IFCI Infrastructure
Development Limited
(A Subsidiary of IFCI Limited)
(A Govt of India Undertaking)

# IFCI INFRASTRUCTURE DEVELOPMENT LIMITED

**CIN: U45400DL2007GOI169232**

# ANNUAL REPORT

# 2022-23

## 16TH ANNUAL GENERAL MEETING

**DATE: NOVEMBER 24TH, 2023**
**DAY: FRIDAY**
**TIME: 04:00 P.M.**
**PLACE: IFCI TOWER, 61 NEHRU PLACE,**
**NEW DELHI-110019**

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# IFCI INFRASTRUCTURE DEVELOPMENT LIMITED

**BOARD OF DIRECTORS (as on November 20, 2023)**

| | |
|---|---|
| Sh. Manoj Mittal | Non-Executive Chairman |
| Sh. Vijay Kumar Deshraj | Managing Director |
| Sh. Sachikanta Mishra | Nominee Director |
| Sh. Venugopal K Nair | Director (Non-Executive) |
| Dr. Sumita Rai | Director (Non-Executive) |
| Sh. Vijay Kumar Tyagi | Additional Director |
| Sh. Debashis Gupta | Nominee Director |

**CHIEF FINANCIAL OFFICER**
Ms. Nidhi Agarwal
*(w.e.f. 13.07.2023)*

**COMPANY SECRETARY**
Ms. Meenakshi Mittal
*(w.e.f. 23.10.2023)*

**Statutory Auditors**
M/s Ravi Rajan & Co. LLP
Chartered Accountants

**Cost Auditors**
M/s Sunny Chhabra & Co.
Cost Accountants

**Secretarial Auditors**
M/s Surya Gupta & Associates
Company Secretaries

**REGISTERED OFFICE**
IFCI TOWER
61, NEHRU PLACE
NEW DELHI- 110 019
Tel (011) 4173 2000
Fax (011)2648 7059
Website: www.iidlindia.com
E-Mail: cs@iidlindia.com

**IFCI INFRASTRUCTURE DEVELOPMENT LIMITED**
**CIN: U45400DL2007GOI169232**
**Registered Office: IFCI Tower, 61 Nehru Place, New Delhi-110019**
**Tel: +91 11 41732000, Fax: +91 11 26487059**
**Website: www.iidlindia.com**
**Email id: cs@iidlindia.com**

# NOTICE

**NOTICE** is hereby given that the Sixteenth (16th) Annual General Meeting of the Members of **"IFCI INFRASTRUCTURE DEVELOPMENT LIMITED" (IIDL)** will be held on **Friday**, the **24th Day of November, 2023** at **04: 00 P.M.** at the Registered Office of the Company at IFCI Tower, 61 Nehru Place, New Delhi-110019 to transact the following business:

## ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements and Consolidated Financial Statements of the Company for the year ended March 31, 2023 along with Board's Report, Independent Auditors' Report and comments of the Comptroller & Auditor General of India thereon.
2. To confirm the payment of Interim Dividend.
3. To appoint a director in place of Dr. Sumita Rai (DIN: 02692706) who retires by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment.
4. To fix remuneration of Statutory Auditors of the Company in terms of the provisions of Section 139(5) and Section 142 of the Companies Act, 2013 and to pass the following resolution with or without modification(s) as an Ordinary Resolution:

> **"RESOLVED THAT** pursuant to the provisions of Section 139(5) and Section 142 and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) the Audit Committee/Board of Directors of the Company, be and is hereby, authorized to decide and fix the remuneration of the Statutory Auditor(s) of the Company appointed by Comptroller and Auditor General of India (C&AG) for the Financial Year 2023-24, as may be deemed fit."

**SPECIAL BUSINESS:**

5. **To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

    **"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Sunny Chhabra & Co., Cost Accountants, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2022-23, be paid the remuneration of Rs. 25000/- inclusive of out-of-pocket expenses, plus applicable taxes.**"**

    **"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby, authorised to do all such acts, deeds and things and take all such steps as may be necessary or expedient to give effect to this resolution**."**

6. **To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

    **"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Sunny Chhabra & Co., Cost Accountants, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2023-24, be paid the remuneration of Rs. 25000/- inclusive of out-of-pocket expenses, plus applicable taxes.**"**

    **"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby, authorised to do all such acts, deeds and things and take all such steps as may be necessary or expedient to give effect to this resolution**."**

7. **To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

> **"RESOLVED THAT** pursuant to the provisions of Sections 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Vijay Kumar Tyagi (DIN: 10103631), who was appointed as an Additional Director with effect from April 26, 2023 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby, appointed as a Non-Executive Director of the Company whose office will liable to retire by rotation."
>
> **"RESOLVED FURTHER THAT** Managing Director and/or Company Secretary and/or Chief Financial Officer of the Company be and is hereby, severally authorised to do all such acts, deeds and things and take all such steps as may be necessary or expedient to give effect to this resolution**."**

**By order of the Board of Directors**
**For IFCI Infrastructure Development Limited**

**Sd/-**
**(Meenakshi Mittal)**
**Company Secretary**

Registered Office:
IFCI Tower, 61 Nehru Place,
New Delhi-110019
CIN: U45400DL2007GOI169232
Tel.:+91-11-41732000
Fax:+91-11-26487059
Website: www.iidlindia.com

**Place: New Delhi**
**Dated: November 20, 2023**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DEPOSITED TO THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING, DULY COMPLETED AND SIGNED.**

2. **A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE**

**THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY, SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**

3. Proxy holder shall prove his identity at the time of attending the Meeting. A Proxy Form which does not state the name of the Proxy shall be considered invalid.

4. **Corporate members** intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorising their representatives to attend and vote on their behalf at the Annual General Meeting.

5. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed hereto.

6. The Register of Contracts or Arrangement in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the meeting.

7. All documents referred to in the accompanying Notice and the Explanatory Statement as well as the other documents as required under the provisions of the Companies Act, 2013 are open for inspection at the Registered Office of the Company on all working days except Saturdays, Sundays and Holidays during normal business hours up to the date of this Annual General Meeting. The Registers required to be maintained u/s 170 of the Companies Act, 2013, will be available for Inspection at Annual General Meeting.

8. Members desirous of obtaining any information concerning the accounts and operations of the company are requested to address their queries in writing to the company before the meeting, preferably at least seven days prior to the date of Annual General Meeting, so as to enable the management to keep the information ready.

9. Members are requested to bring their copies of Annual Report, Notice and Attendance Slip/proxy form duly completed and signed at the meeting.

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**Details of the Director seeking re-appointment at the forthcoming Annual General Meeting in pursuance of Secretarial Standard - 2 on General Meetings**

**Dr. Sumita Rai**

Dr. Sumita Rai (DIN: 02692706), aged 47 years, is a Professor of Organizational Behavior at MDI. She is a Ph.D. from Indian Institute of Technology (IIT) Kanpur, India.

Prior to MDI¸ Dr. Sumita Rai was a member of faculty of Human Resource Group at Indian Institute of Management (IIM), Indore and Indian Institute of Management (IIM), Lucknow. She has also taught at BEM/Kedge Management School, France University of Szeged, Hungary.

She regularly conducts trainings and Leadership Development Programs for PSUs on Advance Management, IAS & Defence officers¸ PSB officers, PSE Mid to Senior Leaders and MNCs with a focus on competency mapping and profiling; understanding self, Managerial Effectiveness, Negotiation skills and Conflict Management, Team building, cross cultural training and exploring personality. She has consulted extensively with various Public¸ Private¸ and MNCs in India such as IOCL, Power Grid Corporation of India Ltd, Petronet-LNG, Nestle India Ltd to name a few.

Dr. Rai has published more than 40 research papers in various national and international journals. She has co-authored a book titled "Millennials and the workplace: Challenges for Architecting the Organization of Tomorrow" which has been published by Sage International in May 2012. She has also been actively involved in joint research at national and international levels. She is also working in the area of Ethical Leadership.

Dr. Sumita Rai was appointed on the Board of the Company on May 14, 2018. She has attended all (6) meetings of the Board of Directors held during the FY 2022-23. Further, she is chairman/ member on the following Committees of IIDL viz. Nomination and Remuneration Committee (Chairperson), Audit Committee, Corporate Social Responsibility Committee.

None of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the re-appointment of Dr. Sumita Rai on the Board of the Company. She does not hold any share in IFCI Infrastructure Development Limited.

## ANNEXURE TO THE NOTICE

**Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013**

**ITEM NO. 5 & 6**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records of the Company. Further, in accordance with the Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors is required to be ratified by shareholders of the Company.

Accordingly, on the recommendation of the Audit Committee, the Board, in its meeting held on September 20, 2022, had approved the appointment of M/s Sunny Chhabra & Co., Cost Accountants, as the Cost Auditor of the Company for the Financial Year 2022-23 at a remuneration of Rs. 25,000/- inclusive of out-of-pocket expenses plus applicable taxes. Further, the proposal for ratification of the remuneration for the FY 2022-23 is placed at Item No. 05 of the Notice.

Further for the Financial year 2023-24, M/s Sunny Chhabra & Co., Cost Accountants has been re-appointed by the Board in its Meeting held on August 08, 2023, on the recommendation of the Audit Committee as the cost auditor of the company on the same remuneration i.e., Rs. 25,000/- inclusive of out-of-pocket expenses plus applicable taxes and the proposal for ratification of the remuneration for the FY 2023-24 is placed at Item No. 06 of the Notice.

The resolution as set out in Item No. 5 & 6 of this Notice is accordingly recommended for the shareholders' approval by way of Ordinary Resolution.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in this Item/ Resolution.

**ITEM NO. 7**

Based on the recommendation of Nomination and Remuneration Committee, the Board has approved appointment of Shri Vijay Kumar Tyagi as an Additional Director on the Board of IIDL w.e.f. April 26, 2023 for holding an office of Director upto the date of ensuing Annual General Meeting.

Brief Profile of Shri Vijay Kumar Tyagi is stated below:

| | |
|---|---|
| Name | Shri Vijay Kumar Tyagi |
| DIN | 10103631 |
| Date of Birth | 29/01/1963 |
| Qualification | Bachelors in Commerce, Certified Associate of Indian Institute of Bankers (CAIIB), Diploma in Personnel Management (DIPM IIMS), Certified Corporate Governance Professional, Indian Institute of Corporate Affairs (Ministry of Corporate Affairs, Govt. of India). |
| Expertise | Leadership experience includes Board level, administrative and operational experience in banking covering compliance, risk governance, and management. |
| Date of appointment | April 26, 2023 |
| Relationship with other directors and Key Managerial Personnel of the company | None |
| Shareholding in the Company | Not Applicable |
| Directorships in other Companies | Not Applicable |
| Chairmanship/ Membership of the Committees of the other Boards | Not Applicable |
| Number of Board Meetings (from the date of appointment) | 1 (one) |

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company and Nomination and Remuneration Committee has recommended his appointment as Non-Executive Director whose office will be liable to retire by rotation on the Board of the Company.

Accordingly, the Board of Directors recommended the resolution for appointment of Shri Vijay Kumar Tyagi as Non-Executive Director liable to retire by rotation to the shareholders for their approval by way of Ordinary Resolution.

Documents related to the appointment of Shri Vijay Kumar Tyagi shall be made available for inspection at the Registered Office of the Company during normal business hours up to the date of AGM.

None of the Directors or Key Managerial Personnel of the Company and their relatives, except Shri Vijay Kumar Tyagi being appointee, is concerned or interested, financially or otherwise, in this resolution.

**IFCI INFRASTRUCTURE DEVELOPMENT LIMITED**
**CIN: U45400DL2007GOI169232**
**Registered Office: IFCI Tower, 61 Nehru Place, New Delhi-110019**
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**Website: www.iidlindia.com**
**Email id: cs@iidlindia.com**

## ATTENDANCE SLIP

Please complete the Attendance Slip and hand it over at the entrance of the meeting venue

DP. Id. * Folio No. *
Client Id.

I hereby record my presence at the 16th Annual General Meeting of the Company to be held on Friday, November 24, 2023 at 04:00 P.M. at IFCI Tower, 61 Nehru Place, New Delhi-110019.

**NAME OF THE SHAREHOLDER** ……………………………………………........................................

**NAME OF PROXY #**…………………………………………………………………………………………………………
*****To be filled in case proxy attends instead of shareholder

**SIGNATURE OF THE SHAREHOLDER/PROXY***

*****Strike out whichever is not applicable

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**Form No. MGT-11**
**Proxy Form**
**[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

**CIN: U45400DL2007GOI169232**
**Name of the Company: IFCI Infrastructure Development Limited**
**Registered Office: IFCI Tower, 61 Nehru Place, New Delhi-110019.**

| | |
|---|---|
| Name of Member (s) | |
| Registered Address | |
| E-mail ID: | |
| Folio No./Client Id: | |
| DP ID. | |

I/We, being the member (s) of ___________ shares of the above-named Company, hereby appoint:

1. Name: ____________________________
   Address: ___________________________
   E-mail Id: __________________________
   Signature: __________________________, or failing him/her

2. Name: ____________________________
   Address: ___________________________
   E-mail Id: __________________________
   Signature: __________________________, or failing him/her

as my/our Proxy to attend and vote for me/us and on my/our behalf at the 16th Annual General Meeting of the Company, to be held on Friday, November 24, 2023 at 04: 00 P.M. at the Registered Office of the Company, at IFCI Tower, 61 Nehru Place, New Delhi-110019 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Resolution Matter | Type of Resolution | For | Against |
|---|---|---|---|---|
| **Ordinary Business** | | | | |
| 1. | To receive, consider and adopt the Audited Financial Statements and Consolidated Financial Statements of the Company for the year ended March 31, 2023, along with Board's Report, Independent Auditors' Report, and comments of the Comptroller & Auditor General of India thereon. | Ordinary | | |
| 2. | To confirm the payment of Interim Dividend. | Ordinary | | |
| 3. | To appoint a director in place of Dr. Sumita Rai (DIN: 02692706) who retires by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment. | Ordinary | | |
| 4. | To fix remuneration of Statutory Auditors of the company. | Ordinary | | |
| **Special Businesses** | | | | |
| 5. | To ratify the remuneration of Cost Auditor for the FY 2022-23. | Ordinary | | |
| 6. | To ratify the remuneration of Cost Auditor for the FY 2023-24. | Ordinary | | |
| 7. | Regularization of appointment of Shri Vijay Kumar Tyagi as Director (Non-Executive) liable to retire by rotation. | Ordinary | | |

Signed this _____ day of ______, 2023.

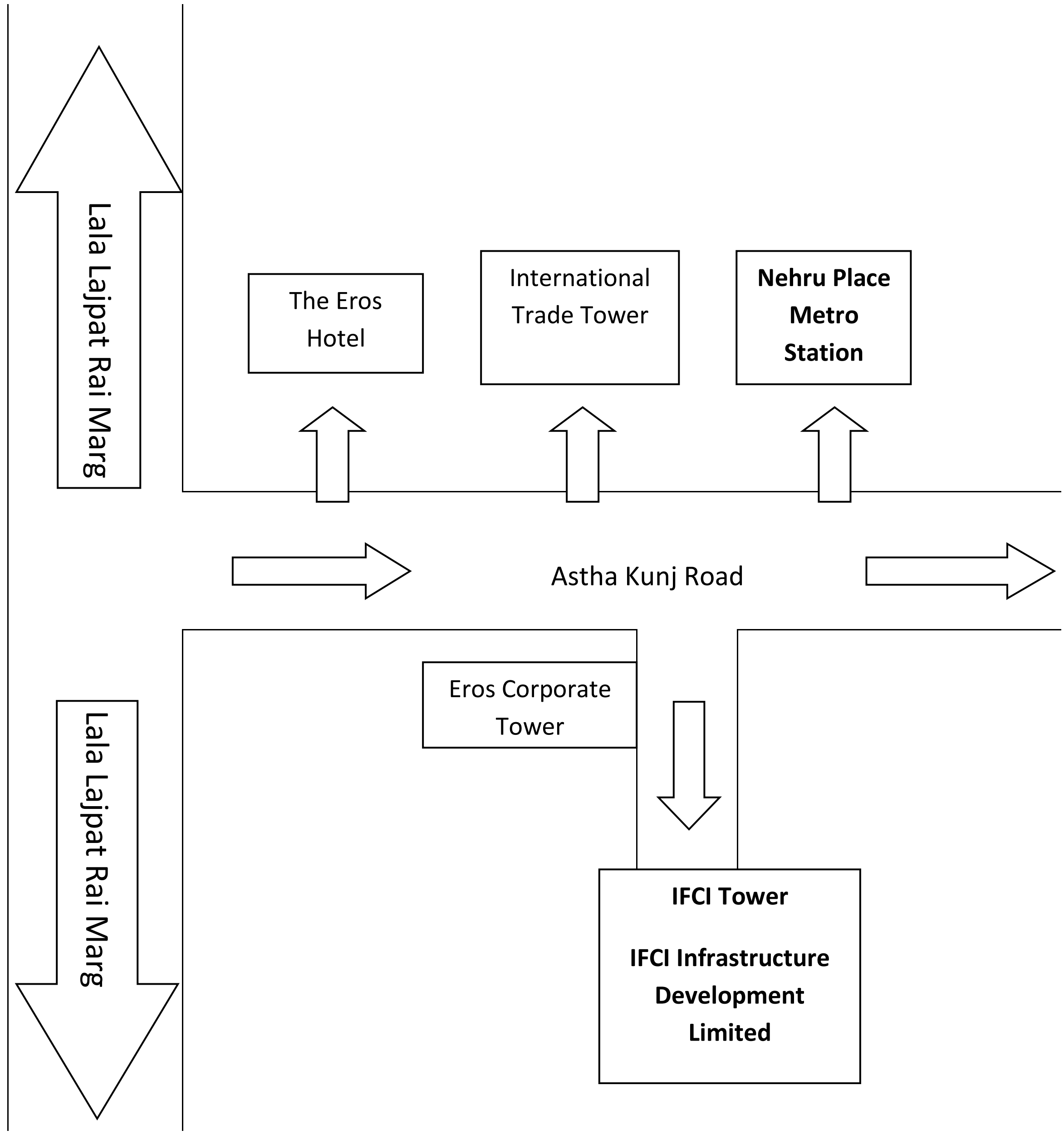
**Signature of Shareholder(s)**

**Affix Revenue Stamp**

**Signature of Proxy holder(s)**

**Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.**

## Route Map of the AGM Venue




**Prominent Land Mark: Nehru Place Metro Station**

**IFCI INFRASTRUCTURE DEVELOPMENT LIMITED (IIDL)**
CIN: U45400DL2007GOI169232
Registered Office: IFCI Tower, 61 Nehru Place, New Delhi-110019
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Website: www.iidlindia.com
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# BOARD'S REPORT

**TO THE MEMBERS**

The Board of Directors of your Company has the pleasure of presenting the 16th Annual Report of the Company together with the Audited Financial Statements for the year ended March 31, 2023.

## 1. FINANCIAL RESULTS:

The Ind-AS Financial Results of the Company for the financial year 2022-23 are summarized below:

(Rs. in Crore)

| Particulars | Standalone | | Consolidated | |
|---|---|---|---|---|
| | Financial Year 2022-23 | Financial Year 2021-22 | Financial Year 2022-23 | Financial Year 2021-22 |
| Income from operations | 20.67 | 21.84 | 23.40 | 23.80 |
| Other income | 19.75 | 20.74 | 19.88 | 20.68 |
| **Total income (I)** | **40.42** | **42.58** | **43.28** | **44.48** |
| Cost of Sales | 4.04 | 15.69 | 4.05 | 15.69 |
| Finance Cost | 0.001 | 0.01 | 0.08 | 0.03 |
| Employees benefit expense | 5.92 | 5.51 | 5.99 | 5.57 |
| Other expenses | 9.54 | 9.64 | 9.95 | 10.36 |
| Depreciation | 3.82 | 3.50 | 3.97 | 3.66 |
| **Total Expenditure (II)** | **23.33** | **34.35** | **24.04** | **35.31** |
| **Profit before tax (I-II)** | **17.09** | **8.23** | **19.24** | **9.17** |
| Exceptional items | -0.63 | 1.90 | -0.63 | 1.89 |
| **Profit before Tax** | **16.46** | **10.13** | **18.60** | **11.06** |
| Less: Provision for Taxation | 0.33 | 1.81 | 1.17 | 2.03 |
| **Profit After Tax** | **16.13** | **8.32** | **17.43** | **9.03** |

The total income of your Company for the Financial Year (FY) 2022-23 was Rs. 40.42 Crore as against the total income of Rs. 42.58 Crore in the FY 2021-22. Likewise, total expenditure for the FY 2022-23 was Rs. 23.33 Crore as against the total expenditure of Rs 34.35 Crore in the FY 2021-22. The Company has earned PAT of Rs. 16.13 Crore in the FY 2022-23 as against Rs. 8.32 Crore in FY 2021-22. Your directors are continuously looking for avenues for future growth of the Company.

## 2. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

IFCI Infrastructure Development Limited (IIDL) was set up by IFCI Limited in the year 2007 to venture into the real estate and infrastructure sector. The Company, since its inception has undertaken projects as a Developer/ Project Management Consultant (PMC) viz. Development of residential projects at Uttar Pradesh & Kerala, Development and running of Serviced Apartments; PMC services for construction of the campus of **"Management Development Institute" at Murshidabad**, West Bengal; "**IFCI Bhawan"** the office complexes at Bengaluru & Ahmedabad; Furnishing the branches of erstwhile **"Bharatiya Mahila Bank"** at New Delhi, Ahmedabad, Guwahati, Kolkata, Bangalore and Chennai.

IIDL owns the Serviced Apartments situated at Mayur Vihar, New Delhi. This is Gold Standard property with 92 luxurious Serviced Apartments comprising studio, one bedroom & two-bedroom apartments. It offers an ideal living environment that will impress even the most tech-savvy guests. The property is being run by IIDL under the name IIDL Suites.

On the residential front, IIDL has successfully developed two projects viz. 21$^{st}$ Milestones Residency, Ghaziabad, Uttar Pradesh and IIDL Aerie at Panampilly Nagar, Kochi, Kerala. Projects are complete and handed over to respective Resident Welfare Associations/ Owners Apartments Association.

IIDL is developing a prestigious **Financial City Project** spread over an area of 50 acres near Bengaluru International Airport, Karnataka. IIDL has developed the common infrastructure for the said project and has sub-leased the plots to various Banks/Institutions for development.

IIDL has owned properties at various locations of the country such as Delhi, Kolkata, Ghaziabad, Pondicherry etc. Some of which have been let out & some have been earmarked for development/sale at a future date.

A subsidiary of your Company viz. IIDL Realtors Private Limited (IRPL) is also having a commercial property situated at Naman Centre, Bandra Kurla Complex, Mumbai.

Your Company is making an earnest effort to monetize best value from its properties, also strive for optimizing performance of hospitality division post pandemic.

## 3. DIVIDEND

Your Company has declared an interim dividend of Rs.0.585 (i.e. @ 5.85%) on each fully paid 42,70,99,243 equity shares of Rs.10/- each of the company amounting to Rs.24,98,53,057/- during the FY 2023-24.

## 4. CAPITAL STRUCTURE AND CHANGES THEREIN, IF ANY

The Company has one class of equity shares of par value at Rs. 10. The Authorized Share Capital is Rs. 1000 Cr. divided in 100 Cr shares at Rs. 10 each. The issued, subscribed and paid-up capital is Rs. 427 Cr. as at March 31, 2023.

## 5. TRANSFER TO RESERVES

No fund was transferred to the reserves during the period under review.

## 6. DEPOSITS

The Company has not accepted any deposits from the public during the year under review within the meaning of Section 73 and section 76 of the Companies Act, 2013.

## 7. CHANGE IN NATURE OF BUSINESS & MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

There has been no change in the business of the Company during the reporting period. Further, there have been no material changes and commitments which affect the financial position between the end of financial year and date of Board's Report.

## 8. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

The following changes have occurred in the composition of the Board of Directors and in KMP since the last Board Report:

Consequent upon nomination by IFCI Limited, Shri Vijay Kumar Deshraj was appointed as Nominee Director designated as Managing Director in place of Shri Debashis Gupta w.e.f. September 02, 2022. Shri Debashis Gupta is continuing as Nominee Director on the Board of Directors of IIDL.

Shri Sunil Kumar Bansal and Shri Prasoon were ceased to be Director w.e.f. September 19, 2022. Further, Consequent upon nomination by IFCI Limited, Shri Sachikanta Mishra was appointed as Nominee Director w.e.f. October 7, 2022 and

Shri Mukund Prasad has resigned from the directorship of IIDL w.e.f. March 7, 2023.

Shri Vijay Kumar Tyagi has been appointed as an Additional Director on the Board of Directors w.e.f. April 26, 2023 and proposal for regularization of his office of director is being placed before the shareholders at the ensuing Annual General Meeting.

Dr. Sumita Rai whose office of director is liable to retire by rotation at the conclusion of the forthcoming Annual General Meeting and being eligible has offered herself for re-appointment.

Shri Vishal Pandey has resigned from the post of Chief Financial Officer w.e.f. May 26, 2023. Ms. Nidhi Agarwal has joined as Chief Financial Officer w.e.f. July 13, 2023.

Ms. Tannu Sharma has resigned from the post of Company Secretary of the Company w.e.f 15th September, 2023. Ms. Meenakshi Mittal has joined as Company Secretary of the Company w.e.f. 23rd October, 2023.

## 9. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of section 134 (3) (c) of Companies Act 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed:

a) That in preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
b) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of state of affairs of the Company at the end of financial year and of the profit & loss of the Company for that period;
c) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d) That the directors have prepared annual accounts on a going concern basis; and
e) That the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 10. ANNUAL RETURN

In accordance with the Companies Act, 2013, the annual return is available at www.iidlindia.com/annualreturn.

## 11. PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the financial year with related parties as defined under the Companies Act, 2013, were in the ordinary course of business and on an arm's length basis. Particulars of contracts or arrangements with related parties are disclosed in the relevant notes of Financial Statements and mentioned in Form AOC-2 enclosed as **Annexure-A** and forms part of this Annual Report.

## 12. BOARD MEETINGS

The Board meets at least once a quarter to review the quarterly results and other items on the agenda. Additional meetings are held as and when necessary. The Committees of the Board usually meet whenever the need arises for transacting business. The recommendations of the Committees are placed before the Board for necessary approval. Six Board Meetings were held during the financial year 2022-23. These were held on May

18, 2022, July 08, 2022, August 02, 2022, September 20, 2022, November 04, 2022 and February 08, 2023. The gap between two Board meetings was in compliance of the Companies Act, 2013 read with rules made thereunder.

The composition of the Board of Directors during the FY 2022-23 was as below:

| Name of the Directors | AGM Attended | Board Meetings held during the tenure | Board Meetings attended |
|---|---|---|---|
| Sh. Manoj Mittal (Non-Executive Chairman) | Yes | 6 | 6 |
| Sh. Sunil Kumar Bansal (upto September 19, 2022) | NA | 3 | 3 |
| Sh. Prasoon (upto September 19, 2022) | NA | 3 | 3 |
| Sh. Sachikanta Mishra (w.e.f. October 7, 2022) | NA | 3 | 3 |
| Dr. Sumita Rai | Yes | 6 | 6 |
| Sh. Venugopal K Nair | Yes | 6 | 6 |
| Sh. Mukund Prasad (upto March 7, 2023) | No | 6 | 5 |
| Sh. Debashis Gupta | Yes | 6 | 6 |
| Sh. Vijay Kumar Deshraj (Managing Director) (w.e.f Sep 2, 2022) | Yes | 3 | 3 |

## 13. <u>BOARD'S COMMITTEE MEETINGS</u>

### 13.1. <u>Audit Committee</u>

The terms of reference of the Audit Committee are as set out in Section 177 of the Companies Act, 2013. The primary objective of the Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, Internal Auditors, Statutory Auditors and Cost Auditors and notes the processes and safeguards employed by each of them. Five meetings of the Committee were held during the Financial Year 2022-23. These were held on May 18, 2022, August 02, 2022, September 20, 2022, November 04, 2022 and February 08, 2023. Further, there have been no instances where the Board has not accepted the recommendations by Audit Committee. Further, Company Secretary acted as the Secretary (except one case) to the Committee. The composition of Audit Committee of Directors during the FY 2022-23 was as under: -

| Name of the Member | Meetings held during the tenure | Meetings attended |
|---|---|---|
| Sh. Venugopal K Nair (Chairman) | 5 | 5 |
| Dr. Sumita Rai | 5 | 5 |
| Sh. Prasoon (upto September 19, 2022) | 2 | 2 |
| Sh. Sachikanta Mishra (w.e.f. October 25, 2022) | 2 | 2 |

### 13.2. <u>Nomination and Remuneration Committee</u>

Nomination and Remuneration Committee of Directors discharges the functions of identifying the suitable persons who are qualified to become Directors and Key Managerial Personnel, senior management and recommending their appointment, remuneration etc. Three meetings of the Committee were held during the FY 2022-23. These were held on

May 18, 2022, August 01, 2022 and November 04, 2022. The composition of Nomination and Remuneration Committee during the FY 2022-23 was as under:

| Name of the Member | Meetings held during the tenure | Meetings attended |
|---|---|---|
| Dr. Sumita Rai (Chairperson) | 3 | 3 |
| Sh. Prasoon (upto September 19, 2022) | 2 | 2 |
| Shri Mukund Prasad (upto March 07, 2023) | 3 | 2 |
| Shri Debashis Gupta (w.e.f. October 28, 2022) | 1 | 1 |
| Shri Sachikanta Mishra (w.e.f April 06, 2023) | 0 | 0 |

### 13.3. Corporate Social Responsibility Committee

In terms of Section 135 of the Companies Act, 2013, the Board constituted a Corporate Social Responsibility (CSR) Committee to monitor the Corporate Social Responsibility Policy of the Company and the activities included in the policy. One meeting of the CSR Committee was held on August 01, 2022 during the financial year 2022-23. The composition of Committee of Directors during the FY 2022-23 was as under:

| Name of the Member | Meetings held during the tenure | Meetings attended |
|---|---|---|
| Sh. Prasoon (upto September 19, 2022) | 1 | 1 |
| Dr. Sumita Rai | 1 | 1 |
| Sh. Debashis Gupta (upto October 28, 2022) | 1 | 1 |
| Sh. Sachikanta Mishra (Chairman w.e.f. October 28, 2022) | - | - |
| Sh. Vijay Kumar Deshraj (w.e.f. October 28, 2022) | - | - |

### 13.4. Asset Sale Committee

The Board has constituted Asset Sale Committee to consider the proposals of sale, disposal of properties and submit its recommendation to the Board. Two meeting of the Committee were held on May 18, 2022 and July 08, 2022 during the financial year 2022-23. The composition of Committee of Directors during the FY 2022-23 was as under:

| Name of the Member | Meetings held during the tenure | Meetings attended |
|---|---|---|
| Sh. Venugopal Nair (Chairman) | 2 | 2 |
| Sh. Prasoon (upto September 19, 2022) | 2 | 2 |
| Sh. Debashis Gupta (upto October 28, 2022) | 2 | 2 |
| Sh. Sachikanta Mishra (w.e.f. October 28, 2022) | - | - |
| Sh. Vijay Kumar Deshraj (w.e.f. October 28, 2022) | - | - |

### 13.5. Risk Management Committee

The Board constituted Risk Management Committee with a view to identify, evaluate and give suggestions to mitigate all internal and external risks associated with the business of the Company. One meeting of the CSR Committee was held on August 02, 2022 during the financial year 2022-23. The composition of Committee of Directors during the FY 2022-23 was as under

| Name of the Member | Meetings held during the tenure | Meetings attended |
|---|---|---|
| Sh. Prasoon (Chairman upto September 19, 2022) | 1 | 1 |

| | | |
|---|---|---|
| Sh. Venugopal Nair | 1 | 1 |
| Sh. Mukund Prasad (upto March 7, 2023) | 1 | - |
| Sh. Sachikanta Mishra (Chairman w.e.f. October 28, 2022) | - | - |
| Sh. Vijay Kumar Deshraj (w.e.f. October 28, 2022) | - | - |

## 14. AUDITORS AND AUDITORS' REPORT

### 14.1. Statutory Auditors

M/s Ravi Rajan & Co, LLP Chartered Accountants (FRN: 009073N /N 500320), was re-appointed as Statutory Auditor of the Company by the Comptroller & Auditor General of India (C&AG) for the Financial Year 2022-23. Further, C&AG has appointed M/s VPGS & Co., Chartered Accountants (FRN: 507971C), as Statutory Auditor of the Company for the Financial Year 2023- 2024.

### 14.2. Auditors' Report

The Auditors' Report along with Notes on Accounts are self-explanatory and therefore, do not call for any further comments or explanation.

### 14.3. Cost Auditors

M/s Sunny Chhabra & Co., Cost Accountants was appointed as the Cost Auditor of the Company, on the recommendation of Audit Committee, for the Financial Year 2022-23 to carry out cost audit. Proposal for recommendation of the professional fee of the Cost Auditor for the FY 2022-23 and 2023-24 is being placed for the approval of the shareholders.

### 14.4. Internal Auditors

M/s J K Sarawgi & Associates, Chartered Accountants was appointed as Internal Auditors of IIDL including IIDL Suites (Serviced Apartments) respectively for the Financial Year 2022-23.

### 14.5. Secretarial Auditors

M/s Surya Gupta & Associates, Company Secretaries was appointed as the Secretarial Auditor of the Company for the Financial Year 2022-23.

### 14.6. Secretarial Audit Report

The Secretarial Auditor has submitted their report, for the Financial Year ended March 31, 2023 in Form MR-3, annexed as **Annexure-B**. The report does not contain any adverse remark and observations.

## 15. COMMENTS OF COMPTROLLER AND AUDITOR GENERAL OF INDIA

The Comments of Comptroller & Auditor General of India on the Standalone and Consolidated Financial Statements of the Company for the Financial Year 2022-23 are annexed as **Addendum-1**.

## 16. NOMINATION AND REMUNERATION POLICY

Pursuant to MCA notification dated June 5, 2015, in case of Government Companies, Section 134(3) (e) of the Companies Act, 2013 shall not apply. Accordingly, the requisite Policy has not been made part of Board's Report.

## 17. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

The Corporate Social Responsibility Committee of Directors formulates the CSR Policy and recommends to the Board of Directors on activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.

Further, the Disclosure of contents of Corporate Social Responsibility Policy in the Board's Report pursuant to the provisions of Companies (Corporate Social Responsibility Policy) Rules, 2014 are provided as **Annexure-C** and the policy can be accessed on the Company's website at **www.iidlindia.com**.

## 18. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

**Investments made:**

**(Rs. in Crore)**

| Sl. No. | Particulars | Amount |
|---|---|---|
| 1 | IIDL Realtors Private Limited | 35.01 |
| 2 | Jangipur Bengal Mega Food Park Limited | 8.50 |
| 3 | IFCI Ltd | 95.00 |
| 4 | Sage Fund | 1.00 |

No loans, guarantees and securities have been provided by the Company during the year under review.

## 19. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate system of internal control through the process of Internal Audit. Internal Audit was carried out during the year under report as per the scope approved by the Audit Committee of the Company. The Accounts Department/CFO monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies of the Company and its subsidiary. All the internal audit reports along with corrective measures taken are regularly reviewed by the Audit Committee of the Company.

## 20. SUBSIDIARY AND ITS FINANCIAL PERFORMANCE

IIDL Realtors Private Limited (IRPL) is a wholly owned subsidiary of IIDL which is having rental and interest income during the financial year 2022-23. In accordance with Section 129(3) of the Companies Act, 2013, consolidated financial statements have been prepared for the Company and its subsidiary, which form part of this Report. Further, the report on the performance and financial position of the subsidiary of the Company along with salient features of the financial statements in the prescribed Form AOC-1 is annexed to this report as **Annexure-D**.

## 21. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated financial statements in accordance with Indian Accounting Standards have been provided in the Annual Report. These Consolidated Financial Statements provide financial information about your Company and its subsidiary as a single economic entity.

## 22. VIGIL MECHANISM

Section 177 (9) and (10) of the Companies Act, 2013 provides for establishment of a vigil mechanism in every listed company and such other class or classes of companies, as may be prescribed for its directors and employees to report to the management their concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The mechanism shall provide for adequate safeguards against victimization of director(s)/employee(s) who avail the mechanism and also provide for direct access to the Chairperson of the Audit Committee in exceptional cases. However, this policy is an internal document of the Company and has been framed for the purpose defined above. The Policy on vigil mechanism may be accessed on the Company's website at **www.iidlindia.com.**

## 23. PERFORMANCE EVALUATION

The performance evaluation of the Board, its Committees and Individual Directors was conducted by the Nomination and Remuneration Committee and the Board based on the structured questionnaire covering various aspects viz. functioning of committees as per the terms of reference approved by the Board, participation and contribution by the director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgement etc.

## 24. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place the Policy on Sexual Harassment of Woman at Workplace and also formed an Internal Complaints Committee in compliance of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, during the year, no complaint was received and hence, no complaint was pending with the Company.

## 25. PARTICULARS OF EMPLOYEES AND REMUNERATION AS PER RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION) RULES, 2014.

As per Notification dated June 5, 2015 issued by the Ministry of Corporate Affairs, Government Companies are exempted from compliance with the provisions of Section 197 of the Companies Act, 2013 and corresponding rules of Chapter XIII. IIDL, being a Government Company, this information has not been included as a part of this Report.

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

The information required under Section 134(3)(m) of the Companies Act, 2013, read with rule 8 of Companies (Accounts) Rules, 2014, regarding foreign exchange earnings & outgo in regard to business operation of IIDL Suites, New Delhi are as under:

**Foreign Exchange earnings and outgo:**

(Rs. in Lakh)

| Sl. No. | PARTICULARS | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---|---|---|
| a. | **Foreign Exchange Earned** | | |
| | Foreign Currency | 1.07 | 1.26 |
| | Foreign Card | 363.93 | 212.83 |
| | **TOTAL** | **365.00** | **214.09** |
| b. | **Foreign Exchange Outgo** | | |
| | Royalty | 0 | 91.06 |
| | **TOTAL** | **0** | **91.06** |
| c. | CIF value of imports (Other goods) | - | - |

Further, details regarding conservation of energy and technology absorption as required under Section 134 (3) (m) of the Companies Act, 2013 and rules prescribed thereunder are not applicable to the Company.

## 27. RISK MANAGEMENT

IIDL has a Risk Management Committee which has formed a policy on Risk Management framework and oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting.

## 28. SIGNIFICANT OR MATERIAL ORDERS PASSED BY REGULATORS OR COURT IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

During the Financial Year under review, no significant or material orders were passed by any regulator or Court impacting the going concern status of your Company and Company's operations.

## 29. REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither statutory auditors nor the secretarial auditors has reported, under section (12) of the Section 143 of the Companies Act, 2013, any instances of fraud committed against the company by its officers, employees, the details of which would need to be mentioned in the Board’s Report.

However, an instance of fraud by the employee has been reported where two fictitious entries amounting to Rs. 38,822 have been booked against the advances, amount of client "Delta Bulk Shipping Private Limited".

**30. SECRETARIAL STANDARDS**

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

**31. EMPLOYEES RELATIONS**

The Company continued to maintain harmonious and cordial relations with its employees in all divisions, which enabled it to achieve this performance level on all fronts.

**32. ACKNOWLEDGEMENT**

The Directors would like to express their appreciation to IFCI Limited (Holding Company) for its continuous support and valuable guidance. The Directors also take this opportunity to thank Government of India and other Government Authorities, Banks and other business associates for the co-operation received from them. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the employees of the Company.

**For and on behalf of the Board**
**IFCI Infrastructure Development Limited**

| | |
|---|---|
| **Sd/-** | **Sd/-** |
| **Vijay Kumar Deshraj** | **Debashis Gupta** |
| **Managing Director** | **Director** |
| **DIN: 09722994** | **DIN: 08741938** |

**Place: New Delhi**
**Date: August 08, 2023**

**ANNEXURE-A**

**Related Party Transactions**

**FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

1. Details of contracts or arrangements or transactions not at Arm's length basis. – Not Applicable

| Sl. No. | Particulars | Details |
|---|---|---|
| i. | Name (s) of the related party & nature of relationship | NIL |
| ii. | Nature of contracts/arrangements/transaction | N.A |
| iii. | Duration of the contracts/arrangements/transaction | N.A |
| iv. | Salient terms of the contracts or arrangements or transaction including the value, if any | N.A |
| v. | Justification for entering into such contracts or arrangements or transactions' | N.A |
| vi. | Date of approval by the Board | N.A |
| vii. | Amount paid as advances, if any | N.A |
| viii. | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | N.A |

2. Details of contracts or arrangements or transactions at Arm's length basis.

<table>
<tr><th>Sl. No.</th><th>Particulars</th><th colspan="2">Details</th></tr>
<tr><td>i.</td><td>Name (s) of the related party & nature of relationship</td><td colspan="2">IFCI LIMITED – Holding Company</td></tr>
<tr><td>ii.</td><td>Nature of contracts / arrangements/ transaction</td><td colspan="2">Interest on Bonds, Rent, Salary on Deputation and Miscellaneous expenses</td></tr>
<tr><td>iii.</td><td>Duration of the contracts/ arrangements/ transaction</td><td colspan="2">One year</td></tr>
<tr><td rowspan="4">iv.</td><td rowspan="4">Salient terms of the contracts or arrangements or transaction including the value, if any</td><td>Particulars</td><td>Amount (in Rs.)</td></tr>
<tr><td>INCOME</td><td></td></tr>
<tr><td>Interest earned and accrued on investment in IFCI's Bonds</td><td>7,27,50,000/-</td></tr>
<tr><td>Interest earned and accrued on Tax Free Bonds</td><td>1,67,80,000/-</td></tr>
</table>

| | | | |
|---|---|---|---|
| | | Rental Income (Including Reims of expenses) | - |
| | | Remuneration (including benefits) for staff on deputation | |
| | | **EXPENSES** | |
| | | Remuneration (inclusive of benefits) for staff on deputation | 50,05,865/- |
| | | Rent of premises | 58,92,659/- |
| | | Electricity Expenses | 14,124/- |
| | | Telephone Expenses | 27,626/- |
| v. | Date of approval by the Board | N.A | |
| vi. | Amount paid as advances, if any | N.A. | |

3. <u>Details of contracts or arrangements or transactions at Arm's length basis.</u>

| Sl. No. | Particulars | Details | |
|---|---|---|---|
| i. | Name (s) of the related party & nature of relationship | IIDL Realtors Private Limited (IRPL) – (Wholly owned subsidiary Company) | |
| ii. | Nature of contracts/ arrangements / transaction | Rent, Salary on Deputation and Other Transactions | |
| iii. | Duration of the contracts / arrangements / transaction | Monthly / Quarterly | |
| iv. | Salient terms of the contracts or arrangements or transaction including the value, if any | **Particulars** | **Amount (in Rs.)** |
| | | **INCOME** | |
| | | Rental Income | 8,33,900/- |
| | | Remuneration (inclusive of benefits) for staff on deputation | 6,91,968/- |
| | | **OTHER TRANSACTIONS** | **Amount in Rs.** |
| | | Payment made for taxes on behalf of IRPL | 75,22,786/- |

| | | | |
|---|---|---|---|
| | | Reimbursement received | 75,22,786/- |
| v. | Date of approval by the Board | NA | |
| vi. | Amount paid as advances, if any | NA | |

**For and on behalf of the Board**
**IFCI Infrastructure Development Limited**

| | |
|---|---|
| **Sd/-** | **Sd/-** |
| **Vijay Kumar Deshraj** | **Debashis Gupta** |
| **Managing Director** | **Director** |
| **DIN: 09722994** | **DIN: 08741938** |

**Place: New Delhi**
**Date: August 08, 2023**

**Annexure B**

**FORM NO. MR – 3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023**

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

To,
**The Members**
**IFCI Infrastructure Development Limited**
**CIN: U45400DL2007GOI169232**
IFCI Tower, 61 Nehru Place, New Delhi -110019.

We have conducted Secretarial Audit of compliance with the applicable statutory provisions and adherence to good corporate practices by **IFCI Infrastructure Development Limited** (hereinafter called **'the Company'**) for the Financial Year ended on 31st March, 2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

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

**We report that,** we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of (as amended):

1. The Companies Act, 2013 ('the Act') and the Rules made there under read with notifications, exemptions and clarifications thereto;

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

3. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;

*4.* Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment, External Commercial Borrowings- ***[Not Applicable to the Company during the Audit Period under review];***

5. 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**–** *[**Not Applicable to the Company during the Audit Period under review];***

   *(b)* The Securities and Exchange Board of India (Prohibitions of Insider Trading) Regulations, 2015**–** [***Not Applicable to the Company during the Audit Period under review];***

   *(c)* The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018**–** *[**Not Applicable to the Company during the Audit Period under review];***

   *(d)* The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014**–** *[**Not Applicable to the Company during the Audit Period under review];***

   *(e)* The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008**–** *[**Not Applicable to the Company during the Audit Period under review];***

   *(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**–** *[**Not Applicable to the Company during the Audit Period under review];***

*(g)* The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009**–** *[**Not Applicable to the Company during the Audit Period under review];***

*(h)* The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018**–** ***[Not Applicable to the Company during the Audit Period under review];***

*(i)* The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**–** *[**Not Applicable to the Company during the Audit Period under review];***

**We further report that**, we have also examined, on test-check basis, the relevant documents and records maintained by the Company according to the following laws applicable specifically to the Company:

(i) Real Estate (Regulation and Development) Act, 2016*;*

(ii) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013*;*

(iii) The Employer's Provident fund & Miscellaneous Provisions Act, 1952*;*

(iv) The Maternity Benefit Act, 1961.

Based on such examination and having regard to the compliance system prevailing in the Company, the Company has complied with the provisions of the above laws during the audit period.

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

***1.*** Secretarial Standards issued by the Institute of Company Secretaries of India**–** ***Complied with.***

***2.*** The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015- ***[Not Applicable to the Company during the Audit Period under review].***

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

**We further report that during the audit period under review:**

1. The Board of Directors of the Company is duly constituted with proper balance of executive directors, non-executive directors and woman director. 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.

2. Adequate Notice was given to all Directors to schedule the Board meetings and the agenda and detailed notes on agenda was sent at least seven days in advance. However, 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.

3. All the decisions made in the Board/Committee meeting(s) were carried out with unanimous consent of all the Directors/Members present during the meeting and dissent, if any, have been duly incorporated in the Minutes.

4. There seems to be adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

5. No specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above has occurred in the Company other than mentioned above.

**For Surya Gupta & Associates**
**Company Secretaries**

**Suryakant Gupta**
**Practicing Company Secretary**
**C.P. No.: 10828**
**M. No.: F9250**
**UDIN: F009250E000713745**
**Peer Review No.: 907/2020**

**Date: July 31, 2023**
**Place: New Delhi**

Note: This report is to be read with letter of even date by the secretarial auditor, which is annexed as **'Annexure A'** and forms an integral part of this report.

**<u>'Annexure A'</u>**

To,
**The Members**
**IFCI Infrastructure Development Limited**
**CIN: U45400DL2007GOI169232**
IFCI Tower, 61 Nehru Place, New Delhi -110019.

**Our Secretarial Audit Report of even date is to be read along with this letter.**

**<u>Management's Responsibility</u>:**

1. It is the responsibility of the management of the Company to maintain the secretarial records, and to devise proper systems, to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**<u>Auditor's Responsibility</u>:**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respects to Secretarial Compliances.

3. 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. 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.

4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

5. Wherever required, we have obtained the Management representations about the compliance of laws, rules and regulations & happening of events etc.

6. Our examination was limited to the verification of procedures on test basis.

**Disclaimer**

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 Surya Gupta & Associates**
**Company Secretaries**

**Suryakant Gupta**
**Practicing Company Secretary**
**C.P. No.: 10828**
**M. No.: F9250**
**UDIN: F009250E000713745**
**Peer Review No.: 907/2020**

**Date: July 31, 2023**
**Place: New Delhi**

**ANNEXURE-C**

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES
**(Pursuant to the Companies (Corporate Social Responsibility) Rules, 2014)**

**1. Brief outline on CSR Policy of the Company**

A robust Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, duly recommended by the Corporate Social Responsibility (CSR) Committee have been approved by the Board. The CSR Policy may be accessed on the Company's website at **www.iidlindia.com**.

The objectives of CSR Policy are:

1. To support activities including creation of social & physical infrastructure aimed at inclusive development of human capital thereby enhancing the quality of life and well-being of the people.
2. To support CSR activities which help create a cleaner, greener and healthier environment and thereby also enhance IIDL's perception as a socially responsible entity.

**2. Composition of CSR Committee**

| Sl. No. | Name of Director | Designation/Nature of Directorship | No. of Meetings of CSR Committee held during the year | No. of Meetings of CSR Committee attended during the year |
|---|---|---|---|---|
| 1 | Dr. Sumita Rai | Director | 1 | 1 |
| 2 | Sh. Prasoon | Nominee Director | 1 | 1 |
| 3 | Sh. Debashis Gupta | Managing Director | 1 | 1 |

**Composition of CSR Committee (as on March 31, 2023)**

| Sl. No. | Name of Director | Designation/Nature of Directorship |
|---|---|---|
| 1 | Sh. Sachikanta Mishra | Nominee Director |
| 2 | Dr. Sumita Rai | Director |
| 3 | Shri Vijay Kumar Deshraj | Managing Director |

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the company.

The weblink is www.iidlindia/csr

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. NIL

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 – NIL

| Sl. No. | Financial Year | Amount available for set-off from preceding financial years (in Rs.) | Amount available for set-off for the financial year, if any (in Rs.) |
|---|---|---|---|
| 1. | 2022-23 | NIL | NIL |

6. Average net profit of the company as per Section 135(5) – **Rs. 12,63,45,979/-**

7. (a) Two percent of average net profit of the company as per Section 135(5)— **25,26,920/-**

   (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-NA

   (d) Total CSR obligation for the financial year (7a+7b-7c)- ***25,26,920/-***

8. (a) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year (in Rs.) | Amount Unspent (in Rs.) | | | | |
|---|---|---|---|---|---|
| | Total Amount transferred to Unspent CSR Account as per Section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second provision to Section 135(5) | | |
| | Amount (in Rs.) | Date of Transfer | Name of the Fund | Amount (In Rs.) | Date of Transfer |
| NIL | Rs. 23,78,794/- (IIDL Unspent Corporate Social Responsibility Account 2022-23) | 28.04.2023 | N.A. | N.A. | N.A. |

(b) Details of CSR amount spent against ongoing projects for the financial year:

| Sl. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local Area (Y/N) | Location of the Project | | Project Duration | Amount Allocated for the Project (in Rs.) | Amount spent in the current F.Y. (in Rs.) | Amount transferred to Unspent CSR Account for the project as per Section 135(6)(in Rs.) | Mode of Implementation-Direct (Y/N) | Mode of Implementation-Through Implementing Agency | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | State | District | | | | | | Name | CSR Reg. No. |
| 1. | CSR support for creating entrepreneurship awareness among students of | | N | UP | | | **3,44,900/-** | - | **3,44,900/-** | N | ISF | CSR00005110 |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | selected schools of western Uttar Pradesh under the Project "Prerna" | | | | | | | | | | | |
| 2 | CSR support for O&M Expenditure for 109 Astronomy Labs | | N | UP | Bulandshar | | **2,00,000/-** | | **2,00,000/-** | N | ISF | CSR00005110 |
| 3 | CSR support for project supply of medical equipment to the district hospital Tikamgarh | | N | MP | Tikamgarh | | **10,04,280/-** | - | **10,04,280/-** | N | ISF | CSR00005110 |
| 4 | CSR support for proposal for establishment of computer lab | | N | UP | Bulandshar | | **4,65,000/-** | **94,098/-** | **3,70,902/-** | N | ISF | CSR00005110 |
| 5 | CSR support for infrastructure support for Shree Shree Ma Anandmayee Vidhyapeeth. | | N | UP | Haridwar | | **4,58,712/-** | - | **4,58,712/-** | N | ISF | CSR00005110 |
| | | | | | | | **24,72,892/-** | **94,098/-** | **23,78,794/-** | | | |

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

| **Sl. No.** | **Name of the Project** | **Item from the list of activities in Schedule VII to the Act** | **Local Area (Y/N)** | **Location of the Project** | | **Amount spent for the Project (in Rs.)** | **Mode of Implementation-Direct (Y/N)** | **Mode of Implementation-Through Implementing Agency** | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **State** | **District** | | | **Name** | **CSR Reg. No.** |
| Not Applicable | | | | | | | | | |

(d) Amount spent in Administrative Overheads -

(e) Amount spent on Impact Assessment, if applicable – Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)- Nil

(g) Excess amount for set off, if any-

| Sl. No. | Particulars | Amount (in Rs.) |
|---|---|---|
| 1. | Two percent of average net profit of the company as per Section 135(5) | 24,72,892/- |
| 2. | Total amount spent for the Financial Year | NIL |
| 3. | Excess amount spent for the Financial Year (2-1) | NIL |

| | | |
|---|---|---|
| 4. | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NIL |
| 5. | Amount available for set off in succeeding financial years (3-4) | NIL |

9. (a) Details of Unspent CSR amount for the preceding three financial years:

| Sl.No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under Section 135 (6) (in Rs.) | Amount spent in the reporting F.Y. (in Rs.) | Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any | | | Amount remaining to be spent in succeeding F.Y. (in Rs.) |
|---|---|---|---|---|---|---|---|
| | | | | Name of the Fund | Amount (in Rs.) | Date of transfer | |
| 1 | 2019-20 | 6,82,670/- | 4,00,000/- | - | - | - | 2,82,670/- |
| 2 | 2020-21 | 9,82,589/- | 5,65,750/- | - | - | - | 4,16,839/- |
| 3 | 2021-22 | 25,26,920/- | 2,52,692/- | - | - | - | 25,26,920/- |
| 4 | 2022-23 | 24,72,892/- | 94,098/- | - | - | - | 23,78,794/- |

(b) Details of CSR amount spent in the financial year for the ongoing projects of the preceding financial years:

| Sl. No. | Project ID | Name of the Project | F.Y. in which the project was commenced | Project Duration | Total Amount allocated for the project (in Rs.) | Amount spent on the project in the reporting F.Y. (in Rs.) | Cumulative amount spent at the end of reporting F.Y. (in Rs.) | Status of the project (Completed/Ongoing) |
|---|---|---|---|---|---|---|---|---|
| 1 | NA | Part capex support for Asani Sanitary Napkin Project of Desai Foundation Trust in Tonk District, Rajasthan | 2019-20 | 6 months | 20,00,000/- | 4,00,000/- | 20,00,000/- | Completed |
| 2 | NA | CSR Support for Infrastructure Support for Shree Shree MA Anandmayee Vidyapeeth, Kankhal, Haridwar (Uttarakhand) | 2019-20 | 3 months | 2,81,145/- | Nil | Nil | - |
| 3 | NA | Construction of 15 toilets and 15 bath rooms at Jai Kumar Anudanit Ashramshala-A residential Tribal School in Kochai Village, Palghar | 2020-21 | 6 months | 21,14,089/- | 5,65,750/- | 18,08,518/- | Ongoing |
| 4 | NA | Installation of Sanitary Vending Machine with Incinerators, organising hygiene awareness camps & Construction of Toilets in Schools/Colleges under CSR initiative machines | 2021-22 | | 25,26,920/- | 2,52,692/- | 2,52,692/- | Ongoing |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details)

(a) Date of creation or acquisition of the capital asset(s)-Nil

(b) Amount of CSR spent for creation or acquisition of capital asset-Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc.-Not applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)- No

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5) – No

| | |
|---|---|
| **Sd/-** | **Sd/-** |
| **Vijay Kumar Deshraj**<br>**Managing Director**<br>**DIN: 09722994** | **Sumita Rai**<br>**Chairperson of CSR Committee**<br>**DIN: 02755068** |

**Place: New Delhi**
**Date: August 08, 2023**

**ANNEXURE-D**

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Part “A”: Subsidiaries**

**As per Ind-AS**

**(Amount in Rs.)**

| Sl. No. | Particulars | Details |
|---|---|---|
| 1. | Name of the subsidiary | IIDL Realtors Private Limited |
| 2. | Reporting period for the subsidiary concerned, if different from the holding company’s reporting period | Same as of Holding Company |
| 3. | Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries | N.A |
| 4. | Share Capital | 1,00,000/- |
| 5. | Other Equity | 8,81,00,814/- |
| 6. | Total Assets | 17,24,00,650/- |
| 7. | Total Liabilities | 17,24,00,650/- |
| 8. | Investments in Property | 7,72,28,168/- |
| 9. | Turnover | 3,47,61,163/- |
| 10. | Profit before taxation | 2,14,73,108/- |
| 11. | Provision for taxation | 84,22,979/- |
| 12. | Profit after taxation | 1,30,50,129/- |
| 13. | Proposed Dividend | NIL |
| 14. | Percentage (%) of shareholding | 100% |

a. Names of subsidiaries which are yet to commence operations:- **NIL**

b. Names of subsidiaries which have been liquidated or sold during the year:- **NIL**

**For and on behalf of the Board**
**IFCI Infrastructure Development Limited**

| | |
|---|---|
| **Sd/-** | **Sd/-** |
| **Vijay Kumar Deshraj** | **Debashis Gupta** |
| **Managing Director** | **Director** |
| **DIN: 09722994** | **DIN: 08741938** |

**Place: New Delhi**
**Date: August 08, 2023**

कार्यालय प्रधान निदेशक लेखापरीक्षा,
उद्योग एवं कॉर्पोरेट कार्य
ए.जी.सी.आर. भवन, आई.पी. एस्टेट,
नई दिल्ली-110 002

सत्यमेव जयते

OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT,
INDUSTRY AND CORPORATE AFFAIRS
A.G.C.R. BUILDING, I.P. ESTATE,
NEW DELHI-110 002

संख्या- एएमजी-**II/24(01)**/फाइनेंसियल स्टेटमेंट
आईआईडीएल/स्टैंडअलोन/**2022-23/** 180
दिनांक 03 AUG 2023

सेवा में,

प्रबंध निदेशक
आई एफ सी आई इंफ्रास्ट्रक्चर डेवलपमेंट लिमिटेड,
सातवाँ तल, आईएफसीआई टावर, **61** नेहरु प्लेस,
नई दिल्ली – **110019**

विषय : कंपनी अधिनियम **2013** की धारा **143 (6) (b)** के अधीन **31** मार्च **2023** को समाप्त वर्ष के लिए आई एफ सी आई इंफ्रास्ट्रक्चर डेवलपमेंट लिमिटेड के वार्षिक लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

कंपनी अधिनियम 2013 की धारा 143(6) (b) के अंतर्गत 31 मार्च 2023 को समाप्त वर्ष के लिए आईएफसीआई इंफ्रास्ट्रक्चर डेवलपमेंट लिमिटेड के वार्षिक वित्तीय लेखों पर उपरोक्त विषय संबंधित संलगन पत्र अग्रेषित है।

भवदीया,

एस. ए. पंडा

(एस. आह्लादिनी पंडा)
प्रधान निदेशक लेखा परीक्षा
(उद्योग एवं कारपोरेट कार्य)
नई दिल्ली

संलग्नक:- यथोपरि

दूरभाष / Phone : +91-11-23702357, फैक्स / Fax : +91-11-23702359, E-mail : pdaica@cag.gov.in

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF IFCI INFRASTRUCUTRE DEVELOPMENT LIMITED FOR THE YEAR ENDED 31 MARCH 2023**

The preparation of financial statements of IFCI Infrastructure Development Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 04 July 2023 which supersedes their earlier Audit Report dated 15 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of IFCI Infrastructure Development Limited for the year ended 31 March 2023 under Section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditor and is limited primarily to inquiries of the Statutory Auditor and company personnel and a selective examination of some of the accounting records. The Audit Report has been revised by the statutory auditor to give effect to five of my audit observations raised during supplementary audit.

In addition, I would like to highlight the following significant matters under Section 143(6) (b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

**A Comments on Profitability**

**A.1 Assets**

**A.1.1 Non-Current Assets - Financial Assets – Investments (Note No. 6)**

**Investment in Equity Instruments of Associates - Jangipur Bengal Mega Food Park Limited: ₹ 654.83 lakh**

The Company valued the investment of 85,04,288 unquoted equity shares of Jangipur Bengal Mega Food Park Limited (Associate) at ₹ 654.83 lakh i.e ₹ 7.70 per share and impairment loss of ₹ 195.60 lakh was recognized based on the valuation of appointed valuer in 20220-21. No valuation has been done after 2020-21.

Audit observed that during FY 2021-22 and 2022-23, Associate has incurred losses of ₹ 550.87 lakh and ₹ 543.28 lakh and earned a meager revenue from operation of ₹ 71.16 lakh and ₹ 76.78 lakh respectively. This led to erosion in Share Capital by 18.57 *per cent* (reduced to ₹ 4373.94 lakh from ₹ 5371.17 lakh) based on the unaudited Balance Sheet of Associate as on 31 March 2023 furnished by the Company to audit.

The above are the indications based on which further impairment should have been recognized, however, no impairment loss was recognised by the Company as on 31 March 2023 in non-compliance with its own Accounting policy No. 1.9 which stipulates that "*Investment in Subsidiaries, associates and joint Ventures are carried at Cost. The cost comprises price paid to acquire investment and directly attributable cost. On each reporting date, consequent upon existence of any external or internal indication to impairment, the impairment loss shall be recognised as difference between the carrying amount and recoverable amount*".

This has resulted in overstatement of non-current investment and profit for the year by ₹ 557.88 lakh ((₹ 7.70 *minus* ₹ 1.14[1]) *85,04,288).

### A.1.2 Current Assets

#### A.1.2.1 Inventories (Note No. 9): ₹ 7145.77 lakh

The Company over valued the land inventories at Bengaluru and Kolkata at ₹ 1276.85 lakh and ₹ 1686.33 lakh instead of ₹ 1177.24 lakh and ₹ 1659 lakh respectively which resulted in overstatement of inventories and profit for the year by ₹ 126.94 lakh besides non-compliance with the significant accounting policy no. 1.10 (Inventories) which stipulates that, "*inventories are valued at cost or net realizable value, whichever is lower. Inventory of real estate business comprise of Land Bank which consists of assets purchased by the company that it intends to develop later on into residential/commercial project but on which no construction has commenced*".

[1] Audit has considered the value of ₹ 1.14 per share on the basis of valuation got done by another subsidiary of IFCI Limited (viz IFCI Venture Capital Funds Limited who also has an investment in 42 lakh shares of the Associate).

### A.1.2.2 Current Tax Assets (Net) (Note No. 15): ₹ 964 lakh

Above includes ₹ 102.17 lakh and ₹ 67.65 lakh being the advance income tax/ tax deducted at source for the Assessment Years (AY) 2019-20 and 2020-21. Income Tax Department approved a refund of ₹ 22.55 lakh[2] and raised a demand of ₹ 82.91 lakh[3] for AYs 2019-20 and 2020-21 respectively. Since the management does not contest these orders, advance income tax for AY 2019-20 should have been reversed and recoverable of ₹ 22.55 lakh should have been shown and for AY 2020-21, liability of ₹ 82.91 lakh should have been booked after reversing the advance income tax of ₹ 67.65 lakh.

Non-consideration of orders of Income tax Department has resulted in overstatement of current tax asset by ₹ 147.27 lakh, understatement of Provisions by ₹ 82.91 lakh and overstatement of Profit by ₹ 230.18 lakh.

### A.1.2.3 Current Trade Receivable (Note No. 10) - ₹ 225.62 lakh

**Unsecured considered good - ₹ 288.54 lakh**

**Provision for Bad/Doubtful debts - ₹ 62.92 lakh**

Above includes ₹ 151.27 lakh being the trade receivable pertaining to the IIDL suites, the hotel unit of the Company, out of which ₹ 113.12 lakh pertains to various fictitious entries as intimated to the Board of the Company in February 2023 and against which a provision of ₹ 62.57 lakh only has been created. As the Company has itself considered these debtors as doubtful being fictitious, full provision against these debtors should have been created.

Non-provision against doubtful debtors has resulted in understatement of Provision for doubtful debt and overstatement of Profit by ₹ 50.55 lakh (₹ 113.12 lakh *minus* ₹ 62.57 lakh).

### A.1.2.4 Non-Current Assets

**Investment Property (Note No. 3) – ₹ 710.72 lakh**

A reference is invited to the Significant Accounting Policy no.1.5.1 of the Company on Investment Property which, *inter-alia*, stipulates that "*Method of Depreciation used is Straight Line Method and the useful life of the asset taken is 60 years*". Policy no. 1.5.2

[2] Vide order dated 28 July 2020

[3] Vide order dated 30 December 2021

stipulates that *"Residual value in respect of items of Property, Plant and Equipment and Investment Property are considered as 5% of the cost"*. Accordingly, the depreciation to be charged on investment property should have been 1.58 *per cent* ((100-5)/60) %, which works out to ₹ 14.68 lakh[4].

IIDL valued the investment property after charging depreciation of ₹ 38.59 lakh for the year 2022-23.

Excess charging of depreciation has resulted in understatement of Investment Property and Profit for the year by ₹ 23.91 lakh.

**A.2 Liabilities**

**A.2.1 Non- Current Liabilities**

**Provisions (Note No. 21): ₹ 503.83 lakh**

Above does not include ₹ 40.01 lakh being provision towards cases filed by owners/allottees of IIDL Aerie, Kochi (project developed by IIDL) and pending at various consumer forums. The Company, while releasing the retention money of ₹ 40 lakh to the contractor of IIDL Aerie, Kochi Project towards full and final settlement out of the total retention money of ₹ 80.01 lakh, decided to make a provision of ₹ 40.01 lakh on account of cases filed by owners/allottees at various consumer forum.

However, no such provision for legal cases was created by the Company. This has resulted in understatement of provisions and overstatement of profit by ₹ 40.01 lakh.

**B. Comments on Financial Position**

**Notes to Accounts**

**Note No. 42 (i)-Contingent Liabilities**

Above does not include demand of ₹ 246.18 lakh raised by Income Tax Department for the Assessment Years 2012-13 and 2014-15 to 2017-18 and against which an appeal has been filed by the Company. Hence, this amount should have been shown under contingent liability in line with Para 86 of Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets), which, *inter-alia*, stipulates that, *"unless the possibility of any outflow in settlement is remote, an entity shall disclose a brief description of the nature of the*

[4] ₹ 929.40 lakh *1.58 *per cent*

*contingent liability and an estimation of its financial effect, where practicable, for each class of contingent liability at the end of the reporting period".*

Therefore, the above note is deficient to that extent.

**C Comment on Cash Flow Statement**

**Net Cash inflow from Investing Activities (B) – ₹ 2737.33 lakh**

Above includes an interest of ₹ 1605. 33 lakh including accrued interest of ₹ 990.63 lakh, earned on Deposits and Bonds by the Company during FY 2022-23. Accrued interest being a non-cash item should not have been made a part of Cash Flow Statement in line with para 43 of Ind AS-7 (Cash Flow Statement) which stipulates that, *Investing and Financing activities that do not require the use of cash or cash equivalents shall be excluded from the statement of cash flows.*

This has resulted in overstatement of Cash Flow from Investing Activities and understatement of Cash Flow from Operating Activities by ₹ 990.63 lakh.

**D Comments on Independent Auditor's Report**

**Independent Auditors Report dated 04 July 2023**

**D.1** Clause xi (a) of Companies (Auditor's Report) Order 2020, requires an auditor to include in his report "*whether any fraud by the company or any fraud on the company has been noticed or reported during the year, if yes, the nature and the amount involved is to be indicated.*".

It was noticed that CBI filed (29 November 2018) an FIR against Shri Shivendra Tomar, Ex. MD (IIDL), Shri P. Srinivas, Ex. MD (IIDL), M/s Holistic Urban Innovation Pvt. Ltd. (HUIPL) and Other unknown persons for suspected offence of Criminal conspiracy, Cheating and abuse of official position by public servant involving huge excess payments to HUIPL. Further, in reference to CBI letter dated 02 February 2022, IFCI has conveyed (29 April 2022) the approval of competent authority for conducting investigation against Sh. Shivendra Tomar, General Manager, IFCI Ltd. (Ex-COD/CEO/MD, IIDL) under various provisions of Prevention of Corruption Act, 1988 (as amended in 2018) and Indian Penal Code.

However, the above fraud case and IFCI's approval to CBI for conducting investigation against Sh. Shivendra Tomar, Ex. MD (IIDL) was neither disclosed in the financial statements nor reported in the Independent Auditor's Report dated 04 July 2023. Thus, the Independent Auditor's report and financial statement are deficient to that extent. Further, the Independent Auditor did not report the above matter to the Central Government which resulted in non-compliance to section 143 (12) of Companies Act, 2013 and Rule 13 of Companies (Audit and Auditors) Rules 2014 as amended vide notification dated 14 December 2015, which provides that, if an auditor of a company, in the course of the performance of his duties as auditor, has reason to believe that an offence involving fraud, which involves or is expected to involve individually an amount of rupees one crore or above is being or has been committed against the company by officers or employees of the company, he shall immediately report the matter to the Central Government within such time and in such manner as may be prescribed.

**D.2** Aggregate impact of above comments is ₹ 1029.47 lakh. As a result of net impact of above comments, Profit after Tax of the Company would come down to ₹ 631.26 lakh from ₹1612.91 lakh i.e. a reduction of 60.86 *per cent.* Hence, the Financial Statements of the Company do not represent "true and fair view" and it was not proper on the part of the Independent Auditor to have provided the assurance that the financial statements presented a "true and fair view".

**For and on behalf of the**
**Comptroller & Auditor General of India**

SAPanda

**(S. Ahlladini Panda)**
**Principal Director of Audit**
**(Industry & Corporate Affairs)**
**New Delhi**

**Place: New Delhi**
**Date:** 0 3 AUG 2023

कार्यालय प्रधान निदेशक लेखापरीक्षा,
उद्योग एवं कॉर्पोरेट कार्य
ए.जी.सी.आर. भवन, आई.पी. एस्टेट,
नई दिल्ली–110 002

OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT,
INDUSTRY AND CORPORATE AFFAIRS
A.G.C.R. BUILDING, I.P. ESTATE,
NEW DELHI-110 002

सत्यमेव जयते

संख्या- एएमजी-II/24(02)/फाइनेंसियल स्टेटमेंट
आईआईडीएल/कंसोलिडेटेड/2022-23/182
दिनांक: 03 AUG 2023

सेवा में,

प्रबंध निदेशक
आईएफसीआई इंफ्रास्ट्रक्चर डेवलपमेंट लिमिटेड,
सातवाँ तल, आईएफसीआई टावर, 61 नेहरु प्लेस
नई दिल्ली – **110019**

विषय : कंपनी अधिनियम **2013** की धारा **143 (6) (b)** के साथ धारा **129 (4)** के अंतर्गत **31** मार्च **2023** को समाप्त वर्ष के लिए आईएफसीआई इंफ्रास्ट्रक्चर डेवलपमेंट लिमिटेड के समेकित वार्षिक लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

कंपनी अधिनियम 2013 की धारा 143(6) (b) के अंतर्गत 31 मार्च 2023 को समाप्त वर्ष के लिए आईएफसीआई इंफ्रास्ट्रक्चर डेवलपमेंट लिमिटेड के समेकित वार्षिक वित्तीय लेखों पर उपरोक्त विषय संबंधित संलगन पत्र अग्रेषित है।

भवदीया,

एस.ए.पंडा

(एस. आह्लादिनी पंडा)
प्रधान निदेशक लेखा परीक्षा
(उद्योग एवं कारपोरेट कार्य)
नई दिल्ली

संलग्नक:- यथोपरि

दूरभाष / Phone : +91-11-23702357, फैक्स / Fax : +91-11-23702359, E-mail : pdaica@cag.gov.in

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF IFCI INFRATRUCTURE DEVELOPMENT LIMITED FOR THE YEAR ENDED 31 MARCH 2023**

The preparation of consolidated financial statements of IFCI Infrastructure Development Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 04 July 2023 which supersedes their earlier Audit Report dated 15 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of IFCI Infrastructure Development Limited for the year ended 31 March 2023 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of IFCI Infrastructure Development Limited (the Company) but did not conduct supplementary audit of the financial statements of IIDL Realtors Private Limited (the subsidiary) for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. The Audit Report has been revised by the statutory auditor to give effect to six of my audit observations raised during supplementary audit.

In addition, I would like to highlight the following significant matters under section 143(6)(b) read with section 129(4) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the consolidated financial statements and the related audit report:

**A Comments on Consolidated Profitability**

**A.1 Assets**

**A.1.1 Non-Current Assets - Financial Assets – Investments (Note No. 6)**

**Investment in Equity Instruments of Associates - Jangipur Bengal Mega Food Park Limited: ₹ 654.83 lakh**

The Company valued the investment of 85,04,288 unquoted equity shares of Jangipur Bengal Mega Food Park Limited (Associate) at ₹ 654.83 lakh i.e ₹ 7.70 per share and impairment loss of ₹ 195.60 lakh was recognized based on the valuation of appointed valuer in 20220-21. No valuation has been done after 2020-21.

Audit observed that during FY 2021-22 and 2022-23, Associate has incurred losses of ₹ 550.87 lakh and ₹ 543.28 lakh and earned a meager revenue from operation of ₹ 71.16 lakh and ₹ 76.78 lakh respectively. This led to erosion in Share Capital by 18.57 *per cent* (reduced to ₹ 4373.94 lakh from ₹ 5371.17 lakh) based on the unaudited Balance Sheet of Associate as on 31 March 2023 furnished by the Company to audit.

The above are the indications based on which further impairment should have been recognized, however, no impairment loss was recognised by the Company as on 31 March 2023 in non-compliance with its own Accounting policy No. 1.9 which stipulates that "*Investment in Subsidiaries, associates and joint Ventures are carried at Cost. The cost comprises price paid to acquire investment and directly attributable cost. On each reporting date, consequent upon existence of any external or internal indication to impairment, the impairment loss shall be recognised as difference between the carrying amount and recoverable amount*".

This has resulted in overstatement of non-current investment and profit for the year by ₹ 557.88 lakh ((₹ 7.70 *minus* ₹ 1.14[1]) *85,04,288).

**A.1.2 Current Assets**

**A.1.2.1 Inventories (Note No. 9): ₹ 7145.77 lakh**

The Company over valued the land inventories at Bengaluru and Kolkata at ₹ 1276.85 lakh and ₹ 1686.33 lakh instead of ₹ 1177.24 lakh and ₹ 1659 lakh respectively which resulted in overstatement of inventories and profit for the year by ₹ 126.94 lakh besides non-compliance with the significant accounting policy no. 1.10 (Inventories) which stipulates that, "*inventories are valued at cost or net realizable value, whichever is lower. Inventory of real estate business comprise of Land Bank which consists of assets purchased by the*

[1] Audit has considered the value of ₹ 1.14 per share on the basis of valuation got done by another subsidiary of IFCI Limited (viz IFCI Venture Capital Funds Limited who also has an investment in 42 lakh shares of the Associate).

*company that it intends to develop later on into residential/commercial project but on which no construction has commenced".*

**A.1.2.2 Current Tax Assets (Net) (Note No. 15): ₹ 1055.55 lakh**

Above includes ₹ 102.17 lakh and ₹ 67.65 lakh being the advance income tax/ tax deducted at source for the Assessment Years (AY) 2019-20 and 2020-21. Income Tax Department approved a refund of ₹ 22.55 lakh[2] and raised a demand of ₹ 82.91 lakh[3] for AYs 2019-20 and 2020-21 respectively. Since the management does not contest these orders, advance income tax for AY 2019-20 should have been reversed and recoverable of ₹ 22.55 lakh should have been shown and for AY 2020-21, liability of ₹ 82.91 lakh should have been booked after reversing the advance income tax of ₹ 67.65 lakh.

Non-consideration of orders of Income tax Department has resulted in overstatement of current tax asset by ₹ 147.27 lakh, understatement of Provisions by ₹ 82.91 lakh and overstatement of Profit by ₹ 230.18 lakh.

**A.1.2.3 Current Trade Receivable (Note No. 10) - ₹ 225.62 lakh**

**Unsecured considered good - ₹ 288.54 lakh**

**Provision for Bad/Doubtful debts - ₹ 62.92 lakh**

Above includes ₹ 151.27 lakh being the trade receivable pertaining to the IIDL suites, the hotel unit of the Company, out of which ₹ 113.12 lakh pertains to various fictitious entries as intimated to the Board of the Company in February 2023 and against which a provision of ₹ 62.57 lakh only has been created. As the Company has itself considered these debtors as doubtful being fictitious, full provision against these debtors should have been created. Non-provision against doubtful debtors has resulted in understatement of Provision for doubtful debt and overstatement of Profit by ₹ 50.55 lakh (₹ 113.12 lakh *minus* ₹ 62.57 lakh).

**A.1.2.4 Non-Current Assets**

**Investment Property (Note No. 3) – ₹ 1483 lakh**

A reference is invited to the Significant Accounting Policy no.1.5.1 of the Company on Investment Property which, *inter-alia*, stipulates that "*Method of Depreciation used is*

[2] Vide order dated 28 July 2020

[3] Vide order dated 30 December 2021

*Straight Line Method and the useful life of the asset taken is 60 years*". Policy no. 1.5.2 stipulates that "*Residual value in respect of items of Property, Plant and Equipment and Investment Property are considered as 5% of the cost*". Accordingly, the depreciation to be charged on investment property should have been 1.58 *per cent* ((100-5)/60) %, which works out to ₹ 14.68 lakh[4].

IIDL valued the investment property after charging depreciation of ₹ 38.59 lakh for the year 2022-23.

Excess charging of depreciation has resulted in understatement of Investment Property and Profit for the year by ₹ 23.91 lakh.

**A.2 Liabilities**

**A.2.1 Non- Current Liabilities**

**Provisions (Note No. 21): ₹ 503.83 lakh**

Above does not include ₹ 40.01 lakh being provision towards cases filed by owners/allottees of IIDL Aerie, Kochi (project developed by IIDL) and pending at various consumer forums. The Company, while releasing the retention money of ₹ 40 lakh to the contractor of IIDL Aerie, Kochi Project towards full and final settlement out of the total retention money of ₹ 80.01 lakh, decided to make a provision of ₹ 40.01 lakh on account of cases filed by owners/allottees at various consumer forum.

However, no such provision for legal cases was created by the Company. This has resulted in understatement of provisions and overstatement of profit by ₹ 40.01 lakh.

**B Comments on Consolidated Financial Position**

**Notes to Accounts**

**Contingent Liabilities and Capital Commitments (Note No. 42)**

**Contingent liabilities towards Income Tax (Note No. 42 (ia)): ₹ 131.12 lakh**

Above does not include demand of ₹ 246.18 lakh raised by Income Tax Department for the Assessment Years 2012-13 and 2014-15 to 2017-18 and against which an appeal has been filed by the Company. Hence, this amount should have been shown under contingent

[4] ₹ 929.40 lakh *1.58 *per cent*

liability in line with Para 86 of Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets), which, *inter-alia*, stipulates that, "unless the possibility of any outflow in settlement is remote, an entity shall disclose a brief description of the nature of the contingent liability and an estimation of its financial effect, where practicable, for each class of contingent liability at the end of the reporting period.

Therefore, the above note is deficient to that extent.

**C Comment on Consolidated Cash Flow Statement**

**Net Cash inflow from Investing Activities (B) – ₹ 2596.27 lakh**

Above includes an interest of ₹ 1641.45 lakh including accrued interest of ₹ 1009.03 lakh, earned on Deposits and Bonds by the Company during FY 2022-23. Accrued interest being a non-cash item should not have been made a part of Cash Flow Statement in line with para 43 of Ind AS-7 (Cash Flow Statement) which stipulates that, *Investing and Financing activities that do not require the use of cash or cash equivalents shall be excluded from the statement of cash flows.*

This has resulted in overstatement of Cash Flow from Investing Activities and understatement of Cash Flow from Operating Activities by ₹ 1009.03 lakh.

**D Comments on Independent Auditor's Report on Consolidated Financial Statements**

**Independent Auditors Report dated 04 July 2023**

**D.1** It was noticed that CBI filed (29 November 2018) an FIR against Shri Shivendra Tomar, Ex. MD (IIDL), Shri P. Srinivas, Ex. MD (IIDL), M/s Holistic Urban Innovation Pvt. Ltd. (HUIPL) and Other unknown persons for suspected offence of Criminal conspiracy, Cheating and abuse of official position by public servant involving huge excess payments to HUIPL. Further, in reference to CBI letter dated 02 February 2022, IFCI has conveyed (29 April 2022) the approval of competent authority for conducting investigation against Sh. Shivendra Tomar, General Manager, IFCI Ltd. (Ex-COD/CEO/MD, IIDL) under various provisions of Prevention of Corruption Act, 1988 (as amended in 2018) and Indian Penal Code.

However, the above fraud case and IFCI's approval to CBI for conducting investigation against Sh. Shivendra Tomar, Ex. MD (IIDL) was neither disclosed in the financial statements nor reported in the Independent Auditor's Report dated 04 July 2023. Thus, the Independent Auditor's report and financial statement are deficient to that extent. Further, the Independent Auditor did not report the matter to the Central Government which resulted in non-compliance to section 143 (12) of Companies Act, 2013 and Rule 13 of Companies (Audit and Auditors) Rules 2014 as amended vide notification dated 14 December 2015, which provides that, if an auditor of a company, in the course of the performance of his duties as auditor, has reason to believe that an offence involving fraud, which involves or is expected to involve individually an amount of rupees one crore or above is being or has been committed against the company by officers or employees of the company, he shall immediately report the matter to the Central Government within such time and in such manner as may be prescribed.

**D.2** Aggregate impact of above comments is ₹ 1029.47 lakh. As a result of net impact of above comments, Profit after Tax of the Company would come down to ₹ 761.76 lakh from ₹1743.41 lakh i.e. a reduction of 56.31 *per cent*. Hence, the Financial Statements of the Company do not represent "true and fair view" and it was not proper on the part of the Independent Auditor to have provided the assurance that the financial statements presented a "true and fair view".

**For and on behalf of the**
**Comptroller & Auditor General of India**

SPanda

**(S. Ahlladini Panda)**
**Principal Director of Audit**
**(Industry & Corporate Affairs)**
**New Delhi**

**Place: New Delhi**
**Date:** 03 AUG 2023

## Reply on Final Comments Standalone Financial Statements of IIDL for the year 2022-23

| CAG Observations | Management Comments |
|---|---|
| **A. Comments on Profitability**<br>**A.1 Assets**<br>**A.1.1. Non- Current Assets – Financial Assets - Investments (Note No. 6)**<br>**Investment in Equity Instruments of Associates**<br>**Jangipur Bengal Mega Food Park Limited: Rs. 654.83 lakh**<br>The Company valued the investment of 85,04,288 unquoted equity shares of Jangipur Bengal Mega Food Park Limited (Associate) at ₹ 654.83 lakh i.e ₹ 7.70per share and impairment loss of ₹ 195.60 lakh was recognized based on the valuation of appointed valuer in 20220-21. No valuation has been done after 2020-21.<br>Audit observed that during FY 2021-22 and 2022-23, Associate has incurred losses of ₹ 550.87 lakh and ₹ 543.28 lakh and earned a meager revenue from operation of ₹ 71.16 lakh and ₹ 76.78 lakh respectively. This led to erosion in Share Capital by 18.57 per cent (reduced to ₹ 4373.94 lakh from ₹ 5371.17 lakh) based on the unaudited Balance Sheet of Associate as on 31 March 2023 furnished by the Company to audit.<br>The above are the indications based on which further impairment should have been recognized, however, no impairment loss was recognised by the Company as on 31 March 2023 in non-compliance with its own accounting policy No. 1.9 which stipulates that "Investment in Subsidiaries, associates and joint Ventures are carried at Cost. The cost comprises price paid to acquire investment and directly attributable cost. On each reporting date, consequent upon existence of any external or internal indication to impairment, the impairment loss shall be recognised as difference between the carrying amount and recoverable amount".<br>This has resulted in overstatement of non-current investment and profit for the year by₹ 557.88 lakh ((₹ 7.70 minus ₹ 1.14) *85,04,288). | Noted the observation and will get valuation done in the current quarter i.e. before Dec'2023. |

| CAG Observations | Management Comments |
|---|---|
| **A.1.2 Current Assets**<br><br>**A.1.2.1 Inventories (Note 9): 7145.77 lakhs**<br><br>The Company over valued the land inventories at Bengaluru and Kolkata at ₹ 1276.85 lakh and ₹ 1686.33 lakh instead of ₹ 1177.24 lakh and ₹ 1659 lakh respectively which resulted in overstatement of inventories and profit for the year by ₹ 126.94 lakh besides non-compliance with the significant accounting policy no. 1.10 (Inventories) which stipulates that, “inventories are valued at cost or net realizable value, whichever is lower. Inventory of real estate business comprise of Land Bank which consists of assets purchased by the company that it intends to develop later on into residential/commercial project but on which no construction has commenced”. | The same has been rectified and updated in Q1 of FY 2023-24. |
| **A.1.2.2 Current Tax Assets (Net) (Note No. 15): Rs. 964.00 lakh**<br><br>Above includes ₹ 102.17 lakh and ₹ 67.65 lakh being the advance income tax/ tax deducted at source for the Assessment Years (AY) 2019-20 and 2020-21. Income Tax Department approved a refund of ₹ 22.55 lakh [1] and raised a demand of ₹ 82.91 lakh [2] for AYs 2019-20 and 2020-21 respectively. Since the management does not contest these orders, advance income tax for AY 2019-20 should have been reduced to ₹ 22.55 lakh and for AY 2020-21, liability of ₹ 82.91 lakh should have been booked after reversing the advance income tax of ₹ 67.65 lakh.<br><br>Non-consideration of orders of Income tax Department has resulted in overstatement of current tax asset by ₹ 147.27 lakh, understatement of Provisions by ₹ 82.91 lakh and overstatement of Profit by ₹ 230.18 lakh. | For both the A.Y. 2019-20 and 2020-21, Application for Rectification u/s 154 has been filed with Income Tax Deptt. |

| CAG Observations | Management Comments |
|---|---|
| **A.1.2.3 Current Trade Receivable (Note No. 10) Rs. 225.62 Lakh**<br><br>**Unsecured Trade Receivable considered good Rs. 288.54 lakh**<br><br>**Provision for Bad/ Doubtful Debts: Rs. 62.92 lakh**<br><br>Above includes ₹ 151.27 lakh being the trade receivable pertaining to the IIDL suites, the hotel unit of the Company, out of which ₹ 113.12 lakh pertains to various fictitious entries as intimated to the Board of the Company in February 2023 and against which a provision of ₹ 62.57 lakh only has been created. As the Company has itself considered these debtors as doubtful being fictitious, full provision against these debtors should have been created.<br><br>Non-provision against doubtful debtors has resulted in understatement of Provision for doubtful debt and overstatement of Profit by ₹50.55 lakh (₹ 113.12 lakh minus ₹ 62.57 lakh. | The same has been rectified and updated in Q2 of FY 2023-24. |
| **A.1.2.4 Non-Current Assets: Investment Property (Note No. 3)**<br><br>**Net Carrying Value of Investment Property- Rs.710.72 lakh**<br><br>A reference is invited to the Significant Accounting Policy no. (g) of the Company on Investment Property which, inter-alia, stipulates that “Method of Depreciation is provided using the Straight-Line Method over the useful life as prescribed under schedule II of the companies act 2013. Depreciation is calculated on pro rata basis, including the month of addition and excluding the month of sale/ disposal. Residual value in respect of buildings and vehicles is considered as 5% of the cost”. Accordingly, the depreciation to be charged on investment property of IIDL (building) should have been 1.58 per cent ((100-5)/60) %, which works out to ₹ 14.68 lakh[4].<br><br>The company valued the investment property after charging depreciation of ₹ 38.59 lakh for the year 2022-23.<br><br>Excess charging of depreciation has resulted in understatement of Investment Property and Profit for the year by ₹ 23.91 lakh. | The same has been rectified and updated in Q1 of FY 2023-24. |

| CAG Observations | Management Comments |
|---|---|
| **A.2 Liabilities - Non- Current Liabilities**<br><br>**Provisions (Note 21): Rs. 503.83 lakh**<br><br>Above does not include ₹ 40.01 lakh being provision towards cases filed by owners/allottees of IIDL Aerie, Kochi (project developed by IIDL) and pending at various consumer forums. The Company, while releasing the retention money of ₹ 40 lakh to the contractor of IIDL Aerie, Kochi Project towards full and final settlement out of the total retention money of ₹ 80.01 lakh, decided to make a provision of ₹40.01 lakh on account of cases filed by owners/allottees at various consumer forum.<br><br>However, no such provision for legal cases was created by the Company. This has resulted in understatement of provisions and overstatement of profit by ₹ 40.01 lakh. | The same has been rectified and updated in Q1 of 2023-24. |
| **B. Comments on Financial Position**<br><br>**Notes to Accounts**<br><br>**Note No.42(i)- Contingent Liabilities**<br><br>Above does not include demand of ₹ 246.18 lakh raised by Income Tax Department for the Assessment Years 2012-13 and 2014-15 to 2017-18 and against which an appeal has been filed by the Company. Hence, this amount should have been shown under contingent liability in line with Para 86 of Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets), which, inter-alia, stipulates that, "unless the possibility of any outflow in settlement is remote, an entity shall disclose a brief description of the nature of the contingent liability and an estimation of its financial effect, where practicable, for each class of contingent liability at the end of the reporting period.<br><br>Therefore, the above note is deficient to that extent. | Noted the observation. There is no financial impact on balance sheet for the FY 2022-23. We will rectify the same in current FY i.e. 2023-24. |
| **C. Comment on Cash Flow Statement** | This was a presentation error and is noted for preparation of future |

| CAG Observations | | Management Comments |
|---|---|---|
| | **Net Cash inflow from Investing Activities (B) – Rs.2737.33 lakh**<br><br>Above includes an interest of Rs. 1605.33 Lakh including accrued interest of Rs. 990.63 Lakh, earned on Deposits and Bonds by the Company during FY 2022-23. Accrued interest being a non-cash item should not have been made a part of Cash Flow Statement in line with para 43 of Ind AS-7 (Cash Flow Statement) which stipulates that, Investing and Financing activities that do not require the use of cash or cash equivalents shall be excluded from the statement of cash flows.<br><br>This has resulted in overstatement of Cash flow from Investing Activities and understatement of Cash Flow from Operating Activities by Rs.990.63 lakh. | cash flow statements. |
| **D.** | **Comments on Independent Auditor's Report**<br><br>**Independent Auditors Report dated 04.07.2023** | The matter does not pertain to FY 2022-23. Further, Shri Shivendra Tomar is an employee of IFCI and governed by IFCI Staff Regulations, therefore the case is being handled by IFCI. The matter is under investigation of CBI. |
| **D.1** | Clause xi (a) of Companies (Auditor's Report) Order 2020, requires an auditor to include in his report "whether any fraud by the company or any fraud on the company has been noticed or reported during the year, if yes, the nature and the amount involved is to be indicated".<br><br>It was noticed that CBI filed (29 November 2018) an FIR against Shri Shivendra Tomar, Ex. MD (IIDL), Shri P. Srinivas, Ex. MD (IIDL), M/s Holistic Urban Innovation Pvt. Ltd. (HUIPL) and Other unknown persons for suspected offence of Criminal conspiracy, Cheating and abuse of official position by public servant involving huge excess payments to HUIPL. Further, in reference to CBI letter dated 02 February 2022, IFCI has conveyed (29 April 2022) the approval of competent authority for conducting investigation against Sh. Shivendra Tomar, General Manager, IFCI Ltd. (Ex-COD/CEO/MD. IIDL) under various provisions of Prevention of Corruption Act, 1988 (as amended in 2018) and Indian Penal Code.<br><br>However, the above fraud case and IFCI's approval to CBI for conducting investigation against Sh. Shivendra Tomar, Ex. MD (IIDL) was neither disclosed in the financial statements nor reported in the Independent Auditor's Report dated 04 July 2023, Thus, the Independent Auditor's report and financial statement are deficient to that extent. Further, the Independent Auditor did not report the above matter to the Central Government which resulted in non-compliance to section 143 (12) of Companies Act, 2013 and Rule 13 of Companies (Audit and Auditors) Rules 2014 as amended vide | |

| | CAG Observations | Management Comments |
|---|---|---|
| | notification dated 14 December 2015, which provides that, if an auditor of a company, in the course of the performance of his duties as auditor, has reason to believe that an offence involving fraud, which involves or is expected to involve individually an amount of rupees one crore or above is being or has been committed against the company by officers or employees of the company, he shall immediately report the matter to the Central Government within such time and in such manner as may be prescribed. | |
| **D.2** | Aggregate impact of above comments is Rs.1029.47 lakh. As a result of the net impact of above comments, Profit after Tax of the company would come down to Rs. 631.26 Lakh from Rs. 1612.91 Lakh i.e. reduction of 60.86 percent. Hence, the Financial Statements of the Company do not represent "true and fair view" and it was not proper on the part of the Independent Auditor to have provided the assurance that the financial statements presented a "true and fair view". | Response submitted by Statutory Auditors is as follows:<br><br>We hold the comments of Hon'ble CAG in high regard, however, we would like to state that the financial statements present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.<br>We have adequately elucidated our standpoint on the comments stated in the communication received from Hon'ble CAG and have fairly addressed their concerns. |

Sd/-
**Nidhi Agarwal**
**Chief Financial Officer**

Sd/-
**Vijay Kumar Deshraj**
**Managing Director**

**Date: 02.11.2023**
**Place: New Delhi**

## Reply on Final Comments Consolidated Financial Statements of IIDL for the year 2022-23

| CAG Observations | Management Comments |
|---|---|
| **A. Comments on Consolidated Profitability**<br><br>**A.1 Assets**<br><br>**A.1.1. Non- Current Assets – Financial Assets - Investments (Note No. 6)**<br><br>**Investment in Equity Instruments of Associates**<br><br>**Jangipur Bengal Mega Food Park Limited: Rs. 654.83 lakh**<br><br>The Company valued the investment of 85,04,288 unquoted equity shares of Jangipur Bengal Mega Food Park Limited (Associate) at ₹ 654.83 lakh i.e ₹ 7.70 per share and impairment loss of ₹ 195.60 lakh was recognized based on the valuation of appointed valuer in 20220-21. No valuation has been done after 2020-21.<br><br>Audit observed that during FY 2021-22 and 2022-23, Associate has incurred losses of ₹ 550.87 lakh and ₹ 543.28 lakh and earned a meager revenue from operation of ₹ 71.16 lakh and ₹ 76.78 lakh respectively. This led to erosion in Share Capital by 18.57 per cent (reduced to ₹ 4373.94 lakh from ₹ 5371.17 lakh) based on the unaudited Balance Sheet of Associate as on 31 March 2023 furnished by the Company to audit.<br><br>The above are the indications based on which further impairment should have been recognized, however, no impairment loss was recognised by the Company as on 31 March 2023 in non-compliance with its own accounting policy No. 1.9 which stipulates that "Investment in Subsidiaries, associates and joint Ventures are carried at Cost. The cost comprises price paid to acquire investment and directly attributable cost. On each reporting date, consequent upon existence of any external or internal indication to impairment, the impairment loss shall be recognised as difference between the carrying amount and recoverable amount". | Noted the observation and will get valuation done in the current quarter i.e. before Dec'2023. |

| CAG Observations | Management Comments |
|---|---|
| This has resulted in overstatement of non-current investment and profit for the year by₹ 557.88 lakh ((₹ 7.70 minus ₹ 1.14) *85,04,288). | |
| **A.1.2 Current Assets**<br><br>**A.1.2.1 Inventories (Note 9): 7145.77 lakhs**<br><br>The Company over valued the land inventories at Bengaluru and Kolkata at ₹ 1276.85 lakh and ₹ 1686.33 lakh instead of ₹ 1177.24 lakh and ₹ 1659 lakh respectively which resulted in overstatement of inventories and profit for the year by ₹ 126.94 lakh besides non-compliance with the significant accounting policy no. 1.10 (Inventories) which stipulates that, "inventories are valued at cost or net realizable value, whichever is lower. Inventory of real estate business comprise of Land Bank which consists of assets purchased by the company that it intends to develop later on into residential/commercial project but on which no construction has commenced". | The same has been rectified and updated in Q1 of 2023-24. |
| **A.1.2.2 Current Tax Assets (Net) (Note No. 15): Rs. 1055.55 lakh**<br><br>Above includes ₹ 102.17 lakh and ₹ 67.65 lakh being the advance income tax/ tax deducted at source for the Assessment Years (AY) 2019-20 and 2020-21. Income Tax Department approved a refund of ₹ 22.55 lakh [1] and raised a demand of ₹ 82.91 lakh [2] for AYs 2019-20 and 2020-21 respectively. Since the management does not contest these orders, advance income tax for AY 2019-20 should have been reduced to ₹ 22.55 lakh and for AY 2020-21, liability of ₹ 82.91 lakh should have been booked after reversing the advance income tax of ₹ 67.65 lakh.<br><br>Non-consideration of orders of Income tax Department has resulted in overstatement of current tax asset by ₹ 147.27 lakh, understatement of Provisions by ₹ 82.91 lakh and overstatement of Profit by ₹ 230.18 lakh. | For both the A.Y. 2019-20 and 2020-21, Application for Rectification u/s 154 has been filed with Income Tax Deptt. |

| CAG Observations | Management Comments |
|---|---|
| **A.1.2.3 Current Trade Receivable (Note No. 10) Rs. 225.62 Lakh**<br>**Unsecured Trade Receivable considered good Rs. 288.54 lakh**<br>**Provision for Bad/ Doubtful Debts: Rs. 62.92 lakh**<br>Above includes ₹ 151.27 lakh being the trade receivable pertaining to the IIDL suites, the hotel unit of the Company, out of which ₹ 113.12 lakh pertains to various fictitious entries as intimated to the Board of the Company in February 2023 and against which a provision of ₹ 62.57 lakh only has been created. As the Company has itself considered these debtors as doubtful being fictitious, full provision against these debtors should have been created.<br>Non-provision against doubtful debtors has resulted in understatement of Provision for doubtful debt and overstatement of Profit by ₹50.55 lakh (₹ 113.12 lakh minus ₹ 62.57 lakh. | The same has been rectified and updated in Q2 of FY 2023-24. |
| **A.1.2.4 Non-Current Assets: Investment Property (Note No. 3)**<br>**Net Carrying Value of Investment Property- Rs.1483 lakh**<br>A reference is invited to the Significant Accounting Policy no. 1.5.1 of the Company on Investment Property which, inter-alia, stipulates that "Method of Depreciation is provided using the Straight-Line Method over the useful life as prescribed under schedule II of the companies act 2013. Depreciation is calculated on pro rata basis, including the month of addition and excluding the month of sale/ disposal. Residual value in respect of buildings and vehicles is considered as 5% of the cost". Accordingly, the depreciation to be charged on investment property of IIDL (building) should have been 1.58 per cent ((100-5)/60) %, which works out to ₹ 14.68 lakh[4].<br>The company valued the investment property after charging depreciation of ₹ 38.59 lakh for the year 2022-23.<br>Excess charging of depreciation has resulted in understatement of Investment Property and Profit for the | The same has been rectified and updated in Q1 of 2023-24. |

| CAG Observations | | Management Comments |
|---|---|---|
| | year by ₹ 23.91 lakh. | |
| **A.2** | **Liabilities - Non- Current Liabilities**<br><br>**Provisions (Note 21): Rs. 503.83 lakh**<br><br>Above does not include ₹ 40.01 lakh being provision towards cases filed by owners/allottees of IIDL Aerie, Kochi (project developed by IIDL) and pending at various consumer forums. The Company, while releasing the retention money of ₹ 40 lakh to the contractor of IIDL Aerie, Kochi Project towards full and final settlement out of the total retention money of ₹ 80.01 lakh, decided to make a provision of ₹40.01 lakh on account of cases filed by owners/allottees at various consumer forum.<br><br>However, no such provision for legal cases was created by the Company. This has resulted in understatement of provisions and overstatement of profit by ₹ 40.01 lakh. | The same has been rectified and updated in Q1 of 2023-24. |
| **B.** | **Comments on Consolidated Financial Position**<br><br>**Notes to Accounts**<br><br>**Contingent Liabilities and Capital Commitments (Note No. 42)**<br><br>**Contingent Liabilities towards Income Tax (Note No. 42(ia)): Rs. 131.12 Lakh**<br><br>Above does not include demand of ₹ 246.18 lakh raised by Income Tax Department for the Assessment Years 2012-13 and 2014-15 to 2017-18 and against which an appeal has been filed by the Company. Hence, this amount should have been shown under contingent liability in line with Para 86 of Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets), which, inter-alia, stipulates that, "unless the possibility of any outflow in settlement is remote, an entity shall disclose a brief description of the nature of the contingent liability and an estimation of its financial effect, where practicable, for each class of contingent liability at the end of the reporting period.<br><br>Therefore, the above note is deficient to that extent. | Noted the observation. There is no financial impact on balance sheet for the FY 2022-23. We will rectify the same in current FY i.e. 2023-24. |

| CAG Observations | Management Comments |
|---|---|
| **C. Comment on Consolidated Cash Flow Statement**<br><br>**Net Cash inflow from Investing Activities (B) – Rs.2596.27 lakh**<br><br>Above includes an interest of Rs. 1641.45 Lakh including accrued interest of Rs. 1009.03 Lakh, earned on Deposits and Bonds by the Company during FY 2022-23. Accrued interest being a non-cash item should not have been made a part of Cash Flow Statement in line with para 43 of Ind AS-7 (Cash Flow Statement) which stipulates that, Investing and Financing activities that do not require the use of cash or cash equivalents shall be excluded from the statement of cash flows.<br><br>This has resulted in overstatement of Cash flow from Investing Activities and understatement of Cash Flow from Operating Activities by Rs. 1009.03 lakh. | This was a presentation error and is noted for preparation of future cash flow statements. |
| **D. Comments on Independent Auditor's Report on Consolidated Financial Statements**<br><br>**Independent Auditors Report dated 04.07.2023**<br><br>It was noticed that CBI filed (29 November 2018) an FIR against Shri Shivendra Tomar, Ex. MD (IIDL), Shri P. Srinivas, Ex. MD (IIDL), M/s Holistic Urban Innovation Pvt. Ltd. (HUIPL) and Other unknown persons for suspected offence of Criminal conspiracy, Cheating and abuse of official position by public servant involving huge excess payments to HUIPL. Further, in reference to CBI letter dated 02 February 2022, IFCI has conveyed (29 April 2022) the approval of competent authority for conducting investigation against Sh. Shivendra Tomar, General Manager, IFCI Ltd. (Ex-COD/CEO/MD. IIDL) under various provisions of Prevention of Corruption Act, 1988 (as amended in 2018) and Indian Penal Code.<br><br>However, the above fraud case and IFCI's approval to CBI for conducting investigation against Sh. Shivendra Tomar, Ex. MD (IIDL) was neither disclosed in the financial statements nor reported in the Independent Auditor's Report dated 04 July 2023, Thus, the Independent Auditor's report and financial statement are deficient to that extent. Further, the Independent Auditor did not report the above matter to the Central Government which resulted in non-compliance to section 143 (12) of Companies Act, 2013 and Rule 13 of Companies (Audit and Auditors) Rules 2014 as amended vide notification dated 14 | The matter does not pertain to FY 2022-23. Further, Shri Shivendra Tomar is an employee of IFCI and governed by IFCI Staff Regulations, therefore the case is being handled by IFCI. The matter is under investigation of CBI. |

| | CAG Observations | Management Comments |
|---|---|---|
| | December 2015, which provides that, if an auditor of a company, in the course of the performance of his duties as auditor, has reason to believe that an offence involving fraud, which involves or is expected to involve individually an amount of rupees one crore or above is being or has been committed against the company by officers or employees of the company, he shall immediately report the matter to the Central Government within such time and in such manner as may be prescribed. | |
| **D.2** | Aggregate impact of above comments is Rs.1029.47 lakh. As a result of the net impact of above comments, Profit after Tax of the company would come down to Rs. 761.76 Lakh from Rs. 1743.41 Lakh i.e. reduction of 56.31 percent. Hence, the Financial Statements of the Company do not represent “true and fair view” and it was not proper on the part of the Independent Auditor to have provided the assurance that the financial statements presented a “true and fair view”. | Response submitted by Statutory Auditors is as follows:<br><br>We hold the comments of Hon’ble CAG in high regard, however, we would like to state that the financial statements present a true and fair view of the company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.<br>We have adequately elucidated our standpoint on the comments stated in the communication received from Hon’ble CAG and have fairly addressed their concerns. |

| | |
|---|---|
| Sd/-<br>**Nidhi Agarwal**<br>**Chief Financial Officer** | Sd/-<br>**Vijay Kumar Deshraj**<br>**Managing Director** |

**Date: 02.11.2023**
**Place: New Delhi**

## INDEPENDENT AUDITOR'S REPORT

**To the Members of**
**M/s IFCI Infrastructure Development Limited**

### Report on the Audit of the Standalone Financial Statements

This revised Independent Auditor's Report is being issued in suppression of our earlier Independent Auditor's Report dated 15th May'2023, at the instance of Comptroller and Auditor General (C&AG) of India. The revised report is issued in view of certain modifications in Opinion, Emphasis of Matter, Report on Other Legal & Regulatory Requirements of Independent Auditor's Report and Annexure-A of Independent Auditor's Report pertaining to the regulatory requirement as required by the Companies (Auditor's 'Report) Order, 2020 (CARO) issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act,2013. Further, we confirm that these changes do not affect true & fair view and our opinion expressed earlier.

### Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **M/s IFCI Infrastructure Development Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flow for the year then ended, and Notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory notes for the year ended on that date (herein after referred to as "standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by 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 31st March 2023, and Profit including Other Comprehensive Income, the changes in equity and its cash flows for the year ended on that date.

### Emphasis of Matter

We draw attention to point number 48A to the financial statements regarding lease hold rights for 4.37 acres of land in respect of Financial City Bengaluru, lease period for 2.37 acres of land has expired on 02-11-2021 and for other 2 acres of land, lease period has expired on 12-10-2022. The request letter to renew such lease agreement is submitted to KIADB and renewal of the same is under process till the finalization of accounts. Our opinion is not modified in respect of this matter.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 opinion on Standalone Financial Statements.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows change in equity of the company of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant Rules thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibility for the Audit of the Standalone Financial Statements**

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- 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 Branch's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements of the Branch 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 Branch 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.

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

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

**Report on Other Legal and Regulatory Requirements**

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

**2.** As required under Section 143(5) of the Companies Act'2013, we enclose herewith, as per **Annexure-B** and **Annexure-C** our report for the company on the Directions and Sub-directions respectively, issued by the Comptroller & Auditor General of India.

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

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

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

**(c)** The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

**(d)** In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant Rules thereunder;

**(e)** The provisions of section 164(2) of the Companies Act, 2013 in respect of disqualifications of directors are not applicable to the Company being Government Company in terms of notification no. G.S.R. 463(E) dated 5$^{th}$ June 2015 issued by the Ministry of Corporate affairs;

**(f)** With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure-D**"; and

**(g)** 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:

**i.** The Company has disclosed the impact of pending litigation on its financial position as referred to in Note-42 to the financial statements.

**ii.** The Company is not required to make any provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

**iii.** The Company is not required to transfer any amount to the Investor Education and Protection Fund.

**iv.** (i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds) by the Company to or in' any other persons or entities, including foreign entities

(“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

**v.** The Company has not declared or paid any dividend during the year.

For **RAVI RAJAN & CO. LLP**
Chartered Accountants
Firm’s Registration Number: 009073N/N500320

Sd/-

B.S. Rawat
Partner
Membership Number: 034159
UDIN: 23034159BGXDGF8905

Place: New Delhi
Date: 04-07-2023

**Annexure - A to the Independent Auditors' Report of Even Date**

The Annexure-A referred to in paragraph-1 of "Report on Other Legal and Regulatory Requirements" of Independent Auditors' Report to the members of the Company on the Standalone Financial Statements for the year ended 31 March 2023, we report that:

**(i)** (a) (A) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

**The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.**

(B) Whether the company is maintaining proper records showing full particulars of intangible assets;

**The Company is maintaining proper records showing full particulars of intangible assets.**

(b) Whether these Property, Plant and Equipment have been physically verified by the management at reasonable intervals, whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of accounts;

**Management has carried out physical verification of Property, Plant & Equipment and no material discrepancies are reported.**

(c) Whether the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company, if not, provide the details thereof in the format below: -

**Yes, except the Title deeds in respect of following properties are held in the name of the company.**

| Description of property | Gross carrying value | Held in name of | Whether promoter, director or their relative or employee | Period held –indicate range, where appropriate | Reason for not being held in name of company* |
|---|---|---|---|---|---|
| **Property located at Pangoorvell, Ariyur Revenue Village, District-** | **Rs. 10.01 Crores** | **IFCI Infrastructure Development Limited (through sale certificate** | **No** | **14 years & 08 months** | **One of the survey number identified as temple land due to which registration has not taken place.** |

| | | | | | |
|---|---|---|---|---|---|
| **Villanpur, Puducherry having area of 21.279 acres** | | **issued by IFCI Ltd)** | | | **IIDL is in process of resolving the issue with concern authority.** |

(d) Whether the company has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and, if so, whether the revaluation is based on the valuation by a Registered Valuer; specify the amount of change, if change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets: -

**The Company has not revalued its Property, Plant and Equipment during the FY 2022-23.**

(e) Whether any proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, if so, whether the company has appropriately disclosed the details in its financial statements;

**No such proceedings have been initiated or are pending against the Company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.**

**(ii)** (a) Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether, in the opinion of the auditor, the coverage and procedure of such verification by the management is appropriate; whether any discrepancies of 10% or more in the aggregate for each class of inventory were noticed and if so, whether they have been properly dealt with in the books of account;

**Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.**

(b) Whether during any point of time of the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; whether the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company, if not, give details;

**No such working capital limits availed by the Company during any point of time of the year.**

**(iii)** Whether during the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, if so-

**During the year, company has neither made any investment in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties except investment of Rs. 1 Crore in Sage Venture Fund of IFCI Venture Capital Funds Limited (i.e. Group Company).**

**(a)** Whether during the year the company has provided loans or provided advances in the nature of loans, or stood guarantee or provided security to any other entity, if so, indicate; **(Not Applicable)**

**During the year the company has not provided loans or provided advances in the nature of loans, or stood guarantee or provided security to any other entity.**

**(A)** the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates;

**Not Applicable**

**(B)** the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates;

**Not Applicable**

**(b)** Whether the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;

**Not Applicable since no loan has been granted by the Company.**

**(c)** in respect of loans and advances in the nature of loans, whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;

**Not Applicable since no loan has been granted by the Company.**

**(d)** if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;

**Not Applicable since no loan has been granted by the Company.**

**(e)** Whether any loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties, if so, specify the aggregate amount of such dues renewed or extended or settled by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year;

**Not Applicable since no loan has been granted by the Company.**

**(f)** Whether the company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, if so, specify the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013;

**Not Applicable since no loan has been granted by the Company.**

**(iv)** In respect of loans, investments, guarantees. and security whether provisions of section-185 and 186 of the Companies Act,2013 have been complied with. If not, provide the details thereof;

**The Company has complied with the provisions of section 185 & 186 of the Companies Act'2013 in respect of loans, investments, guarantees and security.**

**(v)** in respect of deposits accepted by the company or amounts which are deemed to be deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder, where applicable, have been complied with, if not, the nature of such contraventions be stated; if an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not:

**The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.**

**(vi)** Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained;

**The Central Government has prescribed maintenance of cost records under sub-section (1) of section-148 of the Companies Act. The Company has maintained the prescribed records. However, no separate cost records have been maintained.**

**(vii)** (a) Whether the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;

**According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax, Cess and any other statutory dues with the appropriate authorities, to the extent applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2023 for a period of more than six months from the date on when they become payable.**

**(b)** Where statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).

**According to information and explanations given to us, statutory dues referred to in sub-clause (a), which have not been deposited on account of any dispute are as under:**

| Name of the Statute | Nature of the Dues | Amount (Rupees in Lakhs) | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|
| Income Tax Act, 1961 | Disputed Addition | 84.87 | AY 2012-13 | CIT (A) |
| Income Tax Act, 1961 | Disputed Income-tax demand | 116.16 | AY 2014-15 | CIT (A) |
| Income Tax Act, 1961 | Disputed Income-tax demand | 99.82 | AY 2015-16 | CIT (A) |
| Income Tax Act, 1961 | Disputed Income-tax demand | 30.20 | AY 2016-17 | CIT (A) |
| Income Tax Act, 1961 | Disputed Addition | 58.60 | AY 2017-18 | CIT (A) |
| Indian Stamp Act, 1899 | Short Payment of Stamp Duty | 150.02 | | Allahabad High Court |

**(viii)** Whether any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961

(43 of 1961), if so, whether the previously unrecorded income has been properly recorded in the books of account during the year;

**Not such observation.**

**(ix) (a)** Whether the company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, if yes, the period and the amount of default to be reported as per the format below:

| Nature of borrowing, including debt securities | Name of lender* | Amount not paid on due date | Whether principal orinterest | No. of daysdelay or unpaid | Remarks,if any |
|---|---|---|---|---|---|
| | *lender wise details to be provided in case of defaults to banks, financial institutions and Government. | | | | |

**No such default observed.**

**(c)** Whether the company is a declared wilful defaulter by any bank or financial institution or other lender;

**Company is not declared as wilful defaulter by any bank or financial institution or other lender.**

**(d)** Whether term loans were applied for the purpose for which the loans were obtained; if not, the amount of loan so diverted and the purpose for which it is used may be reported; **(Not Applicable)**

**Company has not taken any loan either from financial institutions, banks or from the government and has not issued any debentures.**

**(e)** Whether funds raised on short term basis have been utilized for long term purposes, if yes, thenature and amount to be indicated; **(Not Applicable)**

**Company has not taken any loan either from financial institutions, banks or from the government and has not issued any debentures.**

**(f)** Whether the company has taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, if so, details thereof with nature of such transactions and the amount in each case; (Not Applicable)

**Not Applicable as Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.**

**(g)** Whether the company has raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, if so, give details thereof and also report if the company has defaulted in repayment of such loans raised;

**Not Applicable as during the year Company has not raised loans on the pledge of securities held in its subsidiaries, joint ventures or associate companies.**

**(x)** (a) Whether moneys raised by way of initial public offer or further public offer (including debt instruments) during the year were applied for the purposes for which those are raised, if not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;

**Based on our audit procedures and as per the information and explanations given to us by the management, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.**

(b) Whether the company has made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and if so, whether the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised, if not, provide details in respect of amount involved and nature of non-compliance;

**According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.**

**(xi)** (a) whether any fraud by the company or any fraud on the company has been noticed or reported during the year, if yes, the nature and the amount involved is to be indicated;

**According to the information and explanations given to us, fraud by the employee has been reported during the course of our audit where two fictitious entries amounting to Rs. 38,822 (i.e. Rs. 26,432 and Rs. 12,390 in August'2022 and December'2022 respectively) have been booked against the advances amount of client "Delta Bulk Shipping Private Limited" on the basis of details provided by the Company.**

(b) whether any report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

**Not Applicable as amount involved is less than One Crore Rupees.**

(c) whether the auditor has considered whistle-blower complaints, if any, received during the year by the company;

**Based on Management Representation, during the year Company has not received any whistle-blower complaints.**

**(xii)** Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;

**According to information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of these clause 3 (xii) of the order are not applicable to the Company.**

**(xiii)** Whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;

**According to information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, where applicable, and details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.**

**(xiv)** (a) whether the company has an internal audit system commensurate with the size and nature of its business;

**Company has appointed separate CA firms for Internal Audit of Head Office and IIDL Suites during the year. Based on our audit procedures and as per the information and explanations given to us by the management, the company has an adequate Internal Audit system with the size and nature of its business.**

(b) whether the reports of the Internal Auditors for the period under audit were considered by the statutory auditor;

**The Internal Audit reports provided to us were duly considered during the Audit Period.**

**(xv)** Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;

**According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.**

**(xvi)** Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.

**Company is not covered by section 45-IA of Reserve Bank of India Act, 1934.**

**(xvii)** whether the company has incurred cash losses in the financial year and in the immediately preceding financial year, if so, state the amount of cash losses;

**Based on our audit procedures and as per the information and explanations given to us by the management, the company has not incurred any cash losses in the financial year and in the immediately preceding financial year.**

**(xviii)** whether there has been any resignation of the statutory auditors during the year, if so, whether the auditor has taken into consideration the issues, objections or concerns raised by the outgoing auditors;

**There has been no resignation of the statutory auditors during the year.**

**(xix)** on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;

**Based on our audit procedures and as per the information and explanations given to us by the management, the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.**

(xx) (a) whether, in respect of other than ongoing projects, the company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;

**Based on our audit procedures and as per the information and explanations given to us by the management, the company has only ongoing projects i.e. there are no other than ongoing projects.**

(b) whether any amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act;

**Based on our audit procedures and as per the information and explanations given to us by the management, the company has transferred Rs. 23,78,794/- to unspent CSR Account in respect of Financial Year 2022-23 as per the Section 135(6) as on 28th April, 2023.**

**(xxi)** whether there have been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements, if yes, indicate the details of the companies and the paragraph numbers of the CARO report containing the qualifications or adverse remarks.

**There have not been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.**

For **RAVI RAJAN & CO. LLP**
Chartered Accountants
Firm's registration number: 009073N/N500320

Sd/-
B.S. Rawat
Partner
Membership number: 034159
UDIN: 23034159BGXDGF8905

Place: New Delhi
Date: 04-07-2023

**Annexure - B to the Independent Auditors' Report**

**Report in terms of Directions issued by the Comptroller & Auditor General of India under section 143(5) of the Companies Act'2013 for the financial year 2022023**

1. Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.

   **According to the information and explanations given to us and based on our audit, all the accounting transactions are routed through IT system (i.e. Tally software in Head Office and SAGE 300 ERP/HIS/IDS software in IIDL Suites) except the demand letters issued to buyers and rental invoices issued to tenants. Demand letters issued to buyers and rental invoices issued to tenants are usually sent through MS-Office.**

   **We have neither been informed nor we have come across during the course of audit any accounting transactions having impact on the integrity of the accounts along with the financial implications which have been processed outside the IT system.**

2. Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of Lender Company).

   **During the year, there is no instance of any restructuring of any existing loan or cases of waiver/write-off of debts/loans/interest etc. made by a lender to the Company.**

3. Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central /State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.

   **We have been informed that the Company has neither received nor any such funds are receivable by the Company for specific schemes from Central/State Government or its agencies for the financial year 2022-23.**

For **RAVI RAJAN & CO. LLP**
Chartered Accountants
Firm's registration number: 009073N/N500320

B.S. Rawat
Partner
Membership number: 034159
UDIN: 23034159BGXDGF8905
Place: New Delhi
Date: 04-07-2023

**Annexure - C to the Independent Auditors' Report**

**Report in terms of Sub-directions issued by the Comptroller & Auditor General of India under section 143(5) of the Companies Act'2013 for the financial year 2022-23**

1. **Investments:**

   Whether the titles of ownership in respect of CGS/ SGS/ Bonds/ Debentures etc. are available in physical/demat form and these, in aggregate, agree with the respective amounts shown in the Company's books of accounts? If not, details may be stated.

   **The company had invested Rs. 95.00 Crores in Bonds issued by IFCI Limited. The possession of these bonds are in demat form and the same has been shown in the Company's books of accounts under the head of investment in asset side of the balance sheet.**

2. **Loans:**

   In respect of provisioning requirement of all restructured, rescheduled, renegotiated loan-whether a system of periodical assessment of realizable value of securities available against all such loans is in place and adequate provision has been created during the year? Deficiencies in this regard, if any, may be suitably commented upon along with financial impact.

   **The Company has neither granted any Loans during the year nor does the Company have any such outstanding Loans as on 31-03-2023.**

For **RAVI RAJAN & CO. LLP**
Chartered Accountants
Firm's registration number: 009073N/N500320

B.S. Rawat
Partner
Membership number: 034159
UDIN: 23034159BGXDGF8905

Place: New Delhi
Date: 04-07-2023

**Annexure - D to the Independent Auditors' Report**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **M/s IFCI Infrastructure Development Limited** ("the Company") as of 31$^{st}$ March 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **RAVI RAJAN & CO. LLP**

Chartered Accountants
Firm's registration number: 009073N/N500320

Sd/-

B.S. Rawat
Partner
Membership number: 034159
UDIN: 23034159BGXDGF8905

Place: New Delhi
Date: 04-07-2023

**IFCI INFRASTRUCTURE DEVELOPMENT LIMITED**
**CIN : U45400DL2007GOI169232**
Regd. Office - 7th Floor, IFCI Tower, 61 Nehru Place, New Delhi - 110 019 (IN)

## BALANCE SHEET
## as at 31st March 2023

( ₹ in Lakhs)

| Particulars | Note No. | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| **ASSETS** | | | |
| **1. Non - Current Assets** | | | |
| a. Property, Plant and Equipment and Intangible assets | 2 | 15,699.00 | 16,026.10 |
| b. Investment property | 3 | 710.72 | 749.31 |
| c. Goodwill | 4 | - | - |
| d. Other Intangible Assets | 5 | 20.53 | 33.79 |
| e. Financial Assets | | - | - |
| i. Investments | 6 | 13,756.03 | 13,656.03 |
| ii. Loans | 7 | 696.02 | 634.48 |
| iii. Others | 8 | 1,832.33 | 251.64 |
| | | 32,714.64 | 31,351.33 |
| **2. Current Assets** | | | |
| a. Inventories | 9 | 7,145.77 | 7,389.24 |
| b. Financial Assets | | - | - |
| i. Trade Receivables | 10 | 225.62 | 177.29 |
| ii. Cash and cash equivalents | 11 | 6,039.03 | 3,367.14 |
| iii. Bank Balance other than (ii) above | 12 | 5,961.62 | 8,780.66 |
| iv. Loans | 13 | - | - |
| v. Others | 14 | 990.63 | 897.55 |
| c. Current Tax Assets (Net) | 15 | 964.00 | 877.27 |
| d. Other Current Assets | 16 | 984.23 | 1,075.35 |
| | | 22,310.90 | 22,564.51 |
| **TOTAL ASSETS** | | 55,025.54 | 53,915.85 |
| | | | |
| **EQUITY AND LIABILITIES** | | | |
| **1. Equity** | | | |
| a. Equity Share Capital | 17 | 42,709.92 | 42,709.92 |
| b. Other Equity | 18 | 9,579.14 | 7,970.53 |
| | | 52,289.07 | 50,680.45 |
| **2. Non - Current Liabilities** | | | |
| a. Financial Liabilities | | | |
| i. Borrowings | 19 | - | - |
| ii. Other Financial Liabilities | 20 | 1.02 | 3.05 |
| b. Provisions | 21 | 503.83 | 109.28 |
| c. Deferred Tax Liabilities (Net) | 22 | 897.69 | 866.35 |
| d. Other Non - Current Liabilities | 23 | - | 221.50 |
| | | 1,402.54 | 1,200.17 |
| **3. Current liabilities** | | | |
| a. Financial Liabilities | | | |
| i. Trade Payables | 24 | 65.56 | 201.79 |
| ii. Other Financial Liabilities | 25 | 428.17 | 615.38 |
| b. Other Current Liabilities | 26 | 764.68 | 765.45 |
| c. Provisions | 27 | 75.53 | 452.61 |
| | | 1,333.94 | 2,035.23 |
| **TOTAL EQUITY AND LIABILITIES** | | 55,025.54 | 53,915.85 |

Summary of Significant Accounting Policies and Other Explanatory Information in Notes 1 to 58

**As per our report of even date attached**
**For RAVI RAJAN & CO. LLP**
**CHARTERED ACCOUNTANTS**
**FRN 009073N/N500320**

**FOR AND ON BEHALF OF THE BOARD**

Sd/-
**(Debashis Gupta)**
**DIN : 08741938**
**DIRECTOR**

Sd/-
**(Vijay Kumar Deshraj)**
**DIN:09722994**
**MANAGING DIRECTOR**

Sd/-
**CA BS Rawat**
**PARTNER**
**M. No. 034159**
**UDIN - 23034159BGXDFU2957**

Sd/-
**(Vishal Pandey)**
**M. No. 515352**
**CHIEF FINANCIAL OFFICER**

Sd/-
**(TANNU SHARMA)**
**M. No. 029676**
**COMPANY SECRETARY**

**Date : 15-May-2023**
**Place : New Delhi**

**IFCI INFRASTRUCTURE DEVELOPMENT LIMITED**
**CIN : U45400DL2007GOI169232**
Regd. Office - 7th Floor, IFCI Tower, 61 Nehru Place, New Delhi - 110 019 (IN)

## STATEMENT OF PROFIT AND LOSS
**for the year ended 31st March 2023**

(₹ in Lakhs)

| Particulars | Note No. | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| **CONTINUING OPERATIONS** | | | |
| **Income** | | | |
| Revenue from Operations | 28 | 2,066.99 | 2,184.24 |
| Other Income | 29 | 1,974.84 | 2,074.87 |
| **Total Income (A)** | | 4,041.83 | 4,259.12 |
| **Expenses** | | | |
| Cost of Material Consumed | 30 | 404.59 | 1,569.29 |
| Employee benefit expenses | 31 | 592.46 | 550.83 |
| Finance Costs | 32 | 0.10 | 1.57 |
| Depreciation and Amortization expenses | 33 | 381.97 | 350.11 |
| Other Expenses | 34 | 953.57 | 963.85 |
| **Total Expenses (B)** | | 2,332.68 | 3,435.65 |
| **Profit / (Loss) before exceptional items and tax (A - B)** | | 1,709.14 | 823.46 |
| Exceptional Items | 35A | (63.24) | 189.94 |
| **Profit / (Loss) before tax** | | 1,645.91 | 1,013.40 |
| Less: Tax Expense | | | |
| 1. Current Tax | 38 | 281.83 | 86.72 |
| 2. Deferred Tax | 52 | 33.00 | 181.02 |
| 3. MAT Credit Entitlement | 38 | (281.83) | (86.72) |
| 4. Income Tax for Earlier Years | 38 | - | - |
| **Profit / (Loss) for the period from continuing operations, net of tax** | | 1,612.91 | 832.38 |
| **DISCONTINUING OPERATIONS** | | | |
| **Profit / (Loss) from discontinuing operations (after tax)** | | - | - |
| **PROFIT / (LOSS) FOR THE PERIOD (C)** | | 1,612.91 | 832.38 |
| **OTHER COMPREHENSIVE INCOME** | | | |
| A. i. Items that will not be reclassified to profit or loss | 35 | | |
| a. Acturial Gain / Loss | | (5.95) | (0.83) |
| Less: ii. Income tax relating to items that will not to be reclassified to profit or loss | | (1.65) | (0.23) |
| **Other Comprehensive Income, net of tax (D)** | | (4.29) | (0.60) |
| **TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (C + D)** | | 1,608.61 | 831.78 |
| **Earning per equity share (for continuing and discontinuing operations)** | 36 | | |
| 1. Basic (in Rs.) | | 0.38 | 0.19 |
| 2. Diluted (in Rs.) | | 0.38 | 0.19 |

Summary of Significant Accounting Policies and Other Explanatory Information in Notes 1 to 58

**As per our report of even date attached**
**For RAVI RAJAN & CO. LLP**
**CHARTERED ACCOUNTANTS**
**FRN 009073N/N500320**

Sd/-
**CA BS Rawat**
**PARTNER**
**M. No. 034159**
**UDIN - 23034159BGXDFU2957**

**Date : 15-May-2023**
**Place : New Delhi**

**FOR AND ON BEHALF OF THE BOARD**

Sd/-
**(Debashis Gupta)**
**DIN : 08741938**
**DIRECTOR**

Sd/-
**(Vijay Kumar Deshraj)**
**DIN:09722994**
**MANAGING DIRECTOR**

Sd/-
**(Vishal Pandey)**
**M. No. 515352**
**CHIEF FINANCIAL OFFICER**

Sd/-
**(TANNU SHARMA)**
**M. No. 029676**
**COMPANY SECRETARY**

**IFCI INFRASTRUCTURE DEVELOPMENT LIMITED**
**CIN : U45400DL2007GOI169232**
Regd. Office - 7th Floor, IFCI Tower, 61 Nehru Place, New Delhi - 110 019 (IN)

## STATEMENT OF CHANGES IN EQUITY
## for the year ended 31st March 2023

**A. EQUITY SHARE CAPITAL**

( ₹ in Lakhs)

| Particulars | Balance at the beginning of the reporting period | Share Capital issued during the year | Share Capital redeemed during the year | Balance at the end of the reporting period |
|---|---|---|---|---|
| Balance as at 31st March, 2022 | 42,709.92 | - | - | 42,709.92 |
| Balance as at 31st March, 2023 | 42,709.92 | - | - | 42,709.92 |

**B. OTHER EQUITY**

(₹ in Lakhs)

| Particulars | Reserves & Surplus | | Other Comprehensive Income (OCI) | | Total |
|---|---|---|---|---|---|
| | Capital Redemption Reserve | Retained Earnings | Remeasurement of Defined Benefit Plans | Others | |
| **Balance as at 1st April 2021** | 6,812.91 | 950.13 | 30.80 | - | 7,793.84 |
| Changes in Accounting Policy / Prior Period Errors | | | | | |
| Profit for the period | - | 832.38 | - | - | 832.38 |
| Other Comprehensive Income for the year (net of taxes) | - | - | (0.60) | - | (0.60) |
| Changes in Equity due to Lease Extension | | (655.10) | | | (655.10) |
| Interim Dividend Paid to Equity Shareholders | - | - | - | - | - |
| Dividend Distribution Tax Paid | - | - | - | - | - |
| **Balance at 31st March, 2022** | 6,812.91 | 1,127.41 | 30.20 | - | 7,970.53 |
| Changes in Accounting Policy / Prior Period Errors | | | | | |
| Profit for the period | - | 1,612.91 | - | - | 1,612.91 |
| Other Comprehensive Income for the year (net of taxes) | - | - | (4.29) | - | (4.29) |
| Changes in Equity due to Lease Extension | - | - | - | - | - |
| Interim Dividend Paid to Equity Shareholders | - | - | - | - | - |
| Dividend Distribution Tax Paid | - | - | - | - | - |
| **Balance at 31st March, 2023** | 6,812.91 | 2,740.32 | 25.91 | - | 9,579.14 |

Summary of Significant Accounting Policies and Other Explanatory Information in Notes 1 to 58

**As per our report of even date attached**
**For RAVI RAJAN & CO. LLP**
**CHARTERED ACCOUNTANTS**
**FRN 009073N/N500320**

Sd/-
**CA BS Rawat**
**PARTNER**
**M. No. 034159**
**UDIN - 23034159BGXDFU2957**

**Date : 15-May-2023**
**Place : New Delhi**

**FOR AND ON BEHALF OF THE BOARD**

Sd/-
**(Debashis Gupta)**
**DIN : 08741938**
**DIRECTOR**

Sd/-
**(Vijay Kumar Deshraj)**
**DIN:09722994**
**MANAGING DIRECTOR**

Sd/-
**(Vishal Pandey)**
**M. No. 515352**
**CHIEF FINANCIAL OFFICER**

Sd/-
**(TANNU SHARMA)**
**M. No. 029676**
**COMPANY SECRETARY**

## IFCI INFRASTRUCTURE DEVELOPMENT LIMITED

**CIN : U45400DL2007GOI169232**

Regd. Office - 7th Floor, IFCI Tower, 61 Nehru Place, New Delhi - 110 019 (IN)

### STATEMENT OF CASH FLOWS
**for the year ended 31st March 2023**

(₹ in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| Total Comprehensive Income before Income Tax from | | |
| Continuing Operations | 1,639.96 | 1,012.57 |
| Discontinuing Operations | - | - |
| **Profit before Income Tax including discontinued operations** | 1,639.96 | 1,012.57 |
| Adjustments For : | | |
| Depreciation and Amortization Expense | 381.97 | 350.11 |
| Other Comprehensive Income | 5.95 | 0.83 |
| Interest Income classified as Investing Cash Flows | (1,605.33) | (1,555.83) |
| Non - Cash Interest Income | (60.35) | (54.31) |
| Non - Cash Finance Costs | 0.10 | 1.57 |
| Non - Cash Deferred Income | (221.49) | (442.98) |
| Profit on Sale of Fixed Assets | - | - |
| **Operating Profit before working capital changes** | 140.80 | (688.03) |
| Change in operating assets and liabilities, net of effects from purchase of controlled entities and sale of subsidiaries : | | |
| Decrease / (Increase) : Financial Assets | (141.41) | 131.59 |
| Decrease / (Increase) : Inventories | 243.47 | 1,471.00 |
| Decrease / (Increase) : Current Tax Assets | (86.73) | (99.75) |
| Decrease / (Increase) : Other Current Assets | 91.12 | 486.99 |
| Increase / (Decrease) : Financial Liabilities | (323.44) | (358.03) |
| Increase / (Decrease) : Provisions | 11.53 | (455.70) |
| Increase / (Decrease) : Other Current Liabilities | (0.77) | (47.33) |
| **Cash Generated from Operations** | (65.44) | 440.74 |
| Income Taxes Paid | - | - |
| **Net Cash inflow / (outflow) from Operating Activities (A)** | (65.44) | 440.74 |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Interest Income from Deposits & Bonds | 1,605.33 | 1,555.83 |
| Bank deposits with maturity over 3 months but less than 12 months | 2,819.04 | (282.38) |
| Bank deposits with maturity over 12 months | (1,584.02) | (175.58) |
| Purchase of Property, Plant & Equipment | (20.10) | (11.24) |
| Purchase of Intangible Assets | - | (0.68) |
| Purchase of Tax Free Bond | - | (500.00) |
| Sale of Property, Plant & Equipment | 17.08 | - |
| Investment in SAGE Fund | (100.00) | - |
| **Net Cash inflow / (outflow) from Investing Activities (B)** | 2,737.33 | 585.94 |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Interim Dividend Received | - | - |
| Interim Dividend Paid | - | - |
| Dividend Distribution Tax Paid | - | - |
| Buy-back of Equity Shares | - | - |
| Premium paid on buy-back of Equity Shares | - | - |
| Tax paid on buy-back of Equity Shares | - | - |
| Repayment of 9.7% Non-Convertible Bonds | - | - |
| Finance Costs | - | - |
| **Net Cash inflow / (outflow) from Financing Activities ©** | - | - |
| Net Increase in Cash and Cash Equivalents (A+B+C) | 2,671.89 | 1,026.68 |
| Cash and Cash Equivalents at the Beginning of the year | 3,367.14 | 2,340.46 |
| **Cash and Cash Equivalents at the end of the year (D)** | **6,039.03** | **3,367.14** |
| **Reconciliation of Cash and Cash Equivalents at the end of the year** | | |
| Cash on Hand | 1.79 | 1.17 |
| Cheques / Drafts on Hand | - | - |
| Balances in Current / Savings Accounts with Banks | 69.06 | 103.43 |
| Balances in Deposit Accounts with maturity less than 3 months | 5,968.18 | 3,262.54 |
| **Total Cash and Cash Equivalents at the end of the year** | **6,039.03** | **3,367.14** |
| **Out of (D), significant cash and cash equivalent balances held by the entity that are not available for use** | | |
| **Non Cash Financing and Investing Activities** | 281.74 | 495.71 |

Summary of Significant Accounting Policies and Other Explanatory Information in Notes 1 to 58

**As per our report of even date attached**
**For RAVI RAJAN & CO. LLP**
**CHARTERED ACCOUNTANTS**
**FRN 009073N/N500320**

Sd/-
**CA BS Rawat**
**PARTNER**
**M. No. 034159**
**UDIN - 23034159BGXDFU2957**

**Date : 15-May-2023**
**Place : New Delhi**

**FOR AND ON BEHALF OF THE BOARD**

Sd/-
**(Debashis Gupta)**
**DIN : 08741938**
**DIRECTOR**

Sd/-
**(Vijay Kumar Deshraj)**
**DIN:09722994**
**MANAGING DIRECTOR**

Sd/-
**(Vishal Pandey)**
**M. No. 515352**
**CHIEF FINANCIAL OFFICER**

Sd/-
**(TANNU SHARMA)**
**M. No. 029676**
**COMPANY SECRETARY**

## NOTES TO STANDALONE FINANCIAL STATEMENTS

### CORPORATE AND GENERAL INFORMATION

IFCI Infrastructure Development Limited ("the Company") is a company registered under the Companies Act, 2013 which was incorporated on October 10, 2007. The Company has been primarily engaged in the activities relating to Real Estate Project Advisory and Execution, promotion, construction, and development of Commercial and Residential Complexes and Serviced Apartments of its own as well as under joint participatory agreements with others.

The hospitality project of the company under the brand name 'IIDL Suites', Service Apartments located at Mayur Vihar has commenced its commercial operations from 1st of October 2011.

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements for the year ended March 31, 2023 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 and as notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard.

Further, the financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) including the rules notified under the relevant provisions of the Companies Act, 2013 (the Act).

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

#### 1.2 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency. All amounts have been denominated in INR and rounded off to the nearest two decimals, except where otherwise indicated.

#### 1.3 BASIS OF MEASUREMENT

The financial statements have been prepared on accrual basis and under the historical cost convention, except for the following material items:

- Financial assets at FVTOCI that is measured at fair value
- Financial instruments at FVTPL that is measured at fair value

• Net defined benefit (asset) / liability - fair value of plan assets less present value of defined benefit obligation

## 1.4 USE OF JUDGEMENTS AND ESTIMATES

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although, such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years.

## 1.5 PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND INVESTMENT PROPERTY

### 1.5.1 Recognition and measurement

**Property, Plant and Equipment** is initially measured at cost of acquisition/construction including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Property, plant and equipment held for use or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. The cost includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

Property, Plant and Equipment acquired as replacement of the existing assets are capitalized and its corresponding replaced assets removed / retired from active use are derecognized.

If the cost of the replaced part or earlier inspection is not available, the estimated cost of similar new parts / inspection is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection was carried out.

After initial recognition, Property, Plant and Equipment is carried at cost less accumulated depreciation / amortisation and accumulated impairment losses, if any.

In the case of commissioned assets, deposit works / cost – plus contracts where final settlement of bills with contractors is yet to be affected, capitalization is done on provisional basis subject to necessary adjustments in the year of final settlement.

Spares parts, standby equipment and servicing equipment which meets the recognition criteria of Property, Plant and Equipment are capitalized.

**Investment properties** include those portions of land and buildings that are held for long-term rental yields and/or for capital appreciation or for a currently indeterminate use. Investment properties include properties that are being constructed or developed for future use as investment properties.

Investment properties are stated at cost of acquisition / construction less accumulated depreciation. On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

Method of Depreciation used is Straight Line Method and the useful life of the asset taken is 60 years.

On the date of transition to Ind AS, the Company has considered the carrying value of Investment Properties (if any) as per previous GAAP to be the deemed cost as per Ind AS 101.

**Intangible assets** are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Government licenses essential for the company's operations and having a validity of over one year are initially recognised at cost and carried at cost less accumulated amortisation calculated on the basis of remaining validity period.

An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

### 1.5.2 Depreciation / Amortization

Depreciation is provided using the Straight Line Method over their estimated useful life as prescribed under Schedule II to the Companies Act, 2013 or based on Management assessment of useful life, if lower than what is prescribed under the schedule. Depreciation is calculated on pro – rata basis, including the month of addition and excluding the month of sale / disposal. Leasehold improvements are amortised over the underlying lease term on a straight line basis. Residual value in respect of items of Property, Plant & Equipment and Investment Property are considered as 5% of the cost. Property, Plant and Equipment costing less than Rs. 5000/- individually are charged to the statement of Profit & Loss Account in the year of their purchase itself.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Intangible Assets consisting of Computer software with indefinite period utility / user rights and having a useful life lasting with that of the equipment have been capitalized with the cost of computer. Software carrying an identifiable utility of at least five years is amortized on a straight line basis over a period of five years from the date put into use. Software with limited edition / period utility i.e. requiring annual revision is charged to Statement of Profit and Loss Account in the year of purchase. Government licenses are amortized on a straight line basis over a period of their validity.

### 1.5.3 De – Recognition

An item of property, plant and equipment, investment property and intangible assets is de-recognized 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 or investment property is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss.

### 1.5.4 Transition to Ind AS

The Company has elected to continue with the carrying value of all of its Property, Plant and Equipment, Investment Property and Intangible Assets recognised as of the transition date measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date as per Ind AS 101.

## 1.6 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit or loss in the period in which they are incurred.

## 1.7 IMPAIRMENT OF NON – FINANCIAL ASSETS

At each reporting date, the Company reviews the carrying amount of its non – financial assets (other than assets held for sale and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that is largely independent of the cash inflows of other assets or CGUs. The 'recoverable amount' of an asset or CGU is the greater of its value in use and its fair value less costs to sell. 'Value in use' is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in profit and loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## 1.8 ASSETS HELD FOR SALE

Assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets measured at the lower of their carrying amount and fair value less cost to sell with gains and losses on re-measurement recognised in profit or loss. Once classified as held for sale, assets are no longer amortised, depreciated or impaired.

## 1.9 INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Investments in Subsidiaries, Associates and Joint Ventures are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost. On each reporting date, consequent upon existence of any external or internal indication to impairment, the impairment loss shall be recognised as difference between the carrying amount and recoverable amount.

## 1.10 INVENTORIES

Inventories are valued at cost or net realizable value, whichever is lower. The quantity and valuation of inventories at the yearend is taken as physically verified value and certified by the management.

**Inventory of real estate business** comprise of –
i. Building / Residential Complex, Built-up floor space acquired / purchased for development and / or sale / resale and other removable / disposable assets existing

thereon. These are valued at lower of cost or net realizable value wherein costs are determined by adding all considerations / costs which are attributable to purchase / acquisition, and other expenses incurred specifically thereto.

ii. Land Bank – It consists of asset purchased by the Company that it intends to develop later on into residential / commercial project but on which no construction has commenced. Land is initially recognized at fair value which is generally the cost or net realizable value whichever is less. However, it is discounted to present value when payment terms are deferred for a period of more than one year.

iii. Work in Progress – Work-in-Progress includes construction work in progress and unsold portion of completed Real Estate Projects. Increase / decrease in Work-in-Progress is accounted for as Income or Expenditure for the year, as the case may be. Valuation of Work-in-Progress including unsold portion of reality project is being done on basis of actual cost and overheads incurred which are directly attributable to project, till completion or net realizable value whichever is less.

iv. Direct Materials, Stores and Spare Parts are valued at lower of cost or net realizable value. Cost is determined on Weighted Average Cost Method.

v. Consumables including Cantering, Shuttering and Scaffolding, Loose Tools, Laboratory Equipment, empty containers & others are valued on the basis of realizable value, based on the engineering estimate.

**Inventory of hospitality business** comprises of closing balance of consumables purchased. FIFO method is followed for ascertaining the cost price considered for valuation. Closing inventories are valued at cost or replacement value, whichever is less, after providing for obsolescence and damage.

## 1.11 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents comprise Cash in hand, Balances in Bank Account, Remittance in Transit, Cheques in hand and Demand Deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

## 1.12 LEASES (IN ACCORDANCE WITH IND AS 116)

The company identifies lease as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. The company checks for conditions needed to be fulfilled if the contract is to be classified as lease as under:

i. Identified asset.
ii. Lessee obtains substantially all of the economic benefits
iii. Lessee directs the use

### 1.12.1 The Company as a Lessee

i. The company recognizes assets and liabilities for all leases for a term of more than 12 months, unless the underlying asset is of low value.
ii. It then recognises a right of use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.
iii. The company measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities.
iv. The company recognizes depreciation of the right-of-use asset and interest on the lease liability.
v. Lease liability = Present value of lease rentals + present value of expected payments at the end of lease. The lease liability will be amortised using the effective interest rate method.
vi. Lease term = non-cancellable period + renewable period if lessee reasonably certain to exercise.
vii. Right to use asset = Lease liability + lease payments (advance)-lease incentives to be received if any initial + initial direct costs + cost of dismantling / restoring etc. The asset will be depreciated as per Ind AS 16 Property Plant and equipment.

### 1.12.2 The Company as a Lessor

i. The company classifies each of its leases as either an operating lease or a finance lease.
ii. A lease is classified as a finance lease if it transfers substantially all the risks and rewards, incidental to ownership of an underlying asset. For finance leases, the company derecognizes the underlying asset and recognizes a net investment in the lease.
iii. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. For operating leases, the company continues to recognize the underlying asset.
iv. Any selling profit or loss is recognized at lease commencement.

## 1.13 <u>PROVISIONS AND CONTINGENCIES RELATED TO CLAIMS, LITIGATION etc.</u>

### 1.13.1 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined based on management estimates required to settle the obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are discounted. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

**1.13.2 Contingencies**

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 or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

**1.13.3 Arbitration Awards**

Arbitration / Court's awards along with related interest receivable / payable are, to the extent not taken into accounts at the time of initiation, are recognized after it becomes decree. Permanent Machinery of Arbitration, Government of India, is accounted for on finalization of award by the appellate authority. Interest to / from in these cases are accounted when the payment is probable which the point is when matter is considered settled by management.

**1.13.4 Liquidated Damages**

Liquidated Damages / Compensation for delay in respect of clients/ contractors, if any, are accounted for when payment is probable which is the point when matter is considered settled by management.

**1.14 <u>CONTINGENT LIABILITIES AND CONTINGENT ASSETS</u>**

**1.14.1 Contingent Liabilities**

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

**1.14.2 Contingent Assets**

Contingent assets are disclosed in the financial statements where an inflow of economic benefits is probable.

## 1.15 SHARE CAPITAL AND OTHER EQUITY

Share capital represents the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from retained earnings, net of any related income tax benefits.

Other components of equity includes Other Comprehensive Income (OCI) arising from actuarial gain or loss on re-measurement of defined benefit liability and return on plan assets.

Retained earnings include all current and prior period retained profits. All transactions with owners of the parent are recorded separately within equity. Annual dividend distribution to shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

## 1.16 FINANCIAL INSTRUMENTS

### 1.16.1 Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

### 1.16.2 Classifications and Subsequent Measurement

#### (i) Financial Assets

On initial recognition, a financial asset is classified as subsequently measured at either amortised cost or fair value through other comprehensive income ('FVTOCI') or FVTPL, depending on the contractual cash flow characteristics of the financial assets and the Company's business model for managing the financial assets.

#### (ii) Business Model Assessment

The Company makes an objective assessment of the business model in which an asset is held at a portfolio level, because this best reflects the way the business is managed and information is provided to management. The information considered includes:

• The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
• The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Company's stated objective for managing the financial assets is achieved and how cash flows are realized;
• The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.

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

**1.16.3 Assessment whether contractual cash flows are solely payments of principal and interest**

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company applies judgement and considers all the contractual terms of the instrument. This includes assessing whether the financial asset contains any contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the said assessment, the Company considers prepayment and extension terms, features that modify consideration of the time value of money (e.g. periodical reset of the interest rates).

**1.16.4 Financial Assets at Amortised Cost**

A Financial Asset is measured at amortised cost only if both of the following conditions are met:
• It is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
• The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Subsequently, these are measured at amortised cost using the effective interest rate (EIR) method less any impairment losses.

### 1.16.5 Financial Assets at Fair Value through Other Comprehensive Income ('FVTOCI')

A Financial Asset is measured at FVTOCI only if both of the following conditions are met:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Subsequently, these are measured at fair value and changes therein, are recognised in other comprehensive income. Impairment losses on said financial assets are recognised in other comprehensive income and do not reduce the carrying amount of the financial asset in the balance sheet.

### 1.16.6 Financial assets at Fair Value through Profit and Loss (FVTPL)

Any financial instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

Subsequently, these are measured at fair value and changes therein, are recognised in profit and loss account.

### 1.16.7 Investment in equity instruments

All equity investments in scope of Ind AS 109 (i.e. other than equity investments in subsidiaries / associates / joint ventures) are measured at FVTPL.

Subsequently, these are measured at fair value and changes therein, are recognised in profit and loss account. However, on initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment by investment basis.

### 1.16.8 Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised cost, as appropriate and is accordingly accounted for.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs."

**1.16.9 Measurement Basis**

**(i) Amortised cost**

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the EIR method of discount or premium on acquisition and fees or costs that are an integral part of the EIR and, for financial assets, adjusted for any loss allowance.

**(ii) Fair Valuation**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects it non – performance risk.

When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction."

**1.16.10 De-recognition / Modification of Financial Assets and Financial Liabilities**

**(A) De-recognition of Financial Assets and Financial Liabilities**

**(i) Financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company’s balance sheet) when:

• The rights to receive cash flows from the asset have expired, or
• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. The Company also recognise a liability for the consideration received attributable to the Company's continuing involvement on the asset transferred. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset de-recognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

**(ii) Financial liabilities**

The Company de-recognises a financial liability when its contractual obligations are discharged or cancelled or expired.

**(B) Modifications of financial assets and financial liabilities**

**(i) Financial assets**

If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the modification results in de-recognition of the original financial asset and new financial asset is recognised at fair value.

If the cash flows of the modified asset are not substantially different, then the modification does not result in de-recognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset by recomputing the EIR rate on the instrument.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

**(ii) Financial liabilities**

The Company de-recognizes a financial liability when its terms are modified and the cash flows of the modified liability 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.

If the modification is not accounted as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original EIR and the resulting gainor loss is recognised in profit or loss. Any costs or fees incurred adjust the carrying amount of the modified financial liability and are amortised over the remaining term of the modified financial liability by recomputing the EIR rate on the instrument."

**1.16.11 Offsetting of Financial Instruments**

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet when the Company has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

**1.16.12 Impairment of Financial Assets**

The Company recognises impairment allowances for ECL on all the financial assets that are not measured at FVTPL. No impairment loss is recognised on equity investments.

ECL are probability weighted estimate of credit losses. They are measured as follows:

- Financial Assets that are not credit impaired – as the present value of all cash shortfalls that are possible within 12 months after the reporting date.
- Financial Assets with significant increase in credit risk but not credit impaired – as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial asset.
- Financial Assets that are credit impaired – as the difference between the gross carrying amount and the present value of estimated cash flows
- Undrawn Loan Commitments – as the present value of the difference between the contractual cash flows that are due to the Company if the commitment is drawn down and the cash flows that the Company expects to receive with respect to trade receivables and other financial assets, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For financial assets at FVTOCI, the loss allowance is recognised in OCI.

**1.16.13 Write-off of Financial Assets**

Financial assets are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write – off. This assessment is carried out at the individual asset level.

However, financial assets that are written off could still be subject to enforcement activities under the group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

**1.17 TRADE RECEIVABLES**

As a practical expedient the Company has adopted 'simplified approach' using the provision matrix method for recognition of expected loss on trade receivables. The provision matrix is based on three years rolling average default rates observed over the expected life of the trade receivables and is adjusted for forward-looking estimates. These average default rates are applied on total credit risk exposure on trade receivables and outstanding for more than one year at the reporting date to determine lifetime Expected Credit Losses.

**1.18 FOREIGN CURRENCY TRANSACTIONS**

The expenses and income in foreign exchange transactions are accounted for at the rates prevailing on the date of transactions / at the forward rate, if booked, for such transaction. Assets and liabilities held in foreign currencies and accrued income and expenditure in foreign currencies are translated into Indian Rupees at the rates advised by Foreign Exchange Dealers Association of India (FEDAI) prevailing towards the close of the accounting period. Gains / losses, if any, on valuation of various assets and liabilities are taken to Statement of Profit & Loss.

**1.19 REVENUE RECOGNITION**

i. Rental income from Investment Property / Flats held as Inventories is recognized on a straight – line basis over the period of lease terms.

ii. Interest income is reported on an accrual basis using the Effective Interest Rate method.

iii. Interest Income from Bank Deposits is recognized on accrual basis on a time proportion basis.

iv. Income by way of Fees for Project Advisory and Execution services is recorded on accrual basis as per services rendered pursuant to the specific service agreements.

v. Revenue from the external project services is recognized based on the Cost-plus method. A fixed mark-up percentage is added to the cost incurred towards construction and the total is recognized as revenue. The stage of completion is determined on the basis of work completion certificate obtained from the engineer/ architect.

vi. Revenue from real estate development of constructed properties is recognized based on the "percentage of completion method". Sale consideration as per the legally enforceable Agreements to Sell entered into is recognized as revenue based on the percentage of actual project costs incurred to total estimated project cost, subject to following:

    a. Actual cost incurred is not less than 25 percent of the total estimated project cost.
    b. No significant uncertainty exists regarding receipt of consideration from the customers.
    c. In case of overdue, on actual realization basis.
    d. All significant risks and rewards are transferred to the customer.

    Project cost includes cost of land, estimated cost of construction and development of such properties. The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates recognized in the period such changes are determined.

vii. Revenue from hospitality services is recognized on accrual basis.

    a. Selling price is determined on the basis of published rack rate less discount offered to customers.
    b. Income in foreign exchange: The bills for services rendered are raised in Indian Rupees. The payment received in foreign currency against these bills, is credited and accounted for at the rate / rates prevalent on the date of receipt of payment. The gains/ losses arising out of the fluctuation in the exchange rates are accounted for on realization.

viii. Dividend income is recognized at the time the right to receipt is established.

ix. Other items of income are recognized in the statement of profit and loss when control of respective goods or service has been transferred to customer.

x. The company shall recognize revenue in accordance with Ind AS 115 – "Revenue from Contracts with Customers" as and when any such revenue instance occurs.

## 1.20 DIVIDENDS

Dividends and Dividend Distribution Tax thereon are recognised if and only when the same are approved by the shareholders in the general meeting and consequently paid to the shareholders.

## 1.21 EMPLOYEE BENEFITS

Employee benefits are all forms of consideration given by the company in exchange for service rendered by employees. Employee benefits include: short – term employee benefits, post – employment benefits and other long – term employee benefits.

**Short Term Employee Benefits**

When an employee has rendered service to the company during an accounting period, the company recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as a liability (accrued expense), after deducting any amount already paid and as an expense. Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

**Defined Benefit Plans – Gratuity & Leave Encashment**

Defined benefit plans are those plans that provide guaranteed benefits to certain categories of employees, either by way of contractual obligations or through a collective agreement. The company operates unfunded defined benefit plan. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each fiscal year end. The obligation recognized in the consolidated statements of financial position represents the present value of the defined benefit obligation.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current costs and the fair value of any plan assets, if any is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Accrued Benefit Method (same as Projected Unit Credit Method), which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan.

The change in defined benefit plan liability is split into changes arising out of service, interest cost and re-measurements and the change in defined benefit plan asset is split between interest income and re-measurements. Changes due to service cost (which is the increase of the present value of the defined benefit obligation resulting from the employee service in the current period) and net interest cost / income (which is the change during the period in the defined benefit liability that arises from the passage of time) is recognized in the statement of profit and loss. Re-measurements of net defined benefit liability / (asset) which comprise of the below are recognized in other comprehensive income:

- Actuarial gains and losses;
- The return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset)

## 1.22 INCOME TAX EXPENSE

Income Tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of temporary differences between tax base and book base). It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

### 1.22.1 Current Tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Minimum Alternative Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the statement of profit and loss. Current tax assets and liabilities are offset only if, the company:
a) has a legally enforceable right to set off the recognised amounts; and
b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### 1.22.2 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 amounts used for taxation purposes. Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at 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 only if the Company:

a) has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

### 1.22.3 Current and Deferred Tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### 1.22.4 Minimum Alternate Tax (MAT)

The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set –off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

## 1.23 <u>PRIOR PERIOD ITEMS</u>

Material prior period errors are corrected retrospectively by restating the comparative amounts for prior period presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.

### 1.24 EARNINGS PER SHARE

Basic earnings per share is computed using the net profit for the year attributable to the shareholders and weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.

### 1.25 SEGMENT REPORTING

The Company operates in two reportable business segments namely – ‘Real Estate Activities’ comprising of Advisory and Execution Services, Purchase and Sale of Properties and Construction and Development of Real Estate Projects and in ‘Hospitality’ provided through Serviced Apartments under the brand name ‘Fraser Suites’.

**ALLOCATION OF COMMON COSTS**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

### 1.26 CASH FLOW STATEMENT

Cash flow statement is prepared as per indirect method prescribed in the Ind AS 7 – “Statement of Cash Flows”.

## IFCI INFRASTRUCTURE DEVELOPMENT LIMITED
## CIN : U45400DL2007GOI169232
Regd. Office - 7th Floor, IFCI Tower, 61 Nehru Place, New Delhi - 110 019 (IN)

### NOTES FORMING PART OF BALANCE SHEET
### as at 31st March 2023

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 2 | **PROPERTY PLANT AND EQUIPMENT** | | |
| | **Gross Carrying Value** | | |
| | **Opening Balance** | | |
| | a. Land | 6,228.29 | 6,222.57 |
| | b. Buildings | 10,630.46 | 10,630.46 |
| | c. Plant and Equipments | 2,118.08 | 2,111.66 |
| | d. Furniture and Fixtures | 1,851.24 | 1,849.42 |
| | e. Vehicles | 76.90 | 76.90 |
| | f. Others | 118.54 | 115.54 |
| | | 21,023.52 | 21,006.55 |
| | **Additions / (Sale) during the period** | | |
| | a. Land | - | 5.72 |
| | b. Buildings | - | - |
| | c. Plant and Equipments | (3.89) | 6.42 |
| | d. Furniture and Fixtures | (3.34) | 1.82 |
| | e. Vehicles | - | - |
| | f. Others | 10.25 | 3.01 |
| | | 3.02 | 16.97 |
| | **Closing Balance** | | |
| | a. Land | 6,228.29 | 6,228.29 |
| | b. Buildings | 10,630.46 | 10,630.46 |
| | c. Plant and Equipments | 2,114.19 | 2,118.08 |
| | d. Furniture and Fixtures | 1,847.90 | 1,851.24 |
| | e. Vehicles | 76.90 | 76.90 |
| | f. Others | 128.80 | 118.54 |
| | | 21,026.54 | 21,023.52 |
| | **Accumulated Depreciation** | | |
| | **Opening Balance** | | |
| | a. Land | 29.13 | 26.45 |
| | b. Buildings | 1,785.59 | 1,617.02 |
| | c. Plant and Equipments | 1,268.52 | 1,126.92 |
| | d. Furniture and Fixtures | 1,745.61 | 1,743.68 |
| | e. Vehicles | 69.36 | 67.93 |
| | f. Others | 99.20 | 93.18 |
| | | 4,997.42 | 4,675.19 |
| | **Depreciation for the period** | | |
| | a. Land | 3.05 | 2.68 |
| | b. Buildings | 168.57 | 168.57 |
| | c. Plant and Equipments | 142.71 | 141.59 |
| | d. Furniture and Fixtures | 3.80 | 1.94 |
| | e. Vehicles | 1.43 | 1.43 |
| | f. Others | 10.56 | 6.02 |
| | | 330.13 | 322.24 |
| | **Closing Balance of Accumulated Depreciation** | | |
| | a. Land | 32.18 | 29.13 |
| | b. Buildings | 1,954.16 | 1,785.59 |
| | c. Plant and Equipments | 1,411.23 | 1,268.52 |
| | d. Furniture and Fixtures | 1,749.41 | 1,745.61 |
| | e. Vehicles | 70.80 | 69.36 |
| | f. Others | 109.77 | 99.20 |
| | | 5,327.54 | 4,997.42 |
| | **Net Carrying Value of Property, Plant and Equipment (A)** | | |
| | a. Land | 6,196.12 | 6,199.16 |
| | b. Buildings | 8,676.29 | 8,844.87 |
| | c. Plant and Equipments | 702.96 | 849.56 |
| | d. Furniture and Fixtures | 98.49 | 105.63 |
| | e. Vehicles | 6.11 | 7.54 |
| | f. Others | 19.03 | 19.34 |
| | **TOTAL** | 15,699.00 | 16,026.10 |
| | **Out of (A) above, leasehold property, plant and equipment** | | |
| | a. Right of use of Land on Finance Lease | (5.72) | (2.68) |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 3 | **INVESTMENT PROPERTY** | | |
| | **Gross Carrying Value** | | |
| | **Opening Balance** | | |
| | a. Flats | 929.40 | 929.40 |
| | **Additions / (Sale) during the period** | | |
| | a. Flats | - | - |
| | **Closing Balance** | | |
| | a. Flats | 929.40 | 929.40 |
| | **Accumulated Depreciation** | | |
| | **Opening Balance** | | |
| | a. Flats | 180.09 | 165.41 |
| | **Depreciation for the period** | | |
| | a. Flats | 38.59 | 14.68 |
| | **Closing Balance of Accumulated Depreciation** | | |
| | a. Flats | 218.68 | 180.09 |
| | **Net Carrying Value of Investment Property** | | |
| | a. Flats | 710.72 | 749.31 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 4 | **GOODWILL** | | |
| | Goodwill | - | - |
| | | - | - |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 5 | **OTHER INTANGIBLE ASSETS** | | |
| | **Gross Carrying Value** | | |
| | **Opening Balance** | | |
| | a. Computer Software | 26.19 | 25.51 |
| | b. Licenses and Franchises | 60.00 | 60.00 |
| | | 86.19 | 85.51 |
| | **Additions / (Sale) during the period** | | |
| | a. Computer Software | - | 0.68 |
| | b. Licenses and Franchises | - | - |
| | | - | 0.68 |
| | **Closing Balance** | | |
| | a. Computer Software | 26.19 | 26.19 |
| | b. Licenses and Franchises | 60.00 | 60.00 |
| | | 86.19 | 86.19 |
| | **Accumulated Amortization** | | |
| | **Opening Balance** | | |
| | a. Computer Software | 23.63 | 22.43 |
| | b. Licenses and Franchises | 28.77 | 16.78 |
| | | 52.40 | 39.21 |
| | **Amortization for the period** | | |
| | a. Computer Software | 1.27 | 1.20 |
| | b. Licenses and Franchises | 11.99 | 11.99 |
| | | 13.25 | 13.19 |
| | **Closing Balance of Accumulated Depreciation** | | |
| | a. Computer Software | 24.90 | 23.63 |
| | b. Licenses and Franchises | 40.76 | 28.77 |
| | | 65.66 | 52.40 |
| | **Net Carrying Value** | | |
| | a. Computer Software | 1.29 | 2.56 |
| | b. Licenses and Franchises | 19.24 | 31.23 |
| | **TOTAL** | 20.53 | 33.79 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 6 | **NON - CURRENT INVESTMENTS** | | |
| | a. Investments in Equity Instruments | | |
| | i. Subsidiaries | | |
| | 1. IIDL Realtors Private Limited | 2,995.32 | 2,995.32 |
| | ii. Associates | | |
| | 1. Jangipur Bengal Mega Foodpark Limited | 654.83 | 654.83 |
| | iii. Other Entities | 100.00 | - |
| | | 3,750.15 | 3,650.15 |
| | b. Investments in Preference Shares | | |
| | i. Subsidiaries | | |
| | 1. IIDL Realtors Private Limited | 505.73 | 505.73 |
| | | 505.73 | 505.73 |
| | c. Investments in Debentures / Bonds | | |
| | 1. IFCI Limited - Bonds | 7,500.00 | 7,500.00 |
| | 2. IFCI Limited - Tax Free Bonds | 2,000.15 | 2,000.15 |
| | | 9,500.15 | 9,500.15 |
| | | 13,756.03 | 13,656.03 |
| | Aggregate amount of Unquoted Investments | 13,756.03 | 13,656.03 |
| | Market Value of Unquoted Investments | 13,756.03 | 13,656.03 |
| | Aggregate amount of Impairment in value of investments | - | - |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 7 | **LONG TERM LOANS AND ADVANCES** | | |
| | a. Security Deposits | | |
| | i. Secured, considered good | - | - |
| | i. Unsecured, considered good | 696.02 | 634.48 |
| | iii. Doubtful | - | - |
| | | 696.02 | 634.48 |
| | b. Loans to related parties | - | - |
| | c. Other loans | - | - |
| | | 696.02 | 634.48 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 8 | **OTHER FINANCIAL ASSETS** | | |
| | Finance Lease Receivable | - | 3.32 |
| | Bank Deposits with maturity more than 12 months | 1,832.33 | 248.32 |
| | | 1,832.33 | 251.64 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 9 | **INVENTORIES** | | |
| | a. Raw Materials | 6.55 | 8.58 |
| | Out of (a) above, goods in transit | - | - |
| | | 6.55 | 8.58 |
| | b. Work - in - Progress | 1,321.23 | 1,549.59 |
| | Out of (b) above, goods in transit | - | - |
| | | 1,321.23 | 1,549.59 |
| | c. Stores and spares | 8.17 | 10.26 |
| | Out of (c) above, goods in transit | - | - |
| | | 8.17 | 10.26 |
| | d. Others | | |
| | i. Land | 4,518.27 | 4,518.27 |
| | ii. Land on lease cum sale basis | 1,276.85 | 1,276.85 |
| | iii. Consumables | 14.69 | 25.68 |
| | | 5,809.82 | 5,820.80 |
| | | 7,145.77 | 7,389.24 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 10 | **CURRENT TRADE RECEIVABLES** | | |
| | a. Secured considered good | | |
| | b. Unsecured considered good | | |
| | i. Due over six months | 216.00 | 164.11 |
| | ii. Other Trade Receivables | 72.54 | 76.29 |
| | | 288.54 | 240.41 |
| | Less: Provision for Bad / Doubtful Debts | 62.92 | 63.12 |
| | Net Unsecured considered good | 225.62 | 177.29 |
| | | 225.62 | 177.29 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 11 | **CASH AND CASH EQUIVALENTS** | | |
| | a. Balances with Banks | 69.06 | 103.43 |
| | | 69.06 | 103.43 |
| | b. Cheques and Drafts on Hand | - | - |
| | | - | - |
| | c. Cash on Hand | 1.79 | 1.17 |
| | | 1.79 | 1.17 |
| | d. Others | | |
| | i. Deposits with maturity less than 3 months | 5,968.18 | 3,262.54 |
| | | 5,968.18 | 3,262.54 |
| | | 6,039.03 | 3,367.14 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 12 | **BANK BALANCES OTHER THAN (iii)** | | |
| | Lien Marked Fixed Deposits | 2.34 | 787.17 |
| | Deposits with maturity between 3 and 12 months | 5,959.28 | 7,993.48 |
| | | 5,961.62 | 8,780.66 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 13 | **SHORT TERM LOANS AND ADVANCES** | | |
| | a. Security Deposits | - | - |
| | b. Loans to related parties | - | - |
| | c. Other loans | | |
| | i. Doubtful | 0.35 | 0.55 |
| | | 0.35 | 0.55 |
| | Less: Provision for Bad / Doubtful Debts | 0.35 | 0.55 |
| | Net Other Loans | - | - |
| | | - | - |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 14 | **OTHER FINANCIAL ASSETS** | | |
| | a. Interest Accrued on Deposits | 356.81 | 263.73 |
| | b. Interest Accrued on Bonds | 633.82 | 633.82 |
| | | 990.63 | 897.55 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 15 | **CURRENT TAX ASSETS** | | |
| | a. Advance Tax | - | - |
| | b. Tax Deducted at Source | 625.12 | 597.62 |
| | c. MAT Credit Entitlement | 836.75 | 582.40 |
| | Less : Provision for Tax | 497.87 | 302.76 |
| | | 964.00 | 877.27 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 16 | **OTHERS CURRENT ASSETS** | | |
| | a. Capital Advances | - | - |
| | | - | - |
| | b. Advances Other than Capital Advances | | |
| | i. Sundry Deposits | 647.18 | 647.14 |
| | ii. Advances to related parties | - | - |
| | iii. Other Advances | 337.05 | 428.21 |
| | | 984.23 | 1,075.35 |
| | c. Others | - | - |
| | | 984.23 | 1,075.35 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 17 | **EQUITY** | | |
| | **Authorized Share Capital** | | |
| | 100,00,00,000 (Previous year - 100,00,00,000) Equity Shares of Rs. 10/- each | 1,00,000.00 | 1,00,000.00 |
| | | 1,00,000.00 | 1,00,000.00 |
| | **Issued Share Capital** | | |
| | 42,70,99,243 (Previous year - 42,70,99,243) Equity Shares of Rs. 10/- each | 42,709.92 | 42,709.92 |
| | | 42,709.92 | 42,709.92 |
| | **Subscribed Share Capital** | | |
| | 42,70,99,243 (Previous year - 42,70,99,243) Equity Shares of Rs. 10/- each | 42,709.92 | 42,709.92 |
| | | 42,709.92 | 42,709.92 |
| | **Paid Up Share Capital** | | |
| | 42,70,99,243 (Previous year - 42,70,99,243) Equity Shares of Rs. 10/- each | 42,709.92 | 42,709.92 |
| | | 42,709.92 | 42,709.92 |
| | **TOTAL** | 42,709.92 | 42,709.92 |

**Note No. 17 (i)**

**Reconciliation of Equity Shares outstanding at the beginning and end of the period**

**(₹ in Lakhs)**

| Particulars | As at 31st March 2023 | | As at 31st March 2022 | |
|---|---|---|---|---|
| | No. of Shares | Amount | No. of Shares | Amount |
| No. of shares at the beginning of the year | 42,70,99,243 | 42,709.92 | 42,70,99,243 | 42,709.92 |
| No. of shares issued during the period | - | - | - | - |
| No. of shares redeemed during the period | - | - | - | - |
| No. of shares outstanding at the end of the period | 42,70,99,243 | 42,709.92 | 42,70,99,243 | 42,709.92 |

**Note No. 17 (ii)**

**Terms / Rights attached to shares**

The company has only one class of Equity Shares having a par value of Rs. 10 per share. Each holder of Equity Share is entitled to 1 vote per share. The dividend proposed by Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Note No. 17 (iii)**

**Details of shareholders holding more than 5% shares in the capital**

**(₹ in Lakhs)**

| Particulars | As at 31st March 2023 | | As at 31st March 2022 | |
|---|---|---|---|---|
| | No. of Shares | % Holding | No. of Shares | % Holding |
| IFCI Limited | 42,70,99,243 | 100% | 42,70,99,243 | 100% |
| | 42,70,99,243 | 100% | 42,70,99,243 | 100% |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 18 | **OTHER EQUITY** | | |
| | Share application money pending allotment | - | - |
| | Equity component of other Financial Instruments | - | - |
| | **Reserve and Surplus** | | |
| | Capital Redemption Reserve | 6,812.91 | 6,812.91 |
| | Retained Earnings | 2,740.32 | 1,127.41 |
| | Other Comprehensive Income | 25.91 | 30.20 |
| | | 9,579.14 | 7,970.53 |

**Note No. 18 (i)**

**Capital Redemption Reserve**

(₹ in Lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| Opening Balance | 6,812.91 | 6,812.91 |
| Appropriations during the year | - | - |
| **Closing Balance** | 6,812.91 | 6,812.91 |

**Note No. 18 (ii)**

**Retained Earnings**

(₹ in Lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| Opening Balance | 1,127.41 | 950.13 |
| Net Profit for the period | 1,612.91 | 832.38 |
| *Items of other comprehensive income recognised directly in retained earnings* | - | - |
| Remeasurements of post - employement benefit obligations, net of taxes | -4.29 | -0.60 |
| Interim Dividend paid to Equity Shareholders (Rs. 0.35 per Equity Share) | - | - |
| Dividend Distribution Tax Paid | - | - |
| **Closing Balance** | 2,740.32 | 1,127.41 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 19 | **LONG TERM BORROWINGS** | | |
| | a. Preference Shares | - | - |
| | b. Bonds / Debentures | - | - |
| | | - | - |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 20 | **OTHER FINANCIAL LIABILITIES** | | |
| | a. Retention Money | - | - |
| | b. Finance Lease Liability | 1.02 | 3.05 |
| | | 1.02 | 3.05 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 21 | **LONG TERM PROVISIONS** | | |
| | a. Provision for employee benefits | | |
| | i. Gratuity | 86.05 | 81.66 |
| | ii. Leave Encashment | 28.81 | 27.61 |
| | | 114.86 | 109.28 |
| | b. Others | | |
| | i. Provision for Expense | 388.97 | - |
| | | 503.83 | 109.28 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 22 | **DEFERRED TAX LIABILITIES (NET)** | | |
| | a. Deferred Tax Liabilities on account of | | |
| | i. Due to depreciation | 365.09 | 350.87 |
| | ii. Others | 639.45 | 622.33 |
| | | 1,004.54 | 973.20 |
| | Less: | | |
| | i. Others | 106.85 | 106.85 |
| | | 106.85 | 106.85 |
| | | 897.69 | 866.35 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 23 | **OTHER NON CURRENT LIABILITIES** | | |
| | a. Deferred Income | - | 221.49 |
| | b. Others | - | - |
| | | - | 221.49 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 24 | **CURRENT TRADE PAYABLES** | | |
| | a. Micro and Small enterprises | 4.87 | - |
| | b. Others | 60.68 | 201.79 |
| | | 65.56 | 201.79 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 25 | **OTHER FINANCIAL LIABILITIES** | | |
| | Other Payables | 428.17 | 615.38 |
| | | 428.17 | 615.38 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 26 | **OTHER CURRENT LIABILITIES** | | |
| | a. Advances Received | 764.68 | 765.45 |
| | b. Other Advances | - | - |
| | | 764.68 | 765.45 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 27 | **SHORT TERM PROVISIONS** | | |
| | a. Provisions for employee benefits | | |
| | i. Gratuity | 5.42 | 4.93 |
| | ii. Leave Encashment | 3.05 | 2.80 |
| | b. Others | 67.06 | 444.88 |
| | | 75.53 | 452.61 |

(₹ in Lakhs)

| Note No. | Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| Note No. 28 | **REVENUE FROM OPERATIONS** | | |
| | a. Sale of Properties | 169.60 | 1,153.96 |
| | b. Sale of Services | 31.79 | 31.70 |
| | c. Room Rent | 1,630.71 | 836.59 |
| | d. Proceeds from Restaurant | 215.12 | 145.64 |
| | e. Revenue from external projects | - | - |
| | f. Other Operating Revenues | 19.76 | 16.35 |
| | | 2,066.99 | 2,184.24 |

(₹ in Lakhs)

| Note No. | Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| Note No. 29 | **OTHER INCOME** | | |
| | a. Interest Income | | |
| | i. Earned and Accrued on Deposits | 710.03 | 691.68 |
| | ii. Earned and Accrued on IFCI 9.7% RRB Bonds | 727.50 | 727.50 |
| | iii. Earned and Accrued on Tax Free Bonds | 167.80 | 136.65 |
| | iv. Others | 60.35 | 54.31 |
| | | 1,665.68 | 1,610.14 |
| | b. Dividend Income | - | - |
| | c. Deferred Income - Land | 221.49 | 442.98 |
| | d. Profit on sale of Fixed Assets | - | - |
| | e. Provision Reversal | - | - |
| | f. Miscellaneous Income | 87.67 | 21.76 |
| | | 309.16 | 464.74 |
| | | 1,974.84 | 2,074.87 |

(₹ in Lakhs)

| Note No. | Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| Note No. 30 | **COST OF MATERIAL CONSUMED** | | |
| | a. Opening Stock | 7,344.72 | 8,821.94 |
| | b. Purchases | 176.23 | 92.07 |
| | | 7,521 | 8,914.01 |
| | Less: Closing Stock | 7,116.36 | 7,344.72 |
| | | 404.59 | 1,569.29 |

(₹ in Lakhs)

| Note No. | Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| Note No. 31 | **EMPLOYEE BENEFIT EXPENSES** | | |
| | a. Salaries and Wages | 559.36 | 515.44 |
| | b. Staff Welfare | 33.10 | 35.39 |
| | | 592.46 | 550.83 |

(₹ in Lakhs)

| Note No. | Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| Note No. 32 | **FINANCE COST** | | |
| | a. Fair Value Changes in Equity Investments | - | - |
| | b. Other Interest Costs | 0.10 | 1.57 |
| | | 0.10 | 1.57 |

(₹ in Lakhs)

| Note No. | Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| Note No. 33 | **DEPRECIATION AND AMORTIZATION** | | |
| | a. Depreciation on Tangible Assets | | |
| | i. Property, Plant and Equipment | 330.13 | 322.24 |
| | ii. Investment Property | 38.59 | 14.68 |
| | b. Amortization on Intangible Assets | 13.25 | 13.19 |
| | | 381.97 | 350.11 |

(₹ in Lakhs)

| Note No. | Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| Note No. 34 | **OTHER EXPENSES** | | |
| | a. Repairs and Maintenance | | |
| | i. Building | 41.71 | 49.02 |
| | ii. Others | 33.57 | 25.01 |
| | | 75.28 | 74.03 |
| | b. Rent Paid (including Lease Rent) | 63.74 | 104.17 |
| | c. Rates and Taxes | 65.12 | 64.43 |
| | d. Travelling and Conveyances | 6.27 | 6.24 |
| | e. Legal And Professional Expenses | 25.70 | 64.24 |
| | f. Security Expenses | 89.63 | 84.01 |
| | g. Auditors's Remuneration | 2.00 | 2.00 |
| | h. Insurance Charges Paid | 13.39 | 10.69 |
| | i. Training & Development Expenses | 8.50 | - |
| | j. Telephone & Postage Expenses | 7.52 | 10.64 |
| | k. Laundry & Cleaning | 16.22 | 13.91 |
| | l. Television & Music | 1.20 | 1.53 |
| | m. Printing and Stationery | 5.75 | 5.23 |
| | n. Directors Fee | 3.62 | 3.36 |
| | o. Fuel & Gas | 61.73 | 36.48 |
| | p. Commission & Brokerage | 135.95 | 79.03 |
| | q. Marketing and License | 5.48 | 11.52 |
| | r. Advertisement and Exhibition Expenses | 3.35 | 5.42 |
| | s. Business Promotion / Entertainment | - | 1.17 |
| | t. Vehicle Running & Maintenance | 0.90 | 0.50 |
| | u. Electricity & Water Expenses | 268.73 | 223.25 |
| | v. Provision for Interest & Expenses | 22.11 | 110.64 |
| | w. Misappropriation of Cash | - | 0.82 |
| | x. Corporate Social Responsibility Expenditure | 24.73 | 25.27 |
| | y. Loss on Sale of Fixed Assets | 14.04 | - |
| | z. Other Miscellaenous Expenses | 32.61 | 25.26 |
| | | 953.57 | 963.85 |

(₹ in Lakhs)

| Note No. | Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| Note No. 35 | **ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT AND LOSS** | | |
| | a. Acturial Gain / (Loss) | -5.95 | -0.83 |
| | | -5.95 | -0.83 |
| | Less: Tax on Above | -1.65 | -0.23 |
| | | -4.29 | -0.60 |

(₹ in Lakhs)

| Note No. | Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| Note No. 35A | **Exceptional Items** | | |
| | Liability Written Back | | 30.12 |
| | Provision Reversal | | 159.82 |
| | Provision Reversal | -63.24 | |
| | **Total** | **-63.24** | **189.94** |

**Note No. 36 - EARNINGS PER SHARE**

(₹ in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Profit for the year attributable to equity shareholders (in Rs.) | 1,608.61 | 831.78 |
| Weighted Average No. of Equity Shares | 4,270.99 | 4,270.99 |
| Face Value per Equity Share (in Rs.) | 0.00 | 0.00 |
| Basic and Diluted Earning Per Share (in Rs.) | 0.38 | 0.19 |

**Note No. 37 - AUDITOR'S REMUNERATION**

(₹ in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Audit Fees | 1.50 | 1.50 |
| Certification and Other Services | 0.50 | 0.50 |
| Taxation Matters | - | - |
| **TOTAL** | 2.00 | 2.00 |

**Note No. 38 - TAX EXPENSES**

(₹ in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| **Current Tax** | | |
| a. In respect of Current Year | 281.83 | 86.72 |
| b. In respect of Previous Years | - | - |
| | 281.83 | 86.72 |
| **Deferred Tax** | | |
| a. In respect of Current Year | 31.34 | 180.79 |
| **TOTAL** | 313.18 | 267.51 |

**Note No. 39 - SEGMENT REPORTING**

The Company operates in two reportable business segment namely 'Real Estate Activities' comprising Advisory and Execution Services, Purchase and Sale of Properties and Construction and Development of Real Estate Projects and in 'Hospitality' comprising of Serviced Apartments under the brand name 'Fraser Suites'. Hence the segment wise disclosure as required by Ind AS - 108 is as under:

**(₹ in Lakhs)**

| Particulars | Division | | Consolidated Total |
|---|---|---|---|
| | Real Estate | Hospitality | |
| **SEGMENT REVENUE** | | | |
| **Sales** | | | - |
| Domestic | 201.39 | 1,865.60 | 2,066.99 |
| Export | - | - | - |
| Inter Segment Sales | - | - | - |
| **Other Income** | 1,968.40 | 6.44 | 1,974.84 |
| **Total Revenue** | **2,169.79** | **1,872.04** | **4,041.83** |
| **SEGMENT EXPENSES** | | | |
| Operating Expenses | 914.01 | 1,036.60 | 1,950.62 |
| Depreciation & Amortization Allocated | 65.10 | 316.87 | 381.97 |
| **Operating Profit** | **1,190.67** | **518.57** | **1,709.24** |
| Interest Cost Allocated | 0.10 | - | 0.10 |
| **Profit Before Exceptional item and Tax** | **1,190.58** | **518.57** | **1,709.14** |
| **OTHER INFORMATION** | | | |
| Segmental Assets | 38,447.54 | 16,578.00 | 55,025.54 |
| Segmental Liabilities | 38,447.54 | 16,578.00 | 55,025.54 |
| Exceptional Items | (63.24) | - | (63.24) |

**Note No. 40 - RELATED PARTY DISCLOSURES**

**i. Name of the related parties and description of relationship -**

**A. Enterprises having significant influence over the company**

IFCI Limited - Holding Company

IIDL Realtors Private Limited - Wholly owned Subsidiary Company

Jangipur Bengal Mega Foodpark Limited - Associate Company

IFCI Social Foundation - Trust controlled by Parent Company

IFCI VENTURE CAPITAL FUNDS LIMITED - Controlled by Parent Company

**B. Key Managerial Personnel (Directors during the FY 2021 - 22 and FY 2022 - 23**

Mr. Manoj Mittal – appointed w.e.f. 15/06/2021

Mr. Prasoon : cessation w.e.f. 19/09/2022

Mr. Sunil Kumar Bansal : cessation w.e.f. 19/09/2022

Mr. Sachikanta Mishra : appointed w.e.f. 07/10/2022

Mr. Vijay Kumar Deshraj : appointed w.e.f. 02/09/2022

Mr. Debashis Gupta : w.e.f. 29/08/2021 (MD till 01/09/2022)

Dr. Sumita Rai : 14/05/2018

Mr. Venugopal K Nair : 25/08/2018

Mr. Mukund Prasad – cessation w.e.f. 07/03/2023

Mr. Vishal Pandey (CFO)

Ms. Tannu Sharma (CS)

**ii. Details of transactions with enterprises having signifcant influence over the company (FY 2022 - 23)**

(₹ in Lakhs)

| Nature of Transaction | Holding Company (IFCI Limited) | Subsidiary Company (IIDL Realtors Private Limited) | IFCI VENTURE CAPITAL FUNDS LIMITED | Total |
|---|---|---|---|---|
| **FINANCE** | | | | |
| Interim Dividend Paid to Equity Shareholders | - | - | - | - |
| Interim Dividend Received on Equity Investments | - | - | - | - |
| **INCOME** | | | | |
| Interest earned and accrued on investment in IFCI's Bonds | 727.50 | - | - | 727.50 |
| Interest earned and accrued on Investment in Tax Free Bonds | 167.80 | - | - | 167.80 |
| Rental Income | - | 8.34 | - | 8.34 |
| Electricty & Water etc. (Reimbursements received) | - | - | - | - |
| Remuneration (including benefits ) for staff on deputation | 0.40 | 6.92 | - | 7.32 |
| **EXPENSES** | | | | |
| Remuneration (including benefits) for staff on deputation | 57.67 | - | - | 57.67 |
| Rent of Premises (exclusive of GST) | 58.93 | - | - | 58.93 |
| Electricty & Water etc. (Reimbursements received) | 0.14 | | | 0.14 |
| **LIABILITIES** | | | | |
| Bonds issued by IFCI | 9,500.15 | - | - | 9,500 |
| **ASSETS** | | | | |
| Total Amounts Outstanding | - | - | - | - |
| IFCI's Bonds | 7,500.00 | - | - | 7,500.00 |
| IFCI's Tax Free Bonds | 2,000.15 | - | - | 2,000.15 |
| IVCF SAGE Fund | - | | 100.00 | 100.00 |
| **OTHER TRANSACTIONS** | | | | |
| Payments made for taxes | - | 75.23 | - | 75.23 |
| Reimbursements Received | - | 75.23 | - | 75.23 |

**ii. Details of transactions with enterprises having signifcant influence over the company (FY 2021 - 22)**

(₹ in Lakhs)

| Nature of Transaction | Holding Company (IFCI Limited) | Subsidiary Company (IIDL Realtors Private Limited) | Trust under Parent (IFCI Social Foundation) | Total |
|---|---|---|---|---|
| **FINANCE** | | | | |
| Interim Dividend Paid to Equity Shareholders | - | - | - | - |
| Interim Dividend Received on Equity Investments | - | - | - | - |
| **INCOMES** | | | | |
| Interest earned and accrued on investment in IFCI's Bonds | 727.50 | - | - | 727.50 |
| Interest earned and accrued on Investment in Tax Free Bonds | 136.65 | - | - | 136.65 |
| Rental Income | - | 9.68 | - | 9.68 |
| Electricty & Water etc. (Reimbursements received) | - | - | - | - |
| Remuneration (including benefits ) for staff on deputation | 7.81 | 5.66 | 1.53 | 14.99 |
| **EXPENSES** | | | | |
| Remuneration (including benefits) for staff on deputation | 61.02 | - | - | 61.02 |
| Rent of Premises (exclusive of GST) | 99.64 | - | - | 99.64 |
| **LIABILITIES** | | | | |
| Bonds issued by IFCI | - | - | - | - |
| **ASSETS** | | | | |
| Total Amounts Outstanding | 124.01 | - | 0.85 | 124.85 |
| IFCI's Bonds | 7,500.00 | - | - | 7,500.00 |
| IFCI's Tax Free Bonds | 2,500.15 | - | - | 2,500.15 |
| **OTHER TRANSACTIONS** | | | | |
| Payments made for taxes | - | 5.75 | - | 5.75 |
| Reimbursements Received | - | 5.75 | - | 5.75 |

**iii. Details of transactions with KMPs during the year**

(₹ in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| **i. Whole Time Directors / CFO / Company Secretary** | | |
| a. Short term employee benefits | 27.76 | 21.75 |
| b. Other long term employee benefits | - | - |
| c. Post employment benefits | - | - |
| d. Others (specify) | - | - |
| | 27.76 | 21.75 |
| **ii. Independent / Nominee Directors** | | |
| a. Sitting Fees | 3.62 | 3.36 |
| b. Others (specify) | - | - |
| | 3.62 | 3.36 |
| | 31.37 | 25.11 |

**Note No. 41 - FINANCIAL INSTRUMENTS**

**i. Interest Rate Risk Management**

The Company is not exposed to interest rate risk because company has borrowed funds at fixed interest rates.

**ii. Break up of Financial Instruments carried at fair value through Profit and Loss**

(₹ in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| **FINANCIAL ASSETS** | | |
| Loans | 696.02 | 634.48 |
| Other Financial Assets | 990.63 | 900.87 |
| | - | - |
| **FINANCIAL LIABILITIES** | - | - |
| Other Financial Liabilities | 1.02 | 3.05 |
| | 1,687.67 | 1,538.40 |

**iii. Break up of Financial Instruments carried at amortised costs**

(₹ in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| **FINANCIAL ASSETS** | | |
| Investments | 13,756.03 | 13,656.03 |
| Trade Receivables | 225.62 | 177.29 |
| Cash and Cash Equivalents | 6,039.03 | 3,367.14 |
| Bank Balances other than Cash and Cash Equivalents | 7,793.95 | 9,028.97 |
| **FINANCIAL LIABILITIES** | | |
| Trade Payables | 65.56 | 201.79 |
| Other Financial Liabilities | 428.17 | 615.38 |
| **TOTAL** | 28,308.36 | 27,046.60 |

**Note No. 42 - CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**

**Note No. 42 (i) - CONTINGENT LIABILITIES**

**(₹ in Lakhs)**

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| (A) Claims against Company not acknowledeged as Debts | - | - |
| (B) Bank Guarantees provided | 2.34 | 274.67 |
| (C) Estimated amount of contracts remaining to be executed | | |
| (i) On Capital / Revenue Account (net of advances) and not provided for | - | - |
| (D) Export obligations under EPCG Licenses | - | - |
| (E) The Company has Contingent Liability towars Income Tax is as under - | - | - |

**Note No. 42 (ii)**

Inventory includes one property against which the Regional Provident Fund Commissioner - II has ordered for the recovery of those defaulted by the earlier company, i.e. Haryana Sheet Glass Limited (HSGL). A Writ Petition has been filed by the company before High Court of Punjab and Haryana at Chandigrah against the said order. The Court was of prima facie opinion that proper procedures has not been followed in assessing the liability. Accordingly, the impugned order has been quashed giving liberty to PF department to decide afresh after following due procedure.

**Note No. 42 (iii)**

The Company has received a notice from AIG Stamp Ghaziabad, for short payment of stamp duty amounting to Rs. 150.02/- Lakhs. The Honable high court has granted stay in favour of the company & the case is pending for the final judgement.

**Note No. 42 (iv)**

An award dated 25.01.2018 was passed by the Arbitral Tribunal in the arbitration proceedings between M/s Subir Engineering Work(s) Pvt Ltd. vs. IIDL directing IIDL to pay claimant Rs.768.00 lakhs with interest @ 6% from 27.10.2016 against the total claim of Rs.2118 lakhs claimed by the Claimant. (The Award includes VAT amount of Rs.309.00 lakhs and security deposit of Rs.272.00 lakhs). IIDL has filed a petition u/s 34 of The Arbitration and Conciliation Act 1996 before Hon'ble Delhi High Court against this award. Further, an amount of Rs. 400.00 lakhs has been deposited in the court as per the direction of Honable High Court.

**Note No. 42 (vi)**

The Company is contesting several matters pertaining to its project 21st Milestone Residency at Ghaziabad before Real Estate Regulatory Authority/Real Estate Appellate Tribunal. In two of the matter i.e. Vinay Kumar Balyan and Rajesh Kumar Singh, an attachment order was passed by the RERA authority against which the company has filed an appeal before REAT. Further, the company has filed appeal before REAT wherein as per the direction of the tribunal the company was required to deposit an amount of Rs. 91.64 Lakhs and the same was deposited.

**Note No. 42 (vii)**

The Arbitrator passed an award on 21.02.2022 observing that the Claimant has been found entitled to a total sum of Rs. 4,42,47,534/-as against sum of Rs. 2,0060,587/- held recoverable by IIDL from SBTL under its Counter Claim with respect to amount to be recovered from M/s. SBTL from its retention money for work done by IIDL and Rs. 1,00,00,000/- towards liquidated damages recoverable under the Counter Claim of IIDL. Setting off the said amount against the amount found payable to SBTL, SBTL shall be entitled to a sum of Rs. 1,41,86,947/- only.

Accordingly, an award of Rs. 1,41,86,947/- in favour of SBTL in full and final settlement of all the disputes and the claims and the counter claims arising from the disputes along with interest on the amount awarded in the favor of SBTL @ 9%p.a from 5.08.2019 till the date the awarded amount is paid, passed by the Arbitrator. Further, SBTL shall also be entitled to proportionate costs of arbitration proceedings @ Rs. 15,00,000/-.The same paid to SBTL on 26-07-2022.

**Note No. 43 - Disclosure as per IndAS - 11 Construction Contracts**

(i) IIDL has constructed a campus for MDI Gurgaon at Jangipur, District - Murshidabad, West Bengal. The financials relating to the contract are as under:

| PARTICULARS | Amount (Rs. in Lacs) |
|---|---|
| **Contract** | |
| Contract revenue recognized during the year | - |
| Contract expenses recognized during the year | - |
| **Recognized Profits** | - |
| Total Contract Costs (approx.) | - |
| Amount recoverable from MDI | 84.14 |

-Cost-plus Contract Method has been used to determine the Contract revenue recognized in the period.
-The stage of completion has been determined on the basis of Work Completion Certificate obtained from engineer / architect.

**NOTE NO. 44 - ADDITIONAL INFORMATION PURSUANT TO THE COMPANIES ACT, 2013**

**(₹ in Lakhs)**

| **Quantitative Information in respect of Inventories** | | | | |
|---|---|---|---|---|
| **Description** | **Purchases** | | **Sales** | |
| | **CURRENT YEAR** | | | |
| | **Units (Locations)** | **Amount** | **Units (Locations)** | **Amount** |
| Land & Building | 0.00 | 0.00 | 0.00 | 169.60 |
| Machinery & Equipment | 0.00 | 0.00 | 0.00 | 0.00 |
| Additional Cost incurred on Existing Properties | 0.00 | 0.00 | 0.00 | 0.00 |
| Raw Material Consumables and Stores | 0.00 | 50.99 | 0.00 | 215.12 |
| | **PREVIOUS YEAR** | | | |
| Land & Building | 0.00 | 0.00 | 0.00 | 1153.96 |
| Machinery & Equipment | 0.00 | 0.00 | 0.00 | 0.00 |
| Additional Cost incurred on Existing Properties | 0.00 | 0.00 | 0.00 | 0.00 |
| Raw Material Consumables and Stores | 0.00 | 44.52 | 0.00 | 145.63 |
| | **Opening Stock** | | **Closing Stock** | |
| | **CURRENT YEAR** | | | |
| | **Units (Locations)** | **Amount** | **Units (Locations)** | **Amount** |
| Land & Building | 0.00 | 5795.13 | 0.00 | 5795.13 |
| Machinery & Equipment | 0.00 | 0.00 | 0.00 | 0.00 |
| Work-in-Progresss | 0.00 | 1549.59 | 0.00 | 1321.23 |
| Consumables and Stores | 0.00 | 35.94 | 0.00 | 22.86 |
| | **PREVIOUS YEAR** | | | |
| Land & Building | 0.00 | 5795.13 | 0.00 | 5795.13 |
| Machinery & Equipment | 0.00 | 0.00 | 0.00 | 0.00 |
| Work-in-Progresss | 0.00 | 3026.81 | 0.00 | 1549.59 |
| Consumables and Stores | 0.00 | 38.30 | 0.00 | 35.94 |

**Note:**

**1. Land and Buildings include units of different areas having varied description for its types / stage of construction / development, for which it is not practical to make it individually descriptive for quantitative disclosure.**

**2. Consumables & Stores include various F&B, House Keeping, Diesel and Engineering related stores for which it is not practical to make it individually descriptive for quantitative disclosure.**

**Note No. 45 - EMPLOYEE BENEFIT PLANS**

**Note No. 45 (i) - Defined benefit plans**

**Brief Description:** A general description of the type of Employee Benefits Plans is as follows:

**1. Earned Leave (EL) Benefit**

Salary - Last drawn qualifying salary
Accrual - 33 days per year
Maximum Accumulation - 300 days
Encashment while in service - 100% of earned leave balance, subject to maximum 90 days per year
Encashment on retirement - Maximum upto 300 days or actual accumulation, whichever is less, subject to 30 days balance in the account of the employee

**2. Gratuity**

Salary - Last drawn qualifying salary
Accrual - 15 days salary for each completed year of service
Vesting Period - 5 years of service
Limit - Maximum of INR 20,00,000

**Note No. 45 (ii) - The principal assumptions used for the purposes of the actuarial valuations were as follows -**
**Assumptions as at March 31, 2023**

| S. No. | Particulars | March 31, 2023 | March 31, 2022 |
|---|---|---|---|
| | **IIDL - Corporate office** | | |
| | **Gratuity** | | |
| 1. | Discount rate | 7.43% | 7.18% |
| 2. | Expected return on plan assets | NA | NA |
| 3. | Annual increase in costs | NA | NA |
| 4. | Annual increase in salary | 10.00% | 10.00% |
| | **Leave Encashment** | | |
| 5. | Discount rate | 7.43% | 7.18% |
| 6. | Expected return on plan assets | NA | NA |
| 7. | Annual increase in costs | NA | NA |
| 8. | Annual increase in salary | 10.00% | 10.00% |
| | **Frasers Suites - A unit of IIDL** | | |
| | **Gratuity** | | |
| 1. | Discount rate | 7.38% | 7.45% |
| 2. | Expected return on plan assets | NA | NA |
| 3. | Annual increase in costs | NA | NA |
| 4. | Annual increase in salary | 8.00% | 8.00% |
| | **Leave Encashment** | | |
| 5. | Discount rate | 7.38% | 7.45% |
| 6. | Expected return on plan assets | NA | NA |
| 7. | Annual increase in costs | NA | NA |
| 8. | Annual increase in salary | 8.00% | 8.00% |

**Note No. 45 (iii)** - The discount rate is based upon the market yield available on Government bonds at the Accounting date with a term that matches. The salary growth takes account inflation, seniority, promotion and other relevant factor on long term basis. Expected rate of return on plan assets is based on market expectation, at the beginning of the year, for return over the entire life of the related obligation.

**Note No. 46 - Disclosure u/s 22 of MSMED Act, 2006**

i. The company has requested information from all its vendors regarding their status of registration in accordance with the Micro, Small and Medium Enterprises Development Act, 2006 ("The Act"). Out of the same, vendors who did not send any confirmation have been taken to be non MSME vendors. Disclosure required under Section 22 of the MSMED Act, 2006 is as under -

**(₹ in Lakhs)**

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Principal amount due to suppliers registered under the Act and remaining unpaid as at year end | 4.87 | - |
| Interest due to suppliers registered under the Act and remaining unpaid as at year end | - | - |
| Principal amounts paid to suppliers registered under the Act, beyond the appointed day during the year | - | - |
| Interest paid other than under Section 16 of the Act to suppliers registered under the Act, beyond the appointed day during the year | - | - |
| Interest paid under Section 16 of the Act to suppliers registered under the Act, beyond the appointed day during the year | - | - |
| Interest due and payable towards suppliers registered under the MSMED Act, 2006 for payments already made | - | - |
| Further interest remaining due and payable for earlier years | - | - |

**Note No. 47 - IMPAIRMENT LOSSES**

As certified by the management of the company, non financial assets of the company have not been impaired during the year and there is no indication of a potential impairment loss, therefore the need to make an estimation of recoverable amount does not arise.

**Note No. 48 - INVESTMENT PROPERTY (Ind AS 40)**

**(i) Amout recognized in Statement of Profit & Loss for Investment Properties**

**(₹ in Lakhs)**

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Rental Income | 31.79 | 31.70 |
| Maintenance & Other Reimbursements received | - | - |
| Direct operating expenses from property generating Rental Income (including Repair & Maintenance) | - | - |
| **Profit from Investment Property before depreciation** | 31.79 | 31.70 |
| Depreciation | | |
| **Profit from Investment Properties** | 31.79 | 31.70 |

**(ii) Leasing Arrangements**

a.The company reclassified Rs. 9.30 Crores from Property, Plant & Equipment as Investment Property on the date of transition to Ind AS.

**(iii) Fair Value**

(₹ in Lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| Flat at Vasant Vihar, Delhi | 947.70 | 845.00 |
| | | |

**(iv) Measurement of fair values**
**(iv.i) Fair Value Hierarchy**

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

**(iv.ii) Valuation Technique**

The Company follows direct sale comparison technique. The valuation model considers the value of the subject property by comparing recent sales / listing of similar interest in the properties located in the surrounding area. By analysing sales which qualify as 'arms-length' transactions, between willing buyers and sellers, adjustments would be made for size, location, time, amenities and other relevant factors when comparing such sales price against the subject property. This approach is commonly used to value standard properties when realisable sales evidence is available.

**Note No. 48 A**
Inventory includes lease hold rights of Financial City Bengaluru property amounting to Rs. 1276.85 lakhs for which lease has already expired on 30-Sep-2022, however the same is extendable under clause no. 23 of the agreement.IIDL has already applied for the extension which is in process. Further IIDL has full right to lease cum sale in extended period of lease.

**Note No. 49 - ADDITIONAL DISCLOSURE UNDER PARA 53 OF IndAS 116 - LEASES**

**i. Additional disclosures required under Para 53 of Ind AS 116 are as under -**

(₹ in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Depreciation charge for right-of-use assets by class of underlying asset | 3.69 | 2.68 |
| Interest expense on lease liabilities | 0.56 | 1.57 |
| Income from subleasing right-of-use assets | 0.91 | 0.91 |
| Total cash outflow for leases | 4.25 | 4.25 |
| Additions to right-of-use assets | - | - |
| Carrying amount of right-of-use assets at the end of reporting period | 1.02 | 3.05 |

ii. Right of use assets accounted is for land received from Karnataka Industrial Development Board measuring a total of 50 acres, out of which, 38.63 acres has been further leased out on lease cum sale basis to various financial institutions. Further, an area of 7.37 acres has been reserved as area for common facilities development. The company still holds land measuring 4 acres as inventories on lease cum sale basis.

**Note No. 50**
The company has decided to amend its accounting policy as allowed by Ind AS 27 to value equity investments in associates, subsidiaries and joint ventures at fair market value obtained by a third party valuer in line with approach allowed under Ind AS 113 - Fair Value Measurement. Such accounting policy has been implemented uniformly across entire class of investments. This has resulted in impairment expenses of fair value adjustments of investments held in Jangipur Bengal Mega Foodpark Limited from INR 10 per share to INR 7.70 per share reflected in Finance Cost in the Statement of Profit and Loss.

**Note No. 51 - DUES TO SMALL SCALE INDUSTRIAL UNDERTAKINGS**
There are no dues payable to Small Scale Industrial Undertakings as defined under Industries (Development & Regulation) Act, 1951 as at the period end.

**Note No. 52 - DEFERRED TAX ASSETS / (LIABILITIES)**

(₹ in Lakhs)

| Particulars | Amount |
|---|---|
| **Deferred Tax Assets / (Liabilities)** | |
| Opening Balance | (866.35) |
| Net Additions | (31.34) |
| Net Deferred Tax Assets / (Liabilities) | (897.69) |

**Note No. 53 - CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE u/s 135 OF COMPANIES ACT, 2013**

(₹ in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Gross Amount required to be spent by the company | 24.73 | 25.27 |
| Amount spent by the company during the year on - | | |
| a. Construction / acquisition of assets | - | - |
| b. On other purposes - Transferred to IFCI Social Foundation* | 24.73 | 25.27 |

*Contribution made to IFCI Social Foundation falls under the definition of contribution to a related party (trust controlled by the parent company) in relation to CSR Expenditure as per Ind AS 24.

**Note No. 54 - CHANGE IN USEFUL LIFE OF FIXED ASSETS**

As per CAG recommendation, it is to be disclosed that during the Financial Year 2019-20, useful life of Furniture & Fixture at Fraser's Suites (Hospitality Division) has been changed from 10 years to 8 years resulting in depreciation rate impacting the profit of the company by around Rs. 3.22 Crores.

**Note No. 55 - Balance Confirmation**

The balances of Trade Receivables and Trade Payable are subject to confirmation.

**Note No. 56**

Previous period figures have been regrouped / rearranged / reclassified, wherever necessary, to make them comparable to the current year's presentation.

**Note No. 57**

The notes referred to above from an integral part of the Financial Statement. As per schedule III, Annexure 1 (Ratio),Annexure 2 (Debtors Ageing), Annexure 3 (Creditors Ageing) & Annexure 4 (CSR Disclosure) are integral part of the Financial Statement.

**Note No. 58 - APPROVAL OF FINANCIAL STATEMENTS**

The financial statements of the company for the year ended March 31, 2023 were approved for issue by the Board of Directors on 15th May, 2023.

**As per our report of even date attached**
**For RAVI RAJAN & CO. LLP**
**CHARTERED ACCOUNTANTS**
**FRN 009073N/N500320**

Sd/-
**CA BS Rawat**
**PARTNER**
**M. No. 034159**
**UDIN - 23034159BGXDFU2957**

**Date : 15-May-2023**
**Place : New Delhi**

**FOR AND ON BEHALF OF THE BOARD**

Sd/-
**(Debashis Gupta)**
**DIN : 08741938**
**DIRECTOR**

Sd/-
**(Vijay Kumar Deshraj)**
**DIN:09722994**
**MANAGING DIRECTOR**

Sd/-
**(Vishal Pandey)**
**M. No. 515352**
**CHIEF FINANCIAL OFFICER**

Sd/-
**(TANNU SHARMA)**
**M. No. 029676**
**COMPANY SECRETARY**

**Annexure-1**

| S.No. | Ratios | For the Year ended 31st March 2023 | For the Year ended 31st March 2022 | |
|---|---|---|---|---|
| 1 | Current Ratio | 16.73 | 11.09 | Current Assets/Current Liabilities (Increase due to decrease in Current Liabilities) |
| 2 | Debt Equity Ratio | Since, there are no debts, hence, this ratio is not required to be calculated | | Total Liabilities/Total Shareholders Equity |
| 3 | Debt Service Coverage Ratio | Since, there are no debts, hence, this ratio is not required to be calculated | | operating income/total debt service |
| 4 | Return on Equity Ratio | 0.03 | 0.02 | Profit After Tax (PAT) / Net Worth (Increase due to Increase in profit) |
| 5 | Inventory Turnover Ratio | 0.28 | 0.27 | Sales/Average Inventory |
| 6 | Trade Receivables turnover Ratio | 10.26 | 9.28 | Annual Net Credit Sales / Average Annual Accounts Receivables |
| 7 | Trade Payables turnover Ratio | 1.32 | 0.35 | Net Credit Purchases / Average Accounts Payable (Increase due decrease in trade payable) |
| 8 | Net Capital turnover Ratio | 0.10 | 0.11 | Net Sales / Working Capital |
| 9 | Net Profit Ratio | 0.78 | 0.38 | Net Profit/Revenue (Increase due to increase in profit) |
| 10 | Return on Capital Employed | 0.03 | 0.02 | EBIT/Capital Employed (Increase due to increase in profit) |
| 11 | Return on investment | 0.12 | 0.14 | (Investment Gain-Investment Cost)/Investment Cost |

Annexure-2

**1 Receivables:**

| As at 31 March 2023 | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|
| | Outstanding for following periods from due date of payment | | | | | |
| (i) Undisputed Trade receivables — considered good | 38,87,982.70 | 1,09,516.94 | 3,80,149.23 | 41,15,562.55 | 75,07,088.12 | **1,60,00,299.54** |
| (ii) Undisputed Trade Receivables — which have significant increase in credit risk | - | - | - | - | - | **-** |
| (iii) Undisputed Trade Receivables — credit impaired | - | - | - | - | - | **-** |
| (iv) Disputed Trade Receivables— considered good | - | - | - | - | - | **-** |
| (v) Disputed Trade Receivables — which have significant increase in credit risk | 271.00 | - | - | 1,88,474.36 | 90,27,672.67 | **92,16,418.03** |
| (vi) Disputed Trade Receivables — credit impaired | - | - | - | - | 36,37,041.00 | **36,37,041.00** |
| | **38,88,253.70** | **1,09,516.94** | **3,80,149.23** | **43,04,036.91** | **2,01,71,801.79** | **2,88,53,758.57** |
| Less: Provision for impairment | | | | | 62,91,802.00 | 62,91,802.00 |
| **Total** | | | | | | **2,25,61,960.57** |

| As at 31 March 2022 | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|
| | Outstanding for following periods from due date of payment | | | | | |
| (i) Undisputed Trade receivables — considered good | 27,82,437.37 | 1,45,393.00 | 2,83,010.80 | 33,04,465.40 | 72,76,128.12 | **1,37,91,434.69** |
| (ii) Undisputed Trade Receivables — which have significant increase in credit risk | - | - | - | - | - | **-** |
| (iii) Undisputed Trade Receivables — credit impaired | - | - | - | - | - | **-** |
| (iv) Disputed Trade Receivables— considered good | - | - | - | - | - | **-** |
| (v) Disputed Trade Receivables — which have significant increase in credit risk | (82,154.50) | (44,400.00) | (1,32,610.43) | 5,36,414.25 | 3,41,177.87 | **6,18,427.19** |
| (vi) Disputed Trade Receivables — credit impaired | - | - | 62,831.97 | 2,21,429.45 | 93,46,428.04 | **96,30,689.46** |
| | **27,00,282.87** | **1,00,993.00** | **2,13,232.34** | **40,62,309.10** | **1,69,63,734.03** | **2,40,40,551.34** |
| Less: Provision for impairment | | | | | 63,11,801.55 | 63,11,801.55 |
| **Total** | | | | | | **1,77,28,749.79** |

For terms and conditions of trade receivables owing from related parties and transactions with related parties, see Note 47.
The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 53.

Annexure-3

**2 Trade payables**

| As at 31 March 2023 | Less than 1 year | 1-2 Years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| | Outstanding for following periods from due date of payment | | | | |
| (i) MSME | 4,87,110.00 | - | - | - | **4,87,110.00** |
| (ii) Others | 55,19,425.58 | 68,357.63 | 70,440.00 | (3,70,091.40) | **52,88,131.81** |
| (iii) Disputed dues –MSME | - | - | - | - | **-** |
| (iv) Disputed dues - Others | - | 5,60,122.00 | 2,13,765.00 | 6,383.00 | **7,80,270.00** |
| **Total** | | | | | **65,55,512.81** |

| As at 31 March 2022 | Less than 1 year | 1-2 Years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| | Outstanding for following periods from due date of payment | | | | |
| (i) MSME | - | - | - | - | **-** |
| (ii) Others | 1,16,54,458.42 | 5,61,126.40 | 6,624.00 | 74,21,954.64 | **1,96,44,163.46** |
| (iii) Disputed dues –MSME | - | - | - | - | **-** |
| (iv) Disputed dues - Others | 13,380.10 | 2,94,252.38 | 2,27,293.80 | - | **5,34,926.28** |
| **Total** | | | | | **2,01,79,089.74** |

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at all the reporting dates. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent the status of such parties identified on the basis of information available with the Company.

# Annexure-4

## Corporate Social Responsibility (CSR)

IFCI Infrastructure Development Ltd spent/transfer Rs. 24,72,892/- during the financial year 2022-23to IFCI Social Foundation towards CSR initiatives.

Details of CSR spent or unspent during the financial year –

| **Total Amount Spent for the Financial Year-2022-23** | **Amount Unspent** | |
|---|---|---|
| | **Amount Transferred to Unspent CSR Account as per Section 135(6)** | |
| | **Amount Rs.** | **Date of Transfer** |
| Rs. 94,098/- | Rs. 23,78,794/- | 28-04-2023 |

IFCI Infrastructure Development Ltd spent/transfer Rs. 25,26,920/- during the financial year 2021-22 to IFCI Social Foundation towards CSR initiatives.

Details of CSR spent or unspent during the financial year –

| **Total Amount Spent for the Financial Year-2021-22** | **Amount Unspent** | |
|---|---|---|
| | **Balance available to Unspent CSR Account as per Section 135(6)** | |
| | **Amount Rs.** | **Date of Transfer** |
| Rs. 10,10,768/- | Rs. 15,16,152/- | 25-04-2022 |

## INDEPENDENT AUDITOR'S REPORT

**To the Members of**
**M/s IFCI Infrastructure Development Limited**

### Report on the Audit of the Consolidated Financial Statements

This revised Independent Auditor's Report is being issued in suppression of our earlier Independent Auditor's Report dated 15th May'2023, at the instance of Comptroller and Auditor General (C&AG) of India. The revised report is issued in view of certain modifications in Opinion, Emphasis of Matter and Report on Other Legal & Regulatory Requirements of Independent Auditor's Report in terms of sub section (11) of section 143 of the Companies Act,2013. Further, we confirm that these changes do not affect true & fair view and our opinion expressed earlier.

### Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of **M/s IFCI Infrastructure Development Limited ("the Holding Company"),** and **M/s IIDL Realtors Private Limited (herein referred to as "100% Subsidiary) (The Holding Company and its Subsidiary together referred to as "the Group")** which comprise the Consolidated Balance Sheet as at 31st March 2023, the Consolidated statement of Profit and Loss (Including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Cash Flow Statement for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory notes for the year ended on that date (herein after referred to as "consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by 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 as at 31st March 2023, and their consolidated profit (including other comprehensive income), consolidated statement of changes in equity and their consolidated cash flows for the year ended on that date.

### Emphasis of Matter

We draw attention to point number 48A to the financial statements regarding lease hold rights for 4.37 acres of land in respect of Financial City Bengaluru, lease period for 2.37 acres of land has expired on 02-11-2021 and for other 2 acres of land, lease period has expired on 12-10-2022. The request letter to renew such lease agreement is submitted to KIADB and renewal of the same is under process till the finalization of accounts. Our opinion is not modified in respect of this matter.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 opinion on Consolidated Financial Statements.

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

The Group's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 financial position, financial performance and cash flows change in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant Rules thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Group's financial reporting process.

**Auditor’s Responsibility for the Audit of the Consolidated Financial Statements**

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- 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 Branch’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 of the Branch 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 Branch 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.

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

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

**Other Matter**

We did not audit the Financial Statements of Subsidiary namely M/s. IIDL Realtors Private Limited, whose Financial Statements as per Ind AS reflect total assets of Rs. 17,24,00,650/- as at 31st March'2023 and the total revenue of Rs. 3,47,61,163/- net Cash Flows amounting to Rs. 48,08,167/- for the year ended on that date, as considered in the Consolidated Financial Statements. These Financial Statements have been audited by the other auditor whose reports have been furnished to us by the Management and our opinion in so far as it relates to the amounts and disclosures included in respect of Subsidiary, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid Subsidiary is based solely on the report of other auditor.

**Report on Other Legal and Regulatory Requirements**

**1.** As required under Section 143(5) of the Companies Act'2013, we enclose herewith, as per **Annexure-A** and **Annexure-B** our report for the Group on the Directions and Sub-directions respectively, issued by the Comptroller & Auditor General of India.

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

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

**(b)** In our opinion proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books;

**(c)** The consolidated balance sheet, the consolidated statement of profit and loss and the consolidated cash flow statement dealt with by this Report are in agreement with the books of account;

**(d)** In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant Rules thereunder;

**(e)** The provisions of section 164(2) of the Companies Act, 2013 in respect of disqualifications of directors are not applicable to the Group being Government Company in terms of notification no. G.S.R. 463(E) dated 5th June 2015 issued by the Ministry of Corporate affairs;

**(f)** With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "**Annexure-C**"; and

**(g)** 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:

**i.** The Group has disclosed the impact of pending litigation on its financial position as referred to in Note-42 to the financial statements.

**ii.** The Group is not required to make any provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

**iii.** The Group is not required to transfer any amount to the Investor Education and Protection Fund.

**iv.** (i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Group or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

**v.** The Group has not declared or paid any dividend during the year.

For **RAVI RAJAN & CO. LLP**
Chartered Accountants
Firm's Registration Number: 009073N/N500320

Sd/-
B.S. Rawat
Partner
Membership Number: 034159
UDIN: 23034159BGXDGG6569

Place: New Delhi
Date: 04-07-2023

**Annexure - A to the Independent Auditors' Report**

**Report in terms of Directions issued by the Comptroller & Auditor General of India under section 143(5) of the Companies Act'2013 for the financial year 2022-23**

1. Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.

   **According to the information and explanations given to us and based on our audit, all the accounting transactions are routed through IT system (i.e. Tally software in Head Office and SAGE 300 ERP/HIS/IDS software in IIDL Suites) except the demand letters issued to buyers and rental invoices issued to tenants. Demand letters issued to buyers and rental invoices issued to tenants are usually sent through MS-Office.**

   **We have neither been informed nor we have come across during the course of audit any accounting transactions having impact on the integrity of the accounts along with the financial implications which have been processed outside the IT system.**

2. Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of Lender Company).

   **During the year, there is no instance of any restructuring of any existing loan or cases of waiver/write-off of debts/loans/interest etc. made by a lender to the Company.**

3. Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central /State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.

   **We have been informed that the Company has neither received nor any such funds are receivable by the Company for specific schemes from Central/State Government or its agencies for the financial year 2022-23**

For **RAVI RAJAN & CO. LLP**
Chartered Accountants
Firm's registration number: 009073N/N500320

B.S. Rawat
Partner
Membership number: 034159
UDIN: 23034159BGXDGG6569
Place: New Delhi
Date: 04-07-2023

**Annexure - B to the Independent Auditors' Report**

**Report in terms of Sub-directions issued by the Comptroller & Auditor General of India under section 143(5) of the Companies Act'2013 for the financial year 2022-23**

1. **Investments:**

   Whether the titles of ownership in respect of CGS/ SGS/ Bonds/ Debentures etc. are available in physical/demat form and these, in aggregate, agree with the respective amounts shown in the Company's books of accounts? If not, details may be stated.

   **The company had invested Rs. 95.00 Crores in Bonds issued by IFCI Limited. The possession of these bonds are in demat form and the same has been shown in the Company's books of accounts under the head of investment in asset side of the balance sheet.**

2. **Loans:**

   In respect of provisioning requirement of all restructured, rescheduled, renegotiated loan-whether a system of periodical assessment of realizable value of securities available against all such loans is in place and adequate provision has been created during the year? Deficiencies in this regard, if any, may be suitably commented upon along with financial impact.

   **The Company has neither granted any Loans during the year nor does the Company have any such outstanding Loans as on 31-03-2022.**

For **RAVI RAJAN & CO. LLP**
Chartered Accountants
Firm's registration number: 009073N/N500320

B.S. Rawat
Partner
Membership number: 034159
UDIN: 23034159BGXDGG6569

Place: New Delhi
Date: 04-07-2023

**Annexure - C to the Independent Auditors' Report**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

**Management's Responsibility for Internal Financial Controls**

The Group's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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 ("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 Group'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 Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 Group's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A Group's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Group's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorizations of management and directors of the Group; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Group 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.

For **RAVI RAJAN & CO. LLP**
Chartered Accountants
Firm's registration number: 009073N/N500320

Sd/-
B.S. Rawat
Partner
Membership number: 034159
UDIN: 23034159BGXDGG6569

Place: New Delhi
Date: 04-07-2023

## IFCI INFRASTRUCTURE DEVELOPMENT LIMITED
## CIN : U45400DL2007GOI169232
Regd. Office - 7th Floor, IFCI Tower, 61 Nehru Place, New Delhi - 110 019 (IN)

### CONSOLIDATED BALANCE SHEET
### as at 31st March 2023

( ₹ in Lakhs)

| Particulars | Note No. | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| **ASSETS** | | | |
| **1. Non - Current Assets** | | | |
| a. Property, Plant and Equipment and Intangible assets | 2 | 15,699.68 | 16,028.35 |
| b. Investment property | 3 | 1,483.00 | 1,535.08 |
| c. Goodwill | 4 | 2,817.94 | 2,817.94 |
| d. Other Intangible Assets | 5 | 20.53 | 33.79 |
| e. Financial Assets | | - | - |
| i. Investments | 6 | 10,254.98 | 10,154.98 |
| ii. Loans | 7 | - | - |
| iii. Others | 8 | 1,834.98 | 254.28 |
| | | 32,111.11 | 30,824.42 |
| **2. Current Assets** | | | |
| a. Inventories | 9 | 7,145.77 | 7,389.24 |
| b. Financial Assets | | - | - |
| i. Trade Receivables | 10 | 225.62 | 177.29 |
| ii. Cash and cash equivalents | 11 | 6,430.94 | 3,710.96 |
| iii. Bank Balance other than (ii) above | 12 | 6,389.21 | 9,031.07 |
| iv. Loans | 13 | - | - |
| v. Others | 14 | 1,009.23 | 914.26 |
| c. Current Tax Assets (Net) | 15 | 1,055.55 | 930.79 |
| d. Other Current Assets | 16 | 1,002.98 | 1,093.74 |
| | | 23,259.30 | 23,247.35 |
| **TOTAL ASSETS** | | 55,370.41 | 54,071.77 |
| | | | |
| **EQUITY AND LIABILITIES** | | | |
| **1. Equity** | | | |
| a. Equity Share Capital | 17 | 42,709.92 | 42,709.92 |
| b. Other Equity | 18 | 9,778.03 | 8,038.92 |
| | | 52,487.96 | 50,748.84 |
| **2. Non - Current Liabilities** | | | |
| a. Financial Liabilities | | | |
| i. Borrowings | 19 | - | - |
| ii. Other Financial Liabilities | 20 | 58.68 | 3.05 |
| b. Provisions | 21 | 503.83 | 109.28 |
| c. Deferred Tax Liabilities (Net) | 22 | 962.50 | 866.35 |
| d. Other Non - Current Liabilities | 23 | 3.55 | 221.49 |
| | | 1,528.56 | 1,200.16 |
| **3. Current liabilities** | | | |
| a. Financial Liabilities | | | |
| i. Trade Payables | 24 | 65.56 | 201.79 |
| ii. Other Financial Liabilities | 25 | 437.37 | 693.31 |
| b. Other Current Liabilities | 26 | 775.00 | 770.85 |
| c. Provisions | 27 | 75.96 | 456.82 |
| | | 1,353.89 | 2,122.77 |
| **TOTAL EQUITY AND LIABILITIES** | | 55,370.41 | 54,071.77 |

Summary of Significant Accounting Policies and Other Explanatory Information in Notes 1 to 58

**As per our report of even date attached**
**For RAVI RAJAN & CO. LLP**
**CHARTERED ACCOUNTANTS**
**FRN 009073N/N500320**

**FOR AND ON BEHALF OF THE BOARD**

Sd/-
**(Debashis Gupta)**
DIN : 08741938
**DIRECTOR**

Sd/-
**(Vijay Kumar Deshraj)**
DIN:09722994
**MANAGING DIRECTOR**

Sd/-
**CA BS Rawat**
**PARTNER**
**M. No. 034159**
**UDIN - 23034159BGXDFV4445**

Sd/-
**(Vishal Pandey)**
M. No. 515352
**CHIEF FINANCIAL OFFICER**

Sd/-
**(TANNU SHARMA)**
M. No. 029676
**COMPANY SECRETARY**

**Date : 15-May-2023**
**Place : New Delhi**

## IFCI INFRASTRUCTURE DEVELOPMENT LIMITED
## CIN : U45400DL2007GOI169232
Regd. Office - 7th Floor, IFCI Tower, 61 Nehru Place, New Delhi - 110 019 (IN)

### CONSOLIDATED STATEMENT OF PROFIT AND LOSS
### for the year ended 31st March 2023

**(₹ in Lakhs)**

| Particulars | Note No. | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| **CONTINUING OPERATIONS** | | | |
| **Income** | | | |
| Revenue from Operations | 28 | 2,339.84 | 2,380.81 |
| Other Income | 29 | 1,988.06 | 2,067.65 |
| **Total Income (A)** | | 4,327.89 | 4,448.47 |
| **Expenses** | | | |
| Cost of Material Consumed | 30 | 404.59 | 1,569.29 |
| Employee benefit expenses | 31 | 599.38 | 556.49 |
| Finance Costs | 32 | 7.90 | 3.37 |
| Depreciation and Amortization expenses | 33 | 397.03 | 366.20 |
| Other Expenses | 34 | 995.13 | 1,036.46 |
| **Total Expenses (B)** | | 2,404.02 | 3,531.80 |
| **Profit / (Loss) before exceptional items and tax (A - B)** | | 1,923.87 | 916.66 |
| Exceptional Items | 35A | (63.24) | 189.94 |
| **Profit / (Loss) before tax** | | 1,860.64 | 1,106.61 |
| Less: Tax Expense | | | |
| 1. Current Tax | 38 | 293.88 | 109.26 |
| 2. Deferred Tax | | 97.81 | 181.02 |
| 3. MAT Credit Entitlement | 38 | (281.83) | (86.75) |
| 4. Income Tax for Earlier Years | 38 | 7.37 | - |
| **Profit / (Loss) for the period from continuing operations, net of tax** | | 1,743.41 | 903.08 |
| **DISCONTINUING OPERATIONS** | | | |
| **Profit / (Loss) from discontinuing operations (after tax)** | | - | - |
| **PROFIT / (LOSS) FOR THE PERIOD (C)** | | 1,743.41 | 903.08 |
| **OTHER COMPREHENSIVE INCOME** | | | |
| A. i. Items that will not be reclassified to profit or loss | 35 | | |
| a. Acturial Gain / Loss | | (5.95) | (0.83) |
| Less: ii. Income tax relating to items that will not to be reclassified to profit or loss | | (1.65) | (0.23) |
| **Other Comprehensive Income, net of tax (D)** | | (4.29) | (0.60) |
| **TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (C + D)** | | 1,739.12 | 902.48 |
| **Earning per equity share (for continuing and discontinuing operations)** | 36 | | |
| 1. Basic (in Rs.) | | 0.41 | 0.21 |
| 2. Diluted (in Rs.) | | 0.41 | 0.21 |

Summary of Significant Accounting Policies and Other Explanatory Information in Notes 1 to 58

**As per our report of even date attached**
**For RAVI RAJAN & CO. LLP**
**CHARTERED ACCOUNTANTS**
**FRN 009073N/N500320**

Sd/-
**CA BS Rawat**
**PARTNER**
**M. No. 034159**
**UDIN - 23034159BGXDFV4445**

**Date : 15-May-2023**
**Place : New Delhi**

**FOR AND ON BEHALF OF THE BOARD**

Sd/-
**(Debashis Gupta)**
DIN : 08741938
**DIRECTOR**

Sd/-
**(Vijay Kumar Deshraj)**
DIN:09722994
**MANAGING DIRECTOR**

Sd/-
**(Vishal Pandey)**
M. No. 515352
**CHIEF FINANCIAL OFFICER**

Sd/-
**(TANNU SHARMA)**
M. No. 029676
**COMPANY SECRETARY**

**IFCI INFRASTRUCTURE DEVELOPMENT LIMITED**
**CIN : U45400DL2007GOI169232**
Regd. Office - 7th Floor, IFCI Tower, 61 Nehru Place, New Delhi - 110 019 (IN)

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
## for the year ended 31st March 2023

**A. EQUITY SHARE CAPITAL**

(₹ in Lakhs)

| Particulars | Balance at the beginning of the reporting period | Share Capital issued during the year | Share Capital redeemed during the year | Balance at the end of the reporting period |
|---|---|---|---|---|
| Balance as at 31st March, 2022 | 42,709.92 | - | - | 42,709.92 |
| Balance as at 31st March, 2023 | 42,709.92 | - | - | 42,709.92 |

**B. OTHER EQUITY**

(₹ in Lakhs)

| Particulars | Reserves & Surplus | | Other Comprehensive Income (OCI) | | Total |
|---|---|---|---|---|---|
| | Capital Redemption Reserve | Retained Earnings | Remeasurement of Defined Benefit Plans | Others | |
| **Balance as at 1st April 2021** | 6,812.91 | 947.83 | 30.80 | - | 7,791.54 |
| Changes in Accounting Policy / Prior Period Errors | | | | | |
| Profit for the period | - | 903.08 | - | - | 903.08 |
| Other Comprehensive Income for the year (net of tax | - | - | (0.60) | - | (0.60) |
| Changes in Equity due to Lease Extension | | (655.10) | | | (655.10) |
| Interim Dividend Paid to Equity Shareholders | - | - | - | - | - |
| Dividend Distribution Tax Paid | - | - | - | - | - |
| **Balance at 31st March, 2022** | 6,812.91 | 1,195.81 | 30.20 | - | 8,038.92 |
| Changes in Accounting Policy / Prior Period Errors | | | | | |
| Profit for the period | - | 1,743.41 | - | - | 1,743.41 |
| Other Comprehensive Income for the year (net of tax | - | - | (4.29) | - | (4.29) |
| Changes in Equity due to Lease Extension | | - | | | - |
| Interim Dividend Paid to Equity Shareholders | - | - | - | - | - |
| Dividend Distribution Tax Paid | - | - | - | - | - |
| **Balance at 31st March, 2023** | 6,812.91 | 2,939.22 | 25.91 | - | 9,778.03 |

Summary of Significant Accounting Policies and Other Explanatory Information in Notes 1 to 58

**As per our report of even date attached**
**For RAVI RAJAN & CO. LLP**
**CHARTERED ACCOUNTANTS**
**FRN 009073N/N500320**

**FOR AND ON BEHALF OF THE BOARD**

Sd/-
**(Debashis Gupta)**
DIN : 08741938
**DIRECTOR**

Sd/-
**(Vijay Kumar Deshraj)**
DIN:09722994
**MANAGING DIRECTOR**

Sd/-
**CA BS Rawat**
**PARTNER**
**M. No. 034159**
**UDIN - 23034159BGXDFV4445**

Sd/-
**(Vishal Pandey)**
M. No. 515352
**CHIEF FINANCIAL OFFICER**

Sd/-
**(TANNU SHARMA)**
M. No. 029676
**COMPANY SECRETARY**

**Date : 15-May-2023**
**Place : New Delhi**

**IFCI INFRASTRUCTURE DEVELOPMENT LIMITED**
**CIN : U45400DL2007GOI169232**
Regd. Office - 7th Floor, IFCI Tower, 61 Nehru Place, New Delhi - 110 019 (IN)

## CONSOLIDATED STATEMENT OF CASH FLOWS
## for the year ended 31st March 2023

(₹ in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| Total Comprehensive Income before Income Tax from | | |
| Continuing Operations | 1,854.69 | 1,105.77 |
| Discontinuing Operations | - | - |
| **Profit before Income Tax including discontinued operations** | 1,854.69 | 1,105.77 |
| Adjustments For : | | |
| Depreciation and Amortization Expense | 397.03 | 366.20 |
| Other Comprehensive Income | 5.95 | 0.83 |
| Interest Income classified as Investing Cash Flows | (1,641.45) | (1,584.65) |
| Non - Cash Interest Income | (7.50) | (0.00) |
| Non - Cash Finance Costs | 7.90 | 3.37 |
| Non - Cash Deferred Income | (221.49) | (442.98) |
| **Operating Profit before working capital changes** | 395.13 | (551.46) |
| Change in operating assets and liabilities, net of effects from purchase of controlled entities and sale of subsidiaries : | | |
| Decrease / (Increase) : Financial Assets | (143.30) | 126.13 |
| Decrease / (Increase) : Inventories | 243.47 | 1,471.00 |
| Decrease / (Increase) : Current Tax Assets | (124.77) | (108.47) |
| Decrease / (Increase) : Other Current Assets | 90.76 | 482.25 |
| Increase / (Decrease) : Financial Liabilities | (336.54) | (289.94) |
| Increase / (Decrease) : Provisions | 7.75 | (453.02) |
| Increase / (Decrease) : Other Current Liabilities | 4.15 | (42.21) |
| **Cash Generated from Operations** | 136.65 | 634.27 |
| Income Taxes Paid | (12.95) | (22.51) |
| **Net Cash inflow / (outflow) from Operating Activities (A)** | 123.70 | 611.77 |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Interest Income from Deposits & Bonds | 1,641.45 | 1,584.65 |
| Bank deposits with maturity over 3 months but less than 12 months | 2,641.86 | (480.81) |
| Bank deposits with maturity over 12 months | (1,584.02) | (175.58) |
| Purchase of Property, Plant & Equipment | (20.10) | (11.24) |
| Purchase of Intangible Assets | - | (0.68) |
| Sale of Property, Plant & Equipment | 17.08 | - |
| Investment in SAGE Fund | (100.00) | - |
| **Net Cash inflow / (outflow) from Investing Activities (B)** | 2,596.27 | 916.34 |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Interim Dividend Paid | - | - |
| Dividend Distribution Tax Paid | - | - |
| **Net Cash inflow / (outflow) from Financing Activities (C)** | - | - |
| Net Increase in Cash and Cash Equivalents (A+B+C) | 2,719.97 | 1,028.10 |
| Cash and Cash Equivalents at the Beginning of the year | 3,710.96 | 2,682.86 |
| **Cash and Cash Equivalents at the end of the year (D)** | **6,430.94** | **3,710.96** |
| **Reconciliation of Cash and Cash Equivalents at the end of the year** | | |
| Cash on Hand | 1.79 | 1.17 |
| Cheques / Drafts on Hand | - | - |
| Balances in Current / Savings Accounts with Banks | 78.91 | 135.44 |
| Balances in Deposit Accounts with maturity less than 3 months | 6,350.24 | 3,574.36 |
| **Total Cash and Cash Equivalents at the end of the year** | **6,430.94** | **3,710.96** |
| **Out of (D), significant cash and cash equivalent balances held by the entity that are not available for use** | - | - |
| **Non Cash Financing and Investing Activities** | 221.09 | 439.60 |

Summary of Significant Accounting Policies and Other Explanatory Information in Notes 1 to 58

**As per our report of even date attached**
**For RAVI RAJAN & CO. LLP**
**CHARTERED ACCOUNTANTS**
**FRN 009073N/N500320**

**FOR AND ON BEHALF OF THE BOARD**

Sd/-
**(Debashis Gupta)**
DIN : 08741938
**DIRECTOR**

Sd/-
**(Vijay Kumar Deshraj)**
DIN:09722994
**MANAGING DIRECTOR**

Sd/-
**CA BS Rawat**
**PARTNER**
**M. No. 034159**
**UDIN - 23034159BGXDFV4445**

Sd/-
**(Vishal Pandey)**
M. No. 515352
**CHIEF FINANCIAL OFFICER**

Sd/-
**(TANNU SHARMA)**
M. No. 029676
**COMPANY SECRETARY**

**Date : 15-May-2023**
**Place : New Delhi**

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### GRROUP INFORMATION

IFCI Infrastructure Development Limited ("the Company") is a company registered under the Companies Act, 2013 which was incorporated on October 10, 2007. The Company has been primarily engaged in the activities relating to Real Estate Project Advisory and Execution, promotion, construction, and development of Commercial and Residential Complexes and Serviced Apartments of its own as well as under joint participatory agreements with others. The hospitality project of the company under the brand name 'IIDL Suites', Service Apartments located at Mayur Vihar has commenced its commercial operations from 1st of October 2011.

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The consolidated financial statements for the year ended March 31, 2023 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 and as notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard.

Further, the consolidated financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) including the rules notified under the relevant provisions of the Companies Act, 2013 (the Act).

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

#### 1.1.1 PRINCIPLES OF CONSOLIDATION AND EQUITY ACCOUNTING

**a.** The financial statements of the company and its subsidiaries have been consolidated, in terms of Indian Accounting Standard (Ind AS – 110) – 'Consolidated Financial Statements'.

**b.** The financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as that of the parent company – IFCI Infrastructure Development Ltd. i.e. year ended March 31, 2023.

**c.** **Subsidiaries** are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

**d.** **Associates** are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.

**e.** Interests in **Joint Ventures** are accounted for using the equity method (see (f) below), after initially being recognised at cost in the consolidated balance sheet.

**f.** **Equity Method**
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 profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

**g.** The subsidiary company considered in the financial statements is **IIDL Realtors Private Limited** which was incorporated in India and became a subsidiary with effect from 28th December, 2010. The company holds 100% ownership & interest in the subsidiary as on 31st March, 2023.

## 1.2 FUNCTIONAL AND PRESENTATION CURRENCY

These consolidated financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency. All amounts have been denominated in Lakhs of Rupees and rounded off to the nearest two decimals, except where otherwise indicated.

## 1.3 BASIS OF MEASUREMENT

The financial statements have been prepared on accrual basis and under the historical cost convention, except for the following material items:
• Financial assets at FVTOCI that is measured at fair value

• Financial instruments at FVTPL that is measured at fair value
• Net defined benefit (asset) / liability - fair value of plan assets less present value of defined benefit obligation

## 1.4 USE OF JUDGEMENTS AND ESTIMATES

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although, such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years.

## 1.5 PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND INVESTMENT PROPERTY

### 1.5.1 Recognition and measurement

**Property, Plant and Equipment** is initially measured at cost of acquisition/construction including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Property, plant, and equipment held for use or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. The cost includes non-refundable taxes, duties, freight, and other incidental expenses related to the acquisition and installation of the respective assets.

Property, Plant and Equipment acquired as replacement of the existing assets are capitalized and its corresponding replaced assets removed / retired from active use are derecognized.

If the cost of the replaced part or earlier inspection is not available, the estimated cost of similar new parts / inspection is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired, or inspection was carried out.

After initial recognition, Property, Plant and Equipment is carried at cost less accumulated depreciation / amortisation and accumulated impairment losses, if any.

In the case of commissioned assets, deposit works / cost – plus contracts where final settlement of bills with contractors is yet to be affected, capitalization is done on provisional basis subject to necessary adjustments in the year of final settlement.

Spares parts, standby equipment and servicing equipment which meets the recognition criteria of Property, Plant and Equipment are capitalized.

**Investment properties** include those portions of land and buildings that are held for long-term rental yields and/or for capital appreciation or for a currently indeterminate use. Investment properties include properties that are being constructed or developed for future use as investment properties.

Investment properties are stated at cost of acquisition / construction less accumulated depreciation. On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

Method of Depreciation used is Straight Line Method and the useful life of the asset taken is 60 years.

On the date of transition to Ind AS, the Company has considered the carrying value of Investment Properties (if any) as per previous GAAP to be the deemed cost as per Ind AS 101.

**Intangible assets** are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Government licenses essential for the company's operations and having a validity of over one year are initially recognised at cost and carried at cost less accumulated amortisation calculated on the basis of remaining validity period.

An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**1.5.2 Depreciation / Amortization**

Depreciation is provided using the Straight-Line Method over their estimated useful life as prescribed under Schedule II to the Companies Act, 2013 or based on Management assessment of useful life, if lower than what is prescribed under the schedule. Depreciation is calculated on pro – rata basis. improvements are amortised over the underlying lease term on a straight line basis. Residual value in respect of items of Property, Plant & Equipment and Investment Property are considered as 5% of the cost. Property, Plant and Equipment costing less than Rs. 5000/- individually are charged to the statement of Profit & Loss Account in the year of their purchase itself.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Intangible Assets consisting of Computer software with indefinite period utility / user rights and having a useful life lasting with that of the equipment have been capitalized with the cost of computer. Software carrying an identifiable utility of at least five years is amortized on a straight-line basis over a period of five years from the date put into use. Software with limited edition / period utility i.e. requiring annual revision is charged to Statement of Profit and Loss Account in the year of purchase. Government licenses are amortized on a straight-line basis over a period of their validity.

**1.5.3 De – Recognition**

An item of property, plant and equipment, investment property and intangible assets is de-recognized 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 or investment property is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss.

**1.5.4 Transition to Ind AS**

The Company has elected to continue with the carrying value of all of its Property, Plant and Equipment, Investment Property and Intangible Assets recognised as of the transition date measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date as per Ind AS 101.

## 1.6 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets is substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit or loss in the period in which they are incurred.

## 1.7 IMPAIRMENT OF NON – FINANCIAL ASSETS

At each reporting date, the Company reviews the carrying amount of its non – financial assets (other than assets held for sale and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that is largely independent of the cash inflows of other assets or CGUs. The 'recoverable amount' of an asset or CGU is the greater of its value in use and its fair value less costs to sell. 'Value in use' is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in profit and loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## 1.8 ASSETS HELD FOR SALE

Assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets measured at the lower of their carrying amount and fair value less cost to sell with gains and losses on re-measurement recognised in profit or loss. Once classified as held for sale, assets are no longer amortised, depreciated or impaired.

## 1.9 INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Investments in Subsidiaries, Associates and Joint Ventures are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost. On each reporting date, consequent upon existence of any external or internal indication to impairment, the impairment loss shall be recognised as difference between the carrying amount and recoverable amount.

## 1.10 INVENTORIES

Inventories are valued at cost or net realizable value, whichever is lower. The quantity and valuation of inventories at the yearend is taken as certified by the management.

**Inventory of real estate business** comprise of –
i. Building / Residential Complex, Built-up floor space acquired / purchased for development and / or sale / resale and other removable / disposable assets existing thereon. These are valued at lower of cost or net realizable value wherein costs are determined by adding all considerations / costs which are attributable to purchase / acquisition, and other expenses incurred specifically thereto.
ii. Land Bank – It consists of asset purchased by the Company that it intends to develop later on into residential / commercial project but on which no construction has commenced. Land is initially recognized at fair value which is generally the cost or net realizable value whichever is less. However, it is discounted to present value when payment terms are deferred for a period of more than one year.

iii. Work in Progress – Work-in-Progress includes construction work in progress and unsold portion of Real Estate Projects. Increase / decrease in Work-in-Progress is accounted for as Income or Expenditure for the year, as the case may be. Valuation of Work-in-Progress including unsold portion of reality project is being done on basis of actual cost and overheads incurred which are directly attributable to project, till completion or net realizable value whichever is less.
iv. Direct Materials, Stores and Spare Parts are valued at lower of cost or net realizable value. Cost is determined on Weighted Average Cost Method.
v. Consumables including Cantering, Shuttering and Scaffolding, Loose Tools, Laboratory Equipment, empty containers & others are valued on the basis of realizable value, based on the engineering estimate.

**Inventory of hospitality business** comprises of closing balance of consumables purchased. FIFO method is followed for ascertaining the cost price considered for valuation. Closing inventories are valued at cost or replacement value, whichever is less, after providing for obsolescence and damage.

## 1.11 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents comprise Cash in hand, Balances in Bank Account, Remittance in Transit, Cheques in hand and Demand Deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

## 1.12 LEASES (IN ACCORDANCE WITH IND AS 116)

The company identifies lease as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. The company checks for conditions needed to be fulfilled if the contract is to be classified as lease as under:

i. Identified asset.
ii. Lessee obtains substantially all of the economic benefits
iii. Lessee directs the use

### 1.12.1 The Company as a Lessee

i. The company recognizes assets and liabilities for all leases for a term of more than 12 months, unless the underlying asset is of low value.
ii. It then recognises a right of use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.
iii. The company measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities.

iv. The company recognizes depreciation of the right-of-use asset and interest on the lease liability.

v. Lease liability = Present value of lease rentals + present value of expected payments at the end of lease. The lease liability will be amortised using the effective interest rate method.

vi. Lease term = non-cancellable period + renewable period if lessee reasonably certain to exercise.

vii. Right to use asset = Lease liability + lease payments (advance)-lease incentives to be received if any initial + initial direct costs + cost of dismantling / restoring etc. The asset will be depreciated as per Ind AS 16 Property Plant and equipment.

**1.12.2 The Company as a Lessor**

i. The company classifies each of its leases as either an operating lease or a finance lease.

ii. A lease is classified as a finance lease if it transfers substantially all the risks and rewards, incidental to ownership of an underlying asset. For finance leases, the company derecognizes the underlying asset and recognizes a net investment in the lease.

iii. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. For operating leases, the company continues to recognize the underlying asset.

iv. Any selling profit or loss is recognized at lease commencement.

## 1.13 PROVISIONS AND CONTINGENCIES RELATED TO CLAIMS, LITIGATION etc.

### 1.13.1 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined based on management estimates required to settle the obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are discounted. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

### 1.13.2 Contingencies

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 or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

### 1.13.3 Arbitration Awards

Arbitration / Court's awards along with related interest receivable / payable are, to the extent not taken into accounts at the time of initiation, are recognized after it becomes decree. Permanent Machinery of Arbitration, Government of India, is accounted for on finalization of award by the appellate authority. Interest to / from in these cases are accounted when the payment is probable which the point is when matter is considered settled by management.

### 1.13.4 Liquidated Damages

Liquidated Damages / Compensation for delay in respect of clients/ contractors, if any, are accounted for when payment is probable which is the point when matter is considered settled by management.

## 1.14 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

### 1.14.1 Contingent Liabilities

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

### 1.14.2 Contingent Assets

Contingent assets are disclosed in the financial statements where an inflow of economic benefits is probable.

## 1.15 SHARE CAPITAL AND OTHER EQUITY

Share capital represents the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from retained earnings, net of any related income tax benefits.

Other components of equity includes Other Comprehensive Income (OCI) arising from actuarial gain or loss on re-measurement of defined benefit liability and return on plan assets.

Retained earnings include all current and prior period retained profits. All transactions with owners of the parent are recorded separately within equity. Annual dividend distribution to shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

## 1.16 FINANCIAL INSTRUMENTS

### 1.16.1 Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

### 1.16.2 Classifications and Subsequent Measurement

#### (i) Financial Assets

On initial recognition, a financial asset is classified as subsequently measured at either amortised cost or fair value through other comprehensive income ('FVTOCI') or FVTPL, depending on the contractual cash flow characteristics of the financial assets and the Company's business model for managing the financial assets.

#### (ii) Business Model Assessment

The Company makes an objective assessment of the business model in which an asset is held at a portfolio level, because this best reflects the way the business is managed and information is provided to management. The information considered includes:
• The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
• The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Company's stated objective for managing the financial assets is achieved and how cash flows are realized;
• The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.

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

### 1.16.3 Assessment whether contractual cash flows are solely payments of principal and interest

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company applies judgement and considers all the contractual terms of the instrument. This includes assessing whether the financial asset contains any contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the said assessment, the Company considers prepayment and extension terms, features that modify consideration of the time value of money (e.g. periodical reset of the interest rates).

### 1.16.4 Financial Assets at Amortized Cost

A Financial Asset is measured at amortised cost only if both of the following conditions are met:
• It is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
• The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Subsequently, these are measured at amortised cost using the effective interest rate (EIR) method less any impairment losses.

### 1.16.5 Financial Assets at Fair Value through Other Comprehensive Income ('FVTOCI')

A Financial Asset is measured at FVTOCI only if both of the following conditions are met:
• It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
• The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Subsequently, these are measured at fair value and changes therein, are recognised in other comprehensive income. Impairment losses on said financial assets are recognised in other comprehensive income and do not reduce the carrying amount of the financial asset in the balance sheet.

### 1.16.6 Financial assets at Fair Value through Profit and Loss (FVTPL)

Any financial instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

Subsequently, these are measured at fair value and changes therein, are recognised in profit and loss account.

### 1.16.7 Investment in equity instruments

All equity investments in scope of Ind AS 109 (i.e. other than equity investments in subsidiaries / associates / joint ventures) are measured at FVTPL.

Subsequently, these are measured at fair value and changes therein, are recognised in profit and loss account. However, on initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment by investment basis.

### 1.16.8 Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised cost, as appropriate and is accordingly accounted for.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs."

### 1.16.9 Measurement Basis

**(i) Amortised cost**

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the EIR method of discount or premium on acquisition and fees or costs that are an integral part of the EIR and, for financial assets, adjusted for any loss allowance.

**(ii) Fair Valuation**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the

Company has access at that date. The fair value of a liability reflects it non – performance risk.

When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction."

**1.16.10 De-recognition / Modification of Financial Assets and Financial Liabilities**

**(A) De-recognition of Financial Assets and Financial Liabilities**

**(i) Financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

• The rights to receive cash flows from the asset have expired, or

• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. The Company also recognise a liability for the consideration received attributable to the Company's continuing involvement on the asset transferred. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset de-recognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

**(ii) Financial liabilities**

The Company de-recognises a financial liability when its contractual obligations are discharged or cancelled or expired.

**(B) Modifications of financial assets and financial liabilities**

**(i) Financial assets**

If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the modification results in de-recognition of the original financial asset and new financial asset is recognised at fair value.

If the cash flows of the modified asset are not substantially different, then the modification does not result in de-recognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset by recomputing the EIR rate on the instrument.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

**(ii) Financial liabilities**

The Company de-recognizes a financial liability when its terms are modified and the cash flows of the modified liability 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.

If the modification is not accounted as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original EIR and the resulting gainor loss is recognised in profit or loss. Any costs or fees incurred adjust the carrying amount of the modified financial liability and are amortised over the remaining term of the modified financial liability by recomputing the EIR rate on the instrument."

**1.16.11 Offsetting of Financial Instruments**

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet when the Company has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

**1.16.12 Impairment of Financial Assets**

The Company recognises impairment allowances for ECL on all the financial assets that are not measured at FVTPL. No impairment loss is recognised on equity investments.

ECL are probability weighted estimate of credit losses. They are measured as follows:

- Financial Assets that are not credit impaired – as the present value of all cash shortfalls that are possible within 12 months after the reporting date.
- Financial Assets with significant increase in credit risk but not credit impaired – as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial asset.
- Financial Assets that are credit impaired – as the difference between the gross carrying amount and the present value of estimated cash flows
- Undrawn Loan Commitments – as the present value of the difference between the contractual cash flows that are due to the Company if the commitment is drawn down and the cash flows that the Company expects to receive with respect to trade receivables and other financial assets, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For financial assets at FVTOCI, the loss allowance is recognised in OCI.

**1.16.13 Write-off of Financial Assets**

Financial assets are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write – off. This assessment is carried out at the individual asset level.

However, financial assets that are written off could still be subject to enforcement activities under the group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

**1.17 TRADE RECEIVABLES**

As a practical expedient the Company has adopted 'simplified approach' using the provision matrix method for recognition of expected loss on trade receivables. The provision matrix is based on three years rolling average default rates observed over the expected life of the trade receivables and is adjusted for forward-looking estimates. These average default rates are applied on total credit risk exposure on trade receivables and outstanding for more than one year at the reporting date to determine lifetime Expected Credit Losses.

## 1.18 FOREIGN CURRENCY TRANSACTIONS

The expenses and income in foreign exchange transactions are accounted for at the rates prevailing on the date of transactions / at the forward rate, if booked, for such transaction. Assets and liabilities held in foreign currencies and accrued income and expenditure in foreign currencies are translated into Indian Rupees at the rates advised by Foreign Exchange Dealers Association of India (FEDAI) prevailing towards the close of the accounting period. Gains / losses, if any, on valuation of various assets and liabilities are taken to Statement of Profit & Loss.

## 1.19 REVENUE RECOGNITION

i. Rental income from Investment Property / Flats held as Inventories is recognized on a straight – line basis over the period of lease terms.

ii. Interest income is reported on an accrual basis using the Effective Interest Rate method.

iii. Interest Income from Bank Deposits is recognized on accrual basis on a time proportion basis.

iv. Income by way of Fees for Project Advisory and Execution services is recorded on accrual basis as per services rendered pursuant to the specific service agreements.

v. Revenue from the external project services is recognized based on the Cost-plus method. A fixed mark-up percentage is added to the cost incurred towards construction and the total is recognized as revenue. The stage of completion is determined on the basis of work completion certificate obtained from the engineer/ architect.

vi. Revenue from real estate development of constructed properties is recognized based on the "percentage of completion method". Sale consideration as per the legally enforceable Agreements to Sell entered into is recognized as revenue based on the percentage of actual project costs incurred to total estimated project cost, subject to following:

   a. Actual cost incurred is not less than 25 percent of the total estimated project cost.
   b. No significant uncertainty exists regarding receipt of consideration from the customers.
   c. In case of overdue, on actual realization basis.
   d. All significant risks and rewards are transferred to the customer.

   Project cost includes cost of land, estimated cost of construction and development of such properties. The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates recognized in the period such changes are determined.

vii. Revenue from hospitality services is recognized on accrual basis.

  a. Selling price is determined on the basis of published rack rate less discount offered to customers.
  b. Income in foreign exchange: The bills for services rendered are raised in Indian Rupees. The payment received in foreign currency against these bills, is credited and accounted for at the rate / rates prevalent on the date of receipt of payment. The gains/ losses arising out of the fluctuation in the exchange rates are accounted for on realization.

viii. Dividend income is recognized at the time the right to receipt is established.

ix. Other items of income are recognized in the statement of profit and loss when control of respective goods or service has been transferred to customer.

x. The company shall recognize revenue in accordance with Ind AS 115 – "Revenue from Contracts with Customers" as and when any such revenue instance occurs.

**1.20 DIVIDENDS**

Dividends and Dividend Distribution Tax thereon are recognised if and only when the same are approved by the shareholders in the general meeting and consequently paid to the shareholders.

**1.21 EMPLOYEE BENEFITS**

Employee benefits are all forms of consideration given by the company in exchange for service rendered by employees. Employee benefits include: short – term employee benefits, post – employment benefits and other long – term employee benefits.

**Short Term Employee Benefits**

When an employee has rendered service to the company during an accounting period, the company recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as a liability (accrued expense), after deducting any amount already paid and as an expense. Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

**Defined Benefit Plans – Gratuity & Leave Encashment**

Defined benefit plans are those plans that provide guaranteed benefits to certain categories of employees, either by way of contractual obligations or through a collective agreement. The company operates unfunded defined benefit plan. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each fiscal year end. The obligation recognized in the consolidated statements of financial position represents the present value of the defined benefit obligation.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current costs and the fair value of any plan assets, if any is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Accrued Benefit Method (same as Projected Unit Credit Method), which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan.

The change in defined benefit plan liability is split into changes arising out of service, interest cost and re-measurements and the change in defined benefit plan asset is split between interest income and re-measurements. Changes due to service cost (which is the increase of the present value of the defined benefit obligation resulting from the employee service in the current period) and net interest cost / income (which is the change during the period in the defined benefit liability that arises from the passage of time) is recognized in the statement of profit and loss. Re-measurements of net defined benefit liability / (asset) which comprise of the below are recognized in other comprehensive income:

- Actuarial gains and losses;
- The return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset)

## 1.22 INCOME TAX EXPENSE

Income Tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of temporary differences between tax base and book base). It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

### 1.22.1 Current Tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Minimum Alternative Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the statement of profit and loss. Current tax assets and liabilities are offset only if, the company:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### 1.22.2 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 amounts used for taxation purposes. Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at 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 only if the Company:

a) has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

### 1.22.3 Current and Deferred Tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### 1.22.4 Minimum Alternate Tax (MAT)

The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set –off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

**1.23 PRIOR PERIOD ITEMS**

Material prior period errors are corrected retrospectively by restating the comparative amounts for prior period presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.

**1.24 EARNINGS PER SHARE**

Basic earnings per share is computed using the net profit for the year attributable to the shareholders and weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.

**1.25 SEGMENT REPORTING**

The Company operates in two reportable business segments namely – 'Real Estate Activities' comprising of Advisory and Execution Services, Purchase and Sale of Properties and Construction and Development of Real Estate Projects and in 'Hospitality' provided through Serviced Apartments under the brand name 'Fraser Suites'.

**ALLOCATION OF COMMON COSTS**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

**1.26 CASH FLOW STATEMENT**

Cash flow statement is prepared as per indirect method prescribed in the Ind AS 7 – "Statement of Cash Flows".

## IFCI INFRASTRUCTURE DEVELOPMENT LIMITED
## CIN : U45400DL2007GOI169232
Regd. Office - 7th Floor, IFCI Tower, 61 Nehru Place, New Delhi - 110 019 (IN)

### CONSOLIDATED NOTES FORMING PART OF BALANCE SHEET
### as at 31st March 2023

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 2 | **PROPERTY PLANT AND EQUIPMENT** | | |
| | **Gross Carrying Value** | | |
| | **Opening Balance** | | |
| | a. Land | 6,228.29 | 6,222.57 |
| | b. Buildings | 10,630.46 | 10,630.46 |
| | c. Plant and Equipments | 2,118.08 | 2,111.66 |
| | d. Furniture and Fixtures | 1,851.24 | 1,849.42 |
| | e. Vehicles | 76.90 | 76.90 |
| | f. Office Equipment | 13.68 | 13.68 |
| | g. Others | 118.54 | 115.54 |
| | | 21,037.20 | 21,020.23 |
| | **Additions / (Sale) during the period** | | |
| | a. Land | - | 5.72 |
| | b. Buildings | - | - |
| | c. Plant and Equipments | (3.89) | 6.42 |
| | d. Furniture and Fixtures | (3.34) | 1.82 |
| | e. Vehicles | - | - |
| | f. Office Equipment | - | - |
| | g. Others | 10.25 | 3.01 |
| | | 3.02 | 16.97 |
| | **Closing Balance** | | |
| | a. Land | 6,228.29 | 6,228.29 |
| | b. Buildings | 10,630.46 | 10,630.46 |
| | c. Plant and Equipments | 2,114.19 | 2,118.08 |
| | d. Furniture and Fixtures | 1,847.90 | 1,851.24 |
| | e. Vehicles | 76.90 | 76.90 |
| | f. Office Equipment | 13.68 | 13.68 |
| | g. Others | 128.80 | 118.54 |
| | | 21,040.22 | 21,037.20 |
| | **Accumulated Depreciation** | | |
| | **Opening Balance** | | |
| | a. Land | 29.13 | 26.45 |
| | b. Buildings | 1,785.59 | 1,617.02 |
| | c. Plant and Equipments | 1,268.52 | 1,126.92 |
| | d. Furniture and Fixtures | 1,745.61 | 1,743.68 |
| | e. Vehicles | 69.36 | 67.93 |
| | f. Office Equipment | 11.43 | 8.83 |
| | g. Others | 99.20 | 93.18 |
| | | 5,008.84 | 4,684.01 |
| | **Depreciation for the period** | | |
| | a. Land | 3.05 | 2.68 |
| | b. Buildings | 168.57 | 168.57 |
| | c. Plant and Equipments | 142.71 | 141.59 |
| | d. Furniture and Fixtures | 3.80 | 1.94 |
| | e. Vehicles | 1.43 | 1.43 |
| | f. Office Equipment | 1.57 | 2.60 |
| | g. Others | 10.56 | 6.02 |
| | | 331.69 | 324.84 |
| | **Closing Balance of Accumulated Depreciation** | | |
| | a. Land | 32.18 | 29.13 |
| | b. Buildings | 1,954.16 | 1,785.59 |
| | c. Plant and Equipments | 1,411.23 | 1,268.52 |
| | d. Furniture and Fixtures | 1,749.41 | 1,745.61 |
| | e. Vehicles | 70.80 | 69.36 |
| | f. Office Equipment | 12.99 | 11.43 |
| | g. Others | 109.77 | 99.20 |
| | | 5,340.54 | 5,008.84 |
| | **Net Carrying Value of Property, Plant and Equipment (A)** | | |
| | a. Land | 6,196.12 | 6,199.16 |
| | b. Buildings | 8,676.29 | 8,844.87 |
| | c. Plant and Equipments | 702.96 | 849.56 |
| | d. Furniture and Fixtures | 98.49 | 105.63 |
| | e. Vehicles | 6.11 | 7.54 |
| | f. Office Equipment | 0.68 | 2.25 |
| | g. Others | 19.03 | 19.34 |
| | **TOTAL** | 15,699.68 | 16,028.35 |
| | **Out of (A) above, leasehold property, plant and equipment** | | |
| | a. Right of use of Land on Finance Lease | (5.72) | (2.68) |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 3 | **INVESTMENT PROPERTY** | | |
| | **Gross Carrying Value** | | |
| | **Opening Balance** | | |
| | a. Flats & Buildings | 1,876.10 | 1,876.10 |
| | **Additions / (Sale) during the period** | | |
| | a. Flats & Buildings | - | - |
| | **Closing Balance** | | |
| | a. Flats & Buildings | 1,876.10 | 1,876.10 |
| | **Accumulated Depreciation** | | |
| | **Opening Balance** | | |
| | a. Flats & Buildings | 341.02 | 312.85 |
| | **Depreciation for the period** | | |
| | a. Flats & Buildings | 52.08 | 28.17 |
| | **Closing Balance of Accumulated Depreciation** | | |
| | a. Flats & Buildings | 393.10 | 341.02 |
| | **Net Carrying Value of Investment Property** | | |
| | a. Flats & Buildings | 1,483.00 | 1,535.08 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 4 | **GOODWILL** | | |
| | Goodwill | 2,817.94 | 2,817.94 |
| | | 2,817.94 | 2,817.94 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 5 | **OTHER INTANGIBLE ASSETS** | | |
| | **Gross Carrying Value** | | |
| | **Opening Balance** | | |
| | a. Computer Software | 26.19 | 25.51 |
| | b. Licenses and Franchises | 60.00 | 60.00 |
| | | 86.19 | 85.51 |
| | **Additions / (Sale) during the period** | | |
| | a. Computer Software | - | 0.68 |
| | b. Licenses and Franchises | - | - |
| | | - | 0.68 |
| | **Closing Balance** | | |
| | a. Computer Software | 26.19 | 26.19 |
| | b. Licenses and Franchises | 60.00 | 60.00 |
| | | 86.19 | 86.19 |
| | **Accumulated Amortization** | | |
| | **Opening Balance** | | |
| | a. Computer Software | 23.63 | 22.43 |
| | b. Licenses and Franchises | 28.77 | 16.78 |
| | | 52.40 | 39.21 |
| | **Amortization for the period** | | |
| | a. Computer Software | 1.27 | 1.20 |
| | b. Licenses and Franchises | 11.99 | 11.99 |
| | | 13.25 | 13.19 |
| | **Closing Balance of Accumulated Depreciation** | | |
| | a. Computer Software | 24.90 | 23.63 |
| | b. Licenses and Franchises | 40.76 | 28.77 |
| | | 65.66 | 52.40 |
| | **Net Carrying Value** | | |
| | a. Computer Software | 1.29 | 2.56 |
| | b. Licenses and Franchises | 19.24 | 31.23 |
| | **TOTAL** | 20.53 | 33.79 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 6 | **NON - CURRENT INVESTMENTS** | | |
| | a. Investments in Equity Instruments | | |
| | i. Subsidiaries | | |
| | ii. Associates | | |
| | 1. Jangipur Bengal Mega Foodpark Limited | 654.83 | 654.83 |
| | iii. Other Entities | 100.00 | - |
| | | 754.83 | 654.83 |
| | b. Investments in Preference Shares | | |
| | c. Investments in Debentures / Bonds | | |
| | 1. IFCI Limited - Bonds | 7,500.00 | 7,500.00 |
| | 2. IFCI Limited - Tax Free Bonds | 2,000.15 | 2,000.15 |
| | | 9,500.15 | 9,500.15 |
| | | 10,254.98 | 10,154.98 |
| | Aggregate amount of Unquoted Investments | 10,254.98 | 10,154.98 |
| | Market Value of Unquoted Investments | 10,254.98 | 10,154.98 |
| | Aggregate amount of Impairment in value of investments | - | - |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 7 | **LONG TERM LOANS AND ADVANCES** | | |
| | a. Security Deposits | | |
| | | - | - |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 8 | **OTHER FINANCIAL ASSETS** | | |
| | Security Deposits | 2.65 | 2.65 |
| | Finance Lease Receivable | - | 3.32 |
| | Bank Deposits with maturity more than 12 months | 1,832.33 | 248.32 |
| | | 1,834.98 | 254.28 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 9 | **INVENTORIES** | | |
| | a. Raw Materials | 6.55 | 8.58 |
| | Out of (a) above, goods in transit | - | - |
| | | 6.55 | 8.58 |
| | b. Work - in - Progress | 1,321.23 | 1,549.59 |
| | Out of (b) above, goods in transit | - | - |
| | | 1,321.23 | 1,549.59 |
| | c. Stores and spares | 8.17 | 10.26 |
| | Out of (c) above, goods in transit | - | - |
| | | 8.17 | 10.26 |
| | d. Others | | |
| | i. Land | 4,518.27 | 4,518.27 |
| | ii. Land on lease cum sale basis | 1,276.85 | 1,276.85 |
| | iii. Consumables | 14.69 | 25.68 |
| | | 5,809.82 | 5,820.80 |
| | | 7,145.77 | 7,389.24 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 10 | **CURRENT TRADE RECEIVABLES** | | |
| | a. Secured considered good | | |
| | b. Unsecured considered good | | |
| | i. Due over six months | 216.00 | 164.11 |
| | ii. Other Trade Receivables | 72.54 | 76.29 |
| | | 288.54 | 240.41 |
| | Less: Provision for Bad / Doubtful Debts | 62.92 | 63.12 |
| | Net Unsecured considered good | 225.62 | 177.29 |
| | | 225.62 | 177.29 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 11 | **CASH AND CASH EQUIVALENTS** | | |
| | a. Balances with Banks | 78.91 | 135.44 |
| | | 78.91 | 135.44 |
| | b. Cheques and Drafts on Hand | - | - |
| | | - | - |
| | c. Cash on Hand | 1.79 | 1.17 |
| | | 1.79 | 1.17 |
| | d. Others | | |
| | i. Deposits with maturity less than 3 months | 6,350.24 | 3,574.36 |
| | | 6,350.24 | 3,574.36 |
| | | 6,430.94 | 3,710.96 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 12 | **BANK BALANCES OTHER THAN THOSE ABOVE** | | |
| | Lien Marked Fixed Deposits | 2.34 | 787.17 |
| | Deposits with maturity between 3 and 12 months | 6,386.87 | 8,243.90 |
| | | 6,389.21 | 9,031.07 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 13 | **SHORT TERM LOANS AND ADVANCES** | | |
| | a. Security Deposits | - | - |
| | b. Loans to related parties | - | - |
| | c. Other loans | | |
| | i. Doubtful | 0.35 | 0.55 |
| | | 0.35 | 0.55 |
| | Less: Provision for Bad / Doubtful Debts | 0.35 | 0.55 |
| | Net Other Loans | - | - |
| | | - | - |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 14 | **OTHER FINANCIAL ASSETS** | | |
| | a. Interest Accrued on Deposits | 375.21 | 280.24 |
| | b. Interest Accrued on Bonds | 633.82 | 633.82 |
| | c. Other Receivables | 0.20 | 0.20 |
| | | 1,009.23 | 914.26 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 15 | **CURRENT TAX ASSETS** | | |
| | a. Advance Tax | 205.36 | 187.79 |
| | b. Tax Deducted at Source | 755.33 | 717.82 |
| | c. MAT Credit Entitlement | 836.75 | 582.43 |
| | Less : Provision for Tax | 741.88 | 557.26 |
| | | 1,055.55 | 930.79 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 16 | **OTHERS CURRENT ASSETS** | | |
| | a. Capital Advances | - | - |
| | | - | - |
| | b. Advances Other than Capital Advances | | |
| | i. Sundry Deposits | 647.18 | 647.14 |
| | ii. Advances to related parties | - | - |
| | iii. Other Advances | 355.79 | 446.60 |
| | | 1,002.98 | 1,093.74 |
| | c. Others | - | - |
| | | 1,002.98 | 1,093.74 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 17 | **EQUITY** | | |
| | **Authorized Share Capital** | | |
| | 100,00,00,000 (Previous year - 100,00,00,000) Equity Shares of Rs. 10/- each | 1,00,000.00 | 1,00,000.00 |
| | | 1,00,000.00 | 1,00,000.00 |
| | **Issued Share Capital** | | |
| | 42,70,99,243 (Previous year - 42,70,99,243) Equity Shares of Rs. 10/- each | 42,709.92 | 42,709.92 |
| | | 42,709.92 | 42,709.92 |
| | **Subscribed Share Capital** | | |
| | 42,70,99,243 (Previous year - 42,70,99,243) Equity Shares of Rs. 10/- each | 42,709.92 | 42,709.92 |
| | | 42,709.92 | 42,709.92 |
| | **Paid Up Share Capital** | | |
| | 42,70,99,243 (Previous year - 42,70,99,243) Equity Shares of Rs. 10/- each | 42,709.92 | 42,709.92 |
| | | 42,709.92 | 42,709.92 |
| | **TOTAL** | 42,709.92 | 42,709.92 |

**Note No. 17 (i)**
**Reconciliation of Equity Shares outstanding at the beginning and end of the period**

**(₹ in Lakhs)**

| Particulars | As at 31st March 2023 | | As at 31st March 2022 | |
|---|---|---|---|---|
| | No. of Shares | Amount | No. of Shares | Amount |
| No. of shares at the beginning of the year | 42,70,99,243 | 42,709.92 | 42,70,99,243 | 42,709.92 |
| No. of shares issued during the period | - | - | - | - |
| No. of shares redeemed during the period | - | - | - | - |
| No. of shares outstanding at the end of the period | 42,70,99,243 | 42,709.92 | 42,70,99,243 | 42,709.92 |

**Note No. 17 (ii)**
**Terms / Rights attached to shares**

The company has only one class of Equity Shares having a par value of Rs. 10 per share. Each holder of Equity Share is entitled to 1 vote per share. The dividend proposed by Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Note No. 17 (iii)**
**Details of shareholders holding more than 5% shares in the capital**

**(₹ in Lakhs)**

| Particulars | As at 31st March 2023 | | As at 31st March 2022 | |
|---|---|---|---|---|
| | No. of Shares | % Holding | No. of Shares | % Holding |
| IFCI Limited | 42,70,99,243 | 100% | 42,70,99,243 | 100% |
| | 42,70,99,243 | 100% | 42,70,99,243 | 100% |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 18 | **OTHER EQUITY** | | |
| | Share application money pending allotment | - | - |
| | Equity component of other Financial Instruments | - | - |
| | **Reserve and Surplus** | | |
| | Capital Redemption Reserve | 6,812.91 | 6,812.91 |
| | Retained Earnings | 2,939.22 | 1,195.81 |
| | Other Comprehensive Income | 25.91 | 30.20 |
| | | 9,778.03 | 8,038.92 |

**Note No. 18 (i)**

**Capital Redemption Reserve** (₹ in Lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| Opening Balance | 6,812.91 | 6,812.91 |
| Appropriations during the year | - | - |
| **Closing Balance** | 6,812.91 | 6,812.91 |

**Note No. 18 (ii)**

**Retained Earnings** (₹ in Lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| Opening Balance | 1,195.81 | 947.83 |
| Net Profit for the period | 1,743.41 | 903.08 |
| *Items of other comprehensive income recognised directly in retained earnings* | - | - |
| Remeasurements of post - employement benefit obligations, net of taxes | (4.29) | (0.60) |
| Interim Dividend paid to Equity Shareholders (Rs. 0.35 per Equity Share) | - | - |
| Dividend Distribution Tax Paid | - | - |
| **Closing Balance** | 2,939.22 | 1,195.81 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 19 | **LONG TERM BORROWINGS** | | |
| | a. Preference Shares | - | - |
| | b. Bonds / Debentures | - | - |
| | | - | - |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 20 | **OTHER FINANCIAL LIABILITIES** | | |
| | a. Retention Money | 57.66 | 68.21 |
| | b. Finance Lease Liability | 1.02 | 3.05 |
| | | 58.68 | 71.26 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 21 | **LONG TERM PROVISIONS** | | |
| | a. Provision for employee benefits | | |
| | i. Gratuity | 86.05 | 81.66 |
| | ii. Leave Encashment | 28.81 | 27.61 |
| | | 114.86 | 109.28 |
| | b. Others | | |
| | i. Provision for Expense | 388.97 | - |
| | | 388.97 | - |
| | | 503.83 | 109.28 |

(₹ in Lakhs)

| Note | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 22 | **DEFERRED TAX LIABILITIES (NET)** | | |
| | a. Deferred Tax Liabilities on account of | | |
| | i. Due to depreciation | 365.09 | 350.87 |
| | ii. Others | 704.26 | 622.33 |
| | | 1,069.35 | 973.20 |
| | Less: | | |
| | i. Others | 106.85 | 106.85 |
| | | 106.85 | 106.85 |
| | | 962.50 | 866.35 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 23 | **OTHER NON CURRENT LIABILITIES** | | |
| | a. Deferred Income | 3.55 | 221.49 |
| | b. Others | - | - |
| | | 3.55 | 221.49 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 24 | **CURRENT TRADE PAYABLES** | | |
| | a. Micro and Small enterprises | 4.87 | - |
| | b. Others | 60.68 | 201.79 |
| | | 65.56 | 201.79 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 25 | **OTHER FINANCIAL LIABILITIES** | | |
| | Security Deposits Received | 0.10 | 0.10 |
| | Book Overdraft | - | - |
| | Creditors for other liabilities | 9.10 | 9.62 |
| | Other Payables | 428.17 | 615.38 |
| | | 437.37 | 625.09 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 26 | OTHER CURRENT LIABILITIES | | |
| | a. Advances Received | 764.68 | 765.45 |
| | b. Statutory Dues | 4.21 | 5.40 |
| | c. Deferred Income | 6.11 | - |
| | | 775.00 | 770.85 |

(₹ in Lakhs)

| Note No. | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|
| Note No. 27 | SHORT TERM PROVISIONS | | |
| | a. Provisions for employee benefits | | |
| | i. Gratuity | 5.42 | 4.93 |
| | ii. Leave Encashment | 3.05 | 2.80 |
| | b. Others | 67.49 | 449.09 |
| | | 75.96 | 456.82 |

(₹ in Lakhs)

| Note No. | Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| Note No. 28 | REVENUE FROM OPERATIONS | | |
| | a. Sale of Properties | 169.60 | 1,153.96 |
| | b. Sale of Services | 31.79 | 31.70 |
| | c. Room Rent | 1,630.71 | 836.59 |
| | d. Proceeds from Restaurant | 215.12 | 145.64 |
| | e. Revenue from external projects | 272.85 | 196.57 |
| | f. Other Operating Revenues | 19.76 | 16.35 |
| | | 2,339.84 | 2,380.81 |

(₹ in Lakhs)

| Note No. | Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| Note No. 29 | OTHER INCOME | | |
| | a. Interest Income | | |
| | i. Earned and Accrued on Deposits | 746.15 | 720.50 |
| | ii. Earned and Accrued on IFCI 9.7% RRB Bonds | 727.50 | 727.50 |
| | iii. Earned and Accrued on Tax Free Bonds | 167.80 | 136.65 |
| | iv. Others | 7.50 | 0.00 |
| | | 1,648.94 | 1,584.65 |
| | b. Dividend Income | - | - |
| | c. Deferred Income - Land | 221.49 | 442.98 |
| | d. Profit on sale of Fixed Assets | - | - |
| | e. Miscellaneous Income | 117.62 | 40.02 |
| | | 339.11 | 483.00 |
| | | 1,988.06 | 2,067.65 |

(₹ in Lakhs)

| Note No. | Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| Note No. 30 | COST OF MATERIAL CONSUMED | | |
| | a. Opening Stock | 7,344.72 | 8,821.94 |
| | b. Purchases | 176.23 | 92.07 |
| | | 7,520.95 | 8,914.01 |
| | Less: Closing Stock | 7,116.36 | 7,344.72 |
| | | 404.59 | 1,569.29 |

(₹ in Lakhs)

| Note No. | Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| Note No. 31 | **EMPLOYEE BENEFIT EXPENSES** | | |
| | a. Salaries and Wages | 566.28 | 521.10 |
| | b. Staff Welfare | 33.10 | 35.39 |
| | | 599.38 | 556.49 |

(₹ in Lakhs)

| Note No. | Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| Note No. 32 | **FINANCE COST** | | |
| | a. Fair Value Changes in Equity Investments | 7.80 | - |
| | b. Other Interest Costs | 0.10 | 3.37 |
| | | 7.90 | 3.37 |

(₹ in Lakhs)

| Note No. | Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| Note No. 33 | **DEPRECIATION AND AMORTIZATION** | | |
| | a. Depreciation on Tangible Assets | | |
| | i. Property, Plant and Equipment | 331.69 | 324.84 |
| | ii. Investment Property | 52.08 | 28.17 |
| | b. Amortization on Intangible Assets | 13.25 | 13.19 |
| | | 397.03 | 366.20 |

(₹ in Lakhs)

| Note No. | Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| Note No. 34 | **OTHER EXPENSES** | | |
| | a. Repairs and Maintenance | | |
| | i. Building | 48.88 | 58.57 |
| | ii. Others | 33.57 | 25.05 |
| | b. Rent Paid (including Lease Rent) | 72.07 | 113.86 |
| | c. Rates and Taxes | 79.96 | 79.28 |
| | d. Travelling and Conveyances | 6.33 | 6.27 |
| | e. Legal And Professional Expenses | 25.91 | 87.55 |
| | f. Security Expenses | 89.63 | 85.54 |
| | g. Auditors's Remuneration | 2.70 | 2.70 |
| | h. Insurance Charges Paid | 13.39 | 10.69 |
| | i. Training & Development Expenses | 8.50 | - |
| | j. Telephone & Postage Expenses | 7.52 | 10.64 |
| | k. Laundry & Cleaning | 16.22 | 13.91 |
| | l. Television & Music | 1.20 | 1.53 |
| | m. Printing and Stationery | 5.75 | 5.23 |
| | n. Directors Fee | 3.62 | 3.36 |
| | o. Fuel & Gas | 61.73 | 36.48 |
| | p. Commission & Brokerage | 135.95 | 79.03 |
| | q. Marketing and License | 5.48 | 11.52 |
| | r. Advertisement and Exhibition Expenses | 3.35 | 5.42 |
| | s. Business Promotion / Entertainment | - | 1.17 |
| | t. Vehicle Running & Maintenance | 0.90 | 0.50 |
| | u. Electricity & Water Expenses | 272.95 | 229.60 |
| | v. Provision for Interest & Expenses | 22.11 | 110.64 |
| | w. Misappropriation of Cash | - | 0.82 |
| | x. Corporate Social Responsibility Expenditure (Annexure-4) | 24.73 | 25.27 |
| | y. Loss on Sale of Fixed Assets | 14.04 | - |
| | z. Other Miscellaenous Expenses | 38.64 | 32.64 |
| | | 995.13 | 1,037.27 |

(₹ in Lakhs)

| Note No. | Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| Note No. 35 | **ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT AND LOSS** | | |
| | a. Acturial Gain / (Loss) | -5.95 | -0.83 |
| | | -5.95 | -0.83 |
| | Less: Tax on Above | -1.65 | -0.23 |
| | | -4.29 | -0.60 |

| Note No. | Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|---|
| | **Exceptional Items** | | |
| Note No. 35A | Liability Written Back | | 30.12 |
| | Provision Reversal | | 159.82 |
| | GST Input Reversal | -63.24 | |
| | **Total** | **-63.24** | **189.94** |

**Note No. 36 - EARNINGS PER SHARE**

(₹ in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Profit for the year attributable to equity shareholders (in Rs.) | 1,739.12 | 902.48 |
| Weighted Average No. of Equity Shares | 42,70,99,243 | 42,70,99,243 |
| Face Value per Equity Share (in Rs.) | 10.00 | 10.00 |
| Basic and Diluted Earning Per Share (in Rs.) | 0.41 | 0.21 |

**Note No. 37 - AUDITOR'S REMUNERATION**

(₹ in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Audit Fees | 1.98 | 1.98 |
| Certification and Other Services | 0.73 | 0.73 |
| Taxation Matters | - | - |
| **TOTAL** | 2.71 | 2.71 |

**Note No. 38 - TAX EXPENSES**

(₹ in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| **Current Tax** | | |
| a. In respect of Current Year | 293.88 | 109.26 |
| b. In respect of Previous Years | 7.37 | - |
| | 301.25 | 109.26 |
| **Deferred Tax** | | |
| a. In respect of Current Year | 96.16 | 180.79 |
| **TOTAL** | 397.41 | 290.04 |

**Note No. 39 - SEGMENT REPORTING**

The Company operates in two reportable business segment namely ’Real Estate Activities’ comprising Advisory and Execution Services, Purchase and Sale of Properties and Construction and Development of Real Estate Projects and in 'Hospitality' comprising of Serviced Apartments under the brand name 'Fraser Suites'. Hence the segment wise disclosure as required by Ind AS - 108 is as under:

**(₹ in Lakhs)**

| Particulars | Division | | Consolidated Total |
|---|---|---|---|
| | Real Estate | Hospitality | |
| **SEGMENT REVENUE** | | | |
| **Sales** | | | |
| Domestic | 474.24 | 1,865.60 | 2,339.84 |
| Export | - | - | - |
| Inter Segment Sales | - | - | - |
| **Other Income** | 1,972.42 | 15.64 | 1,988.06 |
| **Total Revenue** | **2,446.66** | **1,881.24** | **4,327.89** |
| **SEGMENT EXPENSES** | | | |
| Operating Expenses | 962.49 | 1,036.60 | 1,999.10 |
| Depreciation & Amortization Allocated | 80.16 | 316.87 | 397.03 |
| **Operating Profit** | **1,404.01** | **527.76** | **1,931.77** |
| Interest Cost Allocated | 7.90 | - | 7.90 |
| **Profit Before Exceptional item and Tax** | **1,396.11** | **527.76** | **1,923.87** |
| **OTHER INFORMATION** | | | |
| Segmental Assets | 38,792.41 | 16,578.00 | 55,370.41 |
| Segmental Liabilities | 38,792.41 | 16,578.00 | 55,370.41 |
| Exceptional Items | (63.24) | - | (63.24) |

**Note No. 40 - RELATED PARTY DISCLOSURES**

**i. Name of the related parties and description of relationship -**

**A. Enterprises having significant influence over the company**
IFCI Limited - Holding Company
IIDL Realtors Private Limited - Wholly owned Subsidiary Company
Jangipur Bengal Mega Foodpark Limited - Associate Company
IFCI Social Foundation - Trust controlled by Parent Company
IFCI VENTURE CAPITAL FUNDS LIMITED - Controlled by Parent Company
**B. Key Managerial Personnel (Directors during the FY 2021 - 22 and FY 2022 - 23**
Mr. Manoj Mittal – appointed w.e.f. 15/06/2021
Mr. Prasoon : cessation w.e.f. 19/09/2022
Mr. Sunil Kumar Bansal : cessation w.e.f. 19/09/2022
Mr. Sachikanta Mishra : appointed w.e.f. 07/10/2022
Mr. Vijay Kumar Deshraj : appointed w.e.f. 02/09/2022
Mr. Debashis Gupta : w.e.f. 29/08/2021 (MD till 01/09/2022)
Dr. Sumita Rai : 14/05/2018
Mr. Venugopal K Nair : 25/08/2018
Mr. Mukund Prasad – cessation w.e.f. 07/03/2023
Mr. Vishal Pandey (CFO)
Ms. Tannu Sharma (CS)

**ii. Details of transactions with enterprises having signifcant influence over the company (FY 2022 - 23)**

(₹ in Lakhs)

| Nature of Transaction | Holding Company (IFCI Limited) | IFCI VENTURE CAPITAL FUNDS LIMITED | Total |
|---|---|---|---|
| **FINANCE** | | | |
| Interim Dividend Paid to Equity Shareholders | - | - | - |
| Interim Dividend Received on Equity Investments | - | - | - |
| **INCOME** | | | |
| Interest earned and accrued on investment in IFCI's Bonds | 727.50 | - | 727.50 |
| Interest earned and accrued on Investment in Tax Free Bonds | 167.80 | - | 167.80 |
| Rental Income | - | - | - |
| Electricty & Water etc. (Reimbursements received) | - | - | - |
| Remuneration (including benefits ) for staff on deputation | 0.40 | - | 0.40 |
| **EXPENSES** | | | |
| Remuneration (including benefits) for staff on deputation | 57.67 | - | 57.67 |
| Rent of Premises (exclusive of GST) | 58.93 | - | 58.93 |
| Electricty & Water etc. (Reimbursements received) | 0.14 | | 0.14 |
| **LIABILITIES** | | | |
| Bonds issued by IFCI | - | - | - |
| **ASSETS** | | | |
| Total Amounts Outstanding | - | - | - |
| IFCI's Bonds | 7,500.00 | - | 7,500.00 |
| IFCI's Tax Free Bonds | 2,000.15 | - | 2,000.15 |
| IVCF SAGE Fund | | 100.00 | 100.00 |
| **OTHER TRANSACTIONS** | | | |
| Payments made for taxes | - | - | - |
| Reimbursements Received | - | - | - |

**ii. Details of transactions with enterprises having signifcant influence over the company (FY 2021 - 22)**

(₹ in Lakhs)

| Nature of Transaction | Holding Company (IFCI Limited) | Trust under Parent (IFCI Social Foundation) | Total |
|---|---|---|---|
| **FINANCE** | | | |
| Interim Dividend Paid to Equity Shareholders | - | - | - |
| Interim Dividend Received on Equity Investments | - | - | - |
| **INCOMES** | | | |
| Interest earned and accrued on investment in IFCI's Bonds | 727.50 | - | 727.50 |
| Interest earned and accrued on Investment in Tax Free Bonds | 167.80 | - | 167.80 |
| Rental Income | - | - | - |
| Electricty & Water etc. (Reimbursements received) | - | - | - |
| Remuneration (including benefits ) for staff on deputation | 7.93 | - | 7.93 |
| **EXPENSES** | | | |
| Remuneration (including benefits) for staff on deputation | 61.69 | - | 61.69 |
| Rent of Premises (exclusive of GST) | 99.64 | - | 99.64 |
| **LIABILITIES** | | | |
| Bonds issued by IFCI | - | - | - |
| **ASSETS** | | | |
| Total Amounts Outstanding | - | - | - |
| IFCI's Bonds | 7,500.00 | - | 7,500.00 |
| IFCI's Tax Free Bonds | 2,000.15 | - | 2,000.15 |
| **OTHER TRANSACTIONS** | | | |
| Payments made for taxes | - | - | - |
| Reimbursements Received | - | - | - |

**iii. Details of transactions with KMPs during the year**

(₹ in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| **i. Whole Time Directors / CFO / Company Secretary** | | |
| a. Short term employee benefits | 27.76 | 30.31 |
| b. Other long term employee benefits | - | - |
| c. Post employment benefits | - | - |
| d. Others (specify) | - | - |
| | 27.76 | 30.31 |
| **ii. Independent / Nominee Directors** | | |
| a. Sitting Fees | 3.62 | 5.09 |
| b. Others (specify) | - | - |
| | 3.62 | 5.09 |
| | 31.37 | 35.40 |

**Note No. 41 - FINANCIAL INSTRUMENTS**

**i. Interest Rate Risk Management**

The Company is not exposed to interest rate risk because company has borrowed funds at fixed interest rates.

**ii. Break up of Financial Instruments carried at fair value through Profit and Loss**

(₹ in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| **FINANCIAL ASSETS** | | |
| Loans | - | - |
| Other Financial Assets | 1,011.88 | 920.23 |
| **FINANCIAL LIABILITIES** | - | - |
| Other Financial Liabilities | 58.68 | 3.05 |
| | 1,070.56 | 923.27 |

**iii. Break up of Financial Instruments carried at amortised costs**

(₹ in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| **FINANCIAL ASSETS** | | |
| Investments | 10,254.98 | 10,154.98 |
| Trade Receivables | 225.62 | 177.29 |
| Cash and Cash Equivalents | 6,430.94 | 3,710.96 |
| Bank Balances other than Cash and Cash Equivalents | 8,221.55 | 9,279.39 |
| **FINANCIAL LIABILITIES** | | |
| Trade Payables | 65.56 | 201.79 |
| Other Financial Liabilities | 437.37 | 693.31 |
| **TOTAL** | 25,636.01 | 24,217.71 |

**Note No. 42 - CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**

**Note No. 42 (i) - CONTINGENT LIABILITIES**

(₹ in Lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| (A) Claims against Company not acknowledeged as Debts | - | - |
| (B) Bank Guarantees provided | 2.34 | 274.67 |
| (C) Estimated amount of contracts remaining to be executed (i) On Capital / Revenue Account (net of advances) and not provided for | - | - |
| (D) Export obligations under EPCG Licenses | - | - |
| (E) The Company has Contingent Liability towars Income Tax is as under - | | |

**Note No. 42 (ia) - CONTINGENT LIABILITIES TOWARDS INCOME TAX**

| | IRPL |
|---|---|
| Assessment Year | Amount (Rs. in Lacs) |
| 2018 - 19 | 80.53 |
| 2019 - 20 | 50.59 |

**Note No. 42 (ii)**

Inventory includes one property against which the Regional Provident Fund Commissioner - II has ordered for the recovery of those defaulted by the earlier company, i.e. Haryana Sheet Glass Limited (HSGL). A Writ Petition has been filed by the company before High Court of Punjab and Haryana at Chandigrah against the said order. The Court was of prima facie opinion that proper procedures has not been followed in assessing the liability. Accordingly, the impugned order has been quashed giving liberty to PF department to decide afresh after following due procedure.

**Note No. 42 (iii)**

The Company has received a notice from AIG Stamp Ghaziabad, for short payment of stamp duty amounting to Rs. 150.02/- Lakhs. The Honable high court has granted stay in favour of the company & the case is pending for the final judgement.

**Note No. 42 (iv)**

An award dated 25.01.2018 was passed by the Arbitral Tribunal in the arbitration proceedings between M/s Subir Engineering Work(s) Pvt Ltd. vs. IIDL directing IIDL to pay claimant Rs.768.00 lakhs with interest @ 6% from 27.10.2016 against the total claim of Rs.2118 lakhs claimed by the Claimant. (The Award includes VAT amount of Rs.309.00 lakhs and security deposit of Rs.272.00 lakhs). IIDL has filed a petition u/s 34 of The Arbitration and Conciliation Act 1996 before Hon'ble Delhi High Court against this award. Further, an amount of Rs. 400.00 lakhs has been deposited in the court as per the direction of Honable High Court.

**Note No. 42 (v)**

The Company is contesting several matters pertaining to its project 21st Milestone Residency at Ghaziabad before Real Estate Regulatory Authority/Real Estate Appellate Tribunal. In two of the matter i.e. Vinay Kumar Balyan and Rajesh Kumar Singh, an attachment order was passed by the RERA authority against which the company has filed an appeal before REAT. Further, the company has filed appeal before REAT wherein as per the direction of the tribunal the company was required to deposit an amount of Rs. 91.64 Lakhs and the same was deposited.

**Note No. 42 (vi)**

The Arbitrator passed an award on 21.02.2022 observing that the Claimant has been found entitled to a total sum of Rs. 4,42,47,534/-as against sum of Rs. 2,0060,587/- held recoverable by IIDL from SBTL under its Counter Claim with respect to amount to be recovered from M/s. SBTL from its retention money for work done by IIDL and Rs. 1,00,00,000/- towards liquidated damages recoverable under the Counter Claim of IIDL. Setting off the said amount against the amount found payable to SBTL, SBTL shall be entitled to a sum of Rs. 1,41,86,947/- only.

Accordingly, an award of Rs. 1,41,86,947/- in favour of SBTL in full and final settlement of all the disputes and the claims and the counter claims arising from the disputes along with interest on the amount awarded in the favor of SBTL @ 9%p.a from 5.08.2019 till the date the awarded amount is paid, passed by the Arbitrator. Further, SBTL shall also be entitled to proportionate costs of arbitration proceedings @ Rs. 15,00,000/-. The same paid to SBTL on 26-07-2022.

**Note No. 43 - Disclosure as per IndAS - 11 Construction Contracts**

(i) IIDL has constructed a campus for MDI Gurgaon at Jangipur, District - Murshidabad, West Bengal. The financials relating to the contract are as under:

| PARTICULARS | Amount (Rs. in Lacs) |
|---|---|
| **Contract** | |
| Contract revenue recognized during the year | - |
| Contract expenses recognized during the year | - |
| **Recognized Profits** | - |
| Total Contract Costs (approx.) | - |
| Amount recoverable from MDI | 84.14 |

-Cost-plus Contract Method has been used to determine the Contract revenue recognized in the period.
-The stage of completion has been determined on the basis of Work Completion Certificate obtained from engineer / architect.

**NOTE NO. 44 - ADDITIONAL INFORMATION PURSUANT TO THE COMPANIES ACT, 2013**

**(Rs. in Lacs)**

| **Quantitative Information in respect of Inventories** | | | | |
|---|---|---|---|---|
| **Description** | **Purchases** | | **Sales** | |
| | **CURRENT YEAR** | | | |
| | **Units (Locations)** | **Amount** | **Units (Locations)** | **Amount** |
| Land & Building | - | - | - | 169.60 |
| Machinery & Equipment | - | - | - | - |
| Additional Cost incurred on Existing Properties | - | - | - | - |
| Raw Material Consumables and Stores | - | 50.99 | - | 215.12 |
| | **PREVIOUS YEAR** | | | |
| Land & Building | - | - | - | 1,153.96 |
| Machinery & Equipment | - | - | - | - |
| Additional Cost incurred on Existing Properties | - | - | - | - |
| Raw Material Consumables and Stores | - | 44.52 | - | 145.63 |
| | **Opening Stock** | | **Closing Stock** | |
| | **CURRENT YEAR** | | | |
| | **Units (Locations)** | **Amount** | **Units (Locations)** | **Amount** |
| Land & Building | - | 5,795.13 | - | 5,795.13 |
| Machinery & Equipment | - | - | - | - |
| Work-in-Progresss | - | 1,549.59 | - | 1,321.23 |
| Consumables and Stores | - | 35.94 | - | 22.86 |
| | **PREVIOUS YEAR** | | | |
| Land & Building | - | 5,795.13 | - | 5,795.13 |
| Machinery & Equipment | - | - | - | - |
| Work-in-Progresss | - | 3,026.81 | - | 1,549.59 |
| Consumables and Stores | - | 38.30 | - | 35.94 |

**Note:**
**1. Land and Buildings include units of different areas having varied description for its types / stage of construction / development, for which it is not practical to make it individually descriptive for quantitative disclosure.**

**2. Consumables & Stores include various F&B, House Keeping, Diesel and Engineering related stores for which it is not practical to make it individually descriptive for quantitative disclosure.**

**Note No. 45 - EMPLOYEE BENEFIT PLANS**

**Note No. 45 (i) - Defined benefit plans**

**Brief Description:** A general description of the type of Employee Benefits Plans is as follows:

**1. Earned Leave (EL) Benefit**

Salary - Last drawn qualifying salary
Accrual - 33 days per year
Maximum Accumulation - 300 days
Encashment while in service - 100% of earned leave balance, subject to maximum 90 days per year
Encashment on retirement - Maximum upto 300 days or actual accumulation, whichever is less, subject to 30 days balance in the account of the employee

**2. Gratuity**

Salary - Last drawn qualifying salary
Accrual - 15 days salary for each completed year of service
Vesting Period - 5 years of service
Limit - Maximum of INR 20,00,000

**Note No. 45 (ii) - The principal assumptions used for the purposes of the actuarial valuations were as follows -**
**Assumptions as at March 31, 2023**

| S. No. | Particulars | March 31, 2023 | March 31, 2022 |
|---|---|---|---|
| | **IIDL - Corporate office** | | |
| | **Gratuity** | | |
| 1. | Discount rate | 7.43% | 7.18% |
| 2. | Expected return on plan assets | NA | NA |
| 3. | Annual increase in costs | NA | NA |
| 4. | Annual increase in salary | 10.00% | 10.00% |
| | **Leave Encashment** | | |
| 5. | Discount rate | 7.43% | 7.18% |
| 6. | Expected return on plan assets | NA | NA |
| 7. | Annual increase in costs | NA | NA |
| 8. | Annual increase in salary | 10.00% | 10.00% |
| | **IIDL Suites - A unit of IIDL** | | |
| | **Gratuity** | | |
| 1. | Discount rate | 7.38% | 7.45% |
| 2. | Expected return on plan assets | NA | NA |
| 3. | Annual increase in costs | NA | NA |
| 4. | Annual increase in salary | 8.00% | 8.00% |
| | **Leave Encashment** | | |
| 5. | Discount rate | 7.38% | 7.45% |
| 6. | Expected return on plan assets | NA | NA |
| 7. | Annual increase in costs | NA | NA |
| 8. | Annual increase in salary | 8.00% | 8.00% |

**Note No. 45 (iii)** - The discount rate is based upon the market yield available on Government bonds at the Accounting date with a term that matches. The salary growth takes account inflation, seniority, promotion and other relevant factor on long term basis. Expected rate of return on plan assets is based on market expectation, at the beginning of the year, for return over the entire life of the related obligation.

**Note No. 46 - Disclosure u/s 22 of MSMED Act, 2006**

i. The company has requested information from all its vendors regarding their status of registration in accordance with the Micro, Small and Medium Enterprises Development Act, 2006 ("The Act"). Out of the same, vendors who did not send any confirmation have been taken to be non MSME vendors. Disclosure required under Section 22 of the MSMED Act, 2006 is as under -

**(₹ in Lakhs)**

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Principal amount due to suppliers registered under the Act and remaining unpaid as at year end | 4.87 | - |
| Interest due to suppliers registered under the Act and remaining unpaid as at year end | - | - |
| Principal amounts paid to suppliers registered under the Act, beyond the appointed day during the year | - | - |
| Interest paid other than under Section 16 of the Act to suppliers registered under the Act, beyond the appointed day during the year | - | - |
| Interest paid under Section 16 of the Act to suppliers registered under the Act, beyond the appointed day during the year | - | - |
| Interest due and payable towards suppliers registered under the MSMED Act, 2006 for payments already made | - | - |
| Further interest remaining due and payable for earlier years | - | - |

**Note No. 47 - IMPAIRMENT LOSSES**

As certified by the management of the company, non financial assets of the company have not been impaired during the year and there is no indication of a potential impairment loss, therefore the need to make an estimation of recoverable amount does not arise.

**Note No. 48 - INVESTMENT PROPERTY (Ind AS 40)**

**(i) Amout recognized in Statement of Profit & Loss for Investment Properties**

**(₹ in Lakhs)**

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Rental Income | 31.79 | 12.31 |
| Maintenance & Other Reimbursements received | 26.14 | 0.42 |
| Direct operating expenses from property generating Rental Income (including Repair & Maintenance) | (7.16) | (13.37) |
| **Profit from Investment Property before depreciation** | 50.76 | (0.63) |
| Depreciation | (52.08) | (28.17) |
| **Profit from Investment Properties** | (1.32) | (28.81) |

**(ii) Leasing Arrangements**

a. The company reclassified Rs. 9.30 Crores from Property, Plant & Equipment as Investment Property on the date of transition to Ind AS.

b. Building classified as Investment Properties are leased to tenants under long-term operating leases with rentals payable monthly. The company reclassified Rs. 9.47 Crores from Property, Plant & Equipment as Investment Property on the date of transition to Ind AS. Future minimum lease payments receivable under long-term operating leases of Investment Properties in the aggregate is Rs. 2418.86.55 Lakh {Previous Year Rs. 2691.71 Lakh} and for each of the following period:

**(₹ in Lakhs)**

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| Within one year | 272.85 | 272.85 |
| Later than one year but not later than 5 years | 1,454.13 | 1,128.92 |
| Later than 5 years | 691.88 | 1,289.94 |

**(iii) Fair Value**

(₹ in Lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| Flat at Vasant Vihar, Delhi | 947.70 | 845.00 |
| Buildings | 4,774.70 | 4,774.70 |
| **TOTAL** | **5,722.40** | **5,619.70** |
| | | |

**(iv) Measurement of fair values**
**(iv.i) Fair Value Hierarchy**

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

**(iv.ii) Valuation Technique**

The Company follows direct sale comparison technique. The valuation model considers the value of the subject property by comparing recent sales / listing of similar interest in the properties located in the surrounding area. By analysing sales which qualify as 'arms-length' transactions, between willing buyers and sellers, adjustments would be made for size, location, time, amenities and other relevant factors when comparing such sales price against the subject property. This approach is commonly used to value standard properties when realisable sales evidence is available.

**Note No. 48 A**

Inventory includes lease hold rights of Financial City Bengaluru property amounting to Rs. 1276.85 lakhs for which lease has already expired on 30-Sep-2022, however the same is extendable under clause no. 23 of the agreement.IIDL has already applied for the extension which is in process. Further IIDL has full right to lease cum sale in extended period of lease.

**Note No. 49 - ADDITIONAL DISCLOSURE UNDER PARA 53 OF IndAS 116 - LEASES**
**i. Additional disclosures required under Para 53 of Ind AS 116 are as under -**

(₹ in Lakhs)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Depreciation charge for right-of-use assets by class of underlying asset | 3.69 | 2.68 |
| Interest expense on lease liabilities | 0.56 | 1.57 |
| Income from subleasing right-of-use assets | 0.91 | 0.91 |
| Total cash outflow for leases | 4.25 | 4.25 |
| Additions to right-of-use assets | - | - |
| Carrying amount of right-of-use assets at the end of reporting period | 1.02 | 3.05 |

ii. Right of use assets accounted is for land received from Karnataka Industrial Development Board measuring a total of 50 acres, out of which, 38.63 acres has been further leased out on lease cum sale basis to various financial institutions. Further, an area of 7.37 acres has been reserved as area for common facilities development. The company still holds land measuring 4 acres as inventories on lease cum sale basis.

**Note No. 50 - DUES TO SMALL SCALE INDUSTRIAL UNDERTAKINGS**

There are no dues payable to Small Scale Industrial Undertakings as defined under Industries (Development & Regulation) Act, 1951 as at the period end.

**Note No. 51 - DEFERRED TAX ASSETS / (LIABILITIES)**

(₹ in Lakhs)

| Particulars | Amount |
|---|---|
| **Deferred Tax Assets / (Liabilities)** | |
| Opening Balance | (866.35) |
| Net Additions | (96.16) |
| Net Deferred Tax Assets / (Liabilities) | (962.50) |
| | |

**Note No. 52 - CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE u/s 135 OF COMPANIES ACT, 2013**

**(₹ in Lakhs)**

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Gross Amount required to be spent by the company | 24.73 | 25.27 |
| Amount spent by the company during the year on - | | |
| a. Construction / acquisition of assets | - | - |
| b. On other purposes - Transferred to IFCI Social Foundation* | 24.73 | 25.27 |

*Contribution made to IFCI Social Foundation falls under the definition of contribution to a related party (trust controlled by the parent company) in relation to CSR Expenditure as per Ind AS 24.

**Note No. 53**

Additional dislcosure persuant to Part III of Schedule III of The Companies Act, 2013 is as under -

**(₹ in Lakhs)**

| Name of the Entity | Net Assets i.e. Total Assets minus Total Liabilities | | Share in Profit or Loss | |
|---|---|---|---|---|
| | %age of Consolidated Net Assets | Amount | %age of Consolidated Profit or Loss | Amount |
| Indian Subsidiary | | | | |
| IIDL Realtors Private Limited | 1.68% | 882.01 | 7.50% | 130.50 |

**Note No. 54 - CHANGE IN USEFUL LIFE OF FIXED ASSETS**

As per CAG recommendation, it is to be disclosed that during the Financial Year 2019-20, useful life of Furniture & Fixture at Fraser's Suites (Hospitality Division) has been changed from 10 years to 8 years resulting in depreciation rate impacting the profit of the company by around Rs. 3.22 Crores.

**Note No. 55 - Balance Confirmation**

The balances of Trade Receivables and Trade Payable are subject to confirmation.

**Note No. 56**

Previous period figures have been regrouped / rearranged / reclassified, wherever necessary, to make them comparable to the current year’s presentation.

**Note No. 57**

The notes referred to above from an integral part of the Financial Statement. As per schedule III, Annexure 1 (Ratio),Annexure 2 (Debtors Ageing), Annexure 3 (Creditors Ageing) & Annexure 4 (CSR Disclosure) are integral part of the Financial Statement.

**Note No. 58 - APPROVAL OF FINANCIAL STATEMENTS**

The financial statements of the company for the year ended March 31, 2023 were approved for issue by the Board of Directors on 15th May, 2023.

**As per our report of even date attached**
**For RAVI RAJAN & CO. LLP**
**CHARTERED ACCOUNTANTS**
**FRN 009073N/N500320**

Sd/-
**CA BS Rawat**
**PARTNER**
**M. No. 034159**
**UDIN - 23034159BGXDFV4445**

**Date : 15-May-2023**
**Place : New Delhi**

**FOR AND ON BEHALF OF THE BOARD**

Sd/-
**(Debashis Gupta)**
DIN : 08741938
**DIRECTOR**

Sd/-
**(Vijay Kumar Deshraj)**
DIN:09722994
**MANAGING DIRECTOR**

Sd/-
**(Vishal Pandey)**
M. No. 515352
**CHIEF FINANCIAL OFFICER**

Sd/-
**(TANNU SHARMA)**
M. No. 029676
**COMPANY SECRETARY**

**Annexure-1**

| S.No. | Ratios | For the Year ended 31st March 2023 | For the Year ended 31st March 2022 | |
|---|---|---|---|---|
| 1 | Current Ratio | 17.18 | 10.95 | Current Assets/Current Liabilities (Increase due to decrease in Current Liabilities) |
| 2 | Debt Equity Ratio | Since, there are no debts, hence, this ratio is not required to be calculated | | Total Liabilities/Total Shareholders Equity |
| 3 | Debt Service Coverage Ratio | Since, there are no debts, hence, this ratio is not required to be calculated | | operating income/total debt service |
| 4 | Return on Equity Ratio | 0.03 | 0.02 | Profit After Tax (PAT) / Net Worth (Increase due to Increase in profit) |
| 5 | Inventory Turnover Ratio | 0.32 | 0.29 | Sales/Average Inventory |
| 6 | Trade Receivables turnover Ratio | 11.61 | 10.11 | Annual Net Credit Sales / Average Annual Accounts Receivables |
| 7 | Trade Payables turnover Ratio | 1.32 | 0.35 | Net Credit Purchases / Average Accounts Payable (Increase due decrease in trade payable) |
| 8 | Net Capital turnover Ratio | 0.11 | 0.11 | Net Sales / Working Capital |
| 9 | Net Profit Ratio | 0.75 | 0.38 | Net Profit/Revenue (Increase due to increase in profit) |
| 10 | Return on Capital Employed | 0.03 | 0.02 | EBIT/Capital Employed (Increase due to increase in profit) |
| 11 | Return on investment | 0.13 | 0.15 | (Investment Gain-Investment Cost)/Investment Cost |

Annexure-2

## 1 Receivables:

| As at 31 March 2023 | | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | Total |
| (i) | Undisputed Trade receivables — considered good | 38,87,982.70 | 1,09,516.94 | 3,80,149.23 | 41,15,562.55 | 75,07,088.12 | **1,60,00,299.54** |
| (ii) | Undisputed Trade Receivables — which have significant increase in credit risk | - | - | - | - | - | **-** |
| (iii) | Undisputed Trade Receivables — credit impaired | - | - | - | - | - | **-** |
| (iv) | Disputed Trade Receivables— considered good | - | - | - | - | - | **-** |
| (v) | Disputed Trade Receivables — which have significant increase in credit risk | 271.00 | - | - | 1,88,474.36 | 90,27,672.67 | **92,16,418.03** |
| (vi) | Disputed Trade Receivables — credit impaired | - | - | - | - | 36,37,041.00 | **36,37,041.00** |
| | | **38,88,253.70** | **1,09,516.94** | **3,80,149.23** | **43,04,036.91** | **2,01,71,801.79** | **2,88,53,758.57** |
| | Less: Provision for impairment | | | | | 62,91,802.00 | 62,91,802.00 |
| | **Total** | | | | | | **2,25,61,960.57** |

| As at 31 March 2022 | | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | Total |
| (i) | Undisputed Trade receivables — considered good | 27,82,437.37 | 1,45,393.00 | 2,83,010.80 | 33,04,465.40 | 72,76,128.12 | **1,37,91,434.69** |
| (ii) | Undisputed Trade Receivables — which have significant increase in credit risk | - | - | - | - | - | **-** |
| (iii) | Undisputed Trade Receivables — credit impaired | - | - | - | - | - | **-** |
| (iv) | Disputed Trade Receivables— considered good | - | - | - | - | - | **-** |
| (v) | Disputed Trade Receivables — which have significant increase in credit risk | (82,154.50) | (44,400.00) | (1,32,610.43) | 5,36,414.25 | 3,41,177.87 | **6,18,427.19** |
| (vi) | Disputed Trade Receivables — credit impaired | - | - | 62,831.97 | 2,21,429.45 | 93,46,428.04 | **96,30,689.46** |
| | | **27,00,282.87** | **1,00,993.00** | **2,13,232.34** | **40,62,309.10** | **1,69,63,734.03** | **2,40,40,551.34** |
| | Less: Provision for impairment | | | | | 63,11,801.55 | 63,11,801.55 |
| | **Total** | | | | | | **1,77,28,749.79** |

For terms and conditions of trade receivables owing from related parties and transactions with related parties, see Note 47.
The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 53.

Annexure-3

## 2 Trade payables

| | | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|---|
| | As at 31 March 2023 | Less than 1 year | 1-2 Years | 2-3 years | More than 3 years | Total |
| (i) | MSME | 4,87,110.00 | - | - | - | **4,87,110.00** |
| (ii) | Others | 55,19,425.58 | 68,357.63 | 70,440.00 | (3,70,091.40) | **52,88,131.81** |
| (iii) | Disputed dues –MSME | - | - | - | - | **-** |
| (iv) | Disputed dues - Others | - | 5,60,122.00 | 2,13,765.00 | 6,383.00 | **7,80,270.00** |
| | **Total** | | | | | **65,55,512.81** |

| | | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|---|
| | As at 31 March 2022 | Less than 1 year | 1-2 Years | 2-3 years | More than 3 years | Total |
| (i) | MSME | - | - | - | - | **-** |
| (ii) | Others | 1,16,54,458.42 | 5,61,126.40 | 6,624.00 | 74,21,954.64 | **1,96,44,163.46** |
| (iii) | Disputed dues –MSME | - | - | - | - | **-** |
| (iv) | Disputed dues - Others | 13,380.10 | 2,94,252.38 | 2,27,293.80 | - | **5,34,926.28** |
| | **Total** | | | | | **2,01,79,089.74** |

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at all the reporting dates. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent the status of such parties identified on the basis of information available with the Company.

# Annexure-4

## Corporate Social Responsibility (CSR)

IFCI Infrastructure Development Ltd spent/transfer Rs. 24,72,892/- during the financial year 2022-23to IFCI Social Foundation towards CSR initiatives.

Details of CSR spent or unspent during the financial year –

| Total Amount Spent for the Financial Year-2022-23 | Amount Unspent | |
|---|---|---|
| | Amount Transferred to Unspent CSR Account as per Section 135(6) | |
| | Amount Rs. | Date of Transfer |
| Rs. 94,098/- | Rs. 23,78,794/- | 28-04-2023 |

IFCI Infrastructure Development Ltd spent/transfer Rs. 25,26,920/- during the financial year 2021-22 to IFCI Social Foundation towards CSR initiatives.

Details of CSR spent or unspent during the financial year –

| Total Amount Spent for the Financial Year-2021-22 | Amount Unspent | |
|---|---|---|
| | Balance available to Unspent CSR Account as per Section 135(6) | |
| | Amount Rs. | Date of Transfer |
| Rs. 10,10,768/- | Rs. 15,16,152/- | 25-04-2022 |