IL&FS | Private Equity

IL&FS Investment Managers Limited

The IL&FS Financial Centre
Plot C-22, G-Block
Bandra Kurla Complex
Bandra East
Mumbai 400 051
India

T +91 22 2653 3333
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Corporate Identification No - L65999MH1986PLC147981

September 3, 2021

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

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

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

Re : Annual Report for the year ended March 31, 2021

Dear Sir :

Pursuant to Regulation 34 of the SEBI LODR Regulations, 2015, we send herewith copy of the Annual Report of the Company for the year ended March 31, 2021

Kindly acknowledge receipt of the same

Thanking you,

Yours sincerely,

SANJAY MITRA
Digitally signed by SANJAY MITRA
Date: 2021.09.03 15:18:42 +05'30'

Sanjay Mitra
Company Secretary

Encl: a/a

Annual Report
2021

IL&FS | Private Equity

IL&FS Investment Managers Limited

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CORPORATE INFORMATION

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

DIRECTORS' REPORT

To The Shareholders of IL&FS Investment Managers Limited

Your Directors have pleasure in presenting for your consideration and approval the Thirty-Fifth Annual Report with the Audited Financials of the Company for the year ended March 31, 2021

FINANCIAL ACHIEVEMENTS AND DIVIDEND

	For the year ended March 31, 2021 (₹ mn)	For the year ended March 31, 2020 (₹ mn)	For the year ended March 31, 2021 (₹ mn)	For the year ended March 31, 2020 (₹ mn)
Particulars	**Standalone**	**Standalone**	**Consolidated**	**Consolidated**
Total Income	140.48	288.63	586.25	486.66
Profit/(Loss) before Taxation	(44.15)	114.07	98.55	(198.50)
Provision for Taxation	(16.07)	34.64	2.79	(1.65)
Net Profit after Taxation	(28.08)	79.43	95.76	(196.85)
Total Comprehensive income/(loss) for the year	(25.18)	76.26	79.12	(132.76)

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

DIVIDEND

Your Directors recommend a Dividend of ₹ 0.30 per share of the Face Value of ₹ 2/- each. The total amount of Dividend is ₹ 94.21 mn

REVIEW OF OPERATIONS

Private Equity investments in CY2019 had witnessed a surge in number of deals. CY2020 data clearly depicts cautious nature of investors staying away from smaller deals during the COVID-19 pandemic. CY2020 also saw the launch of fewer new India dedicated funds targeting a total of $2.33 billion as against $13.36 billion in CY2019. Only $3.08 billion was raised in the year, a drop of 55% in terms of value. The fund-raising therefore was the lowest recorded in the last five years. Private Equity Exits also witnessed a drastic downfall, recording a five-year low both in terms of volume and value

Economists have downgraded the GDP growth outlook by 50-100 basis points and have pointed out downside risks due to the pandemic, reduced mobility hurting contact based businesses and risk aversion among borrowers. FY2022, with pick up in vaccinations due to government's move to open up for all adult population and the pent up demand to come back in the system from Q2 FY2022, should look good. Monsoons will play a key part in supporting a robust rural economy and as we move into H2 FY2022 gradual reopening of the economy combined with fiscal measures (like Production Linked Incentive schemes and infra capex) will improve the economic activity

It is expected that the current accommodative policy mix will continue well into FY2022. Reserve Bank of India has assured the markets of ample liquidity even though the economy is showing signs of overheating. On the fiscal front, record level capex spending and acknowledging the breach of fiscal deficit by a considerable amount (6.5-6.8% FY2022 compared to 3.5-4% on average) is a welcome move but it is expected that the Government will be more direct and improve the quality of expenditure

At IIML, the team has primarily focussed on divestments. However, during the year the investors in one of the private equity funds initiated the process for termination of the management agreement and the same has been challenged by the company. It is expected that this issue will be resolved amicably during the year

The developments at the IL&FS Group has had a negative impact on IIML and its brand equity. They have significantly impinged on IIML's business plans for revenue growth. The newly constituted IL&FS Board has initiated the process to sell its holding in IIML. In the above context, IIML would look at non fund based initiatives like advisory services and other means to add to its revenues. The Company has been designated under the "Green" category by the National Company Law Tribunal and continues to be so

On the debt side, IIML, through its subsidiary operates the Infrastructure Debt Fund (IDF). The IDF has closed ended schemes and AUM as of March 31, 2021 was ₹ 16.7 bn

IIML's joint venture with Government of Andhra Pradesh performed reasonably well during the year. Notwithstanding the Covid related lockdowns, this joint venture managed to bag quite a few new contracts and is implementing a slew of projects in the State of Andhra Pradesh. It is expected that as lockdown ends in the state the project development activity of this joint venture will pick up

On a consolidated basis, the Income from Operations of the Company for FY2021 was ₹ 461.40 mn and Other Income was ₹ 124.85 mn. Accordingly, the Total Income on a consolidated basis for FY2021 was ₹ 586.25 mn. The resultant Profit Before Tax and Exceptional Items on a consolidated basis for FY2021 was ₹ 98.55 mn

On a standalone basis, the Total Income of the Company for FY2021 was ₹ 140.48 mn and the Total Expenses for the year were ₹ 184.63 mn and the resultant Loss after Tax before other comprehensive income for FY2021 was ₹ 28.08 mn

MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR

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

SUBSIDIARIES AND JOINT VENTURES

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

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

As per Section 129(3) of the Companies Act, 2013 and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [LODR] the consolidated financial statements of the Company with its Subsidiaries forms part of the Annual Report

The copies of the Audited Annual Accounts and other related documents of the Company's Subsidiaries can be sought by any shareholder of the Company or its Subsidiaries on making a written request to the Company Secretary in this regard. The Annual Accounts of the Subsidiary Companies are also available for inspection by any shareholder at the Company's Registered Office and are also uploaded on the company's website at http://www.iimlindia.com/financials_SubsidiaryCompanies.aspx

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

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

IL&FS Asian Infrastructure Managers Limited :

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

The Total Income for FY2021 was ₹ 2.82 mn. The Total Expenses of IAIML for the year were ₹ 0.2 mn and the resultant total comprehensive income was a profit of ₹ 2.03 mn

IL&FS Urban Infrastructure Managers Limited :

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

The major revenue source of the Company is AMC fees payable by borrowers under PMDO Facility @ ~ 1 % p.a. on the outstanding loan balance. The amount outstanding under the PMDO Facility as on March 31, 2021 was at ₹ 13.2 bn

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

The Total Income for FY2021 was ₹ 60.31 mn inclusive of Other Income of ₹ 18.67 mn. The Total Expenses of IUIML for the year were ₹ 35.55 mn and the resultant total comprehensive income was a profit of ₹ 24.87 mn

IIML Asset Advisors Limited :

The Total Income of IAAL for FY2021 was ₹ 5.37 mn. The Total Expenses of IAAL for the year were ₹ 0.48 mn and the resultant total comprehensive income was a profit of ₹ 3.74 mn

IL&FS Investment Advisors LLC :

IL&FS Investment Advisors LLC, Mauritius (IIAL) acts as the Investment Manager to Tara India Fund III LLC and Saffron India Real Estate Fund. During the year, one real estate fund completed all its divestments

The Total Income of IIAL for FY2021 was US$ 0.61 mn. The Total Expenses of IIAL for the year were US$ 0.56 mn and the resultant profit for the year was US$ 0.05 mn

IIML Fund Managers (Singapore) Pte Ltd :

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

The Total Income of IFMPL for FY2020 was Nil. The Total Expenses of IFMPL for the year were US$ 0.01 mn and the resultant loss for the year was US$ 0.01 mn

Andhra Pradesh Urban Infrastructure Asset Management Limited :

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

Andhra Pradesh Urban Development Fund had been created with the objective to finance the Urban Local Bodies in the State of Andhra Pradesh. APUIAML is also involved in integrated urban infrastructure project development and program management for the Urban Local Bodies and provide end to end solutions to them. The company is currently handling projects of around ₹ 100 bn

The Total Income for FY2021 was ₹ 172.87 mn inclusive of Other Income of ₹ 1.46 mn. The Total Expenses for the year were ₹ 174.85 mn and the resultant total comprehensive profit for the year was ₹ 11.59 mn

IL&FS Infra Asset Management Limited :

IL&FS Infra Asset Management Limited (IIAML) is the asset manager of the IL&FS Mutual Fund which is an Infrastructure Debt Fund (IDF) as per SEBI Mutual Fund Regulations. Its AUM as of March 31, 2021 stands at ₹ 16.7 bn across 7 schemes

The Total Income of IIAML for Financial Year 2020-21 was ₹ 191.28 mn and the total comprehensive income for the year was a profit of ₹ 89.13 mn

IL&FS AMC Trustee Limited :

IL&FS AMC Trustee Limited (IATL) acts as the Trustee of the IDF

The Total Income of IATL for Financial Year 2020-21 was ₹ 1.89 mn and the total comprehensive income for the year was a profit of ₹ 0.96 mn

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

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

IL&FS Milestone Realty Advisors Private Limited :

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

The Total Income of IMRAPL for FY2021 was ₹ 0.68 mn. The Total Expenses of IMRAPL for the year were ₹ 1.67 mn and the resultant Loss after exceptional item & tax for the year was ₹ 0.97 mn

DIRECTORS & KEY MANAGERIAL PERSONNEL

Ms Sudakshina Bhattacharya was appointed as a Non-Executive Director of the Company with effect from November 11, 2020 and resigned with effect from January 1, 2021

Ms Priya Shetty and Ms Lubna Usman have been appointed as Non-Executive Directors of the Company with effect from November 11, 2020 and February 12, 2021, respectively

Mr Kaushik Modak retires by rotation at the ensuing Annual General Meeting pursuant to the provisions of Section 149, Section 152 and Section 162 of the Companies Act, 2013

Mr Krishna Kumar resigned as the Chief Executive Officer of the Company with effect from April 19, 2020

Mr Manoj Borkar was appointed as the Chief Executive Officer of the Company with effect from July 28, 2020

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

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

BOARD INDEPENDENCE

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

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met four times during the Financial Year ended March 31, 2021 and the gap between two meetings did not exceed 120 days. The meetings were held during the year on July 28, 2020, September 8, 2020, November 11, 2020 and February 12, 2021

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

SELECTION CRITERIA FOR APPOINTMENT OF DIRECTORS

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

BOARD EVALUATION

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

(a) in the preparation of the Annual Accounts for the year ended March 31, 2021, the applicable Accounting Standards have been followed along with proper explanations relating to material departures, if any;

(b) that such accounting policies as mentioned in Note 2 of the Notes to the Annual Accounts have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of March 31, 2021 and of the Loss of the Company for the year ended on that date;

(c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) that the Annual Accounts are prepared on a going concern basis;

(e) that proper internal financial controls were in place and that the internal financial controls were adequate and were operating effectively; and

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

RISK MANAGEMENT & INTERNAL CONTROL SYSTEMS

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

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

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

RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the Financial Year were on an arms' length basis and were in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors,

Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. No new Material Related Party Transactions were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) of the Companies Act, 2013 in Form AOC 2 is not applicable. The disclosure of transactions with Related Parties is set out in Note No. 25 of the Standalone Financial Statements, forming part of the Annual Report

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

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

PARTICULARS OF EMPLOYEES

The particulars of the employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Directors' Report for the year ended March 31, 2021 and are annexed as Annexure 1 and Annexure 2, respectively

REMUNERATION POLICY

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

POLICY FOR PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

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

STATUTORY AUDITORS

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

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

SECRETARIAL AUDIT

The Company has appointed M/s Mehta & Mehta, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report for the Financial Year ended March 31, 2021 is annexed herewith as an Annexure 3(I)

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

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

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

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

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

Statutory Auditors' qualification and its explanation :

On Standalone Financials :

Qualification 1 :

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

Explanation 1 :

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

On Consolidated Financials :

Qualification 1 :

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

Explanation 1 :

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

Qualification 2 :

One of the subsidiaries of the Company has not conducted its Board Meeting for approval of its Annual Audited Financial Results. As per provisions of Regulation 33(3)(h) of SEBI LODR, a Listed Company needs to ensure that at least eighty percent of its consolidated revenue and profits should be subjected to audit. The Company has not met this requirement

Explanation 2 :

The relevant subsidiary is a Joint Venture with the State Government. The Board of this subsidiary comprises of Nominee Directors of the State Government. Though the financials of this subsidiary have been audited by their Statutory Auditors, however, the Board Meeting could not be held as the Nominee Directors of the State Government were busy due to the COVID-19 situation in the State. We do not believe this would have any material impact on the financial statements of the Company

Secretarial Auditors' observation and its explanation :

Observations :

(1) There was no Woman Director appointed on the Board of Directors for the period from April 1, 2020 to November 10, 2020 as required under SEBI Regulation 17(1)(a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. However, the Company has appointed the Woman Director w.e.f. November 11, 2020

(2) The composition of the Nomination & Remuneration Committee of the Company is not in accordance with Regulation 19(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Committee does not have 3 Directors

(3) The composition of the Nomination & Remuneration Committee of the Company is not in accordance with the Regulation 19(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as mentioned above and accordingly the Regulation 19(2) of the said Regulations is not complied. Further, the website of the Stock Exchange(s) reflects the Chairperson of the Board of Directors as the Chairperson of Nomination & Remuneration Committee

(4) No meeting of the Nomination & Remuneration Committee was conducted during the financial year under review as required under Regulation 19 (3A) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Explanations :

The position of the Chairman of the Company and the Chairman of the Nomination & Remuneration Committee has been different since the amendment. Further due to non-availability of the Independent Directors, Chairperson of the Committee has not been appointed

The default with respect to the appointment of a Woman Director and Independent Director is waived by the NCLT Order No. 3638/2018 dated April 26, 2019

INCREASE IN SHARE CAPITAL

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

SECRETARIAL STANDARDS

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

CORPORATE GOVERNANCE

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

CORPORATE SOCIAL RESPONSIBILITY

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

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

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

WHISTLE BLOWER POLICY/VIGIL MECHANISM

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

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

DEPOSITS

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

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

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

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

(Amount in lakhs)

	USD	INR
Outflow	0.11	8.26
Inflow	7.48	545.74

COST RECORDS

Maintenance of cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 are not required to be maintained by the Company and accordingly such accounts and records are not maintained for FY 2020-21

EXTRACT OF THE ANNUAL RETURN

Pursuant to Section 92 (3) read with Section 134 (3) (a) of the Act, the Annual return as on March 31, 2021 is available on the company's website at https://www.iimlindia.com/annual_reports.aspx

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

The National Company Law Tribunal (NCLT) passed an Order on October 1, 2018 under the provisions of Sections 241 and 242 of the Companies Act, 2013 for suspending the existing Board of Directors of Infrastructure Leasing and Financial Services Limited (IL&FS), the Holding Company and new members were inducted on the Board of IL&FS

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

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

ACKNOWLEDGEMENT

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

For and on behalf of the Board

S M DATTA
Chairman

Place : Mumbai
Date : June 30, 2021

Annexure 1 to the Directors' Report

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

Sr. No.	Requirements	Disclosure	
(1)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Managing Director (MD)	NA
		Whole-time Director (WTD)	NA
(2)	The percentage increase in remuneration of each Director, Chief Financial Officer (CFO), Chief Executive Officer (CEO), Company Secretary in the financial year	MD	-
		CEO & CFO	9.25%
		CS	(6.90%)
(3)	The percentage increase in the median remuneration of employees in the financial year	(18.57%)	
(4)	The number of permanent employees on the rolls of the Company	25	
(5)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	% increase in remuneration other than MD & WTD	(19.80%)
		% increase in remuneration of MD & WTD	Nil
(6)	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed	

Note :

(1) Sitting fees and Commission paid to the Non-Executive Directors are not considered for the purpose of the above disclosure

(2) The salary cost does not include leave encashment paid

(3) Policy with Life Insurance Corporation of India has been taken to cover the liability of payment of Gratuity to employees. The gratuity including differential payment on account of salary revision is excluded in calculating above details

For and on behalf of the Board

S M DATTA
Chairman

Place : Mumbai

Date : June 30, 2021

Annexure 2 to the Directors' Report

Information as per Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the Financial Year 2020-21

SL	Name	Age (Yrs)	Designation	Remuneration Received (₹)	Qualification	Experience (Yrs)	Date of Commencement of employment	Last Employed
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Employees employed throughout the Financial Year and in receipt of remuneration of not less than ₹ 1,02,00,000 for the Financial Year 2020-21								
1	Manoj Borkar	56	CEO & CFO	1,03,84,957	B.Com, FCA	33	01.04.2000	Infrastructure Leasing & Financial Services Limited
2	Sanjay Mitra	48	COO	1,05,45,938	M.Com, ACS, ICWA, Cost Accountant	23	01.05.2001	Larsen & Toubro Limited
3	Harshad Kachhera	41	Vice President	1,11,17,150	B.Com ACA	17	20.08.2007	GE Capital Services Limited
Employed for part of the year and in receipt of remuneration of not less than ₹ 8,50,000/- p.m. for the Financial Year 2020-21 - NIL								
Employees employed throughout the Financial Year and in receipt of remuneration								
4	Kamalesh Sarangi	49	Senior Vice President	73,90,758	PGDM (Finance and Marketing) BE	25	19.06.2006	ICICI Bank Ltd.
5	Swapnel Desai	39	Sr. Manager	53,91,425	MMS, BSc	11	01.04.2019	IIML Asset Advisors Limited
6	Rumen Barjatya	40	Asst. Vice President	36,43,024	PGDM (Finance), B.Com	16	01.02.2007	CRISIL
7	Meher Bharucha	43	Asst Vice President	32,18,260	LL.B	19	01.10.2007	TATA AIG General Insurance Co Ltd
8	Arvind Iyengar	42	Senior Manager	23,56,710	BE (Mechanical), MBA (Industrial Management)	21	23.03.2008	Reliance Energy Limited
9	Annie Luis	57	Manager	24,17,700	MBA, BA	34	01.07.2010	Infrastructure Leasing & Financial Services Limited
10	Avanish Bangera	56	Sr. Manager	20,60,996	LL.B., MBA (Finance), B. Com	37	02.05.2008	IL&FS Trust Company Limited

Note :

(1) All employees are in the permanent employment of the Company

(2) None of the employees is a relative of any Director or Manager of the Company

(3) Remuneration includes Salary, Company's contribution to Provident Fund and Superannuation Fund, Performance Related Pay, House Rent Allowance, Other Allowances, Medical Allowance, Incentive Leave Travel Assistance, Leave Encashment paid and other perquisites as valued for Income Tax Rules, 1962

(4) Policy with Life Insurance Corporation of India has been taken to cover the liability of payment of Gratuity to employees. The same is excluded in table above

(5) None of the employees holds by himself/herself or along with his/her spouse and dependent children hold not more than two percent of the equity shares of the Company

For and on behalf of the Board

Place : Mumbai
Date : June 30, 2021

S M DATTA
Chairman

Annexure 3(I) to the Directors' Report

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

To,

The Members,

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IL&FS Investment Managers Limited** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts I statutory compliance 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 on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment,

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

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

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (during the period under review not applicable to the company);

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (during the period under review not applicable to the company);

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (during the period under review not applicable to the Company);

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (during the period under review not applicable to the Company); and

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (during the period under review not applicable to the Company);

(vi) Securities Exchange Board of India (Portfolio Managers) Regulations, 2020;

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

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

b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

Annexure 3(I) to the Directors' Report

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

1) There was no woman Director appointed on the Board of Directors for the period from April 01, 2020 to November 10, 2021 as required under SEBI Regulation 17(1)(a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. However, the Company has appointed the Woman Director w.e.f. November 11, 2020. The said default is waived by the NCLT order No 3638/2018 dated April 26, 2019;

2) The composition of the Nomination and Remuneration Committee of the Company is not in accordance with Regulation 19(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Committee does not have 3 Directors. The said default is waived by the NCLT order No 3638/2018 dated April 26, 2019. The default with respect to the appointment of the Independent Director is waived by the NCLT order No 3638/2018 dated April 26, 2019;

3) The composition of the Nomination and Remuneration Committee of the Company is not in accordance with the Regulation 19(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as mentioned above and accordingly the Regulation 19(2) of the said Regulations is not complied. Further, the Website of the Stock Exchange(s) reflects the Chairperson of the Board of Directors as the Chairperson of Nomination & Remuneration Committee, however as informed by the management the position of the Chairman of the Company and the Chairman of the NRC has been different since the amendment, further due to non-availability of the Independent Directors, the position of the Chairperson of the NRC is vacant. The default with respect to the appointment of the Independent Director is waived by the NCLT order No 3638/2018 dated April 26, 2019;

4) No meeting of the Nomination and Remuneration Committee was conducted during the financial year under review as required under Regulation 19 (3A) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;

5) Independent Directors have not been appointed on the Board of Directors of Unlisted Material Subsidiary as required under Regulation 24(1) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. The default with respect to the appointment of the Independent Director is waived by the NCLT order No 3638/2018 dated April 26, 2019;

6) The Company has filed e-form MGT-15 with respect to transacting ordinary businesses in Annual General Meeting conducted through Video Conference in compliance with General Circular No. 14/2020, dated April 08, 2020 and General Circular No. 20/2020, dated May 05, 2020, issued by The Ministry of Corporate Affairs ("MCA").

We further report that:

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

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

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

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

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

Note: Due to lockdown under COVID-19, Certification on this Form MR-3 is done on the basis of documents made available to us in electronic form (i.e. scanned copies vide e-mail) by the Secretarial Team of the Company and such documents will be verified physically after the lockdown is lifted.

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

Atul Mehta
Partner
PCS No: 5782
CP No: 2486

Place: Mumbai
Date: June 30, 2021
UDIN: F005782C000552671

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

Annexure 3(I) to the Directors' Report

Annexure A

To,

The Members,

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

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

1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

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

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

6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in point vi of our Secretarial Audit Report in Form No. MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.

7) The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Atul Mehta
Partner
PCS No: 5782
CP No: 2486

Place: Mumbai
Date: June 30, 2021
UDIN: F005782C000552671

Annexure 3(II) to the Directors' Report

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

To,

The Members,

Andhra Pradesh Urban Infrastructure Asset Management Limited,
CIN: U65999AP2016PLC103663
D.No: 4th Floor, NTR Administrative Block,
RTC House Pandit Nehru Bus Station,
Vijayawada, Krishna AP 520013

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

Based on my/our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on **31st March 2021**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2021, according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-

- (a The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) Other applicable laws like:

- (a) The Payment of Wages Act, 1936;
- (b) The Minimum Wages Act, 1948;
- (c) Employees' state insurance Act, 1948;
- (d) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- (e) Airport Authority of India (Amendments) Act, 2003;
- (f) The payment of bonus act, 1965;
- (g) The payment of gratuity act, 1972;
- (h) The contract labour (Prohibition & Regulation) act, 1970;

Annexure 3(II) to the Directors' Report

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

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

(i) Secretarial Standards with regard to meeting of board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with BSE LIMITED and National Stock Exchange of India Limited (NSE), if applicable; the company was not listed thus Not applicable.

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

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

I/we further report that: -

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

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

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

CS. HEMACHAND KODE
Company Secretary in Practice
Membership No. : 35463
CP No. : 13416
UDIN :A035463C000725207

Place: Vijayawada
Date: June 30, 2021

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

Annexure 3(II) to the Directors' Report

Annexure A

To,

The Members,

Andhra Pradesh Urban Infrastructure Asset Management Limited.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit on Andhra Pradesh Urban Infrastructure Asset Management Limited Annual Report 2020-21
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

CS KODE HEMACHAND
Company Secretary
Membership No. : 35463
CP No. : 13416

Place: Vijayawada
Date: June 30, 2021

Annexure 3(III) to the Directors' Report

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021

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

To,

The Members,

IL&FS Infra Asset Management Limited,

The IL&FS Financial Centre,
8th Floor, Plot C-22, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051

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

Based on my verifications of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 (hereinafter called the '**Audit Period**'), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance – mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I 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, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules madethereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') andthe Rules made thereunder.

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: **Not Applicable to the Company during the Audit Period**

(v) The following Regulations and Guidelines prescribed under theSecurities and Exchange Board of India Act, 1992 ('SEBI Act'):-

i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: **- Not Applicable to the Company during the Audit Period**

ii. The Securities and Exchange Board of India (Prohibition ofInsider Trading) Regulations, 1992;

iii. The Securities and Exchange Board of India (Issue of Capitaland Disclosure Requirements) Regulations, 2009: **- Not Applicable to the Company during the Audit Period**

iv. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999: **- Not Applicable to the Company during the Audit Period**

v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: **- Not Applicable to the Company during the Audit Period**

vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client: **- Not Applicable to the Company during the Audit Period**

vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **- Not Applicable to the Company during the Audit Period**

viii. The Securities and Exchange Board of India (Buyback ofSecurities) Regulations, 1998; **- Not Applicable to the Company during the Audit Period**

(vi) The Company has identified the following laws and regulations as specifically applicable to the Company:

(a) The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996

(b) The Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012 – The Company is yet to commence the business of Alternative Investments Funds

(vii) I have also examined compliances with the applicable clauses of the following:

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

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

I further report that

- The Board of Directors of the Company was duly constituted during the year with the proper balance of Executive, Non-Executive and Independent Directors. For a public limited company it is mandatory to have minimum 3 Directors. To this extent the Company was compliant with the said provision. There were changes in the composition of the Board of Directors that took place during the period under review and they were carried out in compliance with the provisions of the Act. The remunerations details paid to the Directors and the KMP's have been properly disclosed.
- Pursuant to para VII (1) of Schedule IV to the Act, the Independent Directors are required to hold at least one meeting without the attendance of Non-Independent Directors and members of management. The process and provisions were duly complied
- During the period under review, following changes took place in the Key Managerial Personnel viz. Chief Financial Officer and the Directors.

  Mr. Amit Vijay Mainkar resigned as Chief Financial Officer of the Company with effect from 10th January, 2020. As per Section 203(4) of the Companies Act, 2013, the position of the Chief Financial Officer shall be filled up by the Board within a period of six months from the date of the vacancy. Due to the lockdown for the COVID 19 pandemic, all the offices were closed and the Company was unable to appoint someone for the said position but the same was filled on 8th February, 2021 by appointing Mr. Jignesh Ramesh Shah as the Chief Financial Officer of the Company. Also Mr. Viswanath Giriraj was regularised as an Independent Director in the Annual General Meeting conducted on 25th August, 2020.
- Adequate notices were given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at a shorter notice, and a system exist for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at the Board Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.
- The Company has obtained the approval of the shareholders at the Annual General Meeting held on 25th August, 2020 in respect of the following matters:

  i. Approving of excess remuneration of Mr. Jignesh Ramesh Shah, Managing Director and Chief Executive Officer of the Company for the period from 1st April, 2019 to 31st March, 2020 (by special resolution)

  ii. Approving the appointment of Mr. Viswanath Giriraj as an Independent Director of the Company for the term of five years (by ordinary resolution)

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

Nupur Mimani
Practicing Company Secretary
ACS No. 37847
CP No. 16805
UDIN: A037847C000068889

Place : Kolkata
Date : April 12, 2021

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

Annexure 3(III) to the Directors' Report

Annexure A

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

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.

4. Wherever required, I have obtained Management Representation about the compliance laws, rules and regulations, and happening of events etc.

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

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

Nupur Mimani
Practicing Company Secretary
ACS No. 37847
CP No. 16805
UDIN: A037847C000068889

Place : Kolkata
Date : April 12, 2021

Annexure 4 to the Directors' Report

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

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

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

(2) The Composition of the CSR Committee :

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

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

(3) 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 :

The Composition of CSR Committee - http://www.iimlindia.com/board_directors.aspx

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

CSR projects approved by the Board – Not Applicable

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

Not Applicable

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

Not Applicable

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

Sr. No.	Financial Year	Net Profit Before Tax
(1)	2019-2020	10,86,82,016
(2)	2018-2019	12,35,73,606
(3)	2017-2018	21,95,73,207
Total		**45,18,28,829**
No. of years	3 years	
Average Profit		**15,06,09,610**

(7)	(a)	Two percent of average net profit of the company as per section 135(5)	₹ 30,12,192/-
	(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
	(c)	Amount required to be set off for the financial year, if any	Nil
	(d)	Total CSR obligation for the financial year (7a+7b-7c)	₹ 30,12,192/-

(8) (a) CSR amount spent ~~or unspent~~ for the financial year : ₹ 32,00,000/-

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

Annexure 4 to the Directors' Report

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs)	Mode of imple-men-tation – Direct (Yes/ No)	Mode of implementation – Through implementing agency	
				State	Dis-trict			Name	CSR regis-tration number
(1)	Contribution to the Prime Minister's National Relief Fund		No	Nation-wide		32,00,000/-	Direct	N.A.	N.A.

(d) Amount spent in Administrative Overheads : Nil

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs 32,00,000/-

(g) Excess amount for set off, if any : Rs 1,87,808/-

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	30,12,192/-
(ii)	Total amount spent for the Financial Year	32,00,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1,87,808/-
(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)]	1,87,808/-

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

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

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

(10) Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : Not Applicable

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

Manoj Borkar
Chief Executive Officer & Chief Financial Officer

S M Datta
Chairman (CSR Committee)

Place : Mumbai

Date : June 30, 2021

MANAGEMENT DISCUSSION AND ANALYSIS

(I) Business Overview

1. Global Economy

After an estimated contraction of – 3.3 % in 2020, the global economy is projected to grow at 6% in 2021. Global growth is expected to moderate down to a lower growth rate over the medium term – reflecting projected damage to supply potential and forces that predate the pandemic, including aging-related slower labor force growth in advanced economies and some emerging market economies. Thanks to unprecedented policy response, the COVID-19 recession is likely to leave smaller scars than the 2008 global financial crisis. However, emerging market economies and low-income developing countries have been hit harder and are expected to suffer more significant medium-term losses

Future developments will depend on the path of the health crisis (whether the new COVID-19 strains prove susceptible to vaccines or they prolong the pandemic); the effectiveness of policy actions to limit persistent economic damage. Considering the large uncertainty surrounding the outlook, policymakers are prioritizing policies that would be prudent, regardless of the state of the world that prevails. Once vaccination becomes widespread and spare capacity in health care systems is generally restored to pre-COVID-19 levels, restrictions are expected to be lifted. Strong international cooperation is vital for achieving these objectives and ensuring that emerging market economies and low-income developing countries continue to narrow the gap between their living standards and those of high-income countries. On the health care front, this means ensuring adequate worldwide vaccine production and universal distribution at affordable prices so that all countries can quickly and decisively beat back the pandemic

2. India Economy

India's economy contracted 7.3% for the full financial year 2020-21. Statistically, the growth rate for FY2021 is negative but better than expected. In Q4 FY2021, the GDP grew by 1.6% which was a significant improvement from the 0.5% growth achieved in Q3 FY2021 after having witnessed two consecutive quarters of contraction earlier in FY2021 when India entered a technical recession

The growth rate has been swinging back in the positive territory supported by high government spending, reform measures, and progressive unlocking. The government had taken many steps and introduced several relief packages to support the economy. The improvement in the last two quarters generates hope for the Indian economy. The government initiatives provided support to the agriculture and manufacturing segment, but the hotel and tourism sector continued to witness contraction due to strict lockdown. As a part of the economic relief package, the Government had also announced an ad-hoc suspension of certain provisions of the Insolvency and Bankruptcy Code, 2016 (IBC). The main intention behind the decision was to avoid initiation of any fresh insolvency petitions against companies for a period of one year and to keep all Covid-19 related debt outside the purview of IBC

The continued GDP growth and the improvement in GST collections indicates that India's economy was treading on the road to recovery before the second wave of the COVID-19 hit. In the second wave, the country faced the worst outbreak in the global COVID-19 crisis to date with a peak of over 400,000 cases per day. However, the number of newly infected people have now bottomed out. The impact of second wave on the economy may lead to a drop in private consumption following significant declines in mobility amid rising fears of infection. The government is constrained in providing additional stimulus due to relatively high debt levels which already increased significantly in 2020

With focus on reviving the economy, the RBI slashed its growth projection, kept main policy interest rates unchanged and unleashed a host of measures to support businesses and ensure their access to liquidity for essential and small & medium size businesses. Under the contact-intensive scheme announced by the RBI, banks can provide fresh lending support to a range of business hit by the various pandemic curbs imposed in states. They include hotels and restaurants, tourism-travel agents, tour operators, aviation ancillary services, event/ conference organisers etc.

With the second wave appearing to subside and the vaccination drive in full swing, India is likely to regain the growth momentum over the next few quarters. The core industries have also reasonably bounced back in April 2021 on expected lines with Cement and Steel being the leaders. The government has also been steady on the reforms front including sectors such as agriculture, mining, manufacturing and power, which augurs well for the economy in the long term. The second wave of the COVID-19 pandemic may again delay resolutions under the Insolvency & Bankruptcy Code (IBC) and increase haircuts for lenders, though realisations for financial creditors through IBC is likely to improve under the Code in FY2022

3. Private Equity

The COVID-19 pandemic has impacted all businesses the world over and economy and PE funds, in India, was no exception. The year 2020 was truly extraordinary, GDP contracted in FY2021, with more than 65% of the Indian economy at halt during the full lockdown. Within the year itself, COVID-19 played an important role in accelerating digital trends across sectors dramatically, which is reflected in venture capital (VC) money flows and emergence of new, digitally founded business models across sectors

There were a few themes that accelerated due to COVID-19 – such as Surge in investment activity in a select set of sectors within consumer tech, with an average 4x increase in investment value over 2019. In terms of key sectors receiving investments, consumer tech, SaaS, and fintech continued to lead the way. While on one side, the sector saw that businesses are trying to adapt to the 'new normal' and deploying newer techniques to stay afloat, PE firms, on the other hand, are in a uniquely advantageous position as they see investment opportunities at better valuation.

(II) Analysis of Performance for the year ended March 2021

1. Business Review

As in the past, the Fund team continued to focus on undertaking portfolio divestments, thereby enabling return of capital to Fund investors. The Fund teams also successfully furthered the various litigations, paving the path to further divestments during FY2021. This was achieved despite the Covid environment impact on divestments across sectors

However, during the year the investors in one of the private equity funds initiated the process for termination of the management agreement and the same has been challenged by the Company. It is expected that this issue will be resolved amicably during the year

On the debt side, IIML, through its subsidiary operates the Infrastructure Debt Fund (IDF). The IDF has closed ended schemes and AUM as of March 31, 2021 was ₹ 16.7 bn

Due to the elections and consequent change of state government, IIML's joint venture with Government of Andhra Pradesh saw slow progress in the previous year. However, during the year notwithstanding Covid this joint venture managed to bag quite a few new contracts and is implementing a slew of projects in the State of Andhra Pradesh. It is expected that as lockdown ends in the state the project development activity of this joint venture will pick up

2. Financial Performance

The fee earning assets under management (AUM) in relation to existing Funds managed by IIML has been consistently declining on account of divestments undertaken. Developments at IL&FS since October 2018, have led to suspension of all new initiatives. This has led to a significant pressure on revenue budgets for the private equity business of IIML. In order to contain the adverse impact, IIML has been implementing stringent cost rationalisation measures

On a consolidated basis, the Income from Operations of the Company for FY2021 was ₹ 461.40 mn and Other Income was ₹ 124.85 mn. Accordingly, the Total Income on a consolidated basis for FY2021 was ₹ 586.25 mn. The resultant Profit Before Tax and Exceptional Items on a consolidated basis for FY2021 was ` 98.55 mn

(III) Outlook for the Financial Year 2021-2022

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

Given the above developments, the Company will focus on non-Fund format based products including providing advisory services. The Company is also exploring the option of initiating steps to assess market feedback on raising a sector specific Fund. Notwithstanding these steps, the future of the Company will significantly depend on the ability of IL&FS in selling its stake in the Company. The manner in which India emerges from the Covid pandemic and the extent of impact on the economy will impact growth plans of the Company

(IV) Business Segment and Human Resources

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

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

The Company presently has 25 employees, including 5 sub-staff

(V) Internal Control Systems

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

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

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

(VI) Significant Changes

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

		March 31, 2021 (₹ in lakhs)	March 31, 2020 (₹ in lakhs)	Explanation
(i)	**Debtors Turnover**			
	Trade Receivables	458.42	179.58	Management is taking every possible step in following up with the debtors to pay the amount on timely basis
	Turnover	1,404.78	2,886.31	
	Ratio	3.06	16.07	
(ii)	**Inventory Turnover**	NA	NA	
(iii)	**Interest Coverage Ratio**	NA	NA	
(iv)	**Current Ratio**			
	Current Asset	10,019.63	12,058.35	The current ratio is similar to previous year
	Non Current Asset	440.75	522.72	
	Ratio	22.73	23.07	
(v)	**Debt Equity Ratio**	NA	NA	
(vi)	**Operating Profit Margin (%)**			
	PBT	(441.51)	1,140.73	Profitability has decreased due to lower operating revenue
	Turnover	1,404.78	2,886.31	
	Ratio	(31.43%)	39.52%	
(vii)	**Net Profit Margin (%)**			
	PAT	(280.79)	794.32	Profitability has decreased due to lower operating revenue
	Turnover	1,404.78	2,886.31	
	Ratio	(20.00%)	27.52%	
(viii)	**Return on Net Worth (%)**			
	Net worth	9,772.02	11,907.97	Due to Net Loss for the year, Return on Net Worth is less
	PAT	(280.79)	794.32	
	Ratio	(2.87%)	6.67%	

CORPORATE GOVERNANCE REPORT

(A) COMPANY PHILOSOPHY

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

(B) BOARD OF DIRECTORS

(1) Composition :

(a) As at March 31, 2021, the Board of Directors of the Company had six Directors comprising of a Non-Executive Independent Chairman, one Non-Executive Independent Director (NEID) and four Non-Executive Promoter Nominee Directors (NED)

(b) None of the directors of the Company are directors of more than ten Indian Public Companies and more than twenty Indian Companies

(c) None of the directors serve as directors of more than seven listed entities and serve as Independent Director in more than seven listed entities. None of the directors who are serving as a Whole-Time Director/Managing Director in any listed entity serve as an Independent Director in more than three listed entities

(d) None of the directors hold chairmanship in more than five committees or membership in more than ten committees of public limited companies and the directors are compliant with the requirements of Regulation 26 of the Listing (Obligations & Disclosure Requirements) Regulations (LODR)

(2) The category of Directors, their attendance record at the Board Meetings held during the Financial Year ended March 31, 2021 and at the previous Annual General Meeting :

Name of the Director	Category of Director @	No. of Board Meetings attended	Attendance at the last AGM held on November 10, 2020
Mr S M Datta (Chairman) DIN 00032812	NEID	4	Yes
Mr Chitranjan Kahlon DIN 02823501	NEID	4	Yes
Mr Nand Kishore DIN 08267502	NED	4	Yes
Mr Kaushik Modak DIN 01266560	NED	4	Yes
Ms Priya Shetty $ DIN 08858814	NED	2	No
Ms Lubna Usman $ DIN 08299976	NED	1	No

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

$ Ms Priya Shetty and Ms Lubna Usman were appointed as Non-Executive Directors of the Company with effect from November 11, 2020 and February 12, 2021, respectively

Ms Sudakshina Bhattacharya, a Nominee of Infrastructure Leasing & Financial Services Limited (IL&FS) was appointed as an Additional (Non-Executive Nominee Director) on the Board of the Company on November 11, 2020. However, Ms Bhattacharya resigned from the IL&FS Group and consequently, IL&FS withdrew Ms Bhattacharya's nomination from the Board of the Company. Accordingly, Ms Sudakshina Bhattacharya ceased to be a Director of the Company with effect from January 1, 2021

(a) The Memberships/Chairmanships of the Board of Directors on the Board Committees of companies as on March 31, 2021 are as follows:

Name of the Director	No. of Directorships *	Committee Memberships #	Committee Chairmanships #
Mr S M Datta	8	2	2
Mr Chitranjan Kahlon	2	2	-
Mr Nand Kishore	9	5	3
Mr Kaushik Modak	7	3	1
Ms Priya Shetty	5	-	-
Ms Lubna Usman	3	-	-

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

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

(3) Directorship of Directors in other Listed Companies as on March 31, 2021 :

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

(4) Meetings of the Board of Directors : The Board of Directors met four times during the Financial Year ended March 31, 2021 and the gap between two meetings did not exceed 120 days. The meetings were held during the year on July 28, 2020, September 8, 2020, November 11, 2020 and February 12, 2021

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

(6) Number of shares held by Non-Executive Directors as on March 31, 2021 :

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

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

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

(a) The Board has adopted a Selection Criteria for hiring of Members of the Board. The candidate is expected to meet one of the following criteria :

(i) Must have been a Chief Executive Officer or a Business Head of an organisation in the past

(ii) Must have expertise in a specific area like Legal, Tax, HR, Marketing etc.

(iii) Business Head role or General Management role in the financial services space

(iv) An independent, eminent specialist or professional

(b) Board Diversity :

(i) The Company is sensitive to the need for a robust Board process that enables different views to be expressed, heard and considered. The Company believes that Board members armed with divergent skills, expertise, experience and knowledge will make the Company's Board more effective. A Board comprising of members from divergent backgrounds helps combat common limitations

(ii) The Company is desirous of having suitable Board Diversity in terms of skills, educational and professional background, industry experience and the Company's selection criteria of new Directors shall be guided by these principles

Directors on board who have such skills/expertise/competence :

Name of Director	Skills/expertise/competence
Mr S M Datta	Is a reputed management professional and is on the Board of a number of well-known corporates Was the Chairman of Hindustan Lever Limited as well as of the Unilever Group of Companies in India & Nepal from 1990 to 1996 Past President of Associated Chambers of Commerce and Industry, Council of EU Chambers of Commerce in India, the Bombay Chamber of Commerce & Industry and Indian Chemical Manufacturers Association Vast experience in leading and managing multi-product, multi-cultural companies in the Unilever Group Has been mentoring senior managements of both Indian Corporates & MNCs as varied as Venture Capital, Pharmaceuticals, Consumer Electronics, Power, Hospital, Medical Research, Corporate Credit Rating & Home Finance
Mr Chitranjan Kahlon	Served as a member of Central Board of Direct Taxes, Government of India, as Executive Director of Securities & Exchange Board of India and has worked in various capacities in the Indian Revenue Service Experience in the field of Capital Market and is familiar with Tax administration in India particularly with regard to Tax policy Mr Kahlon has been a member of the 'Speculative Transactions Committee' constituted by the Finance Minister of India and Member of the Committee to draft the Prevention of Money Laundering Act
Mr Nand Kishore	Is a member of the Indian Audit and Account Service and has been a senior bureaucrat holding key positions across various departments over the years Has been the Deputy Comptroller and Auditor General (CAG) and looked after audit of Defence, Railways & Communications
Mr Kaushik Modak	Is the CEO of IL&FS Financial Services Limited Was the CEO & Country Head of Rabobank India Worked for Bank of America as the Principal & Head – Debt Capital Markets in India and at Kotak Mahindra Finance as the VP & Head – Fixed Income Securities Group
Ms Priya Shetty	Ms Priya Shetty was an Associate Director at Lazard India Limited where she was a senior member of Lazard's advisory practice Ms Shetty was also an Executive Director heading Advisory and Capital Markets practice in Financial Services and Healthcare Sectors at Kotak Mahindra Capital Company Limited At IL&FS group Ms Priya Shetty was Head - Corporate Advisory Services at IL&FS Financial Services Ltd. Currently Ms Shetty is deputed as CEO of IL&FS Securities Services Limited and is actively involved in the resolution process undertaken by the current Board of IL&FS

Name of Director	Skills/expertise/competence
Ms Lubna Usman	Ms Lubna is a senior management professional with more than 20 years experience in providing strategic leadership, project finance, restructuring and treasury management across banking and non-banking finance companies She worked for 11 years with IDBI Bank in various leadership roles and has led the Bank's client coverage - sourcing, structuring & syndication business for North & East region At IL&FS, her key responsibilities included structuring, project finance and corporate fund raising initiatives across Infrastructure verticals Since October 2018, She is a key member of the core leadership team working on the resolution of the IL&FS group, under the supervision of the new board appointed by Government of India

(9) **Terms of Appointment of Independent Directors**: The terms of appointment of Independent Directors are posted on the website of the Company and are available at the link http://www.iimlindia.com/Independent_Director.aspx

(10) **Independent Directors' Confirmation:** The Board of Directors confirm that in the opinion of the Board, the Independent Directors are independent and fulfil the conditions specified in LODR and are independent of the management

(11) **Independent Directors' Meeting:** The Independent Directors met on July 28, 2020, inter alia :

(a) To review the performance of the Non-Independent Directors and the Board as a whole

(b) To review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors

(c) Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties

(C) AUDIT COMMITTEE

(1) **Terms of Reference:** Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the LODR, the terms of reference of the Audit Committee, include the following :

(a) Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible

(b) Recommend to the Board, the appointment, remuneration and terms of appointment of the Auditors of the Company

(c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors

(d) Examination/Review with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to :

(i) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013

(ii) Changes, if any, in accounting policies and practices and reasons for the same

(iii) Major accounting entries involving estimates based on the exercise of judgment by the Management

(iv) Significant adjustments made in the Financial Statements arising out of audit findings

(v) Compliance with the listing and other legal requirements relating to the Financial Statements

(vi) Disclosure of any related party transactions

(vii) Modified opinion(s) in the draft audit report

(e) Review with the Management, the quarterly financial statements before submission to the Board for approval

(f) Review the financial statements, in particular, the investments made by the unlisted subsidiary

(g) Review with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter

(h) Review and monitor the Auditor's independence and performance, and effectiveness of the audit process

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

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

(i) The Audit Committee shall, specify the criteria for making the omnibus approval which shall include the following, namely :

(a) maximum value of the transactions, in aggregate, which can be allowed under the omnibus route in a year;

(b) the maximum value per transaction which can be allowed;

(c) extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval;

(d) review, at such intervals as the Audit Committee may deem fit, related party transaction entered into by the company pursuant to each of the omnibus approval made;

(e) transactions which cannot be subject to the omnibus approval by the Audit Committee

(ii) The Audit Committee shall consider the following factors while specifying the criteria for making omnibus approval, namely :

(a) repetitiveness of the transactions (in past or in future);

(b) justification for the need of omnibus approval

(iii) The Audit Committee shall satisfy itself on the need for omnibus approval for transactions of repetitive nature and that such approval is in the interest of the company

(iv) The omnibus approval shall contain or indicate the following :

(a) name of the related parties;

(b) nature and duration of the transaction;

(c) maximum amount of transaction that can be entered into;

(d) the indicative base price or current contracted price and the formula for variation in the price, if any; and

(e) any other information relevant or important for the Audit Committee to take a decision on the proposed transaction :

Provided that where the need for related party transaction cannot be foreseen and aforesaid details are not available, audit committee may make omnibus approval for such transactions subject to their value not exceeding rupees one crore per transaction

(v) Omnibus approval shall be valid for a period not exceeding one financial year and shall require fresh approval after the expiry of such financial year

(vi) Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the company

(vii) Any other conditions as the Audit Committee may deem fit

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

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

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

(j) Scrutiny of inter-corporate loans and investments

(k) Valuation of undertakings or assets of the Company, wherever it is necessary

(l) Evaluation of internal financial controls and risk management systems

(m) monitoring the end use of funds raised through public offers and related matters

(n) Review with the Management, performance of statutory and internal auditors and adequacy of the internal control systems

(o) Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit

(p) Discussion with Internal Auditors of any significant findings and follow up there on

(q) Review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board

(r) 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

(s) 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

(t) Review the functioning of the Whistle Blower Policy/Vigil Mechanism

(u) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate

(v) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee

(w) Reviewing the utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments

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

(y) Committee shall mandatorily review the following information :

(i) Management discussion and analysis of financial condition and results of operations

(ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management

(iii) Management letters/letters of internal control weaknesses issued by the statutory auditors

(iv) Internal Audit Reports relating to internal control weaknesses; and

(v) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee

(vi) Statement of deviations :

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1)

(b) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7)

(z) The Audit Committee may seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise and have full access to information contained in the records of the company

(aa) The audit committee at its discretion may invite the finance director or head of the finance function, head of internal audit and a representative of the statutory auditor and any other such executives to be present at the meetings of the committee

(2) Audit Committee Meetings: The Audit Committee met four times during the Financial Year ended March 31, 2021 on July 28, 2020, September 8, 2020, November 11, 2020 and February 12, 2021

(3) Composition of the Audit Committee:

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

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

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

(4) Attendees: The Statutory Auditors, the Chief Executive Officer & Chief Financial Officer are invitees and the Company Secretary is an attendee at the meetings. The Audit Committee also invites such other senior executives as it considers appropriate to be present at its meetings

(D) NOMINATION & REMUNERATION COMMITTEE

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

(a) Formulation of the Policy/criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees

The Nomination & Remuneration Committee shall, while formulating the policy/criteria shall ensure that

(i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals

(b) Formulation of criteria for evaluation of Independent Directors and the Board

(c) Devise a Policy on Board Diversity

(d) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination & Remuneration Committee or by an independent external agency and review its implementation and compliance

(e) Approve criteria and quantum of compensation for Whole-time Directors

(f) Recruitment of key management employees and their compensation

(g) Determination of the annual increments and performance related pay of the employees

(h) Administration of the various Employee Stock Option Plans of the Company

(i) 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

(j) To recommend to the Board, all remuneration, in whatever form, payable to senior management

(k) Such other matters as the Board may from time to time request the Committee to examine, recommend and approve

(2) Composition : After the resignation of Mr Sunil Mehta with effect from March 19, 2020 there has been a vacancy in the Nomination and Remuneration Committee (N&RC) and in the position of the Chairman of N&RC The Committee presently comprises of Mr S M Datta, Non-Executive Independent Director and Mr Kaushik Modak, Non-Executive Director

The vacancy in the N&RC and in the position of the Chairman of N&RC is to be filled with the appointment of an Independent Director. It will be challenging for the Company to fill the said vacancy of an Independent Director under present circumstances. However, in view of the challenges faced by IL&FS and its group companies in appointing independent directors, the National Company Law Tribunal (NCLT) based on a petition by Infrastructure Leasing & Financial Services Limited vide its Order dated April 26, 2019, has granted its exemption to IL&FS and its Group Companies from appointing Independent Directors and Woman Directors on the Board of IL&FS and its Group Companies

(3) Nomination & Remuneration Committee Meetings : Since the N&RC is not validly constituted, there have been no meetings of the N&RC in FY2020-21

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

(a) Contribution/Guidance on business strategy

(b) Well informed about the Company and external environment in which it operates

(c) Exercising independent Judgement

(d) Scrutinizes the performance of management in meeting agreed goals and objectives

(e) Upholding of the statutory compliance/corporate governance

(f) Ensuring integrity of financial controls/risk management measures

(g) Fulfillment of the independence criteria as specified under the LODR Regulations

(h) Independence from the management

(i) Availability and Attendance

(j) Management and Contribution at committees (of which he/she is a member)

(k) Effective deployment of expertise in furthering business

(E) REMUNERATION OF DIRECTORS

(1) There are no pecuniary relationships or transactions of the Non-Executive Directors and the Company other than the receipt of sitting fees for attending the meetings of the Board and Board Committees

(2) Disclosures with respect to remuneration : The remuneration is paid to the Directors as per the terms of the Managerial Remuneration Policy of the Company. The Management Remuneration Policy is uploaded on the website of the Company and is available at http://www.iimlindia.com/Policies.aspx

The salient features of the policy as enumerated below :

(a) Elements of Remuneration Package :

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

– Fixed Remuneration: Monthly base salary based on seniority and experience

– Performance linked incentives: Variable component determined by the Nomination & Remuneration Committee based on performance

– Issue of ESOPs from time to time: At the discretion of the Nomination & Remuneration Committee

– Retiral Benefit : Paid post separation from the Company as per the Rules of the Company and the relevant statutory provisions

– Perquisites and Benefits : All other benefits including perquisites are as per the Rules of the Company

(ii) Remuneration structure of the Key Management Personnel :

– Fixed Remuneration : This includes a Monthly Salary such as Consolidated Pay, Special Allowance, Other Allowances and Perquisites as per the Rules of the Company

– Variable Remuneration : This is based on the Company's and the individual's performance

– Retiral Benefits : This includes contribution to the Provident Fund, Gratuity and Superannuation Fund

(iii) Remuneration structure of the Senior Management :

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

(3) Details of Remuneration :

(a) Remuneration to the Whole-time Directors :

The Company did not have any Whole-time Director for the period April 1, 2020 to March 31, 2021

(b) Remuneration to the Non-Executive Directors :

(i) The Company does not pay any remuneration to the Non-Executive Directors of the Company except sitting fees for attending the Board Meetings and the Committee Meetings of the Company

(ii) Performance criteria for making payment to the Non-Executive Directors : The criteria considered for making payment of commission to Non-Executive Directors are level of involvement of the Director in the affairs of the Company, tenor of the Director in the Company and number of Committees membership/chairmanship held by the Director in the Company. The Company did not pay any commission to any Director during the period April 1, 2020 to March 31, 2021

(iii) The Non-Executive Directors were paid sitting fees of ₹ 15,000/- each for attending the Board Meetings, ₹ 10,000/- each for attending the Audit Committee Meetings and ₹ 5,000/- each for attending the Corporate Social Responsibility Committee Meeting and Stakeholders' Relationship Committee Meetings

(iv) Details of Sitting Fees to the Non-Executive Directors for FY2021 are as below :

Name of the Non-Executive Director	Sitting Fees (₹)
Mr S M Datta	1,15,000
Mr Chitranjan Kahlon	1,15,000
Mr Nand Kishore	1,05,000
Mr Kaushik Modak	75,000
Ms Priya Shetty	30,000
Ms Lubna Usman	15,000
Ms Sudakshina Bhattacharya	15,000
Total	**4,70,000**

(v) No Options were granted by the Company during the year to the Non-Executive Directors of the Company

(vi) There are no pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company

(F) STAKEHOLDERS' RELATIONSHIP COMMITTEE/STAKEHOLDERS GRIEVANCE COMMITTEE

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

(a) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

(b) Review of measures taken for effective exercise of voting rights by shareholders

(c) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent

(d) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company

(e) Allotment of shares upon exercise of options under Employee Stock Option Schemes

(f) Such other matters as the Board may from time to time request the Committee to examine, recommend and approve

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

The meetings of the Stakeholders' Relationship Committee were held on July 28, 2020 and March 30, 2021

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

Name of the Director	Designation	Number of Meetings Attended
Mr Kaushik Modak	Chairman	2
Mr S M Datta	Member	2
Mr Chitranjan Kahlon	Member	2
Mr Nand Kishore *	Member	1

* Resigned as a Member of the Committee with effect from October 18, 2020

(3) Mr Sanjay Mitra, Company Secretary, has been designated as the Compliance Officer

(4) During FY2021 the Company received NIL complaints from shareholders. All the complaints received during the year FY2021 were solved satisfactorily and no complaints were pending at the end of the year

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

The meetings of the Share Transfer Committee were held on November 3, 2020, December 4, 2020, January 4, 2021, February 5, 2021 and February 9, 2021

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

Name of the Member	Number of Meetings held	Number of Meetings Attended
Mr Manoj Borkar – Chairman	5	5
Mr Sanjay Mitra	5	5

(G) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

(a) Formulate and recommend to the Board of the Company the Corporate Social Responsibility (CSR) Policy which shall indicate the CSR activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013

(b) Identify the focus areas for the CSR activities on a yearly basis and review the same on a periodic basis

(c) Recommend the amount of expenditure to be incurred on the CSR activities

(d) Monitor the CSR Policy of the Company from time to time

(e) Institute a transparent monitoring mechanism for the implementation of the CSR Agenda

(f) Action Plan : The CSR Committee shall formulate and recommend to the Board, an annual action plan which shall include the following, namely :

(i) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;

(ii) the manner of execution of such projects or programmes

(iii) the modalities of utilisation of funds and implementation schedules for the projects or programmes;

(iv) monitoring and reporting mechanism for the projects or programmes; and

(v) details of need and impact assessment, if any, for the projects undertaken by the company

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

(2) The CSR Committee met once during the Financial Year on July 28, 2020

(3) **Composition :** The CSR Committee presently comprises of two Non-Executive Independent Directors and one Non-Executive Director. The Chairman of the Committee is a Non-Executive Independent Director. The composition and attendance record of the members of the CSR Committee are as follows :

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

(H) BOARD EVALUATION

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

(2) Based on the same, the Performance Evaluation is undertaken by Independent Directors at their meeting and the N&RC and the Board every year

(3) Post the resignation of Mr Sunil Mehta, the Chair position of the N&RC was vacant and the Committee's composition was also falling short of one member. Accordingly, as on date of the Performance Evaluation, the N&RC was not validly constituted. Therefore, the evaluation of the N&RC was not carried out this year

(4) The scope of the N&RC is to evaluate the performance of all the Directors. Considering that the Board as a whole was also required to evaluate the performance of independent and non-independent Directors and also because the N&RC was not validly constituted the evaluation of all Directors by the N&RC was done away with this year

(5) The evaluation was done by way of filling up of forms and accordingly a set of forms were prepared

(6) The process for performance evaluation at different forums was as follows :

(a) Independent Directors Meeting:

(i) Scope: To review the performance of the Non Independent Directors, Chairman and the performance of the Board as a whole

(ii) Process: The evaluation forms for the Non Independent Directors and the Chairman were circulated to the Independent Directors prior to the meeting and were filled up by each Independent Director prior to the Independent Directors meeting and the performance was discussed at the meeting

(iii) Board as a Whole: The Independent Directors were required to evaluate the performance of the Board as a whole. A few parameters were put down for evaluation of the Board as a whole on the basis of the SEBI Guidance Note on Board Evaluation. The Independent Directors were requested to evaluate the performance of the Board as a whole on the said parameters

(b) Board Meeting :

(i) Scope: To evaluate the performance of Independent Directors, Non Independent Directors and Board Committees provided that in the above evaluation, the Directors who were subject to evaluation did not participate

(ii) Process :

- The relevant forms circulated to the Board members were filled up and signed prior to the Board Meeting
- The Chairman of the Meeting collated the findings of the Board and requested the views of the Board Members and the same was discussed at the meeting

- Board Committees: The Board also evaluated all Board Committees sans N&RC, on certain parameters put forth for the evaluation of Board Committees on the basis of the SEBI Guidance Note on Board Evaluation

(I) GENERAL BODY MEETINGS

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

Date	Time	Location/Venue	Special Resolutions passed
November 10, 2020	3.00 p.m.	By Video Conferencing/ Other Audio Visual Means at the registered office of the Company	No Special Resolution was passed
September 30, 2019	10.30 a.m.	The Walchand Hirachand Hall	1) Re-appointment of Mr S M Datta as an Independent Director of the Company for a term of five years
August 28, 2018	11.00 a.m.	The Walchand Hirachand Hall	1) Payment of Commission to Non-Executive Directors 2) To charge delivery charges from shareholders requesting for delivery of documents from the Company

(2) Special Resolutions passed through Postal Ballot :

(a) None of the resolutions approved at the last Annual General Meeting required postal ballot approval

(b) During the year the Company has not passed any Special Resolution through postal ballot

(c) There is no immediate proposal for passing any resolution through postal ballot

(J) MEANS OF COMMUNICATION

(1) Financial Results : The Company's quarterly/half-yearly/annual financial results are sent to the Stock Exchanges and normally published in the Financial Express and Navshakti. Simultaneously, they are also put on the Company's website and can be accessed at http://www.iimlindia.com/financials.aspx

(2) Website: The Company's website www.iimlindia.com contains a separate section 'Shareholders' which provides the information on Financials, Annual Reports, Notices & Updates, Shareholding Pattern, Press Releases, Analyst Interaction & Presentation, Policies adopted by the Company, etc. Official News releases are posted under Notices & Updates page of the Company's website

(3) Press Releases and Presentations : Press Releases are sent to the Stock Exchanges and are uploaded on the Company's website at http://iimlindia.com/Press_release.aspx. Analyst Interaction & Presentation are uploaded on the Company's website at http://iimlindia.com/Presentations.aspx

(4) Reminder to Investors : Reminders for unclaimed shares and unpaid dividend are sent every year to the shareholders whose dividend has remained unpaid or unclaimed as per the records of the Company

(5) Designated email-ID : The Company has a designated email ID : investor.relations@ilfsindia.com exclusively for servicing the investors

(K) GENERAL SHAREHOLDERS' INFORMATION

(1)	**Annual General Meeting Day, Date and Time**	:	September 29, 2021
(2)	**Annual General Meeting Venue**	:	Registered office
(3)	**Financial Year**	:	The Company follows April-March as its Financial Year
(4)	**Dividend Payment**	:	The dividend, if declared, by the Shareholders at the AGM shall be paid/ credited on or after the Annual General Meeting

(5) **Book Closure** : As Prescribed by law

(6) **Listing on Stock Exchanges** : The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 and the National Stock Exchange of India Limited (NSE), Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051

The Company has paid the annual listing fees for the Financial Year 2020-21 to BSE and NSE as well as custodian fees to the depositories, National Securities Depository Ltd and Central Depository Services India Ltd within the prescribed time

(7) **Security Identification Number (ISIN)** : INE050B01023

(8) **Scrip Code/Symbol** : BSE : 511208, NSE : IVC

(9) **Corporate Identification Number (CIN)** : L65999MH1986PLC147981

(10) **Outstanding warrants/ADRs/GDRs/ Convertible instruments** : Not Applicable

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

June 30, 2021 : On or before August 14, 2021

September 30, 2021 : As prescribed by law on or before November 15, 2021

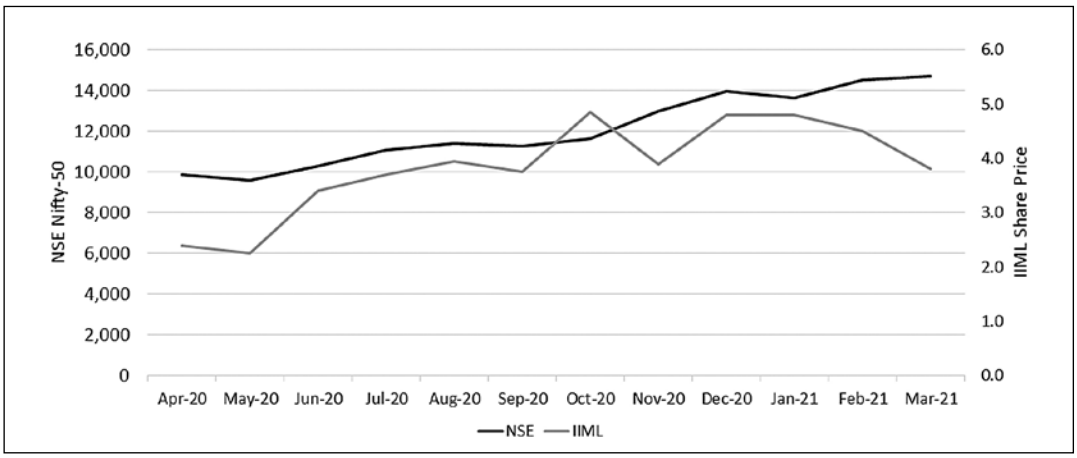
December 31, 2021 : As prescribed by law on or before February 14, 2021

March 31, 2022 : As prescribed by law on or before March 30, 2022

(12) The monthly high and low quotations of shares traded on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited along with the volumes during FY2021 are as follows :

	Bombay Stock Exchange Limited			National Stock Exchange of India Limited		
Month	**High (₹)**	**Low (₹)**	**No. of Shares**	**High (₹)**	**Low (₹)**	**No. of Shares**
Apr-2020	2.70	1.91	403265	2.60	1.85	56946
May-2020	2.49	2.14	183971	2.40	2.10	178559
Jun-2020	4.40	2.24	2309414	4.30	2.20	140054
Jul-2020	3.67	2.85	943303	3.70	2.85	165110
Aug-2020	4.45	3.85	1275400	4.45	3.80	218963
Sep-2020	4.33	3.66	894672	4.20	3.65	67490
Oct-2010	5.46	3.62	2434656	5.50	3.65	43847
Nov-2010	4.49	3.60	703347	4.40	3.65	304901
Dec-2010	5.67	4.00	2254980	5.56	3.95	249573
Jan-2021	5.75	4.45	1497731	5.75	4.40	144370
Feb-2021	4.93	4.19	942962	4,95	4.10	106476
Mar-2021	4.75	3.75	1560774	4.70	3.70	102818

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



(M) REGISTRAR AND SHARE TRANSFER AGENT

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

(N) SHARE TRANSFER SYSTEM

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

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

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

(O) CATEGORY WISE SHAREHOLDING AS AT MARCH 31, 2021

Sr. No.	Category	No. of Shares held	Percentage
1.	Promoter	158,333,152	50.42
2.	Mutual Funds	4,215	0.00
3.	Banks/Financial Institutions	13,531	0.00
4.	Foreign Portfolio Investors	15,000	0.00
5.	Individuals	126,691,208	40.34
6.	Investor Education and Protection Fund	2,063,979	0.66
7.	Non Resident Indians	10,287,828	3.28
8.	Hindu Undivided Family	6,066,037	1.94
9.	Directors	3,400,000	1.08
10.	Bodies Corporate	7,107,603	2.26
11.	Others	50,187	0.02
	Total	**314,032,740**	**100.00**

(P) DISTRIBUTION OF SHAREHOLDING AS AT MARCH 31, 2021

No. of Equity Shares	No. of Shareholders	% of Total	No. of Shares	% of Total
1 – 500	21,315	45.88	4,578,806	1.46
501 – 1000	9,478	20.40	7,959,554	2.53
1001 – 2000	6,577	14.16	10,514,946	3.35
2001 – 3000	2,854	6.14	7,237,207	2.30
3001 – 4000	1,218	2.62	4,393,875	1.40
4001 – 5000	1,305	2.82	6,213,607	1.98
5001 – 10000	1,927	4.15	14,632,385	4.66
10001 – above	1,778	3.83	258,502,360	82.32
Total	**46,452**	**100.00**	**314,032,740**	**100.00**

(Q) DEMATERIALISATION OF SHARES

As on March 31, 2021, the Share Capital of the Company was held in dematerialised form with NSDL 256,388,456 (81.64%) and CDSL 52,554,829 (16.73%) totaling to 308,943,285 (98.37%) and only 5,089,455 (1.63%) shares were being held in physical form

(R) LIQUIDITY

The Company's Equity Shares are traded on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. Relevant Data for the average daily Turnover for FY2021 are given below :

Particulars	NSE	BSE	Total
Average No. of Shares	152,984	61,865	214,849
Average Value (₹)	604,805	261,939	866,744

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

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

(T) PLANT LOCATION

The Company does have any plant or facility

(U) ADDRESS FOR CORRESPONDENCE

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

Link Intime India Private Limited

C-101, 247 Park,
L B S Marg, Vikhroli (West),
Mumbai 400 083
Tel. No. : +91 22 49186270
Fax No. : +91 22 49186060
E-mail id : rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in

For general correspondence :

IL&FS Investment Managers Limited

The IL&FS Financial Centre, Plot No. C-22, G Block
Bandra-Kurla Complex, Bandra (East)
Mumbai 400 051
Tel. No. : +91 22 2653 3333
Fax No. : +91 22 2653 3056
Email : investor.relations@ilfsindia.com
Website : www.iimlindia.com

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

(W) DISCLOSURES

(1) The Management Discussion & Analysis forms part of this Annual Report

(2) There were no materially significant related party transactions entered during the year by the Company that may have potential conflict with the interest of the Company

(3) a. The Company did not have a woman Director until the appointment of Ms. Priya Shetty and Ms. Sudakshina Bhattacharya on November 11, 2020.

b. After the resignation of Mr Sunil Mehta with effect from March 19, 2020 there has been a vacancy in the Nomination & Remuneration Committee (N&RC) and in the position of the Chairman of N&RC

The vacancy in the Nomination & Remuneration Committee (N&RC) and in the position of the Chairman of N&RC is to be filled with the appointment of an Independent Director

Since the N&RC is not validly constituted, there have been no meetings of the N&RC in FY 2020-21

Accordingly, to that extent the Company has not complied with the provisions of Regulation 19 of LODR regulations

It will be challenging for the Company to fill the said vacancy of an Independent Director on the N&RC under present circumstances. However, in view of the challenges faced by IL&FS and its group companies in appointing independent directors, the National Company Law Tribunal (NCLT) based on a petition by Infrastructure Leasing & Financial Services Limited vide its Order dated April 26, 2019, has granted its exemption to IL&FS and its Group Companies from appointing Independent Directors and Woman Directors on the Board of IL&FS and its Group Companies

(4) Other than as disclosed in aforementioned Point No. (3), the Company has complied with various rules and regulations prescribed by the Stock Exchanges, SEBI relating to the capital markets during the last three years. No penalties and/or strictures were imposed by the Stock Exchange or SEBI or any statutory authority on the Company

The securities of the Company were never suspended from trading from any Stock Exchange(s)

(5) The Company has adopted Whistle Blower Policy/Vigil Mechanism, which aims to provide an avenue for Employees and Directors of the Company to raise serious and sensitive concerns that could have an adverse impact on the operations and performance of the Company. The Audit Committee is entrusted with implementing and monitoring the Whistle Blower Policy/ Vigil Mechanism of the Company. It is affirmed that no personnel has been denied access to the Audit Committee. The Whistle Blower Policy/Vigil Mechanism details the procedure for inquiry and investigation of complaints, provides for adequate safeguard for protection of the whistle blower against adverse personal action and calls for disciplinary action against those who abuse the policy. The Policy is posted on the website of the Company at http://www.iimlindia.com/Policies.aspx

(6) The Company has three material subsidiaries, namely, IL&FS Investment Advisors LLC, Andhra Pradesh Urban Infrastructure Asset Management Limited and IL&FS Infra Asset Management Limited. The Company has adopted a policy on Material Subsidiaries and the same is available on the Company's website at http://www.iimlindia.com/Policies.aspx

(7) The Company has adopted a Policy on dealing with related party transactions and the said policy is available on the website of the Company at the link http://www.iimlindia.com/Policies.aspx

(8) The Company has not raised any funds through preferential allotment or qualified institutions placement and accordingly the disclosure under Regulation 32 (7A) is not applicable

(9) A certificate from M/s Kaushal Dalal & Associates, Practicing Company Secretaries, that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority is attached as Annexure 3

(10) The Board has accepted all the recommendations of all the mandatory Board Committees in FY2021

(11) None of the Directors of the Company are related to each other except the Directors nominated by Infrastructure Leasing & Financial Services Limited

(12) The total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is as below :

Particulars	₹ in lakhs
Statutory Audit	36.12
Limited review of quarterly results	10.95
Out of Pocket expenses	0.18
For other services, certification etc.	4.34
Total	**51.58**

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

(14) Other than as disclosed in aforementioned Point 3, the Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of LODR, as applicable, with regard to corporate governance as stipulated in the LODR

(15) The Company has adopted the following discretionary requirements as specified in Part E of Schedule II of LODR

(a) The Board : The Company maintains the Chairman's office at the expense of the Company and reimburses expenses incurred by the Chairman in performance of his duties

(b) Shareholder Rights : The Company does not send any half-yearly report on financial performance of the Company to the Shareholders

(c) Modified opinion(s) in audit report : The Company endeavours to obtain financial statements with unmodified audit opinion

(d) Reporting of Internal Auditor : The Internal Auditor reports directly to the Audit Committee

(16) The Company has followed all relevant Accounting Standards while preparing the Financial Statements

(17) Code of Conduct : The Board has laid down a Code of Conduct for all its Board members and the Senior Management of the Company. The Code of Conduct includes the Code for the Independent Directors pursuant to Schedule IV to the Companies Act, 2013. The Code of Conduct as laid down by the Board has already been posted on the Company's website. The Company has obtained the confirmation of the compliance with the Code from all members of the Board and Senior Management of the Company for FY2021. As required by LODR, the declaration on compliance of the Company's Code of Conduct signed by the Chief Executive Officer is attached as Annexure 1

(18) The Chief Financial Officer of the Company has furnished the requisite certificate to the Board of Directors under Regulation 17(8) of the LODR

(19) The Compliance Certificate from M/s Mehta & Mehta, Company Secretaries in Practice regarding compliance of conditions of corporate governance is annexed to the Corporate Governance Report as Annexure 2

(20) The Company has in place a mechanism to inform the Board members about the Risk assessment and mitigation plans

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

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

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

The details of the unclaimed shares are as follows :

Particulars	No. of shareholders	No. of shares
Balance as on March 31, 2020	1557	946987
Add : Unclaimed shares arising out of Bonus issue	552	275739
Less : Shareholders who approached the RTA and Shares were transferred to them during the year	14	10707
Transferred to Unclaimed Shares Suspense Demat Account	2095	1212019
Balance as on March 31, 2021	2095	1212019

Annexure 1 to Corporate Governance Report

CODE OF CONDUCT CERTIFICATE

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

For IL&FS Investment Managers Limited

Place : Mumbai
Date : June 30, 2021

Manoj Borkar
Chief Executive Officer & Chief Financial Officer

Annexure 2 to Corporate Governance Report

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members,

IL&FS Investment Managers Limited

We have examined the compliance of conditions of Corporate Governance by **IL&FS Investment Managers Limited** (hereinafter referred as "Company") for the Financial year ended March 31, 2021 as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations").

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations **except for the below mentioned observations:**

1) There was no woman Director appointed on the Board of Directors for the period from April 01, 2020 to November 10, 2021 as required under SEBI Regulation 17(1)(a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. However, the Company has appointed the Woman Director w.e.f. November 11, 2020. The said default is waived by the NCLT order No 3638/2018 dated April 26, 2019;

2) The composition of the Nomination and Remuneration Committee of the Company is not in accordance with Regulation 19 (1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Committee does not have 3 Directors. The said default is waived by the NCLT order No 3638/2018 dated April 26, 2019. The default with respect to the appointment of the Independent Director is waived by the NCLT order No 3638/2018 dated April 26, 2019;

3) The composition of the Nomination and Remuneration Committee of the Company is not in accordance with the Regulation 19(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as mentioned above and accordingly the Regulation 19(2) of the said Regulations is not complied. Further, the Website of the Stock Exchange(s) reflects the Chairperson of the Board of Directors as the Chairperson of Nomination & Remuneration Committee, however as informed by the management the position of the Chairman of the Company and the Chairman of the NRC has been different since the amendment, further due to non-availability of the Independent Directors, the position of the Chairperson of the NRC is vacant. The default with respect to the appointment of the Independent Director is waived by the NCLT order No 3638/2018 dated April 26, 2019;

4) No meeting of the Nomination and Remuneration Committee was conducted during the financial year under review as required under Regulation 19 (3A) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;

5) Independent Directors have not been appointed on the Board of Directors of Unlisted Material Subsidiary as required under Regulation 24(1) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. The default with respect to the appointment of the Independent Director is waived by the NCLT order No 3638/2018 dated April 26, 2019;

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

Annexure 2 to Corporate Governance Report

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

Note: Due to lockdown under COVID-19, Certification on this Corporate Governance Certificate is done on the basis of documents made available to us in electronic form (i.e. scanned copies vide e-mail) by the Secretarial Team of the Company and such documents will be verified physically after the lockdown is lifted.

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

Atul Mehta
Partner
FCS No :5782
CP No. :2486
UDIN: F005782C000552724

Place : Mumbai
Date : June 30, 2021

Annexure 3 to Corporate Governance Report

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

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

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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

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

For **Kaushal Dalal & Associates**
Practising Company Secretaries

KAUSHAL DALAL
Proprietor
M. No: FCS 7141
CP No: 7512
UDIN: F007141C000494606

Date: 21st June, 2021
Place: Mumbai

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IL&FS INVESTMENT MANAGERS LIMITED

Report on the Audit of Standalone Ind AS Financial Statements

Qualified Opinion

1. We have audited the accompanying Standalone Ind AS Financial Statements of IL&FS Investment Managers Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows 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, except for the possible impacts of the matters described in the 'Basis for Qualified Opinion' paragraph below, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

2. Attention is drawn to Note 31 of the standalone Ind AS Financial Statements which describes the situation faced by the Company in view of the ongoing investigation by Serious Fraud Investigation Office of Ministry of Company Affairs (SFIO) against Infrastructure Leasing & Financial Services Limited ('IL&FS' or 'the Ultimate Holding Company'), and its subsidiaries (including the Company). Further, the National Company Law Tribunal (NCLT) has ordered re-opening of books of accounts of IL&FS and its two subsidiaries (other than this Company) for the past financial years as referred to in the note. In view of the aforesaid ongoing investigations of the entire IL&FS Group (including the Company) by the SFIO and re-opening of books of accounts of the Holding Company and two of its subsidiaries by the NCLT, we are unable to comment on the consequential impact(s) upon conclusion of the said investigation and re-opening of the books of account on these standalone Ind AS Financial Statements.

3. 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 Ind AS Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder; and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty relating to Going Concern

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

Emphasis of Matter

5. Attention is drawn to Note 34 of the Standalone Ind AS Financial Statements which describes the impacts of COVID-19 Pandemic on the financial results as also on business operations of the Company, assessment thereof made by the management of the Company based on its internal, external and macro factors, involving certain estimation uncertainties of future periods. Our opinion is not modified in respect of this matter.

Key Audit Matters

6. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements for the year under audit. These matters are to be addressed in the context of our audit of the Standalone Ind AS Financial Statements, as a whole and in forming our opinion thereon, we do not provide a separate opinion on these matters. In our professional judgement, we have concluded that there are no reportable Key Audit Matters to be communicated in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

7. The Company's Board of Directors is responsible for the preparation of the other information, comprising of the information included in the Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report, and such other disclosures related Information, excluding the standalone Ind AS Financial Statements and auditors report thereon ('Other Information'). The other information is expected to be made available to us after the date of this auditors' report. Our opinion on the standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone Ind AS Financial Statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the other Information and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charges with governance as required under SA 720 'The Auditor's Responsibilities Relating to Other Information'.

Responsibility of Management and Board of Directors for Standalone Ind AS Financial Statements

8. The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. 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; 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Ind AS Financial Statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS Financial Statements. Our audit process in accordance with the SAs is narrated in Annexure 1 to this report.

Other Matters

10. The entire audit finalization processes were carried from remote locations i.e. other than the office of the Company where books of account and other records are kept, based on data/details or financial information provided to us through digital medium, owing to restricted movements and partial lockdown imposed by the Authorities to prevent the spread of COVID-19. Being constrained, we resorted to and relied upon the results of the related alternate audit procedures to obtain appropriate audit evidence for the significant matters in course of our audit. Our report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

11. As required by the Companies (Auditor's Report) Order, 2016 ('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 2, a statement on the matters specified in paragraphs 3 and 4 of the Order.

12. 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. Except for the possible impacts of the matters described in the 'Basis for Qualified Opinion' paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. According to the information and explanations given to us by the management of the Company and in our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Accounting Standards) Rules, 2015.

e. The matter relating to going concern described under para 4 above and matters relating to investigation by SFIO against IL&FS and its subsidiaries (including the Company) and NCLT order of re opening of books of accounts of IL&FS and its two subsidiaries (other than this Company) for the past financial years described in para 2 above, in our opinion, may have an adverse effect on the functioning of the Company depending on final outcome of these matters.

f. On the basis of the written representations received from the directors as on March 31, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

g. With respect to the adequacy of the internal financial controls with reference to financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 3.

h. As per the information and explanations given to us, in our opinion remuneration paid by the Company to its Directors (sitting fees) during the year under report is in accordance with the provision of section 197 of the Act.

i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report as under:

   (i) There are no pending litigations against the Company;

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

   (iii) There has been no delay in transferring the amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm's Registration No.: 105146W / W-100621

Hasmukh B. Dedhia
Partner
Membership No. 033494
ICAI UDIN: 21033494AAAAJA4745

Place: Mumbai
Date: June 30, 2021

Annexure 1 to the Independent Auditors' Report to the members of IL&FS Investment Mangers Limited

[referred to in para 9 titled 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements']

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, to 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 controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

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

[referred to in para 11 under 'Report on Other Legal and Regulatory Requirements']

i. (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As informed to us, the company has a regular programme of physical verification of its fixed assets by which all the fixed assets are physically verified annually by the Management. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and nature of its business; According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no immovable property held by the Company.

ii. The business operations of the Company comprising of rendering fund management and advisory services, do not require holding of any inventories. Thus, paragraph 3 (ii) of the Order is not applicable to it.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the requirements of clause (iii)(a), (iii)(b) and (iii)(c) of paragraph 3 of the Order are not applicable to the company.

iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, or provided any guarantees or securities covered under Section 185 and 186 of the Act and in respect of Investments made by company, provisions of Section 186 of the Act have been complied with.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, requirements of paragraph 3 (v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Act for the business activities carried out by the Company. Thus, reporting under paragraph 3 (vi) of the Order is not applicable.

vii. In respect of Statutory dues:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income-tax, Goods and Service Tax, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. Attention is invited to Note 13(a) of the Standalone Ind AS Financial Statements regarding payment of Provident fund. As explained to us, the Company did not have any dues on account of sales tax, employees' state insurance, wealth tax, duty of customs, duty of excise and value added tax.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no undisputed statutory dues payable in respect to the above statues, outstanding as at March 31, 2021 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of Income Tax, Sales-tax, Service tax, Goods and Service Tax and Value added tax which have not been deposited as on March 31, 2021 on account of disputes.

viii. In our opinion and according to the information and explanations given to us, the Company has not taken any loan or borrowing from financial institution, banks or Government. The company has not issued any Debentures. Thus, paragraph 3 (viii) of the Order is not applicable to the Company.

ix. In our opinion and according to the information and explanations given to us, Company did not raise any money by way of initial public offer (including debt instruments) and loans during the year. Hence, paragraph 3 (ix) of the Order is not applicable to the Company.

x. 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 the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management of the Company.

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

xi. According to the information and explanations given to us and based on our examination of the records of the Company, it has paid/provided for managerial remuneration (sitting fees) during the year under report as per the provisions of section 197 of the Act read with Schedule V of the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us by the management and based on our examination of the records of the Company, the company is in compliance with the provisions of Section 177 and 188 of the Companies Act, 2013 where applicable, and details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required under applicable Indian Accounting Standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, it has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.

xvi. In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm's Registration No.: 105146W / W-100621

Hasmukh B. Dedhia
Partner
Membership No. 033494
ICAI UDIN: 21033494AAAAJA4745

Place: Mumbai
Date: June 30, 2021

Annexure 3 to the Independent Auditors' Report to the members of IL&FS Investment Managers Limited

[referred to in paragraph 12(g) under 'Report on Other Legal and Regulatory Requirements']

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-Section 3 of Section 143 of the Act

Opinion

We have audited the internal financial controls with reference to financial statements of **IL&FS Investment Managers Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has an internal financial controls system over financial reporting, design whereof needs to be enhanced to make it comprehensive. Based on verification of process controls matrices and other relevant documents, made available to us for the financial year under report and thereafter, in our opinion and considering the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"), the operating effectiveness of such process controls and appropriate documentation thereof needs to be strengthened to make the same commensurate with the size of the Company and nature of its business.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India ("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 the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, & 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 Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that:

(a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.

(b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and

Annexure 3 to the Independent Auditors' Report to the members of IL&FS Investment Managers Limited

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm's Registration No.: 105146W / W-100621

Hasmukh B. Dedhia
Partner
Membership No. 033494
ICAI UDIN: 21033494AAAAJA4745

Place: Mumbai
Date: June 30, 2021

BALANCE SHEET

AS AT MARCH 31, 2021

(Amount in ₹ lakhs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Financial Assets			
Cash and cash equivalents	3	772.34	435.93
Bank balance other than above	3	292.46	777.80
Trade Receivables	4	458.42	179.58
Loans	5	9.12	10.62
Investments	6	8,415.98	10,589.14
Other financial assets	7	71.31	65.28
Total Financial Assets		**10,019.63**	**12,058.35**
Non-Financial Assets			
Income Tax Asset (net)	8	7.42	156.41
Deferred Tax Assets (net)	9	41.09	-
Property, Plant and Equipment	10	17.70	9.80
Other Intangible Assets		-	-
Other Non-Financial Assets	11	374.54	356.51
Total Non-Financial Assets		**440.75**	**522.72**
TOTAL ASSETS		**10,460.38**	**12,581.07**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
Trade payables			
total outstanding dues of micro enterprises and small enterprises	12	15.26	17.14
total outstanding dues of creditors other than micro enterprises and small enterprises	12	190.83	136.47
Total Financial liabilities		**206.09**	**153.61**
Non-Financial liabilities			
Deferred Tax Liabilities (Net)	9	-	32.95
Employee benefit obligations	13	163.10	161.39
Other Non-Financial Liabilities	14	319.17	325.16
Total Non-Financial liabilities		**482.27**	**519.50**
Equity			
Equity Share Capital	15	6,280.85	6,280.85
Other Equity	15	3,491.17	5,627.11
Equity attributable to owners		**9,772.02**	**11,907.96**
TOTAL LIABILITIES AND EQUITY		**10,460.38**	**12,581.07**

The accompanying Notes are an integral part of the Financial Statements

In terms of our report attached of even date

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

Hasmukh Dedhia
Partner
Membership No. – 033494

Place : Mumbai
Date : June 30, 2021

For and on behalf of the Board of Directors

S M Datta
Chairman
DIN : 00032812

Manoj Borkar
Chief Executive Officer &
Chief Financial Officer
PAN : AACPB1709R

Sanjay Mitra
Company Secretary
PAN : AAUPM6180F

Place : Mumbai
Date : June 30, 2021

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2021

(Amount in ₹ lakhs)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue :			
Revenue from Operations	17	738.29	2,397.94
Other Income	18	666.49	488.37
Total Revenue		**1,404.78**	**2,886.31**
Expenses :			
Employee benefit expense	19	831.37	984.27
Depreciation and amortisation expense	10	7.11	21.53
Other Administrative and Operating Expenses	20	1,007.82	739.78
Total Expenses		**1,846.30**	**1,745.58**
Profit before tax		**(441.52)**	**1,140.73**
Tax expense :			
- Current tax	26	-	140.00
- Prior Year Taxes		(76.92)	107.80
- Deferred tax	9	(83.81)	98.61
Total tax expense		**(160.73)**	**346.41**
Net Profit after Tax		**(280.79)**	**794.32**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Actuarial Gain/(loss) of the defined benefit plans		38.81	(42.42)
Deferred tax asset/(Liability) on actuarial gain defined benefit plans		(9.77)	10.68
Items that will be reclassified to profit or loss		**-**	**-**
Total Comprehensive income/(loss) for the year		**(251.75)**	**762.58**
Earning per equity share :			
(Equity shares of Face value (₹) 2/- each)			
- Basic	21	(0.09)	0.25
- Diluted	21	(0.09)	0.25

The accompanying Notes are an integral part of the Financial Statements

In terms of our report attached of even date

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

Hasmukh Dedhia
Partner
Membership No. – 033494

Place : Mumbai
Date : June 30, 2021

For and on behalf of the Board of Directors

S M Datta
Chairman
DIN : 00032812

Manoj Borkar
Chief Executive Officer &
Chief Financial Officer
PAN : AACPB1709R

Sanjay Mitra
Company Secretary
PAN : AAUPM6180F

Place : Mumbai
Date : June 30, 2021

STATEMENT OF CHANGES IN EQUITY

AS AT MARCH 31, 2021

A. Equity Share Capital

	Note	Amount in ₹ lakhs
Balance as at April 1, 2019	15	6,280.85
Changes in equity share capital		-
Balance as at March 31, 2020	15	6,280.85
Changes in equity share capital		-
Balance as at March 31, 2021	15	6,280.85

B. Other equity

(Amount in ₹ lakhs)

	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Balance as at April 1, 2019	47.59	3,018.24	2,790.41	**5,856.24**
Total Comprehensive Income for the year				
Profit for the year	-	-	794.32	**794.32**
Other Comprehensive Income	-	-	-	**-**
Remeasurement of defined benefit liability (net of taxes)	-	-	(31.74)	**(31.74)**
Dividend and Dividend Tax paid	-	-	(991.71)	**(991.71)**
Balance as at March 31, 2020	**47.59**	**3,018.24**	**2,561.28**	**5,627.11**
Total Comprehensive Income for the year				
Profit for the year	-	-	(280.79)	**(280.79)**
Other Comprehensive Income	-	-	-	-
Remeasurement of defined benefit liability (net of taxes)	-	-	29.04	**29.04**
Dividend and Dividend Tax paid	-	-	(1,884.19)	**(1,884.19)**
Balance as at March 31, 2021	**47.59**	**3,018.24**	**425.34**	**3,491.17**

The accompanying Notes are an integral part of the Financial Statements

In terms of our report attached of even date

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

Hasmukh Dedhia
Partner
Membership No. – 033494

Place : Mumbai
Date : June 30, 2021

For and on behalf of the Board of Directors

S M Datta
Chairman
DIN : 00032812

Manoj Borkar
Chief Executive Officer &
Chief Financial Officer
PAN : AACPB1709R

Sanjay Mitra
Company Secretary
PAN : AAUPM6180F

Place : Mumbai
Date : June 30, 2021

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2021

(Amount in ₹ lakhs)

			Year ended March 31, 2021	Year ended March 31, 2020
(A)	**CASH FLOW FROM OPERATING ACTIVITIES**			
	PROFIT BEFORE TAX		(441.52)	1,140.73
	Adjustments for :			
	Items classified as Other Comprehensive income		38.81	(42.42)
	Depreciation and Amortisation		7.11	21.53
	Provision for Employee Benefits (Net of reversal)		1.71	(533.58)
	Provision for Expected Credit Loss for trade receivables		58.52	-
	FVTPL (Gain)/Loss of current investments		253.27	(255.85)
	FVTPL (Gain)/Loss of non-current investments		84.56	209.45
	(Profit)/Loss on sale of non-current investments		12.56	-
	(Profit)/Loss on sale of current investments		(481.91)	(100.78)
	(Profit)/Loss on sale of Property, Plant and Equipment (Net)		(0.39)	(7.51)
	Interest Income		(179.13)	(73.88)
	Dividend Income from current investments		(0.04)	(0.03)
	Operating Profit before working capital changes		**(646.45)**	**357.66**
	Changes in working capital :			
	Adjustments for (increase)/decrease in operating assets :			
	Trade Receivables		(337.36)	(179.58)
	Other Financial Assets		(5.91)	(0.28)
	Other Non-Financial Assets		8.66	(75.80)
	Adjustments for increase/(decrease) in operating liabilities :			
	Trade Payables		52.48	(47.42)
	Other Non-Financial Liabilities		9.35	(30.02)
	Cashflow after working capital changes		**(919.23)**	**24.56**
	Less: Taxes (paid) / refund received (Net)		225.91	92.97
	NET CASH GENERATED FROM OPERATING ACTIVITIES	**A**	**(693.32)**	**117.53**
(B)	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Decrease in Current non-trade Investments (Net)		2,188.26	194.55
	(Increase)/Decrease in Long Term Investments (Venture Capital Fund)		116.46	-
	(Investment) in/Redemption from Fixed deposits		470.00	930.00
	Capital Expenditure on Property, Plant and Equipment		(15.06)	(6.28)
	Proceeds from Sale of Property, Plant and Equipment		0.45	8.83
	Interest received		153.82	92.80
	NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	**B**	**2,913.93**	**1,219.90**

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2021

(Amount in ₹ lakhs)

			Year ended March 31, 2021	Year ended March 31, 2020
(C)	**CASHFLOW FROM FINANCING ACTIVITIES**			
	Dividend paid on Equity Shares		(1,884.20)	(942.10)
	Payment of Dividend Distribution tax		-	(49.61)
	NET CASH USED IN FINANCING ACTIVITIES	**C**	**(1,884.20)**	**(991.71)**
(D)	**Net Increase/(Decrease) in Cash and Cash Equivalents**	**(A+B +C)**	**336.41**	**345.72**
	Add: Cash and Cash Equivalent at the beginning of the year (Refer Note 3)		**435.93**	**90.21**
	Cash and Cash Equivalent at the end of the year (Refer Note 3)		**772.34**	**435.93**

The accompanying Notes are an integral part of the Financial Statements

In terms of our report attached of even date

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

Hasmukh Dedhia
Partner
Membership No. – 033494

Place : Mumbai
Date : June 30, 2021

For and on behalf of the Board of Directors

S M Datta
Chairman
DIN : 00032812

Manoj Borkar
Chief Executive Officer &
Chief Financial Officer
PAN : AACPB1709R

Sanjay Mitra
Company Secretary
PAN : AAUPM6180F

Place : Mumbai
Date : June 30, 2021

1) Corporate Information :

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

As at March 31, 2021, Infrastructure Leasing & Financial Services Limited, the holding company owned 50.42% of the Company's equity share capital.

2) Significant accounting policies

(a) Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of the Companies Act, 2013 (CA 2013) and other relevant provisions of the CA 2013 as amended from time to time. These financial statements were approved by the Board of Directors and authorised for issue on June 30, 2021.

(b) Basis of preparation and presentation

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

(c) Fair Value Measurement

Measurement of fair values

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

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

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

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

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

(d) Financial instruments

(i) Recognition and initial measurement

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

(ii) Classification and subsequent measurement

Financial assets

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

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

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

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

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

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

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

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

Subsequent measurement and gains and losses are recognised as :

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

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

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

(iv) Derecognition

- Financial Asset

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

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

- Financial Liabilities

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

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

(v) Offsetting

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

(vi) Cash and cash equivalents

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

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

(e) Property, Plant and Equipment

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

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

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

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

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

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

(i) Mobile Phones and iPad/Tablets 100% depreciated during the year of capitalisation due to extensive usage and technological obsolescence.

(ii) Vehicles as per the current policy of 4 years as against the useful life of 8 years provided in the CA 2013.

(iii) Furniture and Fixtures as per current policy of 5 years as against the useful life of 10 years provided in the CA 2013.

(iv) Office Equipment as per current policy of 4 years as against the useful life of 5 years provided in the CA 2013.

(v) Data Processing Equipment - Servers & Networking as per current policy of 4 years as against the useful life of 6 years provided in the CA 2013.

(vi) Assets provided to Employees as perquisites would be depreciated over a period of 3 years in line with the rules set in the Employee Hand Book.

(vii) Individual assets costing ₹ 5,000/- or less in the year of capitalisation shall be depreciated 100% for all the categories of assets.

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

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

(f) Revenue recognition

(i) Rendering of services

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

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

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

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

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

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

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

(g) Income Tax :

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

i) Current tax

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

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

ii) Deferred tax

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

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The Company recognises a deferred tax asset only to the extent that it has sufficient taxable

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

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

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(h) Foreign Currencies

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

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

Non-monetary foreign currency items are carried at cost.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

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

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

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

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

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

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

(j) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure :

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

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

(k) Employee benefits

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

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

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

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

(l) Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 - Leases. At the inception of a contract, assessment is being done by Company whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company reassesses whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed.

As a Lessor :

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

As a Lessee :

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

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

(m) Earnings Per Share

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

(n) Cash flow Statements

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or

expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(o) Segment reporting

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

(p) Goods and Services Tax

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

(q) Operating Cycle

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

(r) Use of estimates and judgements

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

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

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2021 is included in the following notes :

(i) Note 28 Impairment of financial assets (including trade receivable).

(ii) Note 13 Estimation of defined benefit obligations.

(iii) Note 32 Estimation for preparation of financials under going concern assumption.

(s) Rounding off

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

3) Cash and Cash Equivalents :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Cash in hand	0.42	0.19
Bank Balance in current accounts	36.92	60.74
In fixed deposits account with maturity less than 3 months	735.00	375.00
Total cash and cash Equivalent	**772.34**	**435.93**
Other bank balances		
Balances with banks for unclaimed dividend	292.46	307.80
In fixed deposits account with maturity more than 3 months	-	470.00
Total Other Bank Balances	**292.46**	**777.80**
	1,064.80	**1,213.73**

4) Trade Receivables :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables		
Trade Receivables considered good - Unsecured	458.42	179.58
Trade Receivables - Credit Impaired	53.94	7.56
	512.36	**187.14**
Less: Allowance for Expected Credit Losses	(53.94)	(7.56)
Total Trade Receivable	**458.42**	**179.58**

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

5) Loans :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Loans and advances to employees	9.12	10.62
Total Loans	**9.12**	**10.62**

6) Investments :

(Amount in ₹ lakhs)

Particular	As at March 31, 2021		As at March 31, 2020	
	QTY	₹	QTY	₹
Investments in Equity Instruments				
Unquoted at cost				
In Subsidiary Companies				
IL&FS Asian Infrastructure Managers Ltd	4,591,837	511.83	4,591,837	511.83
IL&FS Urban Infrastructure Managers Ltd	1,000,000	100.00	1,000,000	100.00
IL&FS Investment Advisors LLC	57,001	8.55	57,001	8.55
IIML Asset Advisors Limited (Class A equity shares)	424,762	794.64	424,762	794.64
IIML Asset Advisors Limited (Class B equity shares)	215,948	84.00	215,948	84.00
IIML Fund Managers (Singapore) Pte Ltd	195,000	1,183.63	195,000	1,183.63
Andhra Pradesh Urban Infrastructure Asset Management Limited	10,200,000	1,020.00	10,200,000	1,020.00
IL&FS Infra Asset Management Limited	16,800,000	1,785.84	16,800,000	1,785.84
IL&FS AMC Trustee Limited	250,000	25.28	250,000	25.28
In Joint Venture				
IL&FS Milestone Realty Advisors Private Ltd	400,000	8.00	400,000	8.00
Standard Chartered IL&FS Management (Singapore) Pte Ltd	50,000	22.19	50,000	22.19
In Others				
Avantika Gas Ltd	8,250	0.82	8,250	0.82
(Less) : Allowance for Impairment		(868.60)		(868.60)
Total Investment in Subsidiary Companies (I)		**4,676.18**		**4,676.18**

(Amount in ₹ lakhs)

Particular	As at March 31, 2021		As at March 31, 2020	
	QTY	₹	QTY	₹
Investment in Unquoted Redeemable Participating Shares				
In Subsidiary companies				
IL&FS Investment Advisors LLC	100,000	0.45	100,000	0.45
IL&FS Investment Advisors LLC Series I	24,999,900	126.00	249,99,900	126.00
Total Investment in Participating shares (II)		**126.45**		**126.45**
Investment in Managerial Units of Venture Fund at cost				
Unquoted				
Infrastructure Leasing & Financial Services Realty Fund (Class C Units)	500	0.50	500	0.50
IFIN Realty Trust (Class C Units)	10	1.00	10	1.00
Tara India Fund IV Trust (Class C Units)	50	5.00	50	5.00
Tara India Fund III Trust (Class C Units)	50	5.00	50	5.00
Tara India Fund III Domestic Trust (Class B Units)	500	5.00	500	5.00
Urjankur Nidhi Trust (Class C Units)	-	-	1,000	1.00
Total Investment in Managerial Units of Venture Fund at cost (III)		**16.50**		**17.50**
Investment in Units of Venture Fund at FVTPL				
Infrastructure Leasing & Financial Services Realty Fund - Class A Units	232	115.01	413	300.35
Tara India Fund III Trust - Class A Units	24	14.04	24	14.64
IFIN Realty Trust - Class A Units	45	45.43	45	52.35
Tara India Fund IV Trust - Class A Units	70	576.88	64	596.61
Total Investment in Units of Venture Fund (IV)		**751.36**		**963.95**
Total Unquoted Investments (I+II+III+IV) (A)		5,570.49		5,784.08
Aggregate amount of unquoted investments		5,570.49		5,784.08
Aggregate amount of Provision for diminution		868.60		868.60
Investment in mutual funds at FVTPL				
Unquoted				
Kotak Corporate Bond Fund-Direct Plan - Growth	17,374.37	503.96	17,374.37	467.54
Kotak Saving Fund-Direct Plan - Growth	-	-	27,43,485.63	901.34
Kotak Low Duration Fund Growth - Regular Plan	10,221.26	268.61	-	-
Nippon India Floating Rate Fund - Growth Plan - Growth Option	21,89,615.93	758.88	-	-
ABSL Savings Fund – Growth - Regular Plan	-	-	21,371.43	84.90
ICICI Prudential Liquid Fund - Growth	36,575.83	110.84	-	-
ICICI Prudential Corporate Bond Fund - Growth	5,78,393.28	131.23	-	-
HDFC Floating Rate Debt Fund - Regular - Growth	-	-	19,97,674.35	701.44
HDFC Low Duration Fund - Growth	-	-	5,58,314.763	234.92
ABSL Money Manager Fund	7,799.45	22.23	-	-
SBI Magnum Ultra Short Duration Fund	-	-	5,491.79	244.29
SBI Magnum Low Duration Fund	-	-	46,000.02	1,197.30
HDFC Ultra Short Term Fund - Regular Growth	-	-	86,86,313.35	973.34
SBI Corporate Bond Fund - Regular Growth	43,16,285.55	521.50	-	-
Kotak Floating Rate Fund - Regular Growth	23,768.71	273.30	-	-
Nippon India Money Market Fund - Growth Plan	7,976.65	254.94	-	-
Total investment in mutual funds (B)		**2,845.49**		**4,805.06**
Aggregate amount of unquoted investments		**2,845.49**		**4,805.06**
Total Investments (A+B)		**8,415.98**		**10,589.14**

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

7) Other financial assets :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Interest accrued	36.67	11.35
Security Deposits	0.26	0.61
Others	49.15	55.95
Less: Allowance for Expected Credit Losses	(14.77)	(2.63)
Total Other Financial Asset	**71.31**	**65.28**

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

8) Income Tax Asset (net) :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance payment of taxes	7.42	201.83
Total (A)	**7.42**	**201.83**
Income tax payable (B)	-	45.42
Net Income Tax Assets (A - B)	**7.42**	**156.41**

9) Deferred Tax Assets & Liabilities

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Assets (Net)	41.09	-
Total	**41.09**	**-**
Deferred Tax Liabilities (Net)	-	32.95
Total	**-**	**32.95**

Movement in deferred tax balances :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	Movement Recognised in profit and loss	Movement Recognised in OCI	As at March 31, 2020
Tax effect of items constituting deferred tax assets				
Property, Plant and Equipment	39.40	(4.56)	-	43.96
Defined benefit obligation	15.88	9.91	(9.77)	15.74
Trade Receivables	17.29	14.72	-	2.57
Total	**72.57**	**20.07**	**(9.77)**	**62.27**
Tax effect of items constituting deferred tax liabilities				
FVTPL financial asset	(31.48)	(63.74)		(95.22)
Total	**(31.48)**	**(63.74)**		**(95.22)**
Net Tax (Liability)/Asset	**41.09**	**83.81**	**(9.77)**	**(32.95)**

10) Property, Plant and Equipment :

(Amount in ₹ lakhs)

Description of Assets	Leasehold Improvements	Furniture and Fixtures	Office Equipment's	Data Processing Equipment's (Others)	Vehicles	Total
I. Deemed Cost						
Balance as at April 1, 2019	**0.01**	**19.60**	**18.76**	**15.92**	**66.49**	**120.77**
Additions	-	0.52	4.81	0.94	-	6.28
Disposals	-	(1.62)	(0.08)	(0.44)	-	(2.14)
Balance as at March 31, 2020	**0.01**	**18.50**	**23.49**	**16.42**	**66.49**	**124.91**
Additions	-	-	-	15.06	-	15.06
Disposals	(0.01)	(0.05)	-	-	-	(0.06)
Balance as at March 31, 2021	**-**	**18.45**	**23.49**	**31.48**	**66.49**	**139.91**
II. Accumulated Depreciation and impairment						
Balance as at April 1, 2019	-	11.80	17.05	15.04	50.50	94.39
Deletion on disposal of sale	-	(0.63)	(0.03)	(0.16)	-	(0.82)
Depreciation expense for the year	-	3.99	4.92	1.21	11.41	21.53
Balance as at March 31, 2020	**-**	**15.16**	**21.94**	**16.09**	**61.91**	**115.10**
Deletion on disposal of sale	**-**	-	-	-	-	-
Depreciation expense for the year	**-**	2.19	0.58	1.85	2.49	7.11
Balance as at March 31, 2021	**-**	**17.35**	**22.52**	**17.94**	**64.40**	**122.21**
III. Net Carrying Amount						
Balance as at March 31, 2020	**0.01**	**3.34**	**1.55**	**0.33**	**4.58**	**9.81**
Balance as at March 31, 2021	**-**	**1.10**	**0.97**	**13.54**	**2.09**	**17.70**

11) Other Non-Financial Assets :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid Expenses	136.40	170.71
Unbilled Revenue	19.77	-
Indirect taxes recoverable	218.37	185.80
Total Non-Financial Assets	**374.54**	**356.51**

12) Trade Payables :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Payables		
Total outstanding dues of Micro Enterprises and Small Enterprises *	15.26	17.14
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	190.83	136.47
Total Trade Payables	**206.09**	**153.61**

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

* The total amount of outstanding dues to MSME of ₹ 15.26 lakhs (Previous Year ₹ 17.14 lakhs) represent a provision made as on March 31, 2021 and for which invoice is not yet received.

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

13) Employee benefit obligations :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for compensated absences	63.10	61.39
Provision for other employee benefits	100.00	100.00
	163.10	**161.39**

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

a) Defined-Contribution Plans :

The Company has recognised ₹ 30.29 Lakhs (Previous year – ₹ 47.06 Lakhs) as expense in the Statement of Profit and Loss under Company's Contribution to Provident Fund, which is maintained with the office of Regional Provident Fund Commissioner and ₹ 15.71 Lakhs (Previous year ₹ 19.60 Lakhs) as Company's contribution to Superannuation Fund maintained with Life Insurance Corporation of India.

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

b) Defined–Benefit Plans :

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

(Amount in ₹ lakhs)

Assets and Liability (Balance Sheet Position)	As on	
Particulars	**March 31, 2021**	**March 31, 2020**
Present Value of Obligation	431.42	594.80
Fair Value of Plan Assets	510.53	655.55
Net Asset / (Liability)	**79.11**	**60.75**

(Amount in ₹ lakhs)

Expenses Recognised during the year	For the year ending	
Particulars	**March 31, 2021**	**March 31, 2020**
In Income Statement	20.45	19.46
In Other Comprehensive Income	(38.80)	42.42
Total Expenses Recognised during the year	**(18.35)**	**61.88**

(Amount in ₹ lakhs)

Changes in the Present Value of Obligation	For the year ending	
Particulars	**March 31, 2021**	**March 31, 2020**
Present Value of Obligation as at the beginning	594.80	612.65
Current Service Cost	24.21	29.33
Interest Expense or Cost	36.85	47.28

(Amount in ₹ lakhs)

Changes in the Present Value of Obligation	For the year ending	
Particulars	**March 31, 2021**	**March 31, 2020**
Re-measurement (or Actuarial) (gain)/loss arising from :		
- change in demographic assumptions	-	0.02
- change in financial assumptions	(1.54)	66.90
- experience variance (i.e. Actual experiences assumptions)	(37.27)	(24.50)
Past Service Cost	-	-
Benefits Paid	(185.63)	(142.20)
Acquisition Adjustment	-	5.32
Present Value of Obligation as at the end of the year	**431.42**	**594.80**

(Amount in ₹ lakhs)

	As on	
Bifurcation of Net Liability/(Asset)	**March 31, 2021**	**March 31, 2020**
Current Liability/(Asset) - Short term	(79.11)	(60.75)
Non-Current Liability/(Asset) - Long term	-	-
Net Liability/(Asset)	**(79.11)**	**(60.75)**

(Amount in ₹ lakhs)

Changes in the Fair Value of Plan Assets	For the year ending	
Particulars	**March 31, 2021**	**March 31, 2020**
Fair Value of Plan Assets as at the beginning	655.55	740.60
Investment Income	40.61	57.15
Benefits Paid	(185.63)	(142.20)
Return on plan assets, excluding amount recognised in net interest expense	-	-
Fair Value of Plan Assets as at the end of the year	**510.53**	**655.55**

(Amount in ₹ lakhs)

Expenses Recognised in the Income Statement	For the year ending	
Particulars	**March 31, 2021**	**March 31, 2020**
Current Service Cost	24.21	29.33
Past Service Cost	-	-
Loss/(Gain) on settlement	-	-
Net Interest Cost/(Income) on the Net Defined Benefit Liability/(Asset)	(3.76)	(9.87)
Expenses Recognised in the Income Statement	**20.45**	**19.46**

(Amount in ₹ lakhs)

Other Comprehensive Income	For the year ending	
Particulars	March 31, 2021	March 31, 2020
Actuarial (gains)/losses		
- change in demographic assumptions	-	0.02
- change in financial assumptions	(1.54)	66.90
- experience variance (i.e. Actual experience vs assumptions)	(37.27)	(24.50)
Return on plan assets, excluding amount recognised in net interest expense	-	-
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
	(38.81)	**42.42**

(Amount in ₹ lakhs)

Financial Assumption	As on	
Particulars	March 31, 2021	March 31, 2020
Discount Rate (per annum)	6.25%	6.20%
Salary Growth Rate (per annum)	6.50%	6.50%

(Amount in ₹ lakhs)

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

(Amount in ₹ lakhs)

As at March 31, 2020	Changes in Assumptions	Impact on define benefit obligation	
		Increase	Decrease
Discount Rate	1%	(51.17)	45.43
Salary Escalation Rate	1%	50.51	(45.72)
Employee Turnover	0.5%	0.56	(0.52)

Other Details :

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

14) Other Non-financial Liabilities :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Dues payable	21.93	11.34
Other Payables	4.78	6.02
Unclaimed Dividend	292.46	307.80
Total Other Non-financial Liabilities	**319.17**	**325.16**

a) Other Payables pertains to amount payable for employees Provident Fund, Professional Tax and employee reimbursements.

b) Unclaimed Dividend of ₹ 292.46 Lakhs relates to the period from FY 2013-2014 to FY 2019-2020. During the year ended March 31, 2021 an amount of ₹ 42.29 Lakhs (Previous year: ₹ 41.01 Lakhs) has been transferred to the Investor Education and Protection Fund relating to amounts for the year ended March 31, 2013 (Previous year : March 31, 2012).

15) A) Equity Share Capital :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	₹	Number of shares	₹
AUTHORISED				
Equity Shares of (₹) 2/- each with voting rights	325,000,000	6,500.00	325,000,000	6,500.00
ISSUED, SUBSCRIBED AND FULLY PAID UP				
Equity Shares of (₹) 2/- each with voting rights	314,032,740	6,280.65	314,032,740	6,280.65
Add : Forfeited Shares		0.20		0.20
Equity Shares of (₹) 2/- each with voting rights	**314,032,740**	**6,280.85**	**314,032,740**	**6,280.85**

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

(Amount in ₹ lakhs)

Particulars	Opening balance	Issued during the year	Closing balance
As at March 31, 2021			
Number of shares	314,032,740	-	314,032,740
Amount (₹)	628,085,480	-	628,085,480
As at March 31, 2020			
Number of shares	314,032,740	-	314,032,740
Amount (₹)	628,085,480	-	628,085,480

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

Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Infrastructure Leasing & Financial Services Limited, the Holding Company	158,333,152	50.42	158,333,152	50.42

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

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

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

v) Forfeited shares :

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

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

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

viii) Shares reserved for issue under Options :

The particulars of the Options distributed under ESOP 2003, ESOP 2004 and ESOP 2006 are as follows :

Particulars	ESOP 2003	ESOP 2004	ESOP 2006
Eligibility	Directors and Employees	Directors and Employees	Directors of the Company and Subsidiary Companies and Employees of the Company
Vesting period for options granted during the year	One year from date of grant	One year from date of grant	One year to three years from date of grant
Exercise Period	Four years beginning from date of vesting	Four years beginning from date of vesting	Four years beginning from date of vesting
Method of Settlement	Equity	Equity	Equity

During the year ended March 31, 2020, all the options available for grant in future under Employee Stock Option Plan 2003, Employee Stock Option Plan 2004 and Employee Stock Option Plan 2006 were considered as lapsed and hence ESOP 2003, ESOP 2004 and ESOP 2006 were closed with effect from May 29, 2019.

Details of options closed is as follows :

Particulars	ESOP 2003	ESOP 2004	ESOP 2006
Options available for grant in future	37,815	1,30,928	19,35,000

No Options were granted during the year ended March 31, 2021 (Previous year: Nil). Further, no Options were outstanding as at the start of the year.

B) Other Equity :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Securities Premium Reserve	47.59	47.59
General Reserve	3,018.24	3,018.24
Retained Earnings	425.34	2,561.28
Total Other Equity	**3,491.17**	**5,627.11**

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Securities Premium Reserve		
Opening Balance	47.59	47.59
Closing Balance	**47.59**	**47.59**
General Reserve		
Opening Balance	3,018.24	3,018.24
Closing Balance	**3,018.24**	**3,018.24**
Retained Earnings		
Opening Balance	2,561.28	2,790.41
Net Profit/(Loss) for the year	(280.79)	794.32
Other Comprehensive Income	29.04	(31.74)
Dividend and Dividend Tax paid	(1,884.19)	(991.71)
Closing Balance	**425.34**	**2,561,28**

Nature and purpose of reserve :

a) Security Premium Reserve :

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

b) General Reserve :

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

16) Capital Commitments :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Capital Commitments :		
Uncalled commitments on units of Venture Capital Fund	304.08	356.86

17) Revenue from Operations :

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Fees from Advisory Services	526.00	2,184.40
Fees from Management Services	212.29	213.54
Total Revenue from Operations	**738.29**	**2,397.94**

18) Other Income:

Other Income comprises of :

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Income		
On Financial Assets recognised at amortised cost :		
- Demand Deposits with Banks	75.89	72.17
- Other Deposits/Loans	0.78	0.64
On Others :		
Interest on Income Tax Refund	102.47	1.07
Dividend income		
- Dividend income from Investments	0.04	0.03
Realised gain/(loss) on sale of investments :		
- On non-current investments	-	-
- Other current investments	481.91	100.78
Net unrealised gain/(loss) on investments at FVTPL :		
- On current investments	-	46.39
Reversal of Excess PRP Provision	-	239.58
Profit on sale of Fixed Asset	0.39	7.52
Miscellaneous Income	5.01	20.19
	666.49	**488.37**

19) Employee Benefit Expense :

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and Allowances	757.85	886.68
Contribution to Provident fund and other funds	69.05	88.38
Staff Training and welfare expenses	4.47	9.21
	831.37	**984.27**

20) Other Administrative and Operating Expenses :

a) Other Administrative and Operating Expenses consists of :

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent	155.73	240.02
Rates and Taxes	17.34	22.49
Electricity and Water Charges	0.79	5.15
Travelling and Conveyance	4.52	22.83
Insurance	58.63	46.68
Repairs and Maintenance	21.20	21.84
Audit Fees	27.02	29.83
Legal and Professional Expenses	147.40	138.06
Director Sitting Fees	4.70	5.55
Sub advisory Fees	69.00	76.26
Expenditure on Corporate Social Responsibility	32.00	45.00
Miscellaneous Expenses	60.59	91.62
Provision for expected loss on trade receivables	58.51	-
Net Loss on sale of non-current investments	12.56	-
Net Loss arising on financial assets designated as at FVTPL	337.83	-
	1,007.82	**739.78**

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

b) Audit fees consists of amount paid/payable :

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Statutory Audit	14.57	17.58
Limited review of quarterly results	8.25	12.00
For other services, certification etc.	4.20	0.25
Total	**27.02**	**29.83**
The above fees are exclusive of GST		

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

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Management Fee Income	545.74	2,184.40

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

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Subscription to Association	-	0.59
Legal and Professional Fees	8.26	-

21) Earnings Per Share :

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

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit After Tax (₹)	(280.79)	794.32
Weighted Average Number of Equity Shares in calculating Basic and Diluted EPS	3,140.33	3,140.33
(i) Nominal Value per share (₹)	2.00	2.00
(ii) Basic Earnings per share (₹)	(0.09)	0.25
(iii) Diluted Earnings per share (₹)	(0.09)	0.25

22) Leases :

The Company has entered into business service agreement with IL&FS for usage of certain office facilities along with user of certain furniture, fixtures and other facilities at IL&FS business centre. Agreement is executed for a period of 6 month effective from 1st April 2020 and has been extended for a period of another 6 months till 31st March, 2021. Agreement can be renewed for further period with mutual consent of the both the parties. Therefore, there is no impact on lease payments due to adoption of Ind AS 116 by the Company for the year ended March 31, 2021.

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

No Dividend has been paid in Foreign Currencies to non-resident shareholders in current year and previous year.

24) Derivatives and foreign currency Exposures :

There are no forward exchange contracts outstanding as at March 31, 2021.

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

Related Parties with whom there were transactions during the year :

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

Sr. No.	Holding Company
1	Infrastructure Leasing & Financial Services Limited [IL&FS]
Sr. No.	**Subsidiaries**
1	IL&FS Urban Infrastructure Managers Limited [IUIML]
2	IL&FS Asian Infrastructure Managers Limited [IAIML]
3	IL&FS Investment Advisors LLC [IIAL]
4	IIML Asset Advisors Limited [IAAL]
5	IIML Fund Managers (Singapore) Pte Ltd [IFMSPL]

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

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

(Amount in ₹ lakhs)

Nature of Transaction	Holding Company	Subsidiaries	Fellow Subsidiaries	Joint Ventures	Key Management Personnel
Advisory/Management Fee Income					
IIAL		333.45			
Other Expenses					
ISSL			1.76		
Rent paid					
IL&FS	158.31				
Repairs & Maintenance – Others					
IL&FS	15.28				
Electricity Charges					
IL&FS	1.29				

(Amount in ₹ lakhs)

Nature of Transaction	Holding Company	Subsidiaries	Fellow Subsidiaries	Joint Ventures	Key Management Personnel
Other Reimbursement (Paid)/Recovered					
IL&FS	1.34				
IAAL		0.06			
IIAL		5.90			
IAIML		4.82			
IFINRT			5.34		
SCIMSPL				8.26	
Payment to Directors					
Sitting fees					4.70

c) The nature and volume of transactions during the year ended March 31, 2020, with the above related parties were as follows :

(Amount in ₹ lakhs)

Nature of Transaction	Holding Company	Subsidiaries	Fellow Subsidiaries	Joint Ventures	Key Management Personnel
Advisory/Management Fee Income					
IIAL	-	1,971.29	-	-	-
Other Expenses					
ISSL	-	-	1.04	-	-
Insurance					
IL&FS	(0.74)	-	-	-	-
Rent paid					
IL&FS	226.40	-	-	-	-
Repairs & Maintenance – Others					
IL&FS	16.48	-	-	-	-
Electricity Charges					
IL&FS	3.57	-	-	-	-
Other Reimbursement (Paid)/Recovered					
IL&FS	(1.50)	-	-	-	-
IAAL	-	9.71	-	-	-
IIAL	-	6.58	-	-	-
IAIML	-	0.75	-	-	-
IIEF-I	-	-	0.50	-	-
IFINRT	-	-	0.97	-	-
ORIX Trust	-	-	0.50	-	-
APUIAML	-	0.25	-	-	-
IUIML	-	0.25	-	-	-
Payment to Directors					
Sitting fees	-	-	-	-	5.55

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

(Amount in ₹ lakhs)

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

Out of the above trade receivable outstanding as on March 31, 2021, provision has been created of (₹) 7.72 Lakhs (Previous Year (₹) 7.56 Lakhs)

e) Statement of significant balances as at March 31, 2020 are as follows :

(Amount in ₹ lakhs)

Nature of Transaction	Holding Company	Subsidiaries	Fellow Subsidiary	Key Management Personnel
Trade Receivables				
IIDC	-	-	7.56	-
Short Term Advances				
IAIML	-	0.37	-	-
IAAL	-	0.59	-	-
IIEF-1	-	-	0.59	-
ORIX Trust	-	-	0.59	-
APUIAML	-	0.30		-
IUIML	-	0.30		-
Salary payable	**-**	**-**	**-**	**2.10**
Trade Payables				
IL&FS	0.31	-	-	

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

Out of the above trade receivable outstanding as on March 31, 2020, provision has been created of (₹) 7.56 Lakhs.

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

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

26) Income Tax Expense :

(Amount in ₹ lakhs)

Particulars	March 31, 2021	March 31, 2020
(a) Income Tax expense		
Current Tax		
Current tax on Profit for the year	-	140.00
Deferred Tax	(83.81)	98.61
Prior Year Taxes	(76.91)	107.80
Total Income tax expense	**(160.72)**	**346.41**
(b) Reconciliation of tax expense and accounting profit multiplied by India tax rate		
Profit from operations before income tax expense	(441.51)	1140.73
India tax rate	25.17%	25.17%
	NIL	287.10
Tax effect of amounts which are not deductible (allowable) in calculating taxable income :		
Deduction/disallowance under various sections of Income Tax Act, 1961	-	(147.10)
Deferred tax	(83.81)	98.61
Prior Year Taxes	(76.91)	107.80
Total Income tax expense	**(160.72)**	**346.41**

The Company has elected to exercise the option u/s 115 BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019 for the year ended March 31, 2021 and has accordingly remeasured it deferred tax assets/(liabilities) basis the rates prescribed in said section.

27) Fair Value Measurements :

(a) Financial Instruments by category :

(Amount in ₹ lakhs)

	Carrying amount			
March 31, 2021	**Fair value through profit and loss**	**Fair value through other comprehensive income**	**Amortised Cost**	**Total**
Financial assets				
Loans	-	-	9.12	9.12
Security Deposits	-	-	0.26	0.26
Venture Capital Funds	767.87	-	-	767.87
Mutual Funds	2,845.49	-	-	2,845.49
Trade Receivables	-	-	458.42	458.42
Cash and Cash Equivalents	-	-	1,064.80	1,064.80
Others	-	-	71.05	71.05
Total Financial Asset	**3,613.36**	**-**	**1,603.65**	**5,217.01**
Financial Liabilities				
Trade Payables	-	-	206.09	206.09
Total Financial Liabilities			**206.09**	**206.09**

(Amount in ₹ lakhs)

March 31, 2020	Carrying amount			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total
Financial assets				
Loans	-	-	10.62	10.62
Security Deposits	-	-	0.61	0.61
Venture Capital Funds	981.45	-	-	981.45
Mutual Funds	4,805.06	-	-	4,805.06
Trade Receivables	-	-	179.58	179.58
Cash and Cash Equivalents	-	-	1,213.73	1,213.73
Others	-	-	64.67	64.67
Total Financial Asset	**5,786.51**	**-**	**1,469.21**	**7,255.73**
Financial Liabilities				
Trade Payables	-	-	153.61	153.61
Total Financial Liabilities			**153.61**	**153.61**

(b) Fair value hierarchy :

As at March 31, 2021 **(Amount in ₹ lakhs)**

Particulars	Carrying Amount	Level of input used in	Level of input used in	Level of input used in
		Level 1	Level 2	Level 3
Financial assets				
At FVTPL				
Venture Capital Funds	767.87	-	-	767.87
Mutual Funds	2,845.49	2,845.49	-	-

As at March 31, 2020 **(Amount in ₹ lakhs)**

Particulars	Carrying Amount	Level of input used in	Level of input used in	Level of input used in
		Level 1	Level 2	Level 3
Financial assets				
At FVTPL				
Venture Capital Funds	981.45	-	-	981.45
Mutual Funds	4,805.06	4,805.06	-	-

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

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

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

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

28) Financial Risk Management :

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

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

Risk management framework :

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

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

Credit risk :

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

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivable	458.42	179.58

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

Reconciliation of expected credit loss on trade receivables

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Expected credit loss at the beginning of the year	7.56	7.56
Add/(less): changes in allowance	46.38	-
Expected credit loss at the end of the year	**53.94**	**7.56**

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

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Interest accrued	36.67	11.36
Security Deposits	0.26	0.61
Others	49.15	55.94
Less: Allowance for Expected Credit Losses	(14.77)	(2.63)
Total Other Financial Asset	**71.31**	**65.28**

Reconciliation of expected credit loss on other financial asset

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Expected credit loss at the beginning of the year	2.63	2.63
Add/(less): changes in allowance	12.14	-
Expected credit loss at the end of the year	**14.77**	**2.63**

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

Liquidity risk :

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

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

Maturity profile of financial liabilities

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Less than 1 year		
Non- interest bearing instrument		
Trade payable	206.09	153.61

Market risk :

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

(Amount (₹) (USD) in Lakhs)

Particulars	Financial Asset As at March 31, 2021	Financial Asset As at March 31, 2020
USD Dollars	3.21	1.45
Total	3.21	1.45

(Amount (₹) (USD) in Lakhs)

Particulars	5% increase/ (decrease) USD Impact As at March 31, 2021	5% increase/ (decrease) USD Impact As at March 31, 2020
Impact on profit and loss account	0.16 / (0.16)	0.07 / (0.07)

Interest rate risk :

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

Price risk

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

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

A movement of 5% in NAV mutual funds on either side can lead to a gain/loss of (₹) 142.27 Lakhs and (₹) 240.25 Lakhs on the overall portfolio as at March 31, 2021 and March 31, 2020 respectively.

A movement of 5% in NAV Venture capital Funds on either side can lead to a gain/loss of (₹) 38.39 Lakhs and (₹) 49.07 Lakhs on the overall portfolio as at March 31, 2021 and March 31, 2020 respectively.

Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. As part of its capital risk management policies, the Company reviews the capital structure to ensure that it has an appropriate portion of net debt to equity. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short-term investments. The debt equity ratio highlights the ability of a business to repay its debts. The Net financial debt position of the Company as on March 31, 2021 and March 31, 2020 is negative which signifies the Company has more than sufficient cash to pay off its liabilities.

29) Segment Reporting :

(a) Description of segments and principal activities

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

(b) Segment Revenue

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

(Amount in ₹ lakhs)

Revenue	For the year ended March 31, 2021	For the year ended March 31, 2020
Within India	192.55	213.54
Outside India	545.74	2,184.40

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

(d) Information about revenue from major customers

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue	333.45	1,971.29

30) CSR expenditure :

a) Gross amount required to be spent by the Company during the year (₹) 30.12 Lakhs (Previous year (₹) 42.18 Lakhs).

b) Amount spent during the year on :

(Amount in ₹ lakhs

	In cash (₹)	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset		-	
(ii) On purposes other than (i) above	32.00	-	32.00

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

32) The term of most of the existing funds being managed/advised by the Company has already been over. Other funds being managed/advised by the company are approaching end of their term in near future which has resulted/is likely to result in significant reduction in the Company's fee revenue. Management expects that its future income from existing funds being managed/advised together with liquid assets held by the Company as at March 31, 2020 will be adequately sufficient to meet the Company's existing and future obligations arising over the next 12 months.

Meanwhile, the IL&FS Board has been working on a resolution plan, with a view to enable value preservation for stakeholders of IL&FS Group. The resolution plan, inter alia, involves sale of assets/businesses/companies owned by IL&FS. And in this regard, the IL&FS Board has on December 21, 2018 and September 27, 2019 invited a public Expression of Interest (EoI) for sale of its entire stake in the Company. Accordingly, the Company's plans for new fund raise have been kept on hold pending completion of

the stake sale. Further, with the outbreak of the pandemic the timelines for the sale process have got delayed and while there is material uncertainty with regard to the stake sale, management believes that use of the going concern assumption for preparation of these financial results is appropriate.

33) The Board of Directors, in their meeting held on June 30, 2021 have proposed a final dividend of (₹) 0.30 per equity share amounting to (₹) 942.09 Lakhs. The proposal is subject to the approval of shareholders at the Annual General Meeting.

34) The COVID 19 virus has impacted nations across the globe including India. On March 11, 2020, the World Health Organisation has declared it as a global pandemic. The Government of India announced a nationwide lockdown from March 24, 2020 and the same has been extended from time to time. The Government of India and the State Governments have started the process of a gradual relaxation of the lockdown. However, the pandemic has contributed to a significant decline and volatility in global markets including India, resulting in significant impact to the economy. The Government of India has announced a slew of stimulus measures and relaxations in order to help the corporates tide over this crisis.

The Company acts as the Sponsor and Fund Manager for private equity funds. The Company also contributes to various funds under its management. The Company's investments in private equity funds are fair valued based on independent third party valuation carried out by respective funds and the impact thereof is reflected in the Statement of Profit & Loss for that relevant period. The valuation of the Company's investments could be impacted in future based on the potential impact of this pandemic on the investments made by the funds. The impact would vary depending on the sector, stage of investment and also the impact this pandemic may have both in the short and long term on the Indian and global economy. The impact will also depend on the measures being taken by the Government both on the health and economic front.

A few of the Company's fund management fee structures are also linked to the timing and quantum of divestments by those funds. Given the negative sentiment and an uncertain outlook, the pandemic could potentially impact the timing and quantum of divestments. This could affect the earnings in future. The Company is working closely with the funds under management and their investee companies to minimise the impact of the pandemic.

The Company has considered the possible effects that may arise as a result of the COVID-19 pandemic on its financial statements and business as a whole. The Company has evaluated the impact of the COVID-19 pandemic on its business operations and financial position based on current indicators of future economic conditions and forecasts. The Company is a zero debt Company and also has sufficient cash reserves to tide over this global crisis. There is no impact of COVID-19 on the financial results for the year ended March 31, 2021.

35) Previous year numbers are regrouped/reclassified wherever necessary.

In terms of our report attached of even date

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

Hasmukh Dedhia
Partner
Membership No. – 033494

Place : Mumbai
Date : June 30, 2021

For and on behalf of the Board of Directors

S M Datta
Chairman
DIN : 00032812

Manoj Borkar
Chief Executive Officer &
Chief Financial Officer
PAN : AACPB1709R

Sanjay Mitra
Company Secretary
PAN : AAUPM6180F

Place : Mumbai
Date : June 30, 2021

FORM AOC-1

Part "A": Subsidiaries

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

(1)	Sr. No.	1	2	3	4	5	6	7	8
(2)	Name of the subsidiary	IL&FS Asian Infrastructure Managers Limited	IL&FS Urban Infrastructure Managers Limited	IIML Asset Advisors Limited	Andhra Pradesh Urban Infrastructure Asset Management Limited	IL&FS AMC Trustee Limited	IL&FS Infra Asset Management Limited	IL&FS Investment Advisors LLC	IIML Fund Managers (Singapore) Pte Limited
(3)	The date since when subsidiary was acquired	27/04/06	24/05/06	01/08/2010	15/07/16	01/01/17	01/01/17	31/01/06	13/12/11
(4)	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-Mar-21	31-Mar-21	31-Mar-21	31-Mar-21	31-Mar-21	31-Mar-21	31-Mar-21	31-Mar-21
(5)	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA	NA	NA	NA	USD @ 73.5047	USD @ 73.5047
(6)	Share capital	4,59,18,370	1,00,00,000	6,40,71,000	20,00,00,000	25,00,000	19,39,80,000	1,35,00,197	11,83,62,823
(7)	Reserves & Surplus	55,74,611	7,83,02,941	5,38,69,107	(6,34,44,554)	9,95,615	32,30,88,498	90,32,73,796	(8,68,60,037)
(8)	Total assets	5,20,43,546	9,58,00,973	11,83,02,642	19,57,19,108	42,42,498	53,14,05,112	93,46,98,335	3,18,92,802
(9)	Total Liabilities	5,50,565	74,98,032	3,62,535	5,91,63,662	7,46,883	1,43,36,614	1,79,24,342	3,90,016
(10)	Investments	-	-	-	-	-	-	294	-
(11)	Turnover	-	4,16,34,939	-	17,14,06,740	17,45,284	16,74,22,987	3,87,09,771	-
(12)	Profit before taxation	26,50,018	2,47,54,399	48,92,135	(19,84,142)	12,78,418	11,76,89,039	36,37,518	(10,24,026)
(13)	Provision for taxation	6,22,000	-	11,57,000	(1,26,18,945)	3,21,752	2,87,58,913	-	-
(14)	Profit after taxation	20,28,018	2,47,54,399	37,35,135	1,06,34,803	9,56,666	8,89,30,126	36,37,518	(10,24,026)
(15)	Proposed Dividend	-	-	-	-	-	-	-	-
(16)	% of shareholding	100.00%	100%	100%	51%	100%	86.61%	100%	100%

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

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

S M Datta
Chairman
PAN : AAGPD6963M

Manoj Borkar
Chief Executive Office &
Chief Financial Officer
PAN : AACPB1709R

Sanjay Mitra
Company Secretary
PAN : AAUPM6180F

FORM AOC-1

Part "B": Associates and Joint Ventures

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

Sr. No.	Name of Joint Ventures	IL&FS Milestone Advisors Private Limited	Standard Chartered IL&FS Singapore Pte Limited
1	Latest audited Balance Sheet Date	31-Mar-21	31-Mar-21
2	Shares of Joint Ventures held by the company on the year end	400,000 Equity Shares of ₹ 10 each	50,000 Equity shares of USD 1
3	Amount of Investment in Joint Venture	₹ 4,000,000	₹ 2,218,500
4	Extent of Holding %	40%	50%
5	Description of how there is significant influence	Based on Equity holding	Based on Equity holding
6	Reason why the joint venture is not consolidated	NA	NA
7	Networth attributable to Shareholding as per latest audited Balance Sheet (₹)	1,24,87,182	34,23,445
8	Profit / Loss for the year		
	(i) Considered in Consolidation (₹)	(3,94,680)	-
	(ii) Not Considered in Consolidation	-	-

(1)	Names of associates or joint ventures which are yet to commence operations	NIL	NIL
(2)	Names of associates or joint ventures which have been liquidated or sold during the year	NIL	NIL

S M Datta
Chairman
PAN : AAGPD6963M

Manoj Borkar
Chief Executive Office &
Chief Financial Officer
PAN : AACPB1709R

Sanjay Mitra
Company Secretary
PAN : AAUPM6180F

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IL&FS INVESTMENT MANAGERS LIMITED

Report on the Audit of Consolidated Ind AS Financial Statements

Qualified Opinion

1. We have audited the accompanying Consolidated Ind AS financial statements of **IL&FS Investment Managers Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements")

2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and joint ventures as were audited by the other auditors, except for the possible impacts of the matters described in the 'Basis for Qualified Opinion' paragraph below, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and joint ventures as at March 31, 2021, of its consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

3. Attention is drawn to Note 33 of the Consolidated Ind AS Financial Statements which describes the situation faced by the Group in view of the ongoing investigation by Serious Fraud Investigation Office of Ministry of Company Affairs (SFIO) against Infrastructure Leasing & Financial Services Limited ('IL&FS' or 'the Ultimate Holding Company'), and its subsidiaries (including the Company and its subsidiaries). Further, the National Company Law Tribunal (NCLT) has ordered re-opening of books of accounts of IL&FS and its two subsidiaries (other than the Group and its joint ventures) for the past financial years as referred to in the note. In view of the aforesaid ongoing investigations of the entire IL&FS Group (including the Company and its subsidiaries) by the SFIO and re-opening of books of accounts of the Ultimate Holding Company and two of its subsidiaries by the NCLT, we are unable to comment on the consequential impact(s) upon conclusion of the said investigation and re-opening of the books of account on these on these consolidated Ind AS financial statements.

4. The Consolidated Ind AS Financial Statements include unaudited, management certified financial statements of a subsidiary, the total revenue whereof is ₹ 1,728.67 lakhs, net profit ₹ 106.35 lakhs, net cash inflow ₹ 39.22 lakhs for the year under report, and total assets ₹ 1,957.19 lakhs and net worth ₹ 1365.55 lakhs as at March 31, 2021. The consequential impact, if any, arising out of the audit on the financial statements of the said subsidiary cannot be commented upon. Further, the provisions of Regulation 33(3)(h) of SEBI LODR, which require a listed entity to ensure that, for the purpose of quarterly consolidated financial results, at least eighty percent of the consolidated revenue, should be subjected to audit, is not met by the company.

5. 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 Consolidated Ind AS Financial Statements section of our report. We are independent of the Group 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 thereunder; and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty relating to Going Concern

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

Emphasis of Matter

7. Attention is drawn to Note 36 of the Consolidated Ind AS Financial Statements which describes the impacts of COVID-19 Pandemic on the financial statements as also on business operations of the Group, assessment thereof made by the management

of the Holding Company based on its internal, external and macro factors, involving certain estimation uncertainties of future periods. Our opinion is not modified in respect of this matter.

8. Attention is drawn to Note 37 of the Consolidated Ind AS Financial Statements which describes that 3 (three) entities of the Group being consolidated have ceased their operations and their respective standalone financial statements are not prepared on 'going concern' basis but on realisable value basis. Our opinion is not modified in respect of this matter.

Key Audit Matters

9. Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements for the year under audit. In our professional judgement, we have concluded that there are no reportable Key Audit Matters to be communicated pertaining to our audit of the Consolidated Financial Statements.

Information Other than the consolidated financial statements and Auditors' Report Thereon

10. The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the consolidated financial statements and our auditors' report thereon. Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

    When we read the Annual report and if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditors responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for Consolidated Ind AS Financial Statements

11. The Holding Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Ind AS Financial Statements that give a true and fair view of the consolidated state of affairs, consolidated profit & loss including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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; 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 consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation and presentation of the consolidated Ind AS financial statements of the Holding Company, as aforesaid.

    In preparing the Consolidated Ind AS Financial Statements, the respective managements and Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

    The respective Board of Directors of the companies included in the Group and of its joint ventures are also responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind AS Financial Statements. Our audit process in accordance with the SAs is narrated in Annexure 1 to this report.

Other Matters

13. We did not audit the financial statements of 2 (two) subsidiaries incorporated in India whose financial statements reflect total assets of ₹ 5,356.47 lakhs as at March 31, 2021, total revenues of ₹ 1,931.77 lakhs, total net profit after tax of ₹ 898.86 lakhs, total

comprehensive income of ₹ 900.83 lakhs and net cash inflow of ₹ 3139.42 lakhs for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The Consolidated Ind AS Financial Statements also include the Group's share of net loss after tax of ₹ 3.95 lakhs for the year ended March 31, 2021 in respect of 1 (one) joint venture incorporated in India. The financial statements of these entities have been audited by other auditors, whose reports have been furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements, relating to the amounts and disclosures included in respect of these entities and our report in terms of provisions of Section 143 of the Act, in so far as it relates to the aforesaid entities, is based solely on the reports of such other auditors.

14. Further, we did not audit the financial statements of 3 (three) subsidiary companies incorporated outside India whose financial statements reflect total assets of ₹ 9837.19 lakhs as at March 31, 2021, total revenues of ₹ 461.98 lakhs, total net loss after tax of ₹ 61.84 lakhs, total comprehensive income/(loss) of ₹ (61.84) lakhs and net cash outflows of ₹ 4,786.13 lakhs for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. The financial statements of these entities have been audited by the other auditors as per the requirements of the applicable reporting framework of those countries / jurisdictions and have been converted as per the requirements of Ind AS by the management of the Holding Company. Our opinion, in so far as it relates to the amounts and disclosures included in respect of these entities and our report in terms of provisions of Section 143 of the Act, in so far as it relates to the aforesaid entities, is based solely on the reports of the other auditors and the conversion adjustments prepared by the Management of the Holding Company.

    Our opinion on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management of the Holding Company.

15. The entire audit finalization processes were carried from remote locations i.e. other than the office of the Holding Company where books of account and other records are kept, based on data/details or financial information provided to us through digital medium, owing to restricted movements and partial lockdown imposed by the Authorities to prevent the spread of COVID-19. Being constrained, we resorted to and relied upon the results of the related alternate audit procedures to obtain appropriate audit evidence for the significant matters in course of our audit. Our report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

    a. We have sought and obtained all the information and explanations, other than the matters contained in the Basis of Qualified Opinion paragraph above, which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid consolidated Ind AS financial statements.

    b. Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books and the reports of the other auditors.

    c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements.

    d. According to the information & explanations given to us by the management and in our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Accounting Standards) Rules, 2015.

    e. The matter relating to going concern described under para 6 above and matters relating to investigation by SFIO against IL&FS and its subsidiaries (including the Company) and NCLT order of re opening of books of accounts of IL&FS and its two subsidiaries (other than the Group and its Joint Ventures) for the past financial years as described in para 2 above, in our opinion, may have an adverse effect on the functioning of the Group depending on final outcome of these matters.

    f. On the basis of the written representations received from the directors of the Holding company as on March 31, 2021, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint ventures incorporated in India, we report that none of the directors of the Group companies, and its joint ventures incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

g. With respect to the adequacy of the internal financial controls with reference to financial Statements of the Holding Company, its subsidiary companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure 2.

h. According to information and explanations furnished, we report that the Company and such other entities included in consolidated financial statements, which are incorporated in India, have complied with provisions of Section 197 pertaining to the remuneration to their Directors, except in case of a subsidiary where remuneration to Directors is paid in excess by ₹ 22.14 Lakhs compared to the limits laid down under the Act; which is subject to the approval of shareholders, by special resolution, in the ensuing Annual General Meeting.

i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and joint ventures, as noted in the 'Other Matters' paragraph above, we report as under:

   (i) The consolidated Ind AS financial statements disclose the impact of pending litigations as at March 31, 2021 on the consolidated financial position of the Group and its joint ventures. Refer Note 16 to the consolidated Ind AS financial statements.

   (ii) The Group and its joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2021.

   (iii) There has been no delay in transferring the amounts which were required to be transferred to the Investor Education and Protection Fund by such entities covered in Consolidated Ind AS financial statements as are incorporated in india.

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm's Registration No.: 105146W / W-100621

Hasmukh B. Dedhia
Partner
Membership No. 033494
ICAI UDIN: 21033494AAAAJB7910

Place: Mumbai
Date: June 30, 2021

Annexure 1 to the Independent Auditors' Report to the members of IL&FS Investment Mangers Limited

[referred to in para 12 titled 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements']

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, to 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 Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management's and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group as well its joint ventures 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

  We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the Other Matters paragraph above, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.
- Review of the audited financial statements of the subsidiaries and joint ventures not audited by us, and communicating with the respective statutory auditors of such entities as per the framework of provisions of SA 600, 'Using the work of Another Auditor'.
- 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.

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

[referred to in paragraph 16(g) (under 'Report on Other Legal and Regulatory Requirements']

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-Section 3 of Section 143 of the Act

Opinion

We have audited the internal financial controls with reference to Consolidated Ind AS financial statements of **IL&FS Investment Managers Limited** (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies (Holding Company and its subsidiaries together referred to "Group") and its joint venture companies, incorporated in India, as of March 31, 2021 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us and based on the considerations of reporting by the other auditors as mentioned in the Other Matter paragraph below, the Group and its Joint venture has in all material respects, adequate internal financial controls system over financial reporting, design whereof, in case of the holding company and 3 of its subsidiaries, needs to be enhanced to make it comprehensive. Based on verification of process controls matrices and other relevant documents, made available to us for the financial year under report and thereafter, in our opinion and considering the internal control with reference to consolidated Ind AS financial statements criteria established by the such Companies considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India (the "Guidance Note"), the operating effectiveness of such process controls and appropriate documentation thereof needs to be strengthened to make the same commensurate with the size of the Company and nature of its business.

Management's Responsibility for Internal Financial Controls

The respective Company's management and Board of directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated Ind AS financial statements criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, 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 with reference to financial statements 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 with reference to consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, & 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 Consolidated Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors of the relevant subsidiary companies and joint venture companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to consolidated Ind AS financial statements.

Meaning of Internal Financial Controls with reference to Consolidated Ind AS Financial Statements

A Company's internal financial control with reference to consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to consolidated Ind AS financial statements includes those policies and procedures that:

(a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.

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

(b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and

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

Inherent Limitations of Internal Financial Controls with reference to Consolidated Ind AS Financial Statements

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

Other Matter

Our aforesaid reports under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated Ind AS financial statements in so far as it relates to subsidiary companies and joint venture company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies.

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm's Registration No.: 105146W / W-100621

Hasmukh B. Dedhia
Partner
Membership No. 033494
ICAI UDIN: 21033494AAAAJB7910

Place: Mumbai
Date: June 30, 2021

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2021

(Amount in ₹ lakhs)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Financial Assets			
Cash and Cash Equivalents	3	8,448.89	10,082.89
Bank balance other than above	3	9,366.28	6,256.19
Trade Receivables	4	1,1,84.00	996.98
Loans	5	25.65	32.32
Investments	6	4,132.38	6,164.69
Other financial assets	7	860.87	839.26
Total Financial Assets		**24,018.07**	**24,372.33**
Non-Financial Assets			
Income Tax Asset (net)	8	386.32	1,109.70
Property, Plant and Equipment	9A	41.05	44.80
Other Intangible Assets	9B	1.37	8.36
Other Non-Financial Assets	10	531.53	729.94
Total Non-Financial Assets		**960.27**	**1,892.80**
TOTAL ASSETS		**24,978.34**	**26,265.13**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
Trade payables			
total outstanding dues of micro enterprises and small enterprises	11	20.81	22.15
total outstanding dues of creditors other than micro enterprises and small enterprises	11	737.75	763.37
Total Financial liabilities		**758.56**	**785.52**
Non-Financial liabilities			
Deferred Tax Liabilities (Net)	12	974.35	1,217.11
Employee benefit obligations	13	341.02	296.49
Other Non-Financial liabilities	14	572.13	540.73
Total Non-Financial liabilities		**1,887.50**	**2,054.33**
Equity			
Equity Share Capital	15	6,280.85	6,280.85
Other Equity	15	14,689.95	15,959.08
Equity attributable to owners		**20,970.80**	**22,239.93**
Non-controlling interests		1,361.48	1,185.35
Total Equity		**22,332.28**	**23,425.28**
TOTAL EQUITY AND LIABILITIES		**24,978.34**	**26,265.13**

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

In terms of our report attached of even date

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

Hasmukh Dedhia
Partner
Membership No. – 033494

Place : Mumbai
Date : June 30, 2021

For and on behalf of the Board of Directors

S M Datta
Chairman
DIN : 00032812

Manoj Borkar
Chief Executive Officer &
Chief Financial Officer
PAN : AACPB1709R

Sanjay Mitra
Company Secretary
PAN : AAUPM6180F

Place : Mumbai
Date : June 30, 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2021

(Amount in ₹ lakhs)

	Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
1	**REVENUE**			
	Revenue from operations	17	4,614.03	3,643.33
	Other Income	18	1,248.46	1,223.31
	Total Revenue		**5,862.49**	**4,866.64**
2	**EXPENSES**			
	Employee Benefits expense	19	1,729.39	2,284.40
	Depreciation and Amortisation Expense	9	30.95	61.42
	Other Expenses	20	3,111.72	3,176.70
	Total Expenses		**4,873.06**	**5,522.52**
3	Profit from continuing operations before share of profit of equity accounted investees and income tax		989.43	(655.88)
4	Share of profit/(loss) of joint ventures		(3.95)	(1,329.12)
5	**Profit/(loss) before tax before exceptional items**		**985.48**	**(1,985.01)**
6	Exceptional Items		**-**	**-**
	Profit/(loss) before tax after exceptional items		**985.48**	**(1,985.01)**
7	**Tax Expense**			
	Current Tax		316.99	330.32
	Prior Year Taxes		(75.73)	116.76
	Deferred Tax		(213.37)	(463.62)
			27.89	**(16.54)**
8	**Profit/(loss) after tax for the year**		**957.59**	**(1,968.46)**
	Profit/(Loss) for the year attributable to:			
	Owners of the Group		786.41	(1,386.24)
	Non-controlling interests		171.18	(582.22)
9	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit liabilities/(asset)		55.86	(46.15)
	Income tax relating to items that will not be reclassified to profit or loss		25.72	(140.00)
	Items that will be reclassified to profit or loss			
	Exchange differences in translating the consolidated financial statements of foreign operations		(247.98)	827.02
	Total Other comprehensive Income		**(166.40)**	**640.87**
	Total Other comprehensive income for the year attributable to:			
	Owners of the Group		(171.35)	641.65
	Non-controlling interests		4.95	(0.78)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2021

(Amount in ₹ lakhs)

	Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
10	**Total Comprehensive income/(loss) for the year**		**791.19**	**(1,327.59)**
	Total comprehensive income for the year attributable to:			
	Owners of the Group		**615.07**	**(744.59)**
	Non-controlling interests		**176.12**	**(583.00)**
	Earnings per equity share			
	Basic and Diluted		0.25	(0.44)

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

In terms of our report attached of even date

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

Hasmukh Dedhia
Partner
Membership No. – 033494

Place : Mumbai
Date : June 30, 2021

For and on behalf of the Board of Directors

S M Datta
Chairman
DIN : 00032812

Manoj Borkar
Chief Executive Officer &
Chief Financial Officer
PAN : AACPB1709R

Sanjay Mitra
Company Secretary
PAN : AAUPM6180F

Place : Mumbai
Date : June 30, 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AS AT MARCH 31, 2021

A. Equity Share Capital

(Amount in ₹ lakhs)

Particulars	Note	
Balance as at March 31, 2019		**6,280.85**
Changes in equity share capital		-
Balance as at March 31, 2020		**6,280.85**
Changes in equity share capital		-
Balance as at March 31, 2021		**6,280.85**

B. Other Equity **(Amount in ₹ lakhs)**

	Securities Premium Reserve	Capital Reserve on consolidation	General Reserve	Foreign Currency Translation Reserve Adjustment	Retained Earnings	Total
Balance at March 31, 2019 * Please refer Note No. 15	**47.59**	**1,790.43**	**3,156.58**	**6,309.79**	**6,390.98**	**17,695.37**
Total Comprehensive Income for the year						
Profit	-	-	-	-	(1,385.45)	(1,385.45)
Other Comprehensive Income	-	-	-	827.02	(186.15)	640.87
Dividend and Dividend Tax paid	-	-	-	-	(991.71)	(991.71)
Balance at March 31, 2020	**47.59**	**1,790.43**	**3,156.58**	**7,136.81**	**3,827.67**	**15,959.08**
Total Comprehensive Income for the year						
Profit	-	-	-	-	957.59	957.59
Other Comprehensive Income	-	-	-	(247.98)	81.57	(166.41)
Minority Interest	-	-	-	-	(176.12)	(176.12)
Dividend paid	-	-	-	-	(1,884.19)	(1,884.19)
Balance at March 31, 2021	**47.59**	**1,790.43**	**3,156.58**	**6,888.83**	**2,806.52**	**14,689.95**

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

In terms of our report attached of even date

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

Hasmukh Dedhia
Partner
Membership No. – 033494

Place : Mumbai
Date : June 30, 2021

For and on behalf of the Board of Directors

S M Datta
Chairman
DIN : 00032812

Manoj Borkar
Chief Executive Officer &
Chief Financial Officer
PAN : AACPB1709R

Sanjay Mitra
Company Secretary
PAN : AAUPM6180F

Place : Mumbai
Date : June 30, 2021

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2021

(Amount in ₹ lakhs)

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
I	**Cash Flow from Operating Activities**		
	Profit/(Loss) Before Tax	**985.49**	**(1,985.01)**
	Adjustments For:		
	Items classified as Other Comprehensive income	55.86	(46.15)
	Inter corporate Deposit written off	-	(1,445.11)
	Provision made for debtors/ICD classified as exceptional item	-	1,445.11
	Provision for bad and doubtful debts	0.04	-
	Depreciation and amortisation expense	30.95	61.42
	Provision for Employee benefit obligation (net of reversal)	44.53	(809.07)
	Provision for Expected Credit Loss for trade receivables	513.38	1,066.52
	(Gain)/Loss on fair valuation of mutual funds	270.47	(196.15)
	Loss on fair valuation of venture capital funds	133.95	209.45
	(Profit)/Loss on sale of non-current investments	-	0.01
	(Profit)/Loss on sale of current investments	(482.11)	(212.15)
	(Profit)/Loss on sale of Property, Plant and Equipment (Net)	(0.68)	(8.18)
	Interest Income	(590.55)	(630.92)
	Dividend Income on non-current investment	(0.04)	(0.03)
	Operating Profit/(Loss) Before Working Capital Changes	**961.29**	**(2,550.26)**
	Changes in working capital:		
	Adjustments for (increase)/decrease in operating assets:		
	Trade Receivables	(426.75)	691.69
	Other Financial Assets	(84.09)	(303.42)
	Other Non-Financial Asset	197.30	(9.83)
	Adjustments for increase/(decrease) in operating liabilities:		
	Trade Payables	(26.95)	58.59
	Other Non-Financial Liability	46.73	(39.55)
		667.53	**(2,152.78)**
	Less: Taxes (paid)/refund received (net)	406.39	(106.36)
	Net Cash generated from/(used in) Operating Activities	**1,073.92**	**(2,259.14)**
II	**Cash Flow from Investing Activities**		
	(Purchase)/Sale of Mutual Fund (Net)	1,802.03	1,182.25
	(Increase)/Decrease in equity instrument	(123.22)	(0.01)
	(Investment in)/Redemption from investment in Fixed Deposits (Net)	(3,125.43)	275.86
	Proceeds from Sale of equity instrument	227.38	1,327.29
	Proceeds from Sale of Property, Plant and Equipment	2.46	9.95
	Capital Expenditure on Property, Plant and Equipment	(22.00)	(20.44)
	Interest Income	663.03	628.38
	Net Cash generated from/(used in) Investing Activities	**(575.75)**	**3,403.28**

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2021

(Amount in ₹ lakhs)

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
III	**Cash Flow from Financing Activities**		
	Dividend Paid	(1,884.19)	(942.10)
	Dividend Tax Paid	-	(49.61)
	Net Cash (used in) Financing Activities	**(1,884.19)**	**(991.71)**
IV	**Net (Decrease)/Increase in Cash and Cash Equivalent (I+II+III)**	**(1,386.02)**	**152.43**
	Effect of exchange differences on Foreign Currency Translation	**(247.98)**	**826.98**
		(1,634.00)	979.41
	Add: Cash and Cash Equivalent at the beginning of the year (Refer Note 3)	10,082.89	9,103.48
	Cash and Cash Equivalent at the end of the year	8,448.89	10,082.89

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

In terms of our report attached of even date

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

Hasmukh Dedhia
Partner
Membership No. – 033494

Place : Mumbai
Date : June 30, 2021

For and on behalf of the Board of Directors

S M Datta
Chairman
DIN : 00032812

Manoj Borkar
Chief Executive Officer &
Chief Financial Officer
PAN : AACPB1709R

Sanjay Mitra
Company Secretary
PAN : AAUPM6180F

Place : Mumbai
Date : June 30, 2021

NOTES Forming part of The Consolidated Financial Statements for the year ended 31st March, 2021

1) Corporate Information

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

As at March 31, 2021, Infrastructure Leasing & Financial Services Limited, the holding Group owned 50.42% of the Group's equity share capital.

2) Significant Accounting Policies

(a) Statement of compliance :

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 (CA 2013) read with the Companies (Indian Accounting Standards) Rules as amended from time to time. These consolidated financial statements were approved by the Board of Directors and authorised for issue on June 30, 2021.

(b) Basis of preparation and presentation :

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

(c) Basis of Consolidation :

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

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

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

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

(d) Investments in Joint Ventures :

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

(e) Fair Value Measurement :

Measurement of fair values

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

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

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

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

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

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

(f) Financial instruments :

(i) Recognition and initial measurement :

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

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

(ii) Classification and subsequent measurement :

Financial assets

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

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

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

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

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

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

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

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

Subsequent measurement and gains and losses are recognised as :

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

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

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities

at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iv) Derecognition :

(a) Financial Asset

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

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

(b) Financial Liabilities :

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

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

(v) Offsetting :

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

(vi) Cash and cash equivalents :

Cash comprises of demand deposits with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term balance, as defined above as they are considered an integral part of the Group cash management.

(g) Property, plant and equipment :

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

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

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

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

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

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

(i) Mobile Phones and iPad/Tablets 100% depreciated during the year of capitalisation due to extensive usage and technological obsolescence.

(ii) Vehicles as per the current policy of 4 years as against the useful life of 8 years provided in the CA 2013.

(iii) Furniture and Fixtures as per current policy of 5 years as against the useful life of 10 years provided in the CA 2013.

(iv) Office Equipment as per current policy of 4 years as against the useful life of 5 years provided in the CA 2013.

(v) Data Processing Equipment - Servers & Networking as per current policy of 4 years as against the useful life of 6 years provided in the CA 2013.

(vi) Assets provided to Employees as perquisites would be depreciated over a period of 3 years in line with the rules set in the Employee Hand Book.

(vii) Individual assets costing ₹ 5,000/- or less in the year of capitalisation shall be depreciated 100% for all the categories of assets.

Residual value of all assets is retained at ₹ 1/-

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

(h) Revenue recognition :

(i) Rendering of services :

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

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

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

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

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

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

Dividend income is recognised in the Statement of Profit and Loss on the date on which the Group's right to receive dividend is established.

₹ Interest income or expense is recognised using the effective interest rate method.

(iii) Other Services :

- Income from upfront fee is recognised at rates agreed upon with borrowers on execution of loan documents between PMDO lenders and its borrower.
- Asset Management Fee is recognised when it is reasonably certain that the revenue will flow to the Group at rates agreed upon with borrowers / banks of PMDO Facility on the outstanding loan balance over the term of funding.
- Consultancy fee and Professional fee are recognised when it is reasonably certain that the revenue will flow to the Group at the rates agreed upon.

(i) Income Tax

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

(i) Current tax :

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

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

(ii) Deferred tax :

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

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

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

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(j) Foreign Currencies

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

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

Non-monetary foreign currency items are carried at cost.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using

the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item. (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(k) Provisions (other than for employee benefits), contingent liabilities, contingent assets and commitments :

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

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

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

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

(l) Impairment of financial assets :

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure :

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

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

(m) Employee benefits :

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

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

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

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

(n) Leases :

Effective April 1, 2019, the Group has adopted Ind AS 116 - Leases. At the inception of a contract, assessment is being done whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use

of an identified asset for a period of time in exchange for consideration. The Group reassesses whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed.

As a Lessor :

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

As a Lessee :

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

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

(o) Earnings Per Share :

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

(p) Segment reporting :

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

(q) Goods and Services Tax :

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

(r) Operating Cycle :

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

(s) Use of estimates and judgements :

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

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

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2021 is included in the following notes :

(i) Note 31 Impairment of financial assets (including trade receivable)

(ii) Note 13 Estimation of defined benefit obligations

(iii) Note 34 Estimation for preparation of financials under going concern assumption

(t) Cash Flow Statement :

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

(u) Rounding Off :

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

3) Cash and Cash Equivalents

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Cash in hand	0.42	0.19
Balance with banks		
In current accounts	1,242.82	777.55
In fixed deposits account (with maturity of less than 3 months)	7,205.65	9,305.15
Total cash and cash Equivalent as per IND AS 7	**8,448.89**	**10,082.89**
Other bank balances		
Balances with banks for unclaimed dividend	292.46	307.80
In fixed deposits account (with maturity of more than 3 months)	9,073.82	5,948.39
Total Other bank balances	**9,366.28**	**6,256.19**

4) Trade Receivable

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables		
Trade Receivables considered good - Unsecured	1,184.00	996.98
Trade Receivables - Significant increase in credit risk	2,184.43	1,944.99
Trade Receivables - Credit Impaired	280.61	7.56
	3,649.04	**2,949.53**
Less : Written off (Refer note below)	(272.89)	-
Less: Allowance for Credit Losses	(2,192.15)	(1,952.55)
Total Trade Receivable	**1,184.00**	**996.98**

Note: As per the 'Resolution Framework' approved by the National Company Law Appellate Tribunal (NCLAT), Mumbai and National Company Law Tribunal (NCLT), entire stake in IL&FS Environmental Infrastructure & Services Ltd (IEISL), East Delhi Waste Processing Company Ltd (EDWPCL) and RDF Power Projects Ltd (RDFPPL) was sold to investors. Since the sale consideration offered by investors was lesser than the liquidation value of these companies, entire consideration was distributed to secured financial creditors only and the group, being a secured operational creditor, did not get any share

Total AMC fees due from these Companies amounted to ₹ 272.89 Lakhs (Comprising of IEISL- ₹ 64.94 Lakhs, EDWPCL- ₹ 89.48 Lakhs and RDFPPL - ₹ 118.46 Lakhs. Considering the uncertainty in recovery, the Group had already made 100% provision against these dues as at March 31, 2020. Currently, based on the above facts, entire dues from IEISL, EDWPCL and RDFPPL amounting to ₹ 272.89 Lakhs has been written off during the year

5) Loans receivables

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Loans and advances to employees	25.65	32.32
Total Loans receivables	**25.65**	**32.32**

6) Investments

(Amount in ₹ lakhs)

Particular	As at March 31, 2021		As at March 31, 2020	
	QTY	₹	QTY	₹
Non-current Investments				
Investments in Equity Instruments				
Unquoted at cost				
In Joint Venture				
IL&FS Milestone Realty Advisors Private Ltd	400,000	124.87	400,000	128.82
Standard Chartered IL&FS Management (Singapore) Pte Ltd (Refer Note 35)	50,000	-	50,000	-
In Others				
Avantika Gas Ltd	8,250	0.83	8,250	0.83
IL&FS India Realty Fund LLC	-	-	100	0.75
IL&FS India Realty Fund II LLC	-	-	100,000	0.75
Tara India Fund III LLC	2	-	2	-
Tara Feeder Fund Limited	2	-	2	-
Tara India Fund IV LLC – Class C Shares	-	-	1	-
Tara India Fund IV LLC – Class D Shares	-	-	1	-
Class A – SIREF	5,615	23.37	7,543	244.51
Class C – SIREF	75,000	0.55	75,000	0.57
Class C – K2 Property	75,000	-	75,000	0.57
Class D – SIREF	25,000	0.18	25,000	0.19
Class D – K2 Property	25,000	-	25,000	0.19
Total Investment in Equity Instruments (I)		**149.80**		**377.18**
Investment in Unquoted Redeemable Participating Shares				
Investment in Managerial Units of Venture Fund at cost				
Unquoted				
Infrastructure Leasing & Financial Services Realty Fund (Class C Units)	500	0.50	500	0.50
IFIN Realty Trust	10	1.00	10	1.00
Tara India Fund IV Trust – Class C units	50	5.00	50	5.00
Tara India Fund III Trust	50	5.00	50	5.00

(Amount in ₹ lakhs)

Particular	As at March 31, 2021		As at March 31, 2020	
	QTY	₹	QTY	₹
Tara India Fund III Domestic Trust	500	5.00	500	5.00
Urjankur Nidhi Trust	-	-	1,000	1.00
Pan Asia Project Development Fund	-	-	100	1.00
Total Investment in Managerial Units of Venture Fund at cost (II)		**16.50**		**18.50**
Investment in Units of Venture Fund at FVTPL				
Infrastructure Leasing & Financial Services Realty Fund (Class A Units)	232	115.00	413	300.35
Tara India Fund III Trust – Class A Units	24	14.06	24	14.64
IFIN Realty Trust – A Units	45	45.43	45	52.35
Tara India Fund IV Trust – Class A units	70	576.88	64	596.61
Total Investment in Units of Venture Fund (III)		**751.37**		**963.95**
		917.67		**1,359.63**
Total Unquoted Investments (I+II+III) (A)		**917.67**		**1,359.63**
Aggregate amount of unquoted investments		917.67		1,359.63
Investment in mutual funds at FVTPL				
Unquoted				
Kotak Saving Fund Direct Plan Growth	-	-	2,743,485	901.34
SBI Corporate Bond Fund- Regular Growth	43,16,285.55	521.50	-	-
Kotak Corporate Bond Fund Std. Growth	17,374.37	503.96	17,374	467.54
Birla Sun Life Savings Fund – Growth – Regular Plan	36,575.83	110.84	21,371	84.90
HDFC Floating Rate Debt Fund – Regular – Growth	-	-	1,997,674	701.44
HDFC Low Duration Fund – Growth	-	-	1,997,674	234.92
SBI Magnum Ultra Short Duration Fund	-	-	5,492	244.28
Kotak Low Duration Fund Growth – Regular Plan	16,529	434.39	-	-
Nippon India Floating Rate Fund - Growth Plan – Growth Option	21,89,615.93	758.88	-	-
ICICI Prudential Corporate Bond Fund – Growth	5,78,393.28	131.23	-	-
ABSL Money Manager Fund	7,799.45	22.23	-	-
Kotak Floating Rate Fund – Reg Growth	23,768.71	273.30	-	-
Nippon India Money Market Fund – Growth Plan	7,976.65	254.94	-	-
Nippon India Corporate Bond Fund – Reg – Growth	448,291	203.34	-	-
SBI Magnum Low Duration Fund	-	-	46,000	1,197.30
HDFC Ultra Short Term Fund – Regular Growth	-	-	8,686,313	973.34
Total investment in mutual funds (B)		**3,214.71**		**4,805.06**
Aggregate amount of unquoted investments		**3,214.71**		**4,805.06**
Total Investment (A+B)		**4,132.38**		**6,164.69**

The Group exposure to price risk for fair value measurement is disclosed in Note 30

7) Other Financial Assets

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposit	53.28	14.41
Loans receivables (Refer footnote below)	-	-
Advances other than capital advances	186.32	36.47
Other Advances in cash in kind	154.29	324.38
Interest accrued (Refer footnote below)	136.18	208.66
Unbilled Revenue	430.83	372.14
Less: Allowance for Credit Losses	(100.03)	(116.80)
Total Other Financial Assets	**860.87**	**839.26**

In respect of Inter Corporate Deposit ("ICD") given by the Group to Infrastructure Leasing & Financial Services Limited ("IL&FS", the Holding Company) and IL&FS Financial Services Ltd. ('IFIN' a fellow subsidiary), the total outstanding due as on March 31, 2020 including interest is ₹ 1,445.11 Lakhs (March 31, 2019 - ₹ 2,947.14 Lakhs). During the September 2018 quarter IL&FS and IFIN defaulted on their debt obligations and their credit rating was downgraded to Default ("D") status. The ICDs placed by the Group with IL&FS and IFIN are unsecured. Considering the uncertainty around timing and the amount to be realised through the resolution process to be approved by the National Company Law Tribunal, the management, during FY 2018-19, on a prudent basis had provided for ₹ 1,445.11 Lakhs towards ICD due including the accrued interest and balance of ₹ 1,502.03 Lakhs had been written off. During the FY 2019-20, the balance outstanding amount including interest amounting to ₹ 1,445.11 Lakhs was written off

8) Income Tax Asset

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance payment of taxes	710.53	1,791.83
Total (A)	**710.53**	**1,791.83**
Income tax payable (B)	324.21	682.13
Net Income Tax Assets (A - B)	**386.32**	**1,109.70**

9A) Property, Plant and Equipment

(Amount in ₹ lakhs)

Description of Assets	Furniture and Fixtures	Office Equipment's	Data Processing Equipment's (Others)	Vehicles	Leasehold Improvements	Electronic Installation and Equipment	Total
I Deemed Cost							
Balance as at March 31, 2019	**53.01**	**35.49**	**51.98**	**66.50**	**-**	**5.35**	**212.33**
Additions	1.18	10.76	2.25	-	6.12	0.13	**20.44**
Disposals	(1.62)	(0.67)	(0.63)	-	-	-	**(2.92)**
Balance as at March 31, 2020	**52.57**	**45.58**	**53.60**	**66.50**	**6.12**	**5.48**	**229.85**
Additions	0.05	1.01	19.85	-	-	0.58	**21.49**
Disposals	(4.60)	(0.49)	-	-	-	-	**(5.09)**
Balance as at March 31, 2021	**48.02**	**46.1**	**73.45**	**66.50**	**6.12**	**6.06**	**246.25**

(Amount in ₹ lakhs)

Description of Assets	Furniture and Fixtures	Office Equipment's	Data Processing Equipment's (Others)	Vehicles	Leasehold Improvements	Electronic Installation and Equipment	Total
II Accumulated Depreciation and impairment							
Balance as at March 31, 2019	**21.99**	**29.78**	**37.55**	**50.50**	**-**	**0.98**	**140.80**
Deletion on disposal of sale	(0.63)	(0.28)	(0.27)	-	-	-	**(1.18)**
Depreciation expense	10.33	10.00	10.93	11.41	2.02	0.75	**45.44**
Revaluation Fx Gain loss	-	-	(0.01)	-	-	-	**(0.01)**
Balance as at March 31, 2020	**31.69**	**39.50**	**48.20**	**61.91**	**2.02**	**1.73**	**185.05**
Deletion on disposal of sale	(2.09)	(0.45)	-	-	-	-	**(2.54)**
Depreciation expense	8.46	2.86	6.33	2.49	2.01	0.53	**22.68**
Balance as at March 31, 2021	**38.06**	**41.91**	**54.53**	**64.40**	**4.03**	**2.26**	**205.19**
III Net Carrying Amount							**-**
Balance as at 31st March 2019	31.02	5.71	14.43	16.00	-	4.37	**71.53**
Balance as at 31st March 2020	20.88	6.08	5.40	4.59	4.10	3.75	**44.80**
Balance as at 31st March 2021	**9.96**	**4.17**	**18.92**	**2.10**	**2.09**	**3.80**	**41.06**

9B) Other Intangible Assets

(Amount in ₹ lakhs)

Description of Assets	Intangible Assets
I Deemed Cost	
Balance as at March 31, 2019	**2,016,02**
Additions	-
Disposals	-
Revaluation Fx Gain loss	-
Balance as at March 31, 2020	**2,016.02**
Additions	1.28
Disposals	(1,965.60)
Balance as at March 31, 2021	**51.70**
II Accumulated Depreciation and Impairment	
Balance as at March 31, 2019	1,991.68
Deletion on disposal of sale	-
Depreciation expense for the year	15.98
Balance as at March 31, 2020	**2,007.66**
Deletion on disposal	(1,965.60)
Depreciation expense for the year	8.27
Balance as at March 31, 2021	**50.33**
III Net Carrying Amount	
Balance as at March 31, 2019	**24.34**
Balance as at March 31, 2020	8.36
Balance as at March 31, 2021	**1.37**

10) Other Non-Financial Assets

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid Expenses	236.14	445.30
Indirect taxes recoverable	295.39	284.64
Total Non-Financial Assets	**531.53**	**729.94**

11) Trade Payables

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Payables		
Total outstanding dues of Micro Enterprises and Small Enterprises *	20.81	22.15
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	737.75	763.37
Total Trade Payables	**758.56**	**785.52**

* The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') which are disclosed in Note 28

The Company exposure to liquidity risk relating to trade payables is disclosed in Note 31

12) Deferred Tax Asset and Deferred Tax Liability

The deferred tax asset recognised in the accounts as of March 31, 2021 is as follows :

(Amount in ₹ lakhs)

Particulars	Closing Balance March 31, 2021	Movement Recognised in Profit and Loss	Movement Recognised in OCI	Closing Balance March 31, 2020
Tax effect of items constituting deferred tax assets				
Property, Plant and Equipment	45.94	(3.37)	-	49.31
Defined benefit obligation	32.21	(13.83)	25.72	20.32
Trade Receivables	71.51	14.72	-	56.79
Preliminary Expenses Written off	2.41	(0.82)	-	3.23
FVTPL financial asset	377.53	61.86	-	315.67
Total	**529.60**	**58.56**	**25.72**	**445.32**
Tax effect of items constituting deferred tax liabilities				
Others	(58.29)	(124.87)	-	66.58
Unrealised profit on subsidiary	1,562.23	(33.62)	-	1,595.85
	1,503.95	**(158.49)**	**-**	**1,662.43**
Net Tax Liability (Asset)	**(974.35)**	**217.05**	**25.72**	**(1,217.11)**

13) Employee benefit obligations

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provisions		
Provision for compensated absences	180.01	155.90
Provision for Gratuity	58.91	34.00
Provision for Performance related pay	100.54	100.59
Other Employee Benefits	1.56	6.00
Total Employee benefit obligations	**341.02**	**296.49**

a) Particulars relating to IND AS 19 "Employee Benefits" (Revised) is provided

(i) Defined-Contribution Plans :

(Amount in ₹ lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Employer's Contribution to Provident Fund	54.81	74.17
Employer's Contribution to Pension Fund	30.28	13.31
Employer's Contribution to Superannuation Fund	11.30	36.48

(ii) Defined–Benefit Plans :

The Indian Group companies operates funded post retirement defined benefit plans for gratuity, details of which are as follows :
The actuarial calculations used to estimate defined benefit commitments and expenses are based on the following assumptions :

(Amount in ₹ lakhs)

Assets and Liability (Balance Sheet Position)	**As at**	
Particulars	**March 31, 2021**	**March 31, 2020**
Present Value of Obligation	601.83	710.51
Fair Value of Plan Assets	603.07	739.28
Surplus/(Deficit)	1.24	28.77
Effects of Asset Ceiling, if any	-	-
Net Asset/(Liability)	**1.24**	**28.77**

(Amount in ₹ lakhs)

Expenses Recognised during the year	**For the year ending**	
Particulars	**March 31, 2021**	**March 31, 2020**
In Income Statement	35.13	36.35
In Other Comprehensive Income	(40.56)	43.77
Total Expenses Recognised during the year	**(5.43)**	**80.12**

(Amount in ₹ lakhs)

Changes in the Present Value of Obligation	**For the year ending**	
Particulars	**March 31, 2021**	**March 31, 2020**
Present Value of Obligation as at the beginning	710.51	728.91
Current Service Cost	37.74	44.15
Interest Expense or Cost	44.39	55.75
Benefits Paid directly by the employer	-	-
Re-measurement (or Actuarial) (gain)/loss arising from :	-	
- change in demographic assumptions	-	0.02
- change in financial assumptions	(4.55)	73.40
- experience variance (i.e. Actual experiences assumptions)	(22.71)	(26.67)
- others	-	-
Past Service Cost	-	-
Effect of change in foreign exchange rates	-	-
Benefits Paid	(201.07)	(165.05)
Acquisition Adjustment	37.52	-
Present Value of Obligation as at the end	**601.83**	**710.51**

(Amount in ₹ lakhs)

Bifurcation of Net Liability	**As at**	
	March 31, 2021	**March 31, 2020**
Current Liability (Short term)	(72.73)	(49.06)
Non-Current Liability (Long term)	71.49	20.29
Net Liability/(Asset)	**(1.24)**	**(28.77)**

(Amount in ₹ lakhs)

Changes in the Fair Value of Plan Assets	**For the year ending**	
Particulars	**March 31, 2021**	**March 31, 2020**
Fair Value of Plan Assets as at the beginning	739.28	824.80
Investment Income	45.53	63.56
Employer's Contribution	10.00	15.38
Transfer in	-	-
Benefits Paid	(201.07)	(165.06)
Return on plan assets , excluding amount recognised in net interest expense	0.25	0.60
Acquisition Adjustment	9.08	-
Fair Value of Plan Assets as at the end	**603.07**	**739.28**

(Amount in ₹ lakhs)

Expenses Recognised in the Income Statement	**For the year ending**	
Particulars	**March 31, 2021**	**March 31, 2020**
Current Service Cost	40.26	44.15
Past Service Cost	-	-
Loss/(Gain) on settlement	-	-
Net Interest Cost/(Income) on the Net Defined Benefit Liability/(Asset)	(0.96)	(7.80)
Expenses Recognised in the Income Statement	**39.30**	**36.35**

(Amount in ₹ lakhs)

Other Comprehensive Income	For the year ending	
Particulars	**March 31, 2021**	**March 31, 2020**
Actuarial (gains)/losses		
- change in demographic assumptions	-	0.02
- change in financial assumptions	(4.55)	73.40
- experience variance (i.e. Actual experience vs assumptions)	(22.71)	(29.15)
- Others	-	-
Return on plan assets, excluding amount recognised in net interest expense	0.09	(0.50)
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
	(27.18)	**43.77**

Financial Assumption	As at	
Particulars	**March 31, 2021**	**March 31, 2020**
Discount Rate (per annum)	6.20%-6.83%	6.20%-6.83%
Salary Growth Rate (per annum)	6.50%	6.50%

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

14) Other Non-Financial Liabilities

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Dues payable	124.16	76.94
Other Payables	14.15	10.49
Income Received in advance	136.36	140.50
Unclaimed Dividend	292.46	307.80
Other	5.00	5.00
Total Other Non-Financial Liabilities	**572.13**	**540.73**

15) A) Share Capital

a) Share Capital of the Group consist of the following :

(Amount in ₹ lakhs)

		As at March 31, 2021		As at March 31, 2020	
		Number of shares	₹	**Number of shares**	₹
SHARE CAPITAL					
(a)	**AUTHORISED**				
	Equity shares of ₹ 2/- each with voting rights	325,000,000	6,500.00	325,000,000	6,500.00
(b)	**ISSUED, SUBSCRIBED AND FULLY PAID UP**				
	Equity shares of ₹ 2/- each with voting rights	314,032,740	6,280.65	314,032,740	6,280.65
	Add : Forfeited shares		0.20		0.20
	Equity shares of ₹ 2/- each with voting rights (refer foot note no. (i), (ii) ,(iii) and (iv))	**314,032,740**	**6,280.85**	**314,032,740**	**6,280.85**

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

(Amount in ₹ lakhs)

Particulars	Opening balance	Issued during the year	Closing balance
As at March 31, 2021			
Number of shares	314,032,740	-	314,032,740
Amount	6,280.85	-	6,280.85
As at March 31, 2020			
Number of shares	314,032,740	-	314,032,740
Amount	6,280.85	-	6,280.85
As at March 31, 2019			
Number of shares	314,032,740	-	314,032,740
Amount	6,280.85	-	6,280.85

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

	As at March 31, 2021		As at March 31, 2020	
Name of the Shareholder	**No. of Shares held**	**% of Holding**	**No. of Shares held**	**% of Holding**
Infrastructure Leasing & Financial Services Limited, the Holding Company	158,333,152	50.42	158,333,152	50.42

Rights, preference and restrictions attached to equity shares :

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

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

e) Forfeited shares :

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

f) No shares were bought back by the Group during the last five years

g) Shares reserved for issue under Options :

During the previous year all the options available for grant in future under Employee Stock Option Plan 2003, Employee Stock Option Plan 2004 and Employee Stock Option Plan 2006 were considered as lapsed and hence ESOP 2003, ESOP 2004 and ESOP 2006 were closed with effect from May 29, 2019

No Options were granted during the year ended March 31, 2021 (Previous year: Nil). Further, no Options were outstanding as at the start of the year

B) Other Equity

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Securities Premium Reserve	47.59	47.59
Capital Reserve on consolidation	1,790.43	1,790.43
General Reserve	3,156.58	3,156.58
Foreign Currency Translation Reserve	6,888.83	7,136.81
Retained Earnings	2,806.52	3,827.67
Total Other Equity	**14,689.95**	**15,959.08**

Particulars	As at March 31, 2021	As at March 31, 2020
Securities Premium Reserve		
Opening Balance	47.59	47.59
Closing Balance	**47.59**	**47.59**
Capital Reserve on consolidation		
Opening Balance (Refer note below)	1,790.43	1,790.43
Closing Balance	**1,790.43**	**1,790.43**
General Reserve		
Opening Balance	3,156.58	3,156.58
Closing Balance	**3,156.58**	**3,156.58**
Foreign Currency Translation Reserve		
Opening Balance (Refer note below)	7,136.81	6,309.79
Other Comprehensive Income	(247.98)	827.02
Closing Balance	**6,888.83**	**7,136.81**
Retained Earnings		
Opening Balance	3,827.67	6,390.98
Net Profit/(Loss) for the year	957.59	(1,968.46)
Other Comprehensive Income	81.57	(186.15)
Minority Interest	(176.12)	583.01
Dividend and Dividend Tax paid	(1,884.19)	(991.71)
Closing Balance	**2,806.52**	**3,827.67**

Restatement of component of equity :

Foreign Currency translation reserve of ₹ 712.17 Lakhs reflected in subsidiary company represented Capital Reserve adjusted against Goodwill and recognised in earlier years as a result of acquisition of entities by the Company and offshore subsidiary in FY 2010-11. In the Consolidated Financials the net amount of Goodwill was fully amortised by FY 2012-13. Subsequently, the goodwill in the standalone books of the offshore subsidiary was fully impaired during FY 2014-15, thus resulting in the amount of Capital Reserve earlier adjusted against goodwill remaining outstanding which had been clubbed along with FCTR

As at year ended March 31, 2021, the Company, based on an independent expert's opinion, has rectified an error which had occurred prior to the first day of the comparative period for the Financial Year 2018-19 presented, that is prior to April 1, 2019; the end result of the error was due to adjustment of the balance of ₹ 712.17 Lakhs to Foreign Currency Translation Reserve (FCTR) instead of reflecting as Capital Reserve. On Rectification, the balance in FCTR as on April 1, 2019 is adjusted by ₹ 712.17 Lakhs and the corresponding effect is given to Capital Reserve and accordingly, as on March 31, 2019 and consequently, as on March 31, 2020, FCTR remained adjusted and Capital Reserve reflected at ₹ 712.17 Lakhs

The following table provides an overview of the impact of all corrections :

(Amount in ₹ lakhs)

Balance Sheet Extract as at March 31, 2019	As previously reported	Adjustments	As restated
Other Equity :			
I. Reserves & Surplus			
Capital Reserve			
On acquisition of shares in FY 2010-11 and FY 2011-12	1,078.26	712.17	1,790.43
II. Other Comprehensive Income			
Foreign Currency Translation Reserve			
On adjustment of capital reserve	7,021.96	(712.17)	6,290.79

The disclosure of reconciliation for Other Equity is as under :

(Amount in ₹ lakhs)

Particulars	Other Equity restated as at April 1, 2019	Other Equity restated as at March 31, 2020
As previously reported (A)	20,509.18	15,959.08
Impact of Correction of Error	712.17	-
Increase / Decrease (B)	Nil	-
Restated (A+B)	20,509.18	15,959.08

Nature and purpose of reserve :

a) Security Premium Reserve :

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

b) Capital Reserve :

Capital Reserve is on account of acquisition of its subsidiaries, being excess of the net assets acquired over the consideration paid

c) General Reserve :

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

d) Exchange differences on translating the financial statements of foreign operations :

Exchange variation in Opening Equity Share Capital, Reserves and Surplus, Assets and Liabilities of IL&FS Investment Advisors LLC, Saffron Investment Trust and IIML Fund Managers (Singapore) Pte Ltd is accounted under this reserve

16) Contingent Liabilities (to the extent not provided for) and Capital Commitments

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Income tax demand contested by the Group*	516.65	516.65
Service tax demand contested by the Group*	1,185.22	1,185.22
Uncalled commitments on units of Venture Capital Fund	304.08	356.86

* The Group does not expect any outflow of economic resources in respect of the claims above and therefore no provision is made in respect thereof

17) Revenue from Operations

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Fees from Advisory Services	526.00	2,184.40
Fees from Management and Consultancy Services	4,088.03	1,458.93
Total Revenue from Operations	**4,614.03**	**3,643.33**

18) Other Income

(Amount in ₹ lakhs)

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
a)	Interest Income		
	Interest on Fixed Deposits	426.32	621.16
	Interest on loan	0.91	1.86
	Interest on Income Tax Refund	163.32	7.90
b)	Dividend Income	0.04	0.03
c)	Net Gain/(Loss) on sale of investments		
	On sale of other current investments	482.11	212.15
d)	Profit on sale of capital assets (net of loss on assets sold/scrapped/written off)	0.68	8.18
e)	Recovery of Bad Debts	158.76	-
f)	Other income	16.32	69.03
g)	Reversal of Excess Performance Related Pay Provision	-	303.00
Total Other Income		**1,248.46**	**1,223.31**

19) Employee Benefit Expense

Employee Benefit Expenses include

(Amount in ₹ lakhs)

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a)	Salaries and wages, including bonus	1,563.42	2,086.93
(b)	Contribution to provident and other funds	150.49	166.95
(c)	Staff welfare expenses	15.48	30.52
Total Employee Benefit Expense		**1,729.39**	**2,284.40**

20) Other Administrative and Operating Expenses

a) Other Administrative and Operating Expenses consists of :

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent including lease rentals	258.23	387.97
Rates and Taxes	63.17	62.43
Electricity and Water Charges	2.30	7.84
Postage and Telecommunication	11.55	23.11
Printing and Stationery	12.98	17.16
Travelling and Conveyance Expenses	53.22	113.49
Provision for doubtful trade and other receivables, loans	0.03	-
Insurance	92.38	88.37
Repairs and maintenance - Others	38.14	64.50
Directors Sitting Fees	20.03	17.48
Sub advisory Expenses	69.00	76.26
Expenditure on Corporate Social Responsibility (CSR)	44.69	55.64
Subscription to Clubs and association	14.92	22.09
Auditors remuneration and out-of-pocket expenses	51.58	60.49
Miscellaneous Expenses	153.59	243.02
Legal and Professional Expenses	1,317.44	857.02
Net unrealised loss arising on financial assets/Liabilities designated as at FVTPL	909.47	1,079.83
Total Other Expenses	**3,112.72**	**3,176.70**

Miscellaneous Expenses includes commission to non-whole time directors, advertisement expenses, service promotion expenses, subscription to clubs/association, and books and periodicals

b) Audit fees consists of amount paid/payable :

(Amount in ₹ lakhs)

Particulars	For the year ended March 31, 2021	for the year ended March 31, 2020
Statutory Audit	36.11	39.19
Limited review of quarterly results	10.95	19.17
Out-of-pocket expenses	0.18	2.13
For other services, certification, etc.	4.34	-
Total	**51.58**	**60.49**
The above fees are exclusive of GST as applicable		

21) Leases

The Group has not entered into any of the Operating Lease arrangements during the year

22) Dividend paid in Foreign Currencies to Non-resident Shareholders

No Dividend has been paid in Foreign Currencies to non-resident shareholders in current year and previous year

23) Earnings Per Share (EPS)

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

(Amount in ₹ lakhs)

Particulars		March 31, 2021	March 31, 2020
Profit After Tax (₹)		957.59	(1,968.46)
Weighted Average Number of Equity Shares in calculating Basic and Diluted EPS		314,032,740	314,032,740
(i)	Nominal Value per share (₹)	2.00	2.00
(ii)	Basic Earnings per share (₹)	0.25	(0.44)
(iii)	Diluted Earnings per share (₹)	0.25	(0.44)

24) CSR Expenditure

a) Gross amount required to be spent by the Group during the year - ₹ 42.81 Lakhs

b) Amount spent during the year on :

(Amount in ₹ lakhs)

	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	44.69	-	44.69

25) Interest in other entities

(a) Subsidiaries :

Name of the Entity	Country of Incorporation and Residence	Percentage of Voting power As at March 31, 2021	Percentage of Voting power As at March 31, 2020
IL&FS Asian Infrastructure Managers Limited	India	100	100
IL&FS Urban Infrastructure Managers Limited	India	100	100
IL&FS Investment Advisors LLC	Mauritius	100	100
Saffron Investment Trust (IL&FS Investment Advisors LLC is 100% beneficiary)	Mauritius	100	100
IIML Asset Advisors Limited	India	100	100
Andhra Pradesh Urban Infrastructure Asset Management Limited	India	51	51
IL&FS Infra Asset Management Limited	India	86.61	86.61
IL&FS AMC Trustee Limited	India	100	100
IIML Fund Managers (Singapore) Pte Ltd	Singapore	100	100

(b) In Joint Venture :

Name of the Entity	Country of Incorporation and Residence	Percentage of Voting power As at March 31, 2021	Percentage of Voting power As at March 31, 2020
IL&FS Milestone Realty Advisors Private Limited	India	40	40
Standard Chartered IL&FS Management (Singapore) Pte Ltd	Singapore	50	50

26) Disclosure as required by the AS 18 on "Related Party Disclosures" are made below

a) Name of the Related Parties (with whom transactions entered into during the year ended March 31, 2021) and Description of Relationship :

Sr. No.	Holding Company
1	Infrastructure Leasing & Financial Services Limited [IL&FS]
Sr. No.	**Fellow Subsidiaries***
1	IL&FS Financial Services Limited [IFIN]
2	IL&FS Securities Services Limited [ISSL]
3	IFIN Realty Trust [IFINRT]
4	IL&FS IIDC Fund [IIDC Fund]
5	IL&FS Infrastructure Equity Fund – 1 [IIEF-1]
6	IL&FS Environnemental Infrastructure & Service Limited [IEISL]
7	IL&FS Maritime International FZE [IMIFZE]
8	East Delhi Waste Processing Group Private Limited [EDWPC]
9	IL&FS Energy Development Group Limited [IEDCL]
10	IL&FS Global Financial Service (ME) Limited [IGFMEL]
11	RDF Power Projects Limited [RDFPPL]
12	IL&FS Prime Terminals FZC [IPT]
13	IL&FS Global Pte Limited [IGPL]
14	IL&FS Technologies Limited [ITL]
15	ISSL CPG BPO Private Limited [ISSLCPG]
16	IL&FS Township Urban Asset Limited [ITUAL]
17	IL&FS Academy of Applied Development [IAAD]
18	Livia India Limited [Livia]
19	IL&FS Maritime Infrastructure Group Limited [IMICL]
20	IIDC Limited [IIDC]
21	Tamil Nadu Water Investment Group Limited [TNWICL]
22	IL&FS Infrastructure Development Corporation Limited [IIDCL]
23	IL&FS Transportation Network Limited [ITNL]
24	IL&FS Urban Infrastructure Managers Limited [IUML]
25	Urban Mass Transit Group Limited [UMTCL]
26	IL&FS Water Limited [IWT]
27	IL&FS Education And Technology Services Ltd [IETS]
28	IL&FS Wind Power Services Ltd [IWPSL]
Sr. No.	**Key Management Personnel**
1	Mr S M Datta - Chairman & Non-Executive Independent Director
2	Mr Chitranjan S Kahlon - Non-Executive Independent Director
3	Mr Nand Kishore - Non-Executive Director
4	Mr Kaushik Modak - Non-Executive Director
5	Ms Priya Shetty - Non-Executive Director (From November 11, 2020)
6	Ms Lubna Usman - Non-Executive Director (From February 12, 2021)
7	Ms Sudakshina Bhattacharya - Non-Executive Nominee Director (Upto December 31, 2020)

*As certified by holding Company and with whom transactions done during the year

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

(Amount in ₹ lakhs)

Nature of Transactions	Holding Company	Fellow Subsidiary	Key Management Personnel
Rent paid			
IL&FS	224.10		
Insurance			
IL&FS	3.17		
IFIN		0.61	
Repairs & Maintenance			
IL&FS	15.28		
Electricity Charges			
IL&FS	1.57		
Staff Deputation Cost			
ITUAL		35.57	
Legal and Professional Expenses			
SCIMSPL		8.26	
Others			
Service Charges Expenses [IFIN]		3.25	
Custody Charges [ISSL]		1.76	
Other Income [IFIN]		4.69	
Other Reimbursement (Paid)/Recovered			
IFIN		15.17	
IFINRT		5.34	
IGFMEL		1.01	
IL&FS	3.77		
Balances Written Off			
EDWPC		89.63	
IEISL		64.94	
IIDCL		0.29	
RDFPL		119.10	
Payment to Directors			
Sitting fees			4.70

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

(Amount in ₹ lakhs)

Nature of Transactions	Holding Company	Fellow Subsidiary
Trade Receivables		
IIDC Fund		7.56
Other Financial Assets / Short Term Advances		
IFIN		69.57

(Amount in ₹ lakhs)

Nature of Transactions	Holding Company	Fellow Subsidiary
IEDCL		0.16
Trade Payables		
TNWICL		55.01
IFIN		1.16
ITUAL		72.58
ISSL		(0.06)
IWL		21.38
IL&FS	2.58	

Out of the above trade receivable outstanding as on March 31, 2021, provision has been created of ₹ 7.72 Lakhs

d) The nature and volume of transactions during the year ended March 31, 2020, with the above related parties were as follows :

(Amount in ₹ lakhs)

Nature of Transactions	Holding Company	Fellow Subsidiary	Key Management Personnel
Rent paid			
IL&FS	310.94	-	-
Insurance			
IL&FS	(4.53)	-	-
IFIN	-	0.51	-
Repairs & Maintenance			
IL&FS	16.86	-	-
Electricity Charges			
IL&FS	4.40	-	-
Staff Deputation Cost			
IWT	-	19.80	-
ITUAL	-	133.10	-
Legal and Professional Expenses			
Livia	-	4.11	-
ISSL	-	12.56	-
IL&FS	0.29	-	-
Others			
Service Charges Expenses [IFIN]	-	4.53	-
Custody charges [ISSL]	-	1.04	-
Other Reimbursement (Paid)/Recovered			
IFIN	-	12.61	-
EDWPC	-	0.14	-
IIDC	-	0.29	-

(Amount in ₹ lakhs)

Nature of Transactions	Holding Company	Fellow Subsidiary	Key Management Personnel
IIEF-1	-	0.50	-
IWPSL	-	0.87	-
RDFPPL	-	0.63	-
IL&FS	5.52	-	-
Payment to Directors			
Sitting fees	-	-	17.48

e) Statement of significant balances as at March 31, 2020 are as follows :

(Amount in ₹ lakhs)

Nature of Transaction	Holding Company	Fellow Subsidiary
Trade Receivables		
EDWPC	-	89.48
RDFPPL	-	118.47
IIDC Fund	-	7.56
IIEF-1	-	0.59
IEISL	-	64.94
IFIN	-	-
Loans Receivable		
IL&FS	3.85	-
Other Financial Assets		
IFIN	-	54.39
Trade Payables		
IGFMEL	-	1.03
UMTCL	-	7.26
ITUAL	-	83.16
ISSLCPG	-	0.03
IWL	-	21.38
IL&FS	0.89	-

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

Out of the above trade receivable outstanding as on March 31, 2021, provision has been created of ₹ 7.72 Lakhs for IIDC Fund and IEISL.

The Group has made 100% provisioning in respect of AMC fees recoverable and/or OPE recoverable in respect of following parties :

i) IL&FS Environmental Infrastructure and Services Limited

ii) East Delhi Waste Processing Company Private Limited

iii) IL&FS Financial Services Limited

iv) RDF Power Projects Limited

v) IL&FS Infrastructure Development Corporation Limited

The Group is dependent on information from the Holding Company for its Related Parties as defined under Ind AS 24 and under the Companies Act, 2013. The Group had identified its related party's relationship on the basis of information made available by the Holding Company and relied upon by the auditors

27) Income Tax Expense

(Amount in ₹ lakhs)

Particulars	March 2021	March 2020
(a) Income Tax expense		
Current Tax		
Current tax on Profit for the year	316.99	330.32
Deferred Tax	(213.37)	(463.62)
Prior Year Taxes	(75.73)	116.76
Total Income tax expense	**27.89**	**(16.54)**
(b) Reconciliation of tax expense and accounting profit multiplied by India tax rate		
Profit from operations before income tax expense	985.48	(1,985.01)
India tax rate	0% - 27.17%	0% - 27.17%
	316.83	659.12
Tax effect of amounts which are not deductible (allowable) in calculating taxable income :		
Disallowance on account of Provision for Diminution	-	-
Dividend income from subsidiaries to be taxed at lower rate	-	-
Corporate social responsibility expenditure	-	-
Deduction/disallowance under various sections of Income Tax Act, 1961	0.16	(146.62)
Income chargeable to tax on realised basis as per Income Tax Act, 1961	-	(182.18)
Deferred tax	(213.37)	(463.62)
Prior Year Taxes	(75.73)	116.76
Total Income tax expense	**27.89**	**16.54**

28) The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows :

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount due to suppliers registered under the	5.55	1.62
MSMED Act and remaining unpaid as at year end	-	0.04
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
The amount of interest paid by buyer in terms of section 16 of the Act	-	-
The amount of the payment made to the supplier beyond the appointed day during the year	-	-
The amounts of interest accrued and remaining unpaid at the end of financial year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Note - Total amount outstanding dues to MSME is ₹ 20.81 Lakhs out of the same ₹ 15.26 Lakhs is a provision made as on March 31, 2021 and for which invoice is not yet received

29) Segment Reporting

(a) Description of segments and principal activities :

As per requirements of Indian Accounting Standard (Ind AS) 108 on 'Operating Segments', based on evaluation of financial information for allocation of resources and assessing performance, the Group has identified a single segment i.e. providing asset management services and other related services. As such, there are no separate reportable business or geographical segments as per Ind AS108 on operating segment

(b) Segment Revenue :

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

(Amount in ₹ lakhs)

Revenue	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
Within India	4,014.64	2,844.50
Outside India	599.39	798.82

(c) All Material assets other than financial instruments and deferred tax assets are domiciled in India

(d) Information about revenue from major customer :

(Amount in ₹ lakhs)

Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
Revenue	212.29	1,971.29

30) Fair Value Measurements

(a) Financial Instruments by category :

(Amount in ₹ lakhs)

As at March 31, 2021	**Carrying amount**			
Particulars	**Fair value through profit and loss**	**Fair value through other comprehensive income**	**Amortised Cost**	**Total**
Financial Assets				
Cash and Cash Equivalents	-	-	8,448.89	8,448.89
Trade Receivables	-	-	1,184.00	1,184.00
Loans	-	-	25.65	25.65
Equity instrument	917.67	-	-	917.67
Mutual Funds	3,214.71	-	-	3,214.71
Other Financial Assets	-	-	860.87	860.87
Total Financial Assets	**4,132.38**	**-**	**10,519.41**	**14,651.79**
Financial Liabilities				
Trade Payables	-	-	758.56	758.56
Total Financial Liabilities	**-**	**-**	**758.56**	**758.56**

(Amount in ₹ lakhs)

As at March 31, 2020	Carrying amount			
Particulars	**Fair value through profit and loss**	**Fair value through other comprehensive income**	**Amortised Cost**	**Total**
Financial Assets				
Cash and Cash Equivalents			10,082.89	10,082.89
Trade Receivables	-	-	996.98	996.98
Loans	-	-	32.32	32.32
Equity instrument	1,230.81	-	-	1,230.81
Mutual Funds	4,805.06	-	-	4,805.06
Other Financial Assets	-	-	839.26	839.26
Total Financial Assets	**6,035.87**	**-**	**11,951.45**	**17,987.32**
Financial Liabilities				
Trade Payables	-	-	785.52	785.52
Total Financial Liabilities	-	**-**	**785.52**	**785.52**

(b) Fair value hierarchy :

As at March 31, 2021 **(Amount in ₹ lakhs)**

Particulars	Carrying Amount	Level of input used in		
		Level 1	**Level 2**	**Level 3**
Financial Assets				
At FVTPL				
Equity instrument	917.67	-	-	917.67
Mutual Funds	3,214.71	3,214.71	-	-

As at March 31, 2020 **(Amount in ₹ lakhs)**

Particulars	Carrying Amount	Level of input used in		
		Level 1	**Level 2**	**Level 3**
Financial Assets				
At FVTPL				
Equity instrument	1,230.81	-	-	1,230.81
Mutual Funds	4,805.06	4,805.06	-	-

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

The fair values of the units of mutual fund schemes are based on net asset value at the reporting date. The fair value of Venture Capital Funds is valued using discounted cash flow analysis and inputs based on information about market participants assumptions and other data that are available. The discount rates used is based on management estimates

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

31) Financial Risk Management

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

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

Risk management framework

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

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

Credit Risk

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

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables		
Trade Receivables considered good – Unsecured	1184.00	996.98
Trade Receivables - Significant increase in credit risk	2,184.43	1,944.99
Trade Receivables - Credit Impaired	280.61	7.56
	3,649.04	**2,949.53**
Less : Written off	(272.89)	-
Less: Allowance for Credit Losses	(2,192.15)	(1,952.55)
Total Trade Receivable	**1,184.00**	**996.98**

Reconciliation of expected credit loss on trade receivables

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Expected credit loss at the beginning of the year	1,952.55	904.02
Add/(less): changes in allowance	239.60	1,048.53
Expected credit loss at the end of the year	2,192.15	1,952.55

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

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposit	53.28	14.41
Advances other than capital advances	186.32	36.47
Other Advances in cash in kind	154.29	324.38
Interest accrued	136.18	208.66
Unbilled Revenue	430.83	372.14
Less: Allowance for Credit Losses	(100.03)	(116.80)
Total Other Financial Assets	**860.87**	**839.26**

Reconciliation of expected credit loss on other financial asset

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31,2020
Expected credit loss at the beginning of the year	116.80	1,542.94
Add/(less): changes in allowance	(16.77)	(1,426.14)*
Expected credit loss at the end of the year	100.03	116.80

*includes ₹ 1,445.11 Lakhs written off during previous year

Cash and cash equivalents and other Bank Balances are held with Banks having high quality credit rating

Liquidity risk

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

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

Maturity profile of financial liabilities

(Amount in ₹ lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Less than 1 year	-	-
Non- interest bearing instrument	-	-
Trade payable	758.56	785.52

Market Risk

Market risk' is the risk that changes in market prices, such as interest rates, foreign exchange rates, equity prices and credit spreads (not relating to changes in the obligor's/issuer's credit standing) will affect the Group's income or the fair value of its holdings of financial instruments

Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may be potential impact on the statement of profit and loss account and other comprehensive income and equity, where any transaction reference more than one currency or where asset/liabilities are denominated in a currency other than the functional currency of the group

Considering the countries and economic environment in which the Company operates it is subject to fluctuations in exchange rate from those countries. The risk primarily relates to fluctuations in exchange rate in those countries. The risk primary relates to fluctuation in US dollars

The table sets forth information for foreign exposure in USD

Particulars	Financial Asset As at March 31, 2021	Financial Asset As at March 31,2020
Financial Asset (USD)	2.89	1.45
Financial Liability (USD)	-	-
Net Total (USD)	2.89	1.45
Net Total (INR)	**212.29**	**107.93**

(Amount in ₹ lakhs)

Particulars	1% increase/(decrease) USD Impact As at March 31, 2021	1% increase/(decrease) USD Impact As at March 31, 2020
Impact on profit and loss account	2.12 / (2.12)	1.08 / (1.08)

Interest rate risk

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

Price risk

The Group has invested in the Mutual Funds and Equity shares

Mutual Fund and Equity shares Net Asset Values (NAVs) are impacted by a number of factors like interest rate risk, credit risk, liquidity risk, market risk in addition to other factors

A movement of 5% in NAV mutual funds on either side can lead to a gain/loss of ₹ 160.74 Lakhs and ₹ 240.25 Lakhs on the overall portfolio as at March 31, 2021 and March 31, 2020 respectively

A movement of 5% in NAV Equity shares on either side can lead to a gain/loss of ₹ 45.88 Lakhs and ₹ 60.62 Lakhs, on the overall portfolio as at March 31, 2021 and March 31, 2020 respectively

Capital Management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. As part of its capital risk management policies, the Group reviews the capital structure to ensure that it has an appropriate portion of net debt to equity. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short-term investments. The debt equity ratio highlights the ability of a business to repay its debts. The net financial debt position of the Group as on March 31, 2021 and March 31, 2020 is negative which signifies the Group has more than sufficient cash to pay off its liabilities

32) Additional information required by Schedule III

(Amount in ₹ lakhs)

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss after tax		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	₹	As % of consolidated profit or loss	₹	As % of consolidated OCI	₹	As % of consolidated Total OCI	₹
1	2	3	4	5	6	7	8	9
Parent	16.11	3,379.36	(79.92)	(628.53)	(41.38)	68.87	(90.27)	(559.66)
Subsidiaries								
Indian								
IL&FS Asian Infrastructure Managers Limited	2.48	519.43	2.58	20.28	-	-	3.27	20.28
IL&FS Urban Infrastructure Managers Limited	4.21	883.03	31.48	247.54	(0.72)	1.20	40.12	248.74
IIML Asset Advisors Limited	5.62	1,179.40	4.75	37.35	-	-	6.02	37.35

NOTES Forming part of The Consolidated Financial Statements for the year ended 31st March, 2021

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss after tax		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	₹	As % of consolidated profit or loss	₹	As % of consolidated OCI	₹	As % of consolidated Total OCI	₹
1	2	3	4	5	6	7	8	9
Andhra Pradesh Urban Infrastructure Asset Management Limited	6.51	1,365.55	13.52	106.35	(2.92)	4.87	17.94	111.21
IL&FS AMC Trustee Limited	0.17	34.96	1.22	9.57	-	-	1.54	9.57
IL&FS Infra Asset Management Limited	24.66	5,170.69	113.08	889.30	(1.03)	1.71	143.71	891.01
Foreign								
IL&FS Investment Advisors LLC	43.83	9,191.49	48.05	377.91	140.65	(234.05)	23.20	143.86
Saffron Investment Trust	0.80	168.47	(11.19)	(87.97)	3.43	(5.71)	(15.11)	(93.68)
IIML Fund Managers Singapore Pte Limited	1.5	315.03	(1.30)	(10.24)	4.94	(8.23)	(2.98)	(18.47)
Minority Interest in all subsidiaries								
Andhra Pradesh Urban Infrastructure Asset Management Limited	(3.19)	(669.12)	(6.63)	(52.11)	(2.81)	4.68	(7.65)	(47.43)
IL&FS Infra Asset Management Limited	(3.30)	(692.35)	(15.14)	(119.09)	(0.16)	0.26	(19.16)	(118.82)
Joint Ventures (as per proportionate consolidation/investment as per the equity method)								
Indian								
IL&FS Milestone Realty Advisors Private Limited	0.60	124.87	(0.50)	(3.95)	-	-	(0.64)	(3.95)
Foreign								
Standard Chartered IL&FS Asset Management Pte Limited	-	-	-	-	-	-	-	-
TOTAL	**100**	**20,970.81**	**100**	**786.41**	**100**	**(166.40)**	**100**	**620.01**

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

34) The term of most of the existing funds being managed / advised by the Group has already been over. Other funds being managed/advised by the Group are approaching end of their term in near future which has resulted/is likely to result in significant reduction in the Group's fee revenue. Management expects that its future income from existing funds being managed/advised together with liquid assets held by the Group as at March 31, 2021 will be adequately sufficient to meet the Group's existing and future obligations arising over the next 12 months.

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

35) Group's share of losses in a Joint venture Standard Chartered IL&FS Management (Singapore) Pte Ltd for FY 2020-21 amounts to $ 26,697 (₹ 19.62 Lakhs as at March 31, 2021). These losses exceed the investment value in the consolidated books of the company. Hence the carrying value of investment in consolidated books of the Group is written down to Nil. The total unabsorbed loss of $ 528,419 (₹ 388.41 Lakhs when converted at closing rate as at March 31, 2021) remains unrecognised as at March 31, 2021

36) The COVID 19 virus has impacted nations across the globe including India. On March 11, 2020, the World Health Organisation has declared it as a global pandemic. The Government of India announced a nationwide lockdown from March 24, 2020 and the same has been extended from time to time. The Government of India and the State Governments have started the process of a gradual relaxation of the lockdown. However, the pandemic has contributed to a significant decline and volatility in global markets including India, resulting in significant impact to the economy. The Government of India has announced a slew of stimulus measures and relaxations in order to help the corporates tide over this crisis.

The Group acts as the Sponsor and Fund Manager for private equity funds. The Group also contributes to various funds under its management. These investments in private equity funds are fair valued based on independent third party valuation carried out by respective funds and the impact thereof is reflected in the Statement of Profit & Loss for that relevant period. The valuation of these investments could be impacted in future based on the potential impact of this pandemic on the investments made by the funds. The impact would vary depending on the sector, stage of investment and also the impact this pandemic may have both in the short and long term on the Indian and global economy. The impact will also depend on the measures being taken by the Government both on the health and economic front.

A few of the Group's fund management fee structures are also linked to the timing and quantum of divestments by those funds. Given the negative sentiment and an uncertain outlook, the pandemic could potentially impact the timing and quantum of divestments. This could affect the earnings in future. The Group is working closely with the funds under management and their investee companies to minimise the impact of the pandemic.

The Group has considered the possible effects that may arise as a result of the COVID-19 pandemic on its financial statements and business as a whole. The Company has evaluated the impact of the COVID-19 pandemic on its business operations and financial position based on current indicators of future economic conditions and forecasts. The Company is a zero debt Company and also has sufficient cash reserves to tide over this global crisis. There is no impact of COVID-19 on the financial results for the year ended March 31, 2021

NOTES Forming part of The Consolidated Financial Statements for the year ended 31st March, 2021

37) The financial statements of its subsidiary IIML Fund Managers (Singapore) Pte Ltd and its Joint Ventures IL&FS Milestone Realty Advisors Private Limited and Standard Chartered IL&FS Management (Singapore) Pte Ltd have been prepared on the basis that it does not continue as a going concern.

38) The Board of Directors, in their meeting held on June 30 2021 have proposed a final dividend of ₹ 0.30 per equity share amounting to ₹ 942.10 Lakhs. The proposal is subject to the approval of shareholders at the Annual General Meeting

39) Previous year numbers are regrouped/reclassified wherever necessary

In terms of our report attached of even date

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

Hasmukh Dedhia
Partner
Membership No. – 033494

Place : Mumbai
Date : June 30, 2021

For and on behalf of the Board of Directors

S M Datta
Chairman
DIN : 00032812

Manoj Borkar
Chief Executive Officer &
Chief Financial Officer
PAN : AACPB1709R

Sanjay Mitra
Company Secretary
PAN : AAUPM6180F

Place : Mumbai
Date : June 30, 2021

NOTICE

Notice is hereby given that the Thirty-Fifth Annual General Meeting of the Members of the Company will be held through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") on Wednesday, September 29, 2021 at 3.00 p.m. to transact the following business :

ORDINARY BUSINESS

(1) To receive, consider and adopt the Standalone Audited Financial Statements and the Consolidated Audited Financial Statements of the Company for the Financial Year ended March 31, 2021 together with the Reports of the Auditors and Directors thereon

(2) To declare dividend on Equity Shares for the Financial Year ended March 31, 2021

(3) To appoint a Director in place of Mr Kaushik Modak [DIN 01266560] who retires by rotation and being eligible, has offered himself for re-appointment

SPECIAL BUSINESS

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

"RESOLVED THAT Ms Priya Shetty [DIN 08858814], who was appointed as an Additional Director of the Company pursuant to Section 161(1) of the Companies Act, 2013 and Rules framed thereunder, and in respect of whom the Company has received a notice in writing from a Shareholder proposing her candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, and who holds office upto the date of the ensuing Annual General Meeting and being eligible for appointment, be and is hereby appointed as Nominee Director of Infrastructure Leasing & Financial Services Limited on the Board of the Company"

"RESOLVED FURTHER THAT for the purpose of giving effect to the Resolution, any Director, the Chief Executive Officer & Chief Financial Officer and the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, usual, expedient and proper to give effect to this resolution"

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

"RESOLVED THAT Ms Lubna Usman [DIN 08299976], who was appointed as an Additional Director of the Company pursuant to Section 161(1) of the Companies Act, 2013 and Rules framed thereunder, and in respect of whom the Company has received a notice in writing from a Shareholder proposing her candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, and who holds office upto the date of the ensuing Annual General Meeting and being eligible for appointment, be and is hereby appointed as Nominee Director of Infrastructure Leasing & Financial Services Limited on the Board of the Company"

"RESOLVED FURTHER THAT for the purpose of giving effect to the Resolution, any Director, the Chief Executive Officer & Chief Financial Officer and the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, usual, expedient and proper to give effect to this resolution"

By Order of the Board of Directors

SANJAY MITRA
Company Secretary

Place : Mumbai
Date : June 30, 2021

Registered Office :
The IL&FS Financial Centre,
Plot No. C-22, G Block
Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051

NOTICE

NOTES

(1) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 2/2021 dated January 13, 2021 (collectively referred to as "MCA Circulars") and the Securities and Exchange Board of India ("SEBI") has vide its Circular dated May 12, 2020 and Circular dated January 15, 2021 (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/OAVM. The deemed venue for the 35th AGM will be The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051

(2) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC/OAVM, the requirement of physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Route Map, Proxy Form and Attendance Slip are not annexed to this Notice

(3) Institutional Investors, who are Members of the Company, are encouraged to attend this AGM. Pursuant to the provisions of the Act, Institutional/Corporate Members (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorisation should be sent to investor.relations@ilfsindia.com with a copy marked to evoting@nsdl.co.in

(4) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The Members will be able to view the proceedings on the National Securities Depository Limited ("NSDL") website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first serve basis as per the MCA Circulars

(5) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act

(6) Owing to the prevailing situation and the difficulties involved in dispatching of physical Annual Report, in compliance with the aforesaid MCA Circulars and SEBI Circulars, the Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.iimlindia.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL https://www.evoting.nsdl.com

(7) Book Closure and Dividend :

(a) The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 23, 2021 to Wednesday, September 29, 2021 (both days inclusive). The Dividend as recommended by the Directors, if approved by the members will be payable on or after October 12, 2021 and will be paid to those members whose names appear in the Company's Register of Members as on September 22, 2021. In respect of the shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by NSDL and Central Depository Services (India) Limited ("CDSL"). HDFC Bank has been appointed as the banker for the payment of dividend to the Members

(b) Pursuant to the Finance Act 2020, dividend income will be taxable in the hands of members w.e.f. April 1, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to members at the prescribed rates. In general, to enable compliance with TDS requirements, Members are requested to update their valid Permanent Account Number ("PAN") and submit tax related documents by September 16, 2021. For the detailed process and documentation, kindly visit : http://www.iimlindia.com/tax-dividend.aspx

(c) In order to enable the Company to remit dividend through any of the electronic modes of payment facility approved by the Reserve Bank of India for the payment of dividend, members are requested to submit their Bank details viz. Bank Account Number, Name of the Bank, cancelled cheque leaf, Branch details, MICR Code, IFS Code etc. Members holding shares in demat mode are requested to submit the said bank details to the Depository Participants with whom they are maintaining their demat account and members holding shares in physical mode are requested to submit the said bank details to the Company's Registrars & Transfer Agents ("RTA"). Payment through electronic mode shall be subject to timely furnishing of complete and correct information by members

(8) Members are requested to :

(a) Intimate the RTA of the Company of changes, if any, in their registered address, bank account details etc. for shares held in physical form. For shares held in electronic form, changes, if any, should be communicated to their respective Depository Participants

(b) Quote Ledger Folio Nos./DP ID, DP Name and Client ID Nos. in all correspondence

(c) Approach the Company for consolidation of various ledger folios into one

(d) Get the shares transferred in joint names, if they are held in a single name and/or appoint a nominee

(9) As per Regulation 40 of SEBI Listing Regulations, as amended, securities of a Listed Company can be transferred only in dematerialised form. Therefore, members holding shares in physical form are requested to dematerialise their shares before applying for transfer of shares

(10) Section 101 of the Act and Rules made thereunder also allows serving notice of the general meetings in electronic mode. Therefore, the email addresses registered by the members : (a) in respect of shareholding in demat mode – with the respective Depository Participant which will be periodically downloaded from NSDL/CDSL, and (b) in respect of physical holding – through a written request letter to the RTA of the Company will be deemed to be the registered email address for serving all notices/ documents including those covered under applicable provisions of the Act. Members are therefore requested to keep their email addresses updated in case of electronic holding with their respective Depository Participants and in case of physical holding with the RTA of the Company, M/s Link Intime India Private Limited

(11) As per applicable provisions of the Act and Rules made thereunder, the Company will be obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years, to the credit of the Investor Education and Protection Fund ("IEPF"). Hence, members who have not encashed their dividend should contact the RTA of the Company for the same. Please note that the dividend paid for 2013-2014 is due for transfer to the Investor Education and Protection Fund by October 11, 2021. Further, please note that the dividend paid for 2014-2015 is due for transfer to the Investor Education and Protection Fund next year

(12) Transfer of equity shares to the Investor Education and Protection Fund :

Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") all equity shares whose dividend has remained unpaid or unclaimed for a period of seven consecutive years is required to be transferred by the Company to the IEPF established by the Central Government, after completion of seven years. As per the said Rules, the Company has been sending communications to the members who have not claimed their Dividend. The shares held in physical and/or dematerialised mode pertaining to which dividend has remained unpaid/unclaimed for a consecutive period of 7 years have been transferred annually to the IEPF Account. Accordingly, the shares held in physical and/ or dematerialised mode pertaining to the unpaid/unclaimed dividend for FY 2013-2014 and which has remained unpaid/unclaimed for a consecutive period of 7 years shall be transferred to the IEPF Account. The List of shares transferred and to be transferred to the IEPF Account can be found on the Company's website on http://iimlindia.com/TransferShares_IEPF.aspx

Any further dividend on such shares shall be credited to the IEPF. The members may claim the shares/dividend transferred to IEPF by making an application to IEPF in Form IEPF-5 as per the IEPF Rules. The said form is available on the website of IEPF viz. http://www.iepf.gov.in/IEPF/corporates.html

In case the members have any queries on the subject matter and the IEPF Rules, they may contact the Company at e-mail: investor.relations@ilfsindia.com or the Company's RTA, M/s Link Intime India Private Limited, Unit – IL&FS Investment Managers Limited, C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400 083; Tel. No.: +91-22-49186270; Fax No.: +91-22-49186060; E-mail: iepf.shares@linkintime.co.in

(13) With regard to the resolutions for the appointment of a Director :

Mr Kaushik Modak :

Mr Kaushik Modak [DIN 01266560] who retires by rotation and being eligible, has offered himself for re-appointment. Accordingly, ordinary resolution for re-appointment of Mr Kaushik Modak as Nominee Director of Infrastructure Leasing & Financial Services Limited ("IL&FS") on the Board of the Company is being placed before the members

Mr Kaushik Modak was the CEO & Country Head of Rabobank India. He also worked for Bank of America as the Principal & Head – Debt Capital Markets in India and at Kotak Mahindra Finance as the VP & Head – Fixed Income Securities Group

Mr Modak is a Chartered Accountant. He is also the CEO of IL&FS Financial Services Limited. He has been inducted on the Board as a Nominee of IL&FS

Mr Modak is a member of the Nomination & Remuneration Committee, the Chairman of the Stakeholders Relationship Committee and a member of the Corporate Social Responsibility Committee of the Company

Mr Modak is not related to any Director of the Company other than in the capacity of nominee of IL&FS and does not hold any shares in the Company

Other Directorships :

Name of Company	Position held	Membership of Committees *
IL&FS Securities Services Limited	Director	-
ISSL Settlement & Transaction Services Limited	Director	-
IL&FS Portfolio Management Services Ltd	Director	-
IL&FS Energy Development Company Limited	Director	-
IL&FS Transportation Networks Limited	Director	-
Roadstar Infra Private Limited	Director	-

Note: The list of Directorships excludes Foreign Companies

* The Membership of Committees includes only two Committees i.e. Audit Committee and Stakeholders Relationship Committee of Public Limited Companies as per Regulation 26 of the LODR

Ms Priya Shetty:

Ms Priya Shetty [DIN 08858814] was appointed as an Additional Director at the meeting of the Board of Directors held on November 11, 2020. Accordingly, Ordinary Resolution for appointment of Ms Priya Shetty as Nominee Director of IL&FS on the Board of the Company is being placed before the members

Ms Priya Shetty joined IL&FS Financial Services Ltd., in August 2017 as Head - Corporate Advisory Services at its Mumbai office. She has over two decades of experience in investment banking. She has been engaged as a financial advisor in several landmark transactions and successfully closed diverse transactions in a range of companies across verticals. Currently she is deputed as CEO of IL&FS Securities Services Limited and is actively involved in the resolution process undertaken by the current Board of IL&FS

She was Executive Director heading Kotak's Advisory and Capital Markets practice in Financial Services and Healthcare Sectors before joining IL&FS. Over her 12 years at Kotak, she played a crucial role in successfully reinforcing its Financial Services advisory practice and established its Healthcare franchise in both M&A/PE and public market offerings. She has also worked for about 12 years with Lazard India Limited as Associate Director covering Pharmaceuticals, Chemicals, Consumer and Metals sectors

Priya has completed her Masters in Management Studies from Sydenham Institute of Management, Mumbai University and holds a Bachelor of Commerce Degree from Sydenham College, Mumbai University

Ms Priya Shetty is not related to any Director of the Company other than in the capacity of nominee of IL&FS and does not hold any shares in the Company

Other Directorships :

Name of Company	Position held	Membership of Committees *
IL&FS Cluster Development Initiative Limited	Additional Director	-
Skill Training Assessment Management Partners Limited	Additional Director	-
ISSL Settlement & Transaction Services Limited	Director	-

Note : The list of Directorships excludes Foreign Companies

* The Membership of Committees includes only two Committees i.e. Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies as per Regulation 26 of the SEBI Listing Regulations

Ms Lubna Usman :

Ms Lubna Usman [DIN 08299976] was appointed as an Additional Director at the meeting of the Board of Directors held on February 12, 2021. Accordingly, Ordinary Resolution for re-appointment of Ms Lubna Usman as Nominee Director of IL&FS on the Board of the Company is being placed before the members

She worked for 11 years with IDBI Bank in various leadership roles across client coverage and business sourcing, loan structuring and syndication, Infrastructure financing and Treasury functions. She led the Bank's client coverage - sourcing, structuring & syndication business for North & East region

At IL&FS, her key responsibilities included structuring, project finance and corporate fund raising initiatives across Infrastructure verticals – energy, surface transportation, water, urban Infra, education. She mobilized project debt of over INR 30,000 crore for the group and over INR 20,000 crore from the Debt Capital Markets at the corporate balance sheet level for various group companies and external clients

Since October 2018, she is a key member of the core leadership team working on the resolution plan for the IL&FS group, under the supervision of the new board appointed by Government of India

Lubna has completed her Master of Business Administration (MBA) from S.I.E.S College of Management Studies, Mumbai

Ms Lubna Usman is not related to any Director of the Company other than in the capacity of nominee of IL&FS and does not hold any shares in the Company

Other Directorships :

Name of Company	Position held	Membership of Committees *
ISSL Settlement & Transaction Services Limited	Director	-
IL&FS Portfolio Management Services Limited	Director	-

Note : The list of Directorships excludes Foreign Companies

* The Membership of Committees includes only two Committees i.e. Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies as per Regulation 26 of the SEBI Listing Regulations

(14) Attending the AGM through VC/OAVM :

(a) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same by following the steps mentioned for **Access to NSDL e-Voting system**. After successful login, member can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. Members are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the Remote E-voting instructions mentioned in this notice to avoid last minute rush

(b) Members are encouraged to join the Meeting through Laptops for better experience. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches

(c) Members desiring any information on the business to be transacted at the AGM are encouraged to submit their queries in advance. These queries may be submitted from their registered e-mail address, mentioning their name, DP ID and Client ID/ folio number and mobile number, to reach the Company's e-mail address at investor.relations@ilfsindia.com by September 23, 2021

(d) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at investor.relations@ilfsindia.com from September 16, 2021 (9.00 a.m.) to September 20, 2021 (5.00 p.m.). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM

(e) Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in or call on a toll free number 1800-222-990/1800-22-44-30

(15) E-Voting Facility :

(a) In compliance with Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations and MCA Circulars and SEBI Circulars, the Company is pleased to provide to the members remote e-voting facility (i.e. voting electronically from a place other than the venue of the general meeting). The Company has appointed NSDL to provide e-voting facility to its members i.e. casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM

(b) Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of Wednesday, September 22, 2021 may cast their vote by remote e-voting. The voting right of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 22, 2021. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners as on the cut-off date only shall be entitled to avail the facility of remote e-voting before the AGM as well as remote e-voting during the AGM

Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the cut-off date, may obtain the User ID and Password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800-1020-990 and 1800-22-44-30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. September 22, 2021 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system"

(c) The remote e-voting period starts on Sunday, September 26, 2021 at 9.00 a.m. and ends on Tuesday, September 28, 2021 at 5.00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote is cast by a member, the member shall not be allowed to change it subsequently. The cut-off date (record date) for members eligible for remote e-voting is Wednesday, September 22, 2021

(d) Members will be provided with the facility for voting through electronic voting system during the VC/OAVM proceedings at the AGM. The procedure and instructions for remote e-voting before AGM and e-voting during the AGM are same. Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM

(e) The remote e-voting module for voting on the day of the AGM shall be disabled by NSDL 15 minutes after the conclusion of the Meeting

(f) CS Jagdish Patel failing him CS Monali Bhandari of M/s Jagdish Patel & Co., Practicing Company Secretaries, has been appointed as the Scrutinizer for conducting the remote e-voting process before and during AGM in a fair and transparent manner

(g) Instructions for Remote E-voting Before/During AGM :

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

Step 1 - Access to NSDL e-Voting system

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password After successful authentication, you will be able to see e-Voting services under Value added services

Type of shareholders	Login Method
	Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting 4. Members can also download NSDL Mobile App "NSDL Speede" through App Store or Google Play Store for seamless voting experience
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password Option will be made available to reach e-Voting page without any further authentication The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/Home/Login or www.cdslindia.com and click on New System Myeasi 2. After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote 3. If the user is not registered for Easi / Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility Upon logging in, you will be able to see e-Voting option Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

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

How to Log-in to NSDL e-Voting website

(1) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com either on a Personal Computer or on a mobile

(2) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section

(3) A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen

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

(4) Your User ID details are given below :

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

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

(a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote

(b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password

(c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'

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

(6) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password :

(a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com

(b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com

(c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc

(d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL

(7) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box

(8) Now, you will have to click on "Login" button

(9) After you click on the "Login" button, Home page of e-Voting will open

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

(1) After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status

(2) Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting"

(3) Now you are ready for e-Voting as the Voting page opens

(4) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted

(5) Upon confirmation, the message "Vote cast successfully" will be displayed

(6) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page

(7) Once you confirm your vote on the resolution, you will not be allowed to modify your vote

(h) General Guidelines for members :

(1) Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to jppvapi13@csjpc.in with a copy marked to evoting@nsdl.co.in

(2) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com to reset the password

(3) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 and 1800-22-44-30 or send a request to Mr Sagar Ghosalkar, Assistant Manager – NSDL at evoting@nsdl.co.in

(4) Process for those members whose email ids are not registered for E-voting :

(a) In case shares are held in physical mode – kindly provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), Self-attested scanned copy of valid PAN card and Self-attested scanned copy of Aadhar Card by email to investor.relations@ilfsindia.com and rnt.helpdesk@linkintime.co.in

(b) In case shares are held in demat mode – kindly provide DP id, Client id, Name, Client Master or copy of Consolidated Account statement, Self-attested scanned copy of valid PAN card and Self-attested scanned copy of Aadhar Card by email to investor.relations@ilfsindia.com and rnt.helpdesk@linkintime.co.in. If you are an Individual member holding securities in demat mode, you are requested to refer to the login method explained above i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

(c) Alternatively members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents

(5) In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility

(16) Declaration of Results :

(a) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same

(b) The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.iimlindia.com and on the website of NSDL https://www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed

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

Item Nos. 4 & 5

Ms Priya Shetty and Ms Lubna Usman were appointed as Additional Directors in the capacity of Nominee Directors of Infrastructure Leasing & Financial Services Limited of the Company pursuant to the provisions of Section 161(1) of the Companies Act, 2013, by the Board of Directors of the Company on November 11, 2020 and February 12, 2021, respectively

The Company has received notices in writing from a Member under Section 160 of the Companies Act, 2013, proposing the candidatures of Ms Priya Shetty and Ms Lubna Usman for the office of Director of the Company

The Board considers the continued association of Ms Priya Shetty and Ms Lubna Usman in the interest of the Company and recommends passing of the resolutions at Item Nos. 4 & 5

None of Directors/Key Managerial Personnel of the Company nor their relatives except, Ms Priya Shetty and Ms Lubna Usman to the extent of their appointment and other than in the capacity of nominee of IL&FS, are concerned or interested in the resolutions at Item Nos. 4 & 5

By Order of the Board of Directors

SANJAY MITRA
Company Secretary

Place : Mumbai
Date : June 30, 2021

Registered Office :
The IL&FS Financial Centre,
Plot No. C-22, G Block
Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051

NOTES

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Design and Printed by: UCHITHA

IL&FS Investment Managers Limited
The IL&FS Financial Centre, Plot No. C-22,
G-Block, Bandra-Kurla Complex, Bandra (East),
Mumbai 400 051, India

www.iimlindia.com

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Standalone Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	**Sl. No.**	**Particulars**	**Audited Figures (as reported before adjusting for qualifications) (₹ in lakhs)**	**Adjusted Figures (audited figures after adjusting for qualifications) (₹ in lakhs)**
	1.	Turnover/Total income	1404.78	Not ascertainable
	2.	Total Expenditure	1,846.30	
	3.	Net Profit/(Loss)	(280.79)	
	4.	Earnings Per Share	(0.09)	
	5.	Total Assets	10460.38	
	6.	Total Liabilities	**688.36**	
	7.	Net Worth	**9772.02**	
	8.	Any other financial item(s) (as felt appropriate by the management)	-	
II.	**Audit Qualifications** :			
	a.	**Details of Audit Qualification** : Refer below details of qualification as per Audit Report dated June 30, 2021 Attention is invited to Note 4 of the Statement which describes the situation faced by the Company in view of the ongoing investigation by Serious Fraud Investigation Office of Ministry of Corporate Affairs (SFIO) against Infrastructure Leasing & Financial Services Limited ('IL&FS' or 'the Holding Company'), and its subsidiaries (including the Company). Further, the National Company Law Tribunal (NCLT) has ordered reopening of books of account of IL&FS and its two subsidiaries (other than this company) for the past financial years referred in the note. In view of the aforesaid ongoing investigations of the entire IL&FS Group (including the Company) by the SFIO and re-opening of accounts of the Holding Company and two fellow subsidiaries by the NCLT, we are unable to comment on the consequential impact(s) upon conclusion of the said investigation and re-opening of the books of account on these standalone annual financial results		
	b.	**Type of Audit Qualification** : Qualified Opinion		
	c.	**Frequency of qualification** : Appearing for the third time		
	d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views** : Not applicable		

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	e.	For Audit Qualification(s) where the impact is not quantified by the auditor :	
		(i)	**Management's estimation on the impact of audit qualification** : Unable to estimate impact
		(ii)	**If management is unable to estimate the impact, reasons for the same** : In the absence of any specific findings as on date, the financial impact if any can only be ascertained once the SFIO investigation is completed and the exercise of the restatement of financial statements is completed
		(iii)	**Auditors' Comments on (i) or (ii) above** : No Comments
III.	**Signatories** :		
	Manoj Borkar **Chief Executive Officer & Chief Financial Officer**		
	S M Datta **Audit Committee Chairman**		
	Statutory Auditor : **For Khimji Kunverji & Co LLP** Chartered Accountants FRN: 105146W/W-100621 **Hasmukh B. Dedhia** Partner Membership No.:033494		
	Place :	Mumbai	
	Date :	June 30, 2021	

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Consolidated Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (₹ in lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (₹ in lakhs)
	1.	Turnover/Total income	5862.49	Not ascertainable
	2.	Total Expenditure	4873.06	
	3.	Net Profit/(Loss)	957.59	
	4.	Earnings Per Share	0.25	
	5.	Total Assets	24,978.35	
	6.	Total Liabilities	**4,007.54**	
	7.	Net Worth	**20,970.81**	
	8.	Any other financial item(s) (as felt appropriate by the management)	-	
II. (a)	**Audit Qualifications** :			
	a.	**Details of Audit Qualification** : Refer below details of qualification as per Audit Report dated June 30, 2021 Attention is drawn to Note 4 of the Statement which describes the situation faced by the Group in view of the ongoing investigation by Serious Fraud Investigation Office of Ministry of Corporate Affairs (SFIO) against Infrastructure Leasing & Financial Services Limited ('IL&FS' or 'the Ultimate Holding Company'), and its subsidiaries (including the Company and its subsidiaries). Further, the National Company Law Tribunal (NCLT) has ordered re-opening of books of account of IL&FS and its two subsidiaries (other than this company and its subsidiaries) for the past financial years as referred to in the note. In view of the aforesaid ongoing investigations of the entire IL&FS Group (including the Company and its subsidiaries) by the SFIO and reopening of accounts of the Ultimate Holding Company and two of its subsidiaries by the NCLT, we are unable to comment on the consequential impact(s) upon conclusion of the said investigation and re-opening of the books of account on these consolidated annual financial results		
	b.	**Type of Audit Qualification** : Qualified Opinion		
	c.	**Frequency of qualification** : Appearing for the third time		

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	d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views** : Not applicable	
	e.	**For Audit Qualification(s) where the impact is not quantified by the auditor :**	
		(i)	**Management's estimation on the impact of audit qualification** : Unable to estimate impact
		(ii)	**If management is unable to estimate the impact, reasons for the same** : In the absence of any specific findings as on date, the financial impact if any can only be ascertained once the SFIO investigation is completed and the exercise of the restatement of financial statements is completed
		(iii)	**Auditors' Comments on (i) or (ii) above** : No Comments
II. (b)	**Audit Qualification (each audit qualification separately) :**		
	(a)	**Details of Audit Qualification** : Refer below details of qualification as per Audit Report dated June 30, 2021 The statement includes unaudited, management certified financial results of a subsidiary, the total revenue whereof is Rs. 1,728.67 lakhs, net profit Rs. 106.35 lakhs, net cash inflow Rs. 39.22 lakhs for the year under report, and total assets Rs. 1,957.19 lakhs and net worth Rs. 1365.55 lakhs as at March 31, 2021. The consequential impact, if any, arising out of the audit on the financial results of the said subsidiary cannot be commented upon. Further, the provisions of Regulation 33(3)(h) of SEBI LODR, which require a listed entity to ensure that, for the purpose of quarterly consolidated financial results, at least eighty percent of the consolidated revenue, should be subjected to audit, is not met by the company	
	(b)	**Type of Audit Qualification** : Qualified Opinion	
	(c)	**Frequency of qualification** : Appearing for the first time	
	(d)	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views** : Not Applicable	

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	(e)	<u>For Audit Qualification(s) where the impact is not quantified by the auditor</u> :	
		(i)	**Management's estimation on the impact of audit qualification :** The relevant subsidiary is a Joint Venture with a State Government. The Board of this subsidiary comprises of Nominee Directors of the State Government. Though the financials of this subsidiary have been audited by their Statutory Auditors, the Board Meeting could not be held as the Nominee Directors of the State Government were busy due to the COVID-19 situation in the State. We do not believe this would have any material impact on the financial statements of the Company
		(ii)	**If management is unable to estimate the impact, reasons for the same :**
		(iii)	**Auditors' Comments on (i) or (ii) above : No further comments in addition to details as mentioned in para II(b) (a) of "Details of Audit Qualification".**
III.	<u>Signatories</u> :		
	Manoj Borkar **Chief Executive Officer & Chief Financial Officer**		
	S M Datta **Audit Committee Chairman**		
	Statutory Auditor : **For Khimji Kunverji & Co LLP** Chartered Accountants FRN: 105146W/W-100621 **Hasmukh B. Dedhia** Partner Membership No.: 033494		
	Place :	Mumbai	
	Date :	June 30, 2021	