the end of the reporting period, the Company had the following variable rate lending portfolio outstanding:

As at March 31, 2023	Weighted average interest rate	Balance	% of total loans
Loans	8.72%	262.33	1.47%
Net exposure interest rate risk	**8.72%**	**262.33**	**1.47%**

As at March 31, 2022	Weighted average interest rate	Balance	% of total loans
Loans	8.81%	301.30	2.12%
Net exposure interest rate risk	**8.81%**	**301.30**	**2.12%**

An analysis by maturities is provided in note 31.4. The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of debt securities.

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ii) Sensitivity

a) Interest rate risk - Loans and debenture

Profit or loss is sensitive to higher/lower interest expense from lending portfolio as a result of changes in interest rates.

Particulars	Impact on profit after tax	
	Year ended March 31, 2023	Year ended March 31, 2022
Interest rates – increase by 100 basis points	2.62	3.01
Interest rates – decrease by 100 basis points	(2.62)	(3.01)

* The sensitivity is derived holding all other variables constant

b) Price risk

Since the Company does not hold any equity instruments, it is not exposed to price risk.

c) Foreign currency risk:

The Company does not have any foreign currency exposures in respect of financial assets and financial liabilities as at the balance sheet date that will result in net currency gains or losses in the statement of profit and loss due to change foreign currency exchange rates. This mitigates the foreign currency risk exposure for the Company.

31.6.Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. Operational risk management process comprises of identification, assessment, measurement, monitoring / controlling, reporting and mitigation of operational risk. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit. Periodic Business Operational Risk Committee (BORC) meetings are convened to keep a track of operational risks and mitigation plans across the Company.

32 Related Party Disclosure

List of Related Parties

a) Parent Entity

National Investment and Infrastructure Fund II

b) Entity with significant influence

National Investment and Infrastructure Fund Limited (Investment Manager of National Investment and Infrastructure Fund II)

c) Associates Companies / JVs

Aseem Infrastructure Finance Limited

d) Key Management Personel

Mr. Shiva Rajaraman - Chief Executive Officer (Appointed wef July 1, 2022)

Mr. Sadashiv S. Rao - Chief Executive Officer (Cease to be CEO wef June 30, 2022)

Mr. V. Narayanan Iyer - Chief Financial Officer

Mr. Sanjay Ajgaonkar - Chief Financial Officer (Cease to be CFO wef Aug 31, 2021)

Mr. Ankit Sheth - Company Secretary (Appointed wef Dec 21, 2022)

Ms. Shweta Laddha - Company Secretary (Cease to be CS wef Dec 06, 2021)

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e) Directors

Mr. Surya Prakash Rao Pendyala - Nominee Director, NIIF

Mr. AKT Chari - Nominee Director, NIIF

Ms. Ritu Anand - Independent Director (Ceased to be a Director w.e.f. May 6, 2022)

Mr. Rajiv Dhar - Nominee Director, NIIF

Mr. Ashwani Kumar - Independent Director

Ms. Rosemary Sebastian - Independent Director (Appointed w.e.f. June 7, 2022)

Mr. Prashant Kumar Ghose - Independent Director ((Appointed w.e.f. February 1, 2023)

Related Party	Parent		Entity with significant influence		Subsidiaries		Associates/JV		KMPs		Relatives of KMPs		Directors		Relatives of Directors		Total	
Items	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22
Recovery against Shared Service Cost	-	-	-	-	-	-	0.54	1.07	-	-	-	-	-	-	-	-	0.54	1.07
Reimbursement of Processing fees received	-	-	-	-	-	-	-	0.87	-	-	-	-	-	-	-	-	-	0.87
Reibursement of expenses to related Party	-	-	0.07	-	-	-	0.01	0.03	-	-	-	-	-	-	-	-	0.08	0.03
Purchase of Loans & Advances	-	-	-	-	-	-	-	183.86	-	-	-	-	-	-	-	-	-	183.86
Proceeds from issue of equity share capital	-	-	-	-	-	-	-	114.55	-	-	-	-	-	-	-	-	-	114.55
Proceeds from issue of equity share premium	-	-	-	-	-	-	-	197.38	-	-	-	-	-	-	-	-	-	197.38
Managerial Remuneration	-	-	-	-	-	-	-	-	6.57	4.65	-	-	-	-	-	-	6.57	4.65
Sitting Fees	-	-	-	-	-	-	-	-	-	-	-	-	0.41	0.16	-	-	0.41	0.16
Balances outstanding	-	-	-	-	-	-	0.04	-	-	-	-	-	-	-	-	-	0.04	-
Total	**-**	**-**	**0.07**	**-**	**-**	**-**	**0.59**	**497.75**	**6.57**	**4.65**	**-**	**-**	**0.41**	**0.16**	**-**	**-**	**7.65**	**502.56**

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33 Other Disclosures:

a) Ratios

Ratios	Description	March 31, 2023	March 31, 2022
Debt-Equity Ratio	Total Debt / Total Equity	4.35	3.96
Current Ratio	NA	NA	NA
Long Term Debt to Working Capital	NA	NA	NA
Bad Debts to Account Receivable Ratio	NA	NA	NA
Current Liability Ratio	NA	NA	NA
Total Debts to Total Assets	Total Debt / Total Asset	0.81	0.80
Debtors Turnover	NA	NA	NA
Inventory Turnover	NA	NA	NA
Operating Margin (%)	Operating Profit / Total Revenue	23.12%	23.13%
Net Profit Margin (%)	PAT / Total Revenue	23.13%	23.68%
Net Worth (in crore)	Share capital + Reserves and surplus + Instruments entirely equity in nature	3,439.73	3,114.94
Net Profit After Tax (in crore)		325.74	233.25
Earnings Per Share (Basic)	PAT / Total number of shares	2.37	2.31
Earnings Per Share (Diluted)	PAT / Total diluted number of shares	2.37	2.31
Gross/ Net Non-Performing Assets (NPAs)		Nil	Nil
Capital Redemption Reserve/Debenture Redemption Reserve *	NA	NA	NA
LCR	Liquidity coverage ratio	2.16	1.99

* Not applicable, being a Non-Banking Financial Service Company registered with the Reserve Bank of India.

b) There are no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

c) No proceeding has been initiated during the year or pending against the Company for holding any Benami property

d) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

e) During the current year the Company has not traded or invested in Crypto currency or Virtual Currency.

f) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

g) The Company, has not advanced or loaned or invested funds to any other person(s) or entity(is), 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

h) The Company, has not received any fund from any person(s) or entity(is), 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

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behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

i) The information as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) has been determined to the extent such parties have been identified on the basis of information received from suppliers regarding their status under the said act as available with the Company and relied upon by the auditors, is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Outstanding principal amount and interest due to suppliers registered under MSMED Act and remaining unpaid at the year end:	0.02	-
- Principal amount	0.02	-
- Interest due thereon	-	-
Interest paid other than under section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the period.	-	-
Interest paid under section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the period.	-	-
Amount of interest due and payable (where the principal has already been paid but interest has not been paid).	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act.	-	-

34 The following additional information is disclosed in terms of the RBI circular (Ref No. DNBR .PD. 008 / 03.10.119 / 2016-17 dated September 01, 2016) and RBI circular DNBR(PD) CC No. 053 / 03.10.119 / 2015-16 :

(a) Capital to risk assets ratio (CRAR): Refer note 28

(b) Details of Investments are set out below:

	Particulars	As at March 31, 2023	As at March 31, 2022
1	**Value of Investments**		
(i)	**Gross Value of Investments**		
	(a) In India	-	-
	(b) Outside India	-	-
	(A)	**-**	**-**
(ii)	**Provision for depreciation**		
	(a) In India	-	-
	(b) Outside India	-	-
	(B)	**-**	**-**
(iii)	**Net Value of Investments**		
	(a) In India	-	-
	(b) Outside India	-	-
	(A-B)	**-**	**-**

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	Particulars	As at March 31, 2023	As at March 31, 2022
2	**Movement of provisions held towards depreciation on investments.**		
	(i) Opening balance	-	-
	(ii) Add: Provisions made during the year	-	-
	(iii) Less: Write-offs/ write-back of excess provisions during the year	-	-
	(iv) Closing balance	-	-

(c) Investor group wise classification of all investments (Current and Long Term) in shares and securities (both Quoted and Unquoted):

Name of instrument	March 31, 2023		March 31, 2022	
	Market Value/ Breakup Value / Fair Value / NAV	Book Value Net of Provision	Market Value/ Breakup Value / Fair Value / NAV	Market Value/ Breakup Value / Fair Value / NAV
1 Related parties	-	-	-	-
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2 Other than related parties	-	-	-	-
Total	**-**	**-**	**-**	**-**

(d) Securitisation /Assignment

The Company has not under taken any transactions of Securitisation/Assignment in the current and in the previous year and hence the related disclosures are not applicable to the Company.

(e) Details of non-performing financial assets purchased/sold and accounts subjected to restructuring:

The Company has not undertaken any transactions for purchase/sale of NPA's in the current and in the previous year and hence the related disclosure are not applicable to the Company

(f) Asset Liability Management Maturity pattern of certain items of assets and liabilities

Please refer note 31.4 for the Asset Liability Management maturity patterns

In computing the above information, certain estimates, assumptions and adjustments have been made by the Management which have been relied upon by auditors.

(g) Exposures to real estate sector (Based on amounts sanctioned):

This disclosure is not applicable to the Company as there are no exposures, direct or indirect to real estate sector as at March 31, 2023 and as at March 31, 2022.

(h) Exposures to Capital Market

This disclosure is not applicable to the Company as there are no exposures to capital market as at March 31, 2023 and as at March 31, 2022.

(i) Details of Single Borrower Limit and Borrower Group Limit exceeded by the Company

During the years ended March 31, 2023 and March 31, 2022, the Company's credit exposure to single borrowers and group borrowers were within the limits prescribed by the RBI.

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise) CIN No: U67190MH2014PLC253944

(j) Borrower group-wise classification of assets financed:

Particulars	As at March 31, 2023 net of provision	As at March 31, 2022 net of provision
1. Related parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	17,717.01	14,093.00
Total	**17,717.01**	**14,093.00**

(*) Net of provision for standard assets

(k) Unsecured advances

The Company has not given any unsecured advances in the current year and in the previous year.

(l) Registration obtained from other financial regulators

The Company has not obtained registrations from other financial sector regulators.

(m) Penalties / fines imposed by the RBI

During the year ended March 31, 2023 there was no penalty imposed by the RBI and other regulators (Previous Year ₹ Nil).

(n) Break up of 'Provisions and Contingencies' shown under the head 'Expenses' in the Statement of Profit and Loss

Particulars	As at March 31, 2023	As at March 31, 2022
Provisions for depreciation on Investment	-	-
Provision towards NPA	-	-
Provision made towards Income tax	-	-
Other Provision and Contingencies	-	-
Provision for Standard Assets	25.47	46.13
	25.47	**46.13**

In terms of RBI circular reference DOR (NBFC) .CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020, the template of comparison between provisions required under Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109 is provided below:-

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

Asset Classification as per RBI norms March 31, 2023	Asset Classification as per Ind AS 109	Gross Carrying amount as per Ind AS	Loss Allowance (Provision as required under Ind AS 109)	Net Carrying Amount	Provision as required as per IRACP norms	Difference between Ind AS 109 provisions under IRACP norms
1	2	3	4	5=3-4	6	7=4-6
Performing Assets						
Standard	Stage 1	17,841.89	124.88	17,717.01	71.37	53.51
	Stage 2	-	-	-	-	-
Subtotal		17,841.89	124.88	17,717.01	71.37	53.51
Non Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful- up to 1 year	Stage 3	-	-	-	-	-
1-3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for Doubtful		-	-	-	-	-
Loss		-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments,	Stage 1	-	-	-	-	-
etc which are in the scope of Ind AS 109 but not	Stage 2					
covered under Current Income Recognition,	Stage 3	-	-	-	-	-
Asset Classification and Provisioning (IRACP) norms						
Total	Stage 1	**17,841.89**	**124.88**	**17,717.01**	**71.37**	**53.51**
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	**17,841.89**	**124.88**	**17,717.01**	**71.37**	**53.51**

Asset Classification as per RBI norms March 31, 2022	Asset Classification as per Ind AS 109	Gross Carrying amount as per Ind AS	Loss Allowance (Provision as required under Ind AS 109)	Net Carrying Amount	Provision as required as per IRACP norms	Difference between Ind AS 109 provisions under IRACP norms
1	2	3	4	5=3-4	6	7=4-6
Performing Assets						
Standard	Stage 1	14,192.40	99.40	14,093.00	56.77	42.63
	Stage 2	-	-	-	-	-
Subtotal		**14,192.40**	**99.40**	**14,093.00**	**56.77**	**42.63**

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

Asset Classification as per RBI norms March 31, 2022	Asset Classification as per Ind AS 109	Gross Carrying amount as per Ind AS	Loss Allowance (Provision as required under Ind AS 109)	Net Carrying Amount	Provision as required as per IRACP norms	Difference between Ind AS 109 provisios under IRACP norms
1	2	3	4	5=3-4	6	7=4-6
Non Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful- up to 1 year	Stage 3	-	-	-	-	-
1-3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for Doubtful		-	-	-	-	-
Loss		-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments,	Stage 1	-	-	-	-	-
etc which are in the scope of Ind AS 109 but not	Stage 2					
covered under Current Income Recognition,	Stage 3	-	-	-	-	-
Asset Classification and Provisioning (IRACP) norms						
Total	**Stage 1**	**14,192.40**	**99.40**	**14,093.00**	**56.77**	**42.63**
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	**14,192.40**	**99.40**	**14,093.00**	**56.77**	**42.63**

(o) Drawdowns from Reserves

The Company has not undertaken any drawdown from reserves during the current year and previous year and hence the related disclosures are not applicable to the Company.

(p) Concentration of Advances

Particulars	As at March 31, 2023	As at March 31, 2022
Total Advances to twenty largest borrowers/ customers	8,479.53	6,866.49
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	47.53%	48.50%

(q) Concentration of Exposures

Particulars	As at March 31, 2023	As at March 31, 2022
Total Exposure to twenty largest borrowers / customers	9,375.31	7,362.92
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	46.49%	47.02%

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise) CIN No: U67190MH2014PLC253944

(r) Concentration of Non Performing Assets (NPAs) /Sectorwise NPAs/ Movement in NPAs

The Company did not have any NPAs in the current year and in the previous year and hence the related disclosures are not applicable to the Company.

(s) The information on Overseas Assets (for those with Joint Ventures and Subsidiaries abroad) is given below:

Name of the Joint Venture/ Subsidiary	For the year ended March 31, 2023		
	Other Partner in the JV	Country	Total Assets
	Nil	Nil	Nil

Name of the Joint Venture/ Subsidiary	For the year ended March 31, 2022		
	Other Partner in the JV	Country	Total Assets
	Nil	Nil	Nil

(t) The information on off balance sheet SPV sponsored (which are required to be consolidated as per accounting norms):

Particulars	As at March 31, 2023	As at March 31, 2022
Total Exposure to twenty largest borrowers / customers	Nil	Nil

(u) Disclosure of complaints :

The Company has not recevied any complaints during the year ended March 31, 2023 & March 31, 2022 hence disclosure of complains is not required.

(v) The debentures of the Company have been assigned rating of "AAA" by ICRA Limited & CARE Ratings Limited.

35 The additional information required to be disclosed in terms of RBI circular (Ref. No. RBI/2009-2010/356/IDMD/4135/11.08.43/2009-10) dated March 23, 2010 is not applicable for the Company.

36 Sectoral exposure: Refer note 31.3.1

37 Intra group Exposure

Particulars	March 31, 2023	March 31, 2022
Total amount of intra-group exposures	-	-
Total amount of top 20 intra-group exposures	-	-
Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	-	-

38 The Company has neither transferred nor acquired any loans without request / instance of borrower as mentioned in per Chapter III of the 'Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021' dated September 24, 2021. Accordingly, the disclosures as mentioned in above mentioned directions are not required to be made.

Notes

As at and for the year ended March 31, 2023

(All amounts in ₹ crores, unless stated otherwise)

CIN No: U67190MH2014PLC253944

39 Frauds reported during the year- Nil (Previous year Nil)

40 There are no contingent liabilities as of March 31, 2023 (Previous year Nil)

41 The figures of ₹ 50,000 or less have been denoted by ß.

42 Previous year figures have been regrouped/reclassified wherever necessary to correspond with those of the current year's classification/disclosure.

For **For Lodha & Co.**
Chartered Accountants
ICAI Firm Registration No. 301051E

R. P. Baradiya
Partner
Membership No. 044101

For **M.P.Chitale & Co.**
Chartered Accountants
ICAI Firm Registration No. 101851W

Ashutosh Pednekar
Partner
Membership No. 041037

For and on behalf of the Board of Directors
NIIF Infrastructure Finance Limited

Surya Prakash Rao Pendyala
Chairman

Rajiv Dhar
Director

Shiva Rajaraman
Chief Executive Officer

V. Narayanan Iyer
Chief Financial Officer

Ankit Sheth
Company Secretary

Place: Mumbai
Date: 28th April, 2023

NIIF IFL INFRASTRUCTURE FINANCING

NIIF Infrastructure Finance Limited
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TVS Industrial & Logistics Parks Private Limited - Tech enabled logistics infrastructure solutions provider