INDIAN RAILWAY FINANCE CORPORATION LIMITED

(A Government of India Enterprise) CIN: L65910DL1986GOI026363

Registered & Corporate Office: Room Nos. 1316 - 1349, 3rd Floor, Hotel The Ashok, Diplomatic Enclave, 50-B, Chanakyapuri, New Delhi – 110021; E-Mail: gma@irfc.nic.in &irfcbonds2@gmail.com; Website: www.irfc.nic.in; PAN No.: AAACI0681C; RBI Registration No.: B-14.00013; Date and Place of Incorporation: 12th December, 1986, Delhi; Compliance Officer: Vijay Babulal Shirode; Phone: 011 24100385

(This is a Private Placement Memorandum issued in conformity with Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued vide circular no. SEBI/LAD-NRO/GN/2021/39 dated August 9, 2021, SEBI Circular No. SEBI/HO/DDHS/ DDHS_Div1/P/CIR/2022/00139 dated October 10, 2022, SEBI Circular No. SEBI/HO/DDHS/P/CIR/2022/00144 dated October 28, 2022, Form PAS-4 prescribed under Section 42 and Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debenture) Rules 2014, circular no. DNBD(PD) CC No. 330 /03.10.001/2012-13 dated June 27, 2013 issued by the Reserve Bank of India on "Raising Money through Private Placement by NBFCs-Debentures etc.", circular no. DNBS(PD) CC No.349/03.10.001/2013-14 dated July 02, 2013 issued by the Reserve Bank of India on "Raising Money through Private Placement by NBFCs-Non-Convertible Debentures (NCDs) – Clarification")and circular no. DNBR (PD) CC No.021/03.10.001/2014-15 dated February 20, 2015 issued by the Reserve Bank of India on "Raising Money through Private Placement of Non-Convertible Debentures (NCDs) by NBFCs". This issuance would be under the electronic book mechanism for issuance of debt securities on private placement basis as per SEBI Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 bearing reference number SEBI/HO/DDHS/P/CIR/2021/613, as amended.

PRIVATE PLACEMENT OF 250000 TAXABLE UNSECURED REDEEMABLE NON-CONVERTIBLE BONDS OF FACE VALUE OF RS.1,00,000 EACH IN THE NATURE OF DEBENTURES (SERIES 168 A) (COLLECTIVELY REFERRED TO AS THE "BONDS") FOR CASH AT PAR FOR Rs. 5000 MILLION ("BASE ISSUE") WITH OPTION TO RETAIN OVERSUBSCRIPTION UPTO RS. 20000 MILLION AN AMOUNT AGGREGATING TO RS. 25000 MILLION, 250000 TAXABLE UNSECURED REDEEMABLE NON-CONVERTIBLE BONDS OF FACE VALUE OF RS.1,00,000 EACH IN THE NATURE OF DEBENTURES (SERIES 168 B) (COLLECTIVELY REFERRED TO AS THE "BONDS") FOR CASH AT PAR FOR Rs. 5000 MILLION ("BASE ISSUE") WITH OPTION TO RETAIN OVERSUBSCRIPTION UPTO RS. 20000 MILLION AN AMOUNT AGGREGATING TO RS. 25000 MILLION, BY INDIAN RAILWAY FINANCE CORPORATION LIMITED ("IRFC" OR THE "ISSUER" OR THE "COMPANY")

Coupon Rate		COUPON PAYMENT FREQUENCY	REDEMPTION DATE		REDEMPTION AMOUNT
Series 168 A	7.40 %	Annual	Series 168 A	18-04-2026	25000 million
Series 168 B	7.65 %		Series 168 B	18-04-2033	25000 million

NEITHER THE ISSUER NOR ANY OF THE CURRENT DIRECTORS OF THE ISSUER HAS BEEN DECLARED AS WILFUL DEFAULTER

Compliance Officer & Company Secretary	Chief Financial Officer	Promoter
Mr. Vijay Babulal Shirode Joint General Manager (Law) & Company Secretary Indian Railway Finance Corporation Limited Registered Office: Room Nos. 1316 - 1349, 3rd Floor, Hotel The Ashok, Diplomatic Enclave, 50-B, Chanakyapuri, New Delhi – 110021; Tel No.: 011 24100385; E-mail: cs@irfc.co.in	Ms. Shelly Verma Chairman and Managing Director (Addl. Charge) and (Finance) & Chief Financial Officer Indian Railway Finance Corporation Limited Registered Office: Room Nos. 1316 - 1349, 3rd Floor, Hotel The Ashok, Diplomatic Enclave, 50-B, Chanakyapuri, New Delhi – 110021; Tel No.: 011 24100385; E-mail: df@irfc.co.in	The President of India, Acting Through The Ministry Of Railways, Government Of India ("MoR")

Trustee	Rating Agency			Registrar to the Issue
SBICAP Trustee Company Limited Contact Person: JATIN BHAT Mistry Bhavan, 4th Floor122DinshawVachha Road, Churchgate, Mumbai – 400020 Tel. 022-43025555; E-mail: corporate@sbicaptrustee.com	**Credit Analysis & Research Limited** Contact Person: Gaurav Dixit 13th floor, Videocon Tower, E-1 block, Jhandewalan Extension New Delhi – 110055 Tel: +91-11-45333235 E-mail: gaurav.dixit@careratings.com	**ICRA Limited** Contact Person: L. Shivakumar B-710, Statesman House 148, Barakhamba RoadNew Delhi-110001 Tel: +91 22 6114 3406 Email: shivakumar@icraindia.com	**CRISIL Ratings Limited** Contact Person: Krishnan Sitaraman CRISIL House, Central Avenue Hiranandani Business Park, Powai Mumbai –400076 Tel: +91 22 33423000 Email:crisilratingdesk@crisil.com@crisil.com	**KFin Technologies Limited** (Formerly known as Karvy Fintech Private Limited) Selenium Tower B, Plot No. 31 &32 Gachibowli, Financial District, Nankramguda, Serilingampally, Hyderabad –500032; Tel: (040)67161598/1600; Fax No. 91-40-23420814; Website: www.kfintech.com Email:einward.ris@kfintech.com;brahma.k@kfintech.com

Ratings for the Issue		
CARE- AAA with a Stable Outlook vide its letter Ref No. CARE/DRO/RL/2022-23/2713 dated December 23,2022 and press release dated May 17, 2022	ICRA- AAA with a Stable Outlook vide its letter no. ICRA/ Indian Railway Finance Corporation Limited/10012023/1 dated January 10, 2023 and press release dated May 11, 2022	CRISIL- AAA with a Stable Outlook vide its letter no. RL/INRAFIC/292858/LTBP/0522/32679/108854839/7 dated December 19, 2022 and press release dated May 4, 2022

ISSUE SCHEDULE			
ISSUE OPENING DATE	**ISSUE CLOSING DATE**	**PAY-IN DATES**	**DEEMED DATE OF ALLOTMENT**
16-01-2023	**16-01-2023**	**18-01-2023**	**18-01-2023**

LISTING

The Bonds are proposed to be listed on Wholesale Debt Market ("WDM") segment of the National Stock Exchange of India Limited ("NSE") and BSE limited ("BSE"). The NSE and BSE have since granted their in–principle approval vide their letters dated 11.01.2023

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I. DISCLAIMER

a. DISCLAIMER OF THE ISSUER

This Private Placement Memorandum is neither a Prospectus nor a Statement in Lieu of Prospectus and is prepared in conformity with Form PAS-4 prescribed under Section 42 and Rule 14(3) of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended by Companies (Prospectus and Allotment of Securities) Second Amendment Rules, 2018, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued vide circular no. SEBI/LAD-NRO/GN/2021/39 dated August 9, 2021, SEBI Circular No. SEBI/HO/DDHS/ DDHS_Div1/P/CIR/2022/00139 dated October 10, 2022, SEBI Circular No. SEBI/HO/DDHS/P/CIR/2022/00144 dated October 28, 2022. Circular no. DNBD(PD) CC No. 330 /03.10.001/2012-13 dated June 27, 2013 issued by the Reserve Bank of India on "Raising Money through Private Placement by NBFCs-Debentures etc.", circular no. DNBS(PD) CC No.349/03.10.001/2013-14 dated July 02, 2013 issued by the Reserve Bank of India on "Raising Money through Private Placement by NBFCs-Non-Convertible Debentures (NCDs) –Clarification") and circular no. DNBR (PD) CC No.021/03.10.001/2014-15 dated February 20, 2015 issued by the Reserve Bank of India on "Raising Money through Private Placement of Non-Convertible Debentures (NCDs) by NBFCs". This issuance would be under the electronic book mechanism for issuance of debt securities on private placement basis as per SEBI Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 bearing reference number SEBI/HO/DDHS/P/CIR/2021/613, as amended from time to time.

This document does not constitute an offer to the public generally to subscription for or otherwise acquire the Bonds to be issued by IRFC Ltd. This document is for the exclusive use of the investors to whom it has been specifically addressed and it should not be circulated or distributed to third party(ies). It is not and shall not be deemed to constitute an offer or an invitation to the public in general to subscribe to the Bonds issued by the Issuer. This Bond issue is made strictly on private placement basis. Apart from this Private Placement Memorandum, no offer document or prospectus has been prepared in connection with the offering of this Issue or in relation to Issuer.

This Private Placement Memorandum is not intended to form the basis of evaluation for the prospective subscribers to whom it is addressed and who are willing and eligible to subscribe to the Bonds issued by IRFC Ltd. This Private Placement Memorandum has been prepared to give general information regarding IRFC Ltd. To parties proposing to invest in this issue of Bonds and it does not purport to contain all the information that any such party may require. IRFC Ltd. Believes that the information contained in this Private Placement Memorandum is true and correct as of the date hereof. IRFC Ltd. Does not undertake to update this Private Placement Memorandum to reflect subsequent events and thus prospective subscribers must confirm about the accuracy and relevancy of any information contained herein with IRFC Ltd. However, IRFC Ltd. Reserves its right for providing the information at its absolute discretion. IRFC Ltd. Accepts no responsibility for statements made in any advertisement or another material and anyone placing reliance on any other source of information would be doing so at his own risk and responsibility.

Prospective subscribers must make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt markets and are able to bear the economic risk of investing in Bonds. It is the responsibility of the prospective subscriber to have obtained all consents, approvals or authorizations required by them to make an offer to subscribe for, and purchase the Bonds. It is the responsibility of the prospective subscriber to verify if they have necessary power and competence to apply for the Bonds under the relevant laws and regulations in force. Prospective subscribers should conduct their own investigation, due diligence and analysis before applying for the Bonds. Nothing in this Private Placement Memorandum should be construed as advice or recommendation by the Issuer or by the Arrangers to the Issue to subscribers to the Bonds. The prospective subscribers also acknowledge that the Arrangers to the Issue do not owe the subscribers any duty of care in respect of this private placement offer to subscribe for the Bonds. Prospective subscribers should also consult their own advisors on the implications of application, allotment, sale, holding, ownership and redemption of these Bonds and matters incidental hereto.

This Private Placement Memorandum is not intended for distribution. In pursuance of sub-section (7) of section 42 of The Companies Act, 2013, the Issuer shall not release any public advertisements and shall not utilize any media, marketing or distribution channels or agents to inform the public at large about such an offer, where the term 'public advertisements' shall include notices, brochures, pamphlets, circulars, show cards, catalogues, hoardings, placards, posters, insertions in newspapers, pictures, films, or any other print medium, radio, television programme through any electronic medium, mass communications or emails, internet websites including social networking websites, publicity through telephone or mobile etc.

It is meant for the consideration of the person to whom it is addressed and should not be reproduced by the recipient. The securities mentioned herein are being issued on private placement basis and this offer does not constitute a public offer/ invitation.

The Issuer reserves the right to withdraw the private placement of the Bond issue prior to the issue closing date(s) in the event of any unforeseen development adversely affecting the economic and regulatory environment or any other force majeure condition including any change in applicable law. In such an event, the Issuer will refund the application money, if any, along with interest payable on such application money, if any.

b. DISCLAIMER OF THE SECURITIES & EXCHANGE BOARD OF INDIA

Pursuant to Rule 14 (3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a private placement cum memorandum shall be in the form of an application (PAS-4) serially numbered and addressed specifically to the person to whom the offer is made and shall be sent to him, either in writing or in electronic mode, within thirty days of recording the name of such person pursuant to sub-section (3) of section 42. Though the Bonds will not be immediately listed, however the bonds may be listed at a later date in the future and accordingly, a copy of this PPM, with necessary amendments as required by applicable law, shall be filed with SEBI at such time to facilitate such prospective listing of the Bonds, within the prescribed time frame. The Private Placement Memorandum has not been filed with or approved by SEBI. The Bonds have not been / will not be recommended or approved by SEBI nor does/will SEBI guarantee the accuracy or adequacy of this Private Placement Memorandum at present or at such time of prospective listing. It is to be distinctly understood that this Private Placement Memorandum should not, in any way, be deemed or construed that the same has been/will be cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in this Private Placement Memorandum. However, SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this Private Placement Memorandum.

c. DISCLAIMER OF THE STOCK EXCHANGE

As and when required, at the point of listing, if any, a copy of this Private Placement Memorandum, with the requisite legally required updations and amendments shall be submitted to NSE and/or BSE (hereinafter collectively referred to as “Exchanges”) for hosting the same on its website. It is to be distinctly understood that such submission of the document with NSE & BSE or hosting the same on its website should not in any way be deemed or construed that this Private Placement Memorandum shall be cleared or approved by the Exchanges; nor do they in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document; nor do they warrant that the Issuer’s securities will be listed or continue to be listed on the Exchanges; nor do they take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of IRFC Ltd. Every person who desires to apply for or otherwise acquire any securities of the Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

d. DISCLAIMER OF THE RESERVE BANK OFINDIA

The Bonds have not been recommended or approved by the Reserve Bank of India (“RBI”) nor does RBI guarantee the accuracy or adequacy of this Private Placement Memorandum. It is to be distinctly understood that this Private Placement Memorandum should not, in any way, be deemed or construed that the Bonds have been recommended for investment by the RBI. RBI does not take any responsibility either for the financial soundness of the Issuer, or the Bonds being issued by the Issuer or for the correctness of the statements made or opinions expressed in this Private Placement Memorandum. The potential investors may make investment decision in respect of the Bonds offered in terms of this Private Placement Memorandum solely on the basis of their own analysis and RBI does not accept any responsibility about servicing/repayment of such investment.

II. DEFINITIONS/ ABBREVIATIONS

AY	Assessment Year
Allotment/ Allot/ Allotted	The issue and allotment of the Bonds to the successful Applicants in the Issue.
Applicant/Investor	A person who makes an offer to subscribe the Bonds pursuant to the terms of this Private Placement Memorandum and the Application Form
Application Form	The form in terms of which the Applicant shall make an offer to subscribe to the Bonds and which will be considered as the application for allotment of Bonds for Series 168
Bondholder(s)	Any person or entity holding the Bonds and whose name appears in the list of Beneficial Owners in the records of the Company.
Beneficial Owner(s)	Bondholder(s) holding Bond(s) in dematerialized form (Beneficial Owner of the Bond(s) as defined in clause (a) of sub-section of Section 2 of the Depositories Act, 1996)
Board/ Board of Directors	The Board of Directors of Indian Railway Finance Corporation Ltd. Or Committee thereof, unless otherwise specified
Bond(s)	Unsecured, Redeemable Non-Convertible, Taxable Bonds in the nature of Debentures of face value of Rs.1,00,000 each ("Bonds") to be issued by Indian Railway Finance Corporation Ltd. ("IRFC" or "Issuer" or the "Company") through private placement route under the terms of this Private Placement Memorandum. This Issue of Bonds does not form part of 'non-equity regulatory capital' as set out under Chapter V of the NCS Regulations.
Book Closure / Record Date	Record date for the Bonds shall be 15 days prior to each interest payment date and/or redemption date.
BSE	BSE Limited
BSE Bond-EBP Platform	EBP platform of BSE for issuance of debt securities on private placement basis.
CAR	Capital Adequacy Ratio
CARE	Credit Analysis & Research Limited
CAG	Comptroller and Auditor General of India
CAGR	Compounded Annual Growth Rate
CBDT	Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CIT (Appeals)	Commissioner of Income Tax (Appeals)
CRISIL	CRISIL Ratings Limited
Companies Act	The Companies Act, 1956 as amended from time to time
Companies Act, 2013	The Companies Act, 2013, as amended and to the extent notified by the MCA and read with the rules framed there under
MD	Managing Director of IRFC
Debt Securities	Non-Convertible debt securities which create or acknowledge indebtedness and include debenture, bonds and such other securities of the Issuer, whether constituting a charge on the assets of the Issuer or not, but excludes security receipts and securitized debt instruments.
Deemed Date of Allotment	The cut-off date declared by the Issuer from which all benefits under the Bonds including interest on the Bonds shall be available to the Bondholder(s). The actual allotment of Bonds (i.e. approval from the Board of Directors or a Committee thereof) may take place on a date other than the Deemed Date of allotment
Depository	A Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository Participant	A Depository participant as defined under Depositories Act
DP	Depository Participant

DIPAM	Department of Investment and Public Asset Management
DRR	Bond/ Debenture Redemption Reserve
EPS	Earnings Per Share
EBP	Electronic Bidding Platform.
ETF	Exchange Traded Fund
FIs	Financial Institutions
FIIs	Foreign Institutional Investors
FPI	Foreign Portfolio Investors as defined under SEBI (Foreign Portfolio Investors) Regulations, 2014 registered with SEBI.
Financial Year/ FY / Fiscal	Period of twelve months ending March 31, of a particular year
GoI	Government of India/ Central Government
Trustees	Trustees for the Bondholders in this case being SBI Caps Trustee Company Limited
ICRA	ICRA Limited
Issuer/ IRFC/ Company	Indian Railway Finance Corporation Ltd. A company incorporated under Companies Act, 1956, as amended
Independent Director	An Independent Director referred to in sub-section (6) of section 149 of the Companies Act, 2013
I.T. Act	The Income Tax Act, 1961, as amended from time to time
Key Managerial Personnel	Key managerial personnel, in relation to the Company, shall mean: Managing Director & Chief Executive Officer or the Manager; Company Secretary; Whole-Time Directors; Chief Financial Officer; and any such other officer as may be prescribed under the Companies Act.
Listing Agreement	Listing Agreement as may be issued by SEBI.
MF	Mutual Fund
Memorandum/ Memorandum of Association	Memorandum of association of the Company as originally framed or as altered from time to time in pursuance of any previous company law or of the Companies Act, 2013
MoF	Ministry of Finance
MoR	Ministry of Railways
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Ltd.
NSE Bond Platform	EBP platform of NSE for issuance of debt securities on private placement basis.
NRI	Non-Resident Indians
PAN	Permanent Account Number
Private Placement/ The Issue/ The Offer	Offer of Bonds or invitation to subscribe to the Unsecured Redeemable Non-Convertible Taxable Bonds in the nature of Debentures of face value of Rs.1 lakh each bond ("Bonds") to be issued by Indian Railway Finance Corporation Ltd. (other than by way of Public Offer) through issue of this Private Placement Memorandum to the Investors on such conditions including the form and manner of private placement as prescribed under the Companies Act, 2013 and RBI Circular No. RBI/2014-15/475DNBR(PD)CCNO.021/03.10.001/2014-15,dated February 20, 2015,as amended
Private Placement Memorandum	Private Placement Memorandum shall mean this Private Placement Memorandum
GIR	General Index Registration Number
Rupee/ INR/ Rs.	Indian National Rupee
RBI	Reserve Bank of India
RTGS	Real Time Gross Settlement
ROC	Registrar of Companies, National Capital Territory of Delhi & Haryana
RBI Guidelines	Any rule, regulations, guidelines or amendment as may be issued by RBI from time

	to time
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI NCS Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued vide circular no. SEBI/LAD-NRO/GN/2021/39 dated August 9, 2021, as amended from time to time.
SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time
TDS	Tax Deducted at Source

III. GENERAL INFORMATION

Name of the Issuer	Indian Railway Finance Corporation Limited
Date of Incorporation	12th December, 1986
CIN	L65910DL1986GOI026363
Registered & Corporate Office	Room Nos. 1316 - 1349, 3rd Floor, Hotel The Ashok, Diplomatic Enclave,50-B, Chanakyapuri, New Delhi – 110021
Tel. No.	011 24100385
Website	www.irfc.co.in
E-mail	gma@irfc.nic.in & irfcbonds2@gmail.com

Trustee to the Bonds	SBICAP Trustee Company Limited
Address	Mistry Bhavan, 4th Floor, 122 Dinshaw Vachha Road, Churchgate, Mumbai – 400020
Website URL	www.sbicaptrustee.com
Email address	corporate@sbicaptrustee.com
Telephone no.	022-43025555
Contact Person	Mr. JATIN BHAT

Credit Rating Agency	CRISIL Ratings Limited
Address	CRISIL House, Central Avenue Hiranandani Business Park, Powai Mumbai –400076
Website URL	www.crisil.com/ratings
Email address	crisilratingdesk@crisil.com
Telephone no.	+91-22-3342 3000
Contact Person	Mr. Krishnan Sitaraman

Credit Rating Agency	ICRA Limited
Address	B-710, Statesman House148, Barakhamba Road New Delhi-110001
Website URL	www.icra.in
Email address	shivakumar@icraindia.com
Telephone no.	+91 22 6114 3406
Contact Person	Mr. L Shivakumar

Credit Rating Agency	Credit Analysis & Research Limited
Address	13th Floor, Videocon Tower, E-1 Block, Jhandewalan Extension, New Delhi-110055
Website URL	www.careratings.com
Email address	gaurav.dixit@careratings.com
Telephone no.	011-45333235
Contact Person	Mr. Gaurav Dixit

Registrar to the Issue	KFin Technologies Limited (Formerly known as Karvy Fintech Private Limited)
Address	Selenium Tower B, Plot No. 31 & 32 Gachibowli, Financial District, Nankramguda, Serilingampally, Hyderabad – 500032
Website URL	www.kfintech.com
Email address	einward.ris@kfintech.com &brahma.k@kfintech.com
Telephone no.	(040) 67161598/1600
Contact Person	Mr. S. P. Venugopal

Statutory Auditors	KBDS & CO. CHARTERED ACCOUNTANTS M/s. K B D S & Co.
Address	Chartered Accountants G-4/4, First Floor, Sector-16, Rohini, New Delhi 110089. Registration No.: 323288E
Website URL	www.kbds.info
Email address	kbdsandco@gmail.com
Telephone no.	+011-47580181/27882573
Contact Person	Mr. Dashrath Kumar Singh

ARRANGERS TO THE ISSUE
Series 168A
1. A. K. CAPITAL SERVICES LIMITED 2. HDFC BANK LIMITED 3. ICICI BANK 4. ICICI SECURITIES PRIMARY DEALERSHIP LIMITED 5. IDBI CAPITAL MARKETS AND SECURITIES LIMITED 6. TIPSONS CONSULTANCY SERVICES PVT LTD 7. TRUST INVESTMENT ADVISORS PRIVATE LIMITED
Series 168B
1. A. K. CAPITAL SERVICES LIMITED 2. AXIS BANK LIMITED 3. DERIVIUM TRADITION SECURITIES (INDIA) PRIVATE LIMITED 4. HDFC BANK LIMITED 5. ICICI BANK 6. ICICI SECURITIES PRIMARY DEALERSHIP LIMITED 7. IDBI CAPITAL MARKETS AND SECURITIES LIMITED 8. JM FINANCIAL LIMITED 9. KOTAK MAHINDRA BANK LIMITED 10. PIONEER INVESTCORP LTD 11. PNB GILTS LIMITED 12. SBI CAPITAL MARKETS LIMITED 13. SUNRISE GILTS AND SECURITIES PVT LTD 14. TIPSONS CONSULTANCY SERVICES PVT LTD 15. TRUST INVESTMENT ADVISORS PRIVATE LIMITED 16. YES BANK

IV. OUR MANAGEMENT

1. CURRENT DIRECTORS OF THE ISSUER

The composition of the Board of Directors of the Issuer as on date of this Private Placement Memorandum is as under:

Sr. No.	Name, Designation and DIN	Age	Address	Occupation	Director of the Company since	Other Directorships	Whether willful defaulted (Yes/No)
1.	**#Ms. Shelly Verma** *Chairman & Managing Director (Addl. Charge), Director (Finance) and Chief Financial Officer* ***DIN:*** *07935630*	56	Flat No. A-602, Dwarka Apartments, Plot Number 21, Sector 7, Palam, Dwarka Sec-6, South West Delhi-110075	Service	01-Sept-2020	Nil	No
2.	**Shri Baldeo Purushartha** *Nominee Director* ***DIN:*** *07570116*	48	Government Quarter No. DII/ 43 Kaka Nagar, New Delhi 110 003	Service	03-June-2020	Indian Railway Stations Development Corporation Limited, India Infrastructure Finance Company Limited, ONGC Videsh Limited, National Investment and Infrastructure fund Trustee Limited, AI Assets Holding Limited	No
3.	**Shri Bhaskar Choradia** *Nominee Director* ***DIN:*** *08975719*	47	168, Vakil Colony, Hiran Magri, Sector 11, Udaipur Rajasthan, India-313001	Service	27-Nov-2020	NIL	No
4.	**Shri Vallabhbhai Maneklal Patel** *Non-Official Independent Director* ***DIN:*** *07713055*	53	22-Sardar Patel Society Bhaupura, Kadi – 382715	Business	10-Nov-2021	Sarva Vidyalaya Innovation Foundation	No
5.	**Smt. Sheela Pandit** *Non-Official Independent Director* ***DIN:****09403193*	37	Bangalpur, Sherpur Patna Bihar – 801503	Social Activist	22-Nov-2021	NIL	No

 # She has been entrusted with the additional charge of the post of CMD/IRFC w.e.f. 15/10/2022 in addition to her own, for a period of three months or until further orders, whichever is earlier as per Ministry of Railways, Government of India's order No. 2018/E(O)II/40/19 dated 15th October 2022. Further, as per Ministry of Railways, Government of India's order No. 2018/E(O)II/40/19 dated 16th January, 2023, Ministry has decided that, pending approval of the Competent Authority, she will continue to hold the additional charge of the post of CMD/IRFC, in addition to her own until further orders.

Mr. Amitabh Banerjee (DIN: 03315975)- *He has been divested of the charge of the post of CMD / IRFC w.e.f. 15/10/2022 until further orders, as per Ministry of Railways, Government of India's order No. 2018/E(O)II/40/19 dated 15th October 2022.*

None of the current directors of the Issuer appears in the RBI's defaulter list or ECGC's default list.

The Permanent Account Number of Directors have been submitted with the NSE and BSE on which bonds are proposed to be listed.

Relationship with Other Directors:

None of the Directors of the Company are, in any way, related to each other

2. CHANGE IN DIRECTORS OF THE ISSUER SINCE LAST THREE YEARS

Changes in the Board of Directors of the Issuer during the last three years are as under:

Name of Directors, Designation and DIN	Date of Appointment	Date of Cessation	Reason for change
Mr. A.K. Prasad *FC Railways &Chairman* ***DIN:*** *08125752*	August 14, 2018	March 1, 2019	Superannuated
Mr. B.N. Mohapatra *Chairman* ***DIN:*** *00772188*	April 20, 2017	January 31, 2018	Cessation
Mr. Niraj Kumar Chhabra *Director (Finance)* ***DIN:*** *00795972*	July 1, 2015	July 31, 2020	Cessation
Mr. S.K. Pattanayak *Managing Director* ***DIN:*** *02396063*	March 9, 2017	July 26, 2018	Cessation
Ms. Aditi Sengupta Ray *Independent Director* ***DIN:*** *00447385*	September 19, 2017	September 19, 2020	Cessation
Mr. Chetan Venugopal *Independent Director* ***DIN:*** *00317183*	March 8, 2018	March 8, 2021	Cessation
Mr. Ashok Kumar Singhal *Independent Director* ***DIN:*** *08193963*	July 20, 2018	July 20, 2021	Cessation
Mr. Vijay Kumar *Addl. Member Budget and Managing Director/IRFC* ***DIN:*** *08189249*	July 26, 2018	October 11, 2019	Cessation
Mr. Kishor Jinabhai Devani *Independent Director* ***DIN:*** *07502684*	April 1, 2019	April 1, 2020	Cessation
Mr. Amitabh Banerjee *Chairman & Managing Director* ***DIN:*** *03315975*	October 12, 2019 (Re-designated from Managing Director to Chairman and Managing Director on May 21, 2020)	##	Appointment (Re-designated from Managing Director to Chairman and Managing Director on May 21, 2020)
Mrs. Manjula Rangarajan *Part-time Chairperson* ***DIN:*** *08607897*	November 20, 2019	May 21, 2020	Cessation

Name of Directors, Designation and DIN	Date of Appointment	Date of Cessation	Reason for change
Dr. Kumar Vinay Pratap *Director* ***DIN:*** *07606296*	April 23, 2018	March 18, 2020	Cessation
Mr. Baldeo Purushartha *Nominee Director* ***DIN:*** *07570116*	June 3, 2020	-	Appointment
Mr. Anand Prakash *Nominee Director* ***DIN:*** *08805417*	July 22, 2020	October 26, 2020	Cessation
Ms. Shelly Verma *Chairman & Managing Director (Addl. Charge), Director (Finance) and Chief Financial Officer* ***DIN:*** *07935630*	September 1, 2020#	-	Appointment
Mr. Bhaskar Choradia *Nominee Director* ***DIN:*** *08975719*	November 27, 2020	-	Appointment
Mr. Vallabhbhai Maneklal Patel *Non-Official Independent Director* ***DIN:*** *07713055*	November 10, 2021	-	Appointment
Ms. Sheela Pandit *Non-Official Independent Director* ***DIN:*** *09403193*	November 22, 2021	-	Appointment

 # She has been entrusted with the additional charge of the post of CMD/IRFC w.e.f. 15/10/2022 in addition to her own, for a period of three months or until further orders, whichever is earlier as per Ministry of Railways, Government of India's order No. 2018/E(O)II/40/19 dated 15th October 2022. Further, as per Ministry of Railways, Government of India's order No. 2018/E(O)II/40/19 dated 16th January, 2023, Ministry has decided that, pending approval of the Competent Authority, she will continue to hold the additional charge of the post of CMD/IRFC, in addition to her own until further orders.

Mr. Amitabh Banerjee (DIN: 03315975)- *He has been divested of the charge of the post of CMD / IRFC w.e.f. 15/10/2022 until further orders, as per Ministry of Railways, Government of India's order No. 2018/E(O)II/40/19 dated 15th October 2022.*

Remuneration of Directors during the current year and last three financial years

A. Managing Director/ Whole Time Director

The following table sets forth the details of remuneration paid to our Managing Director and Director (Finance) and Chief Financial Officer for the year ended March 31, 2022:

(In Rs. million)

Name of Director	Designation	Remuneration
Mr. Amitabh Banerjee	Chairman and Managing Director	10.25
Ms. Shelly Verma	Director (Finance) and Chief Financial Officer	6.63

The following table sets forth the details of remuneration paid to our Managing Director and Director (Finance) for the year ended March 31, 2021:

(In Rs. million)

Name of Director	Designation	Remuneration
Mr. Amitabh Banerjee	Chairman and Managing Director	6.99
Ms. Shelly Verma*	Director (Finance) and Chief Financial Officer	3.29
Mr. Niraj Kumar**	Director (Finance) and Chief Financial Officer	2.66

** Ms. Shelly Verma was appointed as a Director on our Board with effect from September 1, 2020.*
*** Mr. Niraj Kumar superannuated on July 31, 2020*

The following table sets forth the details of remuneration paid to our Managing Director and Director (Finance) for the financial year ended March 31,2020

(In Rs. million)

Name of Director	Designation	Remuneration
Mr. Amitabh Banerjee*	Managing Director	2.70
Mr. Niraj Kumar	Director (Finance)	8.07

** Mr. Amitabh Banerjee was appointed as our Managing Director from October 12, 2019.*

The following table sets forth the details of remuneration paid to our Managing Director and Director (Finance) for the financial year ended March 31, 2019:

(In Rs. million`)

Name of Director	Designation	Total Salary
Mr. S.K. Pattanayak*	Managing Director	1.32
Mr. Vijay Kumar	Managing Director	Nil
Mr. Niraj Kumar	Director (Finance)	6.65

* *Mr. S. K. Pattanayak was Managing Director upto July 26, 2018. Mr. Vijay Kumar, IRAS, Additional Member (Budget) was entrusted the additional charge of the post of Managing Director/ IRFC from July 26, 2018.*

B. Non-Executive Directors

The Part time Non-Official Independent Director(s) do not have any material pecuniary relationship with the Company. A sitting fee of Rs.40,000/- per meeting is payable to the independent directors for attending the Board meetings and Rs.25,000/- per meetings of Committee(s) of the Board. No remuneration/ fee is paid to Government Nominee Directors.

The following table sets forth the details of sitting fees paid to Independent Directors:

(In Rs.)

Period	Total Amount
Year ending 31st March 2022	85,00,000.00
Year ending 31st March 2021	16,02,206.00
Year ending 31st March 2020	37,60,000.00
Year ending 31st March 2019	19,00,000.00
Year ending 31st March 2018	6,60,000.00

C. Interests of our Directors

Our Company has not entered into any contract, agreements and arrangement during the two years preceding the date of this Private Placement Memorandum in which the directors are interested directly or indirectly and no payments have been made to them in respect of such contracts or agreements.

Our directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration and reimbursement of expenses payable to them.

Our directors may also be regarded as interested, to the extent they, their relatives or the entities in which they are interested as directors, members, partners or trustees, are allotted Bonds pursuant to this Issue, if any.

Further, none of our current directors are listed as a defaulter in the RBI Defaulter list and/or the ECGC List.

D. Interest of Key Managerial Personnel / Promoters in the Offer

NIL

E. Litigation or Legal Action against any promoter of the Company

Since the Government of India is the promoter of the Company, it is not possible to give details of litigations, legal actions or directions pending or taken by any Ministry or Department of the Government

or a Statutory Authority against the promoter of the Company during the last three years.

F. DETAILS OF ANY INQUIRY, INSPECTIONS OR INVESTIGATIONS INITIATED OR CONDUCTED UNDER THE COMPANIES ACT OR ANY PREVIOUS COMPANY LAW IN THE LAST THREE YEARS IMMEDIATELY PRECEDING THE YEAR OF CIRCULATION OF PRIVATE PLACEMENT MEMORANDUMAGAINST THE COMPANY AND ITS SUBSIDIARIES

There has been no inquiry, inspection or investigation initiated or conducted against the Company or its subsidiaries under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of Private Placement Memorandum. Further there was no prosecution filed, fines imposed, compounding of offences against the Company or its subsidiaries in the last three years immediately preceding the year of circulation of Private Placement Memorandum.

G. DETAILS OF ACTS OF MATERIAL FRAUDS COMMITTED AGAINST THE COMPANY IN THE LAST THREE YEARS, IF ANY, AND IF SO, THE ACTION TAKEN BY THECOMPANY

There has been no act of material fraud committed against the Company in the last three years immediately preceding the year of circulation of Private Placement Memorandum.

H. OUTSTANDING BORROWINGS/ DEBT SECURITIES ISSUED FOR CONSIDERATION OTHER THAN CASH, WHETHER IN WHOLE OR PART, AT A PREMIUM OR DISCOUNT, OR IN PURSUANCE OF AN OPTION

NIL

I. DETAILS OF DEFAULT AND NON-PAYMENT OF STATUTORY DUES

NIL

V. DETAILS OF STATUTORY AUDITORS OF THE ISSUER

1. CURRENT STATUTORY AUDITORS OF THE ISSUER (FY2022-23)

Details of the statutory auditors of the Issuer for financial year 2022-23 are as under:

Name	Address	Auditors since
M/s. K B D S & Co. Chartered Accountants	G-4/4, First Floor, Sector-16, Rohini, New Delhi 110089	2020-21

2. CHANGE IN STATUTORY AUDITORS OF THE ISSUER SINCE LAST THREE YEARS

Details of change in auditor since last three years:

Name	Address	Date of Appointment / Resignation	Auditor of the Company Since (in case of resignation)	Remarks
M/s. K B D S & Co. Chartered Accountants	Flat No.4, Pocket G-4, 1st Floor, Opp. Jain Bharati Model School, Sector-16, Rohini, Delhi-110089	Date of Appointment: September 30, 2020	-	M/s. K B D S & Co. Chartered Accountants has been appointed as the Statutory Auditors of the Company by the C&AG for FY 2020-21
M/s. SPMG & Co. Chartered Accountants	3322-A,2nd Floor, Bank Street, Karol Bagh, New Delhi–110005	Date of Cessation: September 30, 2020	Since FY 2016-17	M/s SPMG & Co., Chartered Accountants, has been appointed as the Statutory Auditors of the Company by the C&AG for FY 2016-17 and reappointed as Statutory Auditors by the C&AG for the years 2017-18, 2018-19 and 2019-20

VI. MANAGEMENT'S PERCEPTION OF RISK FACTORS: -

Prospective investors should carefully consider all the information in this Private Placement Memorandum, including the risks and uncertainties described below, before making an investment in the Bonds. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business prospects, results of operations and financial condition. If any of the following or any other risks actually occur, our business prospects, results of operations and financial condition could be adversely affected and the price of, and the value of your investment in the Bonds could decline and you may lose all or part of your redemption amounts and/ or interest amounts.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

1. ***We derive a significant amount of our revenue from operations from the Indian Railways. A loss of or reduction in business from the Indian Railways, any direct borrowing by the Indian Railways or introduction of any new avenues of funding by the Ministry of Railways, Government of India (the "MoR") could have an adverse effect on our business.***

   We are the dedicated market borrowing arm of the Indian Railways. The vast majority of our revenue is generated from leasing Rolling Stock Assets to the Indian Railways. Lease income, interest on loans and pre commencement lease interest income together represented 99.99% and 99.99% of our total revenue from operations in Fiscal 2022 and Fiscal 2021, respectively. Our business and revenues are substantially dependent on the policies of the MoR and operations of the Indian Railways. Any change that might affect the MoR's ability and willingness to meet its contractual obligations under the Standard Lease Agreement entered into with us will have an adverse impact on our financial position of our Company. Further, any shift in the funding pattern of the Indian Railways, such as, reduced demand for Rolling Stock Assets or reliance on internal accruals or preference to other funding arrangements, such as, public private partnerships, will have an adverse impact on our results of operations. Any corporatization or privatization of the Indian Railways allowing the MoR to raise funds directly from banks, NBFCs and other financial institutions will also have an adverse impact on our business, results of operation and financial condition. Therefore, the overall prospects of our business is closely tied to our relationship with the MoR. We do not have any control over the GoI and its related entities, including, the MoR, or its policies and any adverse changes in the policies of the GoI may have an adverse impact on our business, results of operations and financial condition.

2. ***Our business is dependent on the continued growth of the Indian railway sector, which makes us susceptible to GoI initiatives to modernize the railways and other policies. Any slowdown in the growth of Indian Railways will impact our business and results of operations.***

   The Indian Railways faces significant competition in the transport sector from other means of transportation such as transport by road, sea and air. While the Indian Railways continuously looks to augment its infrastructure and undertake other necessary improvements to the railway network, competition in freight traffic from the road sector is likely to intensify further, as present projects for upgrading road networks are completed. The Indian Railways' vulnerability to competition from other means of transportation could increase if cross- subsidies between freight and passenger fares remain at the current high levels, particularly when the road network is improving and oil pipelines are being built. Therefore, any slowdown in the growth of the Indian Railways Sector and changes in the policies of, or in the level of direct or indirect support to us provided by, the Government of India in these or other any areas could have a material adverse effect on our business, financial condition and results of operations.

3. ***Our ability to operate efficiently is dependent on our ability to maintain diverse sources of funds at a low cost. Any disruption in our funding sources or any inability to raise funds at a low cost could have a material adverse effect on our business, financial condition and results of operations.***

   Our liquidity largely depends on timely access to and costs associated with, raising capital. Our funding requirements historically have been met through various sources including from taxable and tax-free bonds in India, term loans from banks/ financial institutions, external commercial borrowings including bonds and syndicated loans, internal accruals, asset securitization and lease financing. Our finance costs were Rs.101,626.60 million, Rs.112,370.50 million and Rs.140,747.82 in Fiscals 2020, 2021 and 2022. Our Cost of Borrowings was 7.27%, 6.35% and 6.23% in Fiscal 2020, 2021 and 2022 respectively. As we are fundamentally dependent upon funding from the debt markets and commercial, our ability to continue to obtain funds from the debt markets and through commercial borrowings on acceptable terms and our ability to access new sources of funding, markets or investors, is dependent on various factors, such as, our ability to maintain our existing credit ratings, which are based on several factors, many of which are outside our

control, including the economic conditions in the Indian economy and liquidity in the domestic and global financial markets. Further, since we are a non-deposit taking NBFC, we have restricted access to funds in comparison to banks and deposit taking NBFCs.

Our ability to operate efficiently is dependent on our ability to maintain a low effective cost of funds. Therefore, timely access to, and the costs associated with, raising capital and our ability to maintain a low effective cost of funds in the future is critical. Our business depends and will continue to depend on our ability to access diversified low-cost funding sources.

If we are unable to obtain adequate financing or financing on terms satisfactory to us and in a timely manner or are unable to access new sources of funding or markets and investors, our ability to grow or support our business and to respond to business challenges could be limited and our business, prospects, financial condition and results of operations would be materially and adversely affected.

4. ***In the event the margin on the Rolling Stock Assets leased to the MoR by our Company is not favourable, it may have an adverse impact on our financial condition and results of operation.***

We operate on a cost-plus based model. We receive lease rentals which include the value of the Rolling Stock Assets leased by us to the MoR in the relevant fiscal year, the weighted average cost of incremental borrowing as well as a certain margin, all in accordance with the terms of the Standard Lease Agreement, which we enter with the MoR for leasing of Rolling Stock Assets subsequent to the end of the relevant fiscal year. The margin is determined by the MoR in consultation with us at the end of each Fiscal.

In Fiscal 2022 we were entitled to a margin of 40 bps over the weighted average cost of incremental borrowing for financing Rolling Stock Assets. In Fiscal 2018, the margin for financing Rolling Stock Assets was reduced to 30 bps from 50 bps in Fiscal 2017. There can be no assurance that the margin determined will be favourable for us. Any adverse determination of the margin will also impact our profitability and results of operation including leverage capacity. In the event the margin determined is not favourable, it may also adversely affect our financial condition and results of operation.

5. ***Mismatch in the tenor of our leases and borrowings may lead to reinvestment and liquidity risk, which may adversely impact our financial condition and results of operations.***

A majority of our revenues is derived from the Standard Lease Agreements. These agreements with respect to Rolling Stock Assets currently provide for a primary lease period of 15 years, followed by a secondary lease period of another 15 years, unless otherwise revised by mutual consent. We receive lease rentals, which include the value of the Rolling Stock Assets leased by us to the MoR in the relevant fiscal year, the weighted average cost of incremental borrowing as well as a certain margin, within the primary lease period. Typically, the weighted average cost of incremental borrowing factors in any expenses incurred by us with respect to any foreign currency hedging costs and / or losses (and gains, if any) as well as any hedging costs for interest rate fluctuations. Repayments occur half yearly by instalments during the primary lease period. While a majority of our borrowings require us to make bullet repayments, we also have certain borrowings where we are required to make one-time repayments. Such repayment of such borrowings in certain years may give rise to a temporary mismatch. This may potentially give rise to a liquidity risk and interest rate risk when we are required to refinance our loans and other borrowings. If we are unable to refinance our borrowings on favourable terms or reinvest the lease rentals on favourable terms, it could adversely affect our business, financial condition and results of operations.

6. ***Any change in the terms of the Standard Lease Agreement entered into by us with the MoR may have an adverse effect on our business, financial position and result of operations.***

We enter into a Standard Lease Agreement with the MoR on an annual basis, subsequent to the end of the relevant fiscal year, in respect of Rolling Stock Assets leased by us to the MoR during the relevant Fiscal. Under the terms of the Standard Lease Agreement, the MoR covenants that in the event we are unable to redeem our bonds on maturity and/ or repay our loans resulting from inadequate cash flows, the MoR is required to make good such shortfall through bullet payments in advance before the maturity dates of such bonds/ term loans. Such payments are required to be adjusted in the subsequent lease rentals payable under the respective Standard Lease Agreement. If such assurance/ undertakings cease to be valid or the MoR fails to comply with the performance of such undertakings or such undertakings are amended or modified or altered or if we waive compliance with any provision of such undertakings, it may result in an event of default thereby accelerating repayment under the various bonds issued by us and we will not have any direct right of action or right of subrogation against the MoR. In addition, the MoR may not provide such assurances/ undertakings in the subsequent Standard Lease Agreements. Further, expenses incurred by us with respect to any foreign currency hedging costs and/ or losses (and gains, if any) as well as any hedging costs for interest rate fluctuations

are typically included in the weighted average cost of incremental borrowing, which is determined by the MoR in consultation with us at the end of each Fiscal. However, there can be no assurance that the MoR will allow us to continue to include such hedging costs pertaining to foreign currency and interest rates in the weighted average cost of incremental borrowing under subsequent Standard Lease Agreements and should the MoR decline to include such costs in the weighted average cost of incremental borrowing, it may adversely affect our financial conditions and results of operations.

7. ***The Standard Lease Agreement is executed after the end of the Fiscal to which it relates and there can be no assurance that the agreement will be executed each year.***

The Standard Lease Agreement governs the lease rentals for the Rolling Stock Assets payable by the MoR to us and specifies details of the Rolling Stock Assets leased to the MoR by our Company. The lease rentals include the value of the Rolling Stock Assets leased by us to the MoR in the relevant fiscal year, the weighted average cost of incremental borrowing as well as a certain margin, all in accordance with the terms of the Standard Lease Agreement and determined at the end of the relevant fiscal year. The weighted average cost of incremental borrowing and margin are determined by the MoR in consultation with us. The lease rentals are calculated as equal to half yearly payments to be made by the MoR, so as to ensure that our obligation to repay and settle our debts is fully met during primary lease period of 15 years.

The Standard Lease Agreement is executed at the end of Fiscal but comes into effect from the date of commencement of that Fiscal. Lease rentals during any particular year are calculated using the weighted average cost of incremental borrowing and margin relevant to that Fiscal. There can be no assurance that such arrangements will be honoured with respect to our ownership of the Rolling Stock Assets or in relation to the lease rentals in a timely manner or at all. Any failure to execute the Standard Lease Agreement may adversely affect our business, results of operations, prospects and financial condition.

In addition, in relation to funding of Project Assets under Extra Budgetary Resources (Institutional Financing) ("**EBR-IF**"), MOR vide letter dated 23rdJuly 2015 had authorized the Company to draw funds from Life Insurance Corporation of India (LIC) in consultation with MOR for funding of Railway Projects in line with finance leasing methodology adopted by Company for funding Railway Projects in past. In addition to funds raised from LIC, the Company has also funded MoR from other borrowings and internal accruals. Pending execution of the Lease Documents, the Company had entered into a Memorandum of Understanding with the Ministry of Railways on 23rdMay 2017 containing principal terms of the lease transactions. Subsequently, the MoU between MoR and LIC expired in Fiscal 2020.The Company has now entered into a fresh Memorandum of Understanding with Ministry of Railways on 2ndMarch 2021 superseding all the earlier MoU's/ arrangement's. Funds raised are being utilized for implementing identified railway projects.

The Lease Agreement(s) between MOR and the Company for Project assets funded under EBR IF 2015-16& 2016-17 and National Projects 2018-19& 2019-20 with respect to aforesaid infrastructure assets have been executed. Any failure to execute project agreements for future periods may impact our title to project assets being funded by us under such arrangements and could have an adverse impact on our business, financial condition and results of operation.

8. ***Any downgrade in our credit ratings or India's debt rating could increase our finance costs and adversely affect our ability to borrow funds and our business, results of operations, financial condition and cash flows.***

The cost and availability of capital depends in part on our domestic and international credit ratings. Credit ratings reflect the opinions of rating agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. Any downgrade in our credit ratings could cause our lenders to impose additional terms and conditions to any financing or refinancing arrangements that we enter into in the future.

We have been accorded ratings of 'AAA' by CRISIL, 'ICRA (AAA)' by ICRA and 'CARE AAA' by CARE each with respect to our debt programme. International credit rating agencies such as Moody's have rated us Baa3 (Stable) while Fitch, Standard & Poor's and Japan Credit Rating Agency have rated us BBB-'Stable', BBB- (Stable) and BBB+ (Stable). These ratings continue to remain valid till such time these are modified by the respective rating agency. Any downgrade in our credit ratings could increase borrowing costs and adversely affect our business, results of operations, financial condition and cash flows.

Our borrowing costs and our access to the debt capital markets depends significantly on the credit ratings of India. India's sovereign rating is Baa3 with a "Stable" outlook (Moody's), BBB-with a "stable" outlook (S&P), BBB+ with a "stable" outlook (Japan Credit Rating Agency) and BBB- with a "Stable" outlook (Fitch). Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies

may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance.

9. ***Non-availability of funding from the Life Insurance Corporation of India ("LIC") matching the requirement of funds by Indian Railways for railway projects under EBR-IF may affect the asset-liability position of our Company.***

We have in the past raised funds from the LIC. The MoR had entered into a MoU dated March 11, 2015 with LIC to avail Rs.15,00,000 million over a period of five years, commencing from Fiscal 2016. LIC cumulatively has disbursed a sum of Rs.2,05,000 million. Based on this MoU, we entered into a MoU with the MoR dated May 23, 2017 to be the intermediary for the funding from LIC. The MoU provides for a tenor of 30 years for each installment, with capitalization of interest accruing in the first five years and repayment of principal in equal semi-annual installments in 20 years commencing after a moratorium of 10 years. In terms of the MoU executed between our Company and the MoR, the repayment terms by the MoR are to be kept similar to the structure of funding from LIC. Subsequently, the MoU between MoR and LIC expired in Fiscal 2020. This arrangement with the LIC has subsequently ended in Fiscal 2020.

Going forward we may not be able to avail funding from the LIC matching the requirements of the Indian Railways and accordingly, we will be required to arrange funds from other sources to bridge the shortfall which has shorter tenor as compared to the tenor of funding that we have availed from the LIC in the past. Accordingly, unavailability of funding from the LIC matching the requirement of funds by Indian Railways for railway projects under EBR-IF may affect our asset-liability position. Further, we have requested the MoR to maintain the tenor of lease between our Company and the MoR corresponding to the tenor of borrowing for railway projects. In the event of a mismatch between the tenor of the loans to the MoR and that of the bonds issued/ loans raised by our Company for financing railway projects, our results of operations and financial condition may be adversely affected.

10. ***We are currently exempt from provisioning requirements in respect of deferred tax asset or deferred tax liability, however, there can be no assurance that the MCA will not withdraw the exemption in future.***

Pursuant to circular S.O. 529 (E) dated February 5, 2018 and subsequent amendment through circular dated April 2, 2018 (collectively, the "**DTL Circulars**") issued by the MCA, a government company which is engaged in the business of infrastructure finance leasing with not less than 75% of its total revenue being generated from business with government companies or other entities owned or controlled by the GoI are exempt from the requirements of provisioning in respect of Ind AS 22 or Ind AS 12 relating to deferred tax asset or deferred tax liability, respectively with effect from April 1, 2017. Subsequently, the MCA vide their communication no. Eoffice F.No.17/32/2017-CL-V dated March 20, 2020, advised our Company to apply paragraph 11 of Ind AS 01, first time adoption of Ind AS read with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors. Accordingly, our Company has during Fiscal 2020 reversed the deferred tax liability of Rs.64,431.40 million by crediting the retained earnings as at April 1, 2017, being the date of transition to Ind AS.

Our profitability may be adversely affected if any of these DTL circulars are withdrawn. Further, there can be no assurance that the MCA will not withdraw the existing exemptions, which may adversely affect our business, net worth, financial condition and results of operations.

11. ***We are involved in certain legal proceedings, any adverse developments related to which could materially and adversely affect our business, reputation and cashflows.***

There are outstanding legal proceedings involving our Company which are incidental to our business and operations. These proceedings are pending at different levels of adjudication before various courts, tribunals and appellate tribunals. We cannot assure you that these proceedings will be decided in our favour or that no further liability will arise out of these proceedings. A summary of the outstanding criminal proceedings, tax proceedings, actions taken by statutory and regulatory authorities and other 'material' litigation as per the Materiality Policy, if any, involving our Company is set out below:

Litigation involving our Company

(Rs. in million)

S. No.	Nature of litigation	Number of cases	Approximate amount involved*
Litigation against our Company			
1.	Criminal	Nil	Not Applicable
2.	Tax	2	26,547.10
3.	Actions taken by statutory and regulatory authorities	Nil	Not Applicable
4.	Other 'material' litigation as per the Materiality Policy	1	Nil
Litigation by our Company			
1.	Criminal	1	0.60
2.	Other 'material' litigation as per the Materiality Policy	Nil	Not Applicable
3	Tax	1	14,664.40

* to the extent quantifiable

The amounts claimed in the abovementioned proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities. Further, such legal proceedings could divert management time and attention and consume financial resources.

12. Our Company is not in compliance with certain provisions of the SEBI Listing Regulations.

As of the date of this PPM, the composition of our Board of Directors is not in compliance with the requirements of the SEBI Listing Regulations. The Board of Directors are:

Sr. No.	Name, Designation and DIN
1.	#Ms. Shelly Verma **Designation: Chairman & Managing Director (Addl. Charge), Director Finance and Chief Financial Officer** # *She has been entrusted with the additional charge of the post of CMD/IRFC w.e.f. 15/10/2022 in addition to her own, for a period of three months or until further orders, whichever is earlier as per Ministry of Railways, Government of India's order No. 2018/E(O)II/40/19 dated 15th October 2022. Further, as per Ministry of Railways, Government of India's order No. 2018/E(O)II/40/19 dated 16th January, 2023, Ministry has decided that, pending approval of the Competent Authority, she will continue to hold the additional charge of the post of CMD/IRFC, in addition to her own until further orders.*
2.	**Shri Baldeo Purushartha** *Designation: Part time Government Director*
3.	**Mr. Bhaskar Choradia** Designation: Part-time Government Director
4.	**Shri Vallabhbhai Maneklal Patel** Designation: Non-Official Independent Director
5.	**Smt. Sheela Pandit** Designation: Non-Official Independent Director

Mr. Amitabh Banerjee (DIN: 03315975) *- He has been divested of the charge of the post of CMD / IRFC w.e.f. 15/10/2022 until further orders, as per Ministry of Railways, Government of India's order No. 2018/E(O)II/40/19 dated 15th October 2022.*

Accordingly, the composition of the Board of Directors is not in compliance with the applicable provisions of the SEBI Listing Regulations. Accordingly, in order to be compliant with the applicable corporate governance requirements of the SEBI Listing Regulations, our Company is required to appoint additional independent directors. In this regard, the Company has informed the MoR of the statutory requirement of appointing additional independent directors on its Board of Directors, to ensure compliance with applicable corporate governance norms. Being a CPSE and under the administrative control of the MoR, we are required to follow the procedures and guidelines specified by the MoR from time to time, including in relation to corporate governance. Further, as specifically provided under Article 198 of the Articles of Association of the Company, directors of the Company are appointed by the President of India, acting through the MoR. To that extent, the

appointment and selection of the Board of Directors of our Company, is beyond our control.

Pursuant to the exemption letter dated November 27, 2020, our Company was exempted from compliance with the above-mentioned requirements of the SEBI ICDR Regulations and the SEBI Listing Regulations in relation to appointment of Independent Directors, till listing of the Equity Shares. Now our Company will be required to comply with inter alia the above-mentioned requirements of the SEBI Listing Regulations. Further, we may be subject to penalties for non-compliance with any of the aforementioned provisions of the SEBI Listing Regulations and SEBI ICDR Regulations which could have an adverse effect on our reputation, business operations, financial conditions and results of our operations.

13. Our risk management measures may not be fully effective in mitigating our risks in all market environments or against all types of risks, which may adversely affect our business and financial performance.

We are exposed to a variety of risks, including liquidity risk, interest rate risk, credit risk, operational risk and legal risk. The effectiveness of our risk management is limited by the quality and timeliness of available data. Our hedging strategies and other risk management techniques may not be fully effective in mitigating our risks in all market environments or against all types of risk, including risks that are unidentified or unanticipated. Some methods of managing risks are based upon observed historical market behaviour. As a result, these methods may not predict future risk exposures, which could be greater than the historical measures indicated. Other risk management methods depend upon an evaluation of information regarding markets or other matters. This information may not in all cases be accurate, complete, current, or properly evaluated. Management of operational, legal or regulatory risk requires, among other things, policies and procedures to properly record and verify a number of transactions and events.

Although we have established policies and procedures, they may not be fully effective to accomplish our objectives. As the company seeks to expand the scope of its operations, it also faces the risk of failing to develop risk management policies and procedures that are designed for such operations in a timely manner or at all. Our future success will also depend, in part, on our ability to respond to evolving NBFC sector standards and practices on a cost-effective and timely basis. The development and implementation of standards and practices entails significant technical and business risks. There can be no assurance that we will successfully adapt to evolving market standards and practices. Any inability to develop and implement effective risk management policies may adversely affect our business, prospects, financial condition and results of operations.

14. Our ability to raise foreign currency borrowings may be constrained by Indian law.

One of the sources of our funds is external commercial borrowings. As of March 31, 2022, we had Rs.6,64,163.01 million in external commercial borrowings denominated in U.S. Dollars and Japanese Yen. Further, our ability to raise foreign currency borrowings is limited to USD 1.5 billion or equivalent upto 31st December 2022 and USD 750 million or equivalent per financial year after 31st December 2022 under the automatic route without the prior approval of the Reserve Bank of India, subject to compliance with parameters and other terms and conditions set out in the external commercial borrowings policy/ framework issued by the Reserve Bank of India. As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required regulatory approvals for borrowings in foreign currencies will be granted to us without onerous conditions, if at all. Limitations on raising foreign debt may have an adverse effect on our business, financial condition and results of operations.

We are subject to the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018 and the Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations RBI/FED/2018-19/67 FED Master Direction No. 5/2018-19 dated 26 March 2019 ("ECB Guidelines"), including applicable regulations, guidelines and circulars issued by the RBI, which governs all forms of borrowing from non-resident entities other than by the issue of non-convertible debentures in domestic market, affecting our ability to freely raise foreign currency borrowings. For instance, under the ECB Guidelines, we are restricted to borrowing from certain 'recognised lenders' that are defined therein. The borrowings that we avail are subject to restrictions such as prescriptions on permissible end uses, minimum maturity period specifications and hedging requirements. We are also subject to caps on the maximum amount we may raise, beyond which we shall be required to obtain the approval of the RBI for any additional borrowings. Such provisions may affect our ability to borrow effectively and on favourable terms.

15. *If we are unable to manage our growth effectively, our business and financial results could be adversely affected.*

Our business has grown since we began operations in 1986. Our total assets increased by 33.46% from Rs.20,64,382.90 million as of March 31, 2019 to Rs.27,55,041.30 million as of March 31, 2020 and by 38.10% to Rs.38,04,815.23 million as of 31 March 2021 and by an addition of 18% to Rs. 44,89,802.24 million as of 31 March 2022. We intend to continue to grow our business, which could place significant demands on our financial and other internal risk controls. It may also exert pressure on the adequacy of our capitalisation, making management of asset quality increasingly important.

Our ability to sustain and manage growth depends primarily upon our ability to manage key operational issues, such as our ability to raise funds on acceptable terms and at competitive rates which in turn depends on various factors, including the regulatory environment and policy initiatives in India, lack of liquidity in the market, developments in the international markets affecting the Indian economy, investors' and/ or lenders' perception of demand for debt and equity securities of NBFCs, and our current and future results of operations and financial condition. If we are unable to maintain the quality of our assets, obtain adequate financing or financing on terms satisfactory to us and in a timely manner, our ability to grow or support our business and to respond to business challenges could be limited and our business prospects, financial condition and results of operations would be materially and adversely affected.

Our ability to sustain and manage growth is also affected by factors outside of our control, such as GDP growth, changes in regulatory policies, changes in demand for rolling stock by Ministry of Railways and changes in interest rates. We may not be able to successfully maintain growth rates due to unfavorable changes in any one or more of the aforementioned factors. Our inability to effectively manage any of these operational issues or react to external factors may materially and adversely affect our business, prospects, financial condition, and results of operations.

16. *Post completion of the Initial Public Offering by our Company, our cost of borrowings may go up*

Before IPO, our Company was wholly owned by the GoI which made us eligible for certain benefits, such as, inclusion of offshore issuance of bonds/ notes of USD 500 Million and above in the Morgan Stanley Capital International Emerging Markets Bond Index. Rating agencies factor our strategic importance to the MoR due the ownership by the GoI and business with only the MoR and other entities owned by the MoR which helped us obtain credit rating at par with sovereign ratings from domestic and international credit rating agencies. We believed that these factors enabled our Company to borrow at competitive rates and terms. In terms of the extant SEBI ICDR Regulations, the minimum public shareholding must be 25% within three years of listing. Following completion of the initial public offering by our Company, the cost of borrowings of our Company may be affected due to change in risk perception of the investors and rating agencies and non-inclusion of our bonds in the Morgan Stanley Capital International Emerging Market Bond Index which may affect our results of operations and financial position.

17. *Our Company is subject to supervision and regulation by the RBI, as an NBFC-ND-SI and Infrastructure Finance Company and other regulatory authorities and changes in the RBI's regulations and other regulations, and the regulation governing our Company or the industry in which our Company operates could adversely affect our business.*

We are registered with the Reserve Bank of India as a NBFC (Systematically Important) and are classified under the category of an "Infrastructure Finance Company" under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, we are regulated principally by the RBI and are subject to the RBI's guidelines on the regulation of the NBFC-ND-SIs, which includes, among other things, matters related to capital adequacy, exposure and other prudential norms. The RBI also regulates the credit flow by banks to NBFC-ND-SIs and provides guidelines to commercial banks with respect to their investment and credit exposure norms for lending to the NBFC-ND-SIs.

Earlier, NBFCs which were government companies in terms of the Companies Act, 2013, were exempt from the prudential norms as prescribed by the RBI for NBFCs. This exemption has since been withdrawn with effect from May 31, 2018. However, the RBI has granted exemption to our Company from asset classification, provisioning and exposure norms to the extent of its exposure to the MoR. Further, we have been granted exemption by the RBI from credit concentration norms to the extent of 100% of our owned funds for our exposure to Railway entities in which the ownership of the State/Central Government is minimum 51%. Accordingly, our Company has been adhering to the prudential norms prescribed by the RBI for NBFC-ND-SI except its exposure to sovereign, i.e. the MoR. Further, we have decided to follow the asset classification and provisioning norms as provided by the RBI for loans/ leases/ advances to entities other than Indian

Railways. Further our company is subject to reporting obligations to the RBI.

The RBI's regulation of NBFC-ND-SIs may change in the future which may require us to restructure our activities, incur additional costs or could otherwise adversely affect our business and financial performance. For instance, the RBI has introduced the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, which are applicable to an NBFC-ND-SI. In order to provide enhanced control, existing rules and regulations have been modified, new rules and regulations have been enacted and reforms have been implemented.

There can be no assurance that the RBI and/ or the GoI will not implement further regulations or policies, including legal interpretations of existing regulations, relating to or affecting interest rates, taxation, inflation or exchange controls, or otherwise take action, that may have an adverse impact on NBFC-ND-SIs. We cannot assure you that we will continue to remain exempt from capital adequacy and other prudential norms. Any change in the rules applicable to us as an NBFC-ND-SI may adversely affect our business, financial condition and results of operations.

18. Our statutory auditors have made certain emphasis of matters in the audit reports and observations in the report on 'Other Legal and Regulatory Requirements' relating to our historical audited financial statements and their examination report on the Financial Information which may affect our future financial results.

The Statutory Auditors have made certain emphasis of matters in the audit reports for the year ended March 31, 2022. These are in relation to reconciliation and confirmation of the 'amounts payable to or receivable to MOR– Leased Assets'.

There can be no assurance that our statutory auditors will not include such emphasis of matters in the audit reports or such observations in their report on 'Other Legal and Regulatory Requirements' relating to our audited financial statements in the future, or that such emphasis of matters and observations will not affect our financial results in future fiscal periods. Investors should consider these remarks in evaluating our financial condition, results of operations and cash flows.

19. The success of our business operations is dependent on our senior management team and Key Management Personnel as well as our ability to attract, train and retain employees.

As of March 31, 2022, we had 37 permanent employees. The continued success of our business operations is attributable to our senior management team and Key Management Personnel. We believe that the experience of our senior management team has enabled us to experience consistent growth and profitability as well as maintain a robust liquidity and capital position. Our ability to sustain our growth depends upon our ability to attract and retain key personnel, developing managerial experience to address emerging business and operating challenges. Considering the small size of our management team, our ability to identify, recruit and retain our employees is critical.

20. Our business, financial condition and results of operations may be materially adversely affected by global health epidemics, including the recent COVID-19 outbreak, and the continuing effect of the same cannot be predicted.

An outbreak of a novel strain of coronavirus disease 19 ("COVID-19"), was recognised as a pandemic by the World Health Organization, on 11 March 2020. Governments and municipalities across the world instituted measures in an effort to control the spread of COVID-19, including lockdowns, quarantines, shelterin-place orders, school closings, travel restrictions, and closure of non-essential businesses. By the end of March, the macroeconomic impacts became significant, exhibited by, among other things, a rise in unemployment and market volatility.

The rapid shift to a remote working environment creates inherent productivity, connectivity, and oversight challenges. Governmental restrictions have been inconsistent and it is not clear when a return to worksite locations or travel will be permitted or what restrictions will be in place in those environments. The extent and/ or duration of ongoing workforce restrictions and limitations could impact our ability to comply with various reporting requirements to the regulators in a timely manner, among others. In addition, the changed environment under which we are operating could have an impact on its internal controls over financial reporting as well as its ability to meet a number of its compliance requirements in a timely or quality manner.

On account of COVID-19, the operations of Indian Railways were suspended. The operations were subsequently resumed in a phased manner. The lockdown imposed by the Government of India hampered the activities of the Indian Railways, the development of rolling stock assets and led to delays in development

of Project Assets. If the COVID-19 outbreak progresses in ways that continue to disruptour operations or the operations of the Indian Railways including through lockdowns and limited operations and access to business resources, such disruption may impact the growth rate of the Indian Railways and its consequent demand for funding. Accordingly, this would also materially negatively affect our operating results for Fiscal 2021 and subsequent periods.

With the outbreak of COVID-19, international stock markets began to reflect the uncertainty associated with the slow-down in the global economy. Reduced levels of international travel experienced since the beginning of January, large declines in oil prices and the significant decline in the Dow Jones Industrial Average at the end of February and beginning of March 2020 were largely attributed to the effects of COVID-19. In addition, the widespread lockdowns implemented by various countries since March 2020 had further slowed-down the global economy and disrupted daily operations of most companies. If the spread of COVID-19 continues to limit the level of economic activity globally and in particular in India, this likely would negatively affect our operating results, cash flow and business.

Further, our ability to ensure the safety of its workforce and continuity of operations while confirming with measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. For instance, a number of our employees contracted COVID-19. In the event other employees or members of our management team contract(s) COVID-19, its operations may be adversely affected. Further, in the event any of our employees' contract COVID-19, we may be required to quarantine our employees and shut down our office, as necessary. Risks arising on account of COVID-19 can also threaten the safe operation of the Issuer's offices and impact the well-being of our employees.

The ultimate impact of such a pandemic will depend on a number of factors, many of which are outside our control. These factors include the duration, severity and scope of the pandemic, the impact of the pandemic on economic activity in India and globally, the eventual level of infections in India and the impact of any actions taken by governmental bodies or health organisations (whether mandatory or advisory) to combat the spread of the virus.

21. Our inability to maintain Liquidity Coverage Ratio ("LCR") as prescribed in the 'Liquidity Management Framework' issued by the RBI for NBFCs with effect from December 1, 2020 may subject to us penalties thereby adversely affecting our financial performance and business operations.

The RBI has introduced the 'Liquidity Management Framework' which inter-alia mandates all the deposit accepting NBFCs irrespective of their asset size and non-deposit accepting systematically important NBFCs with asset size of ₹ 100 billion and above, to maintain a liquidity buffer in the form of LCR representing high liquid assets from December 1, 2020. In terms of RBI notification titled "Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies" dated November 4, 2019, such NBFCs are initially required to maintain a minimum LCR at 50% of the net cash flows over the next 30 calendar days which will then progressively increase to 100% by December 1, 2024. At present IRFC is exempted from applicability of Liquidity Coverage Ratio norms. However, in future if this exemption is withdrawn then we will have to comply with the aforesaid requirements.

22. We may fail to obtain certain regulatory approvals in the ordinary course of our business in a timely manner or at all, or to comply with the terms and conditions of our existing regulatory approvals and licenses which may have a material adverse effect on the continuity of our business and may impede our effective operations in the future.

NBFCs in India are subject to strict regulation and supervision by the RBI. We require certain regulatory approvals, sanctions, licenses, registrations and permissions for operating and expanding our business. In particular, we require approval from RBI for our funding activities and are also required to obtain a loan registration numbers from the RBI in relation to our external commercial borrowings. We may not receive or be able to renew such approvals in the time frames anticipated by us, or at all, which could adversely affect our business. If we do not receive, renew or maintain the regulatory approvals required to operate our business it may have a material adverse effect on the continuity of our business and may impede our effective operations in the future. Further, the approvals that we have obtained stipulate certain conditions requiring our compliance. If we fail to obtain any of these approvals or licences, or renewals thereof, in a timely manner, or at all or fail to comply with the conditions our business may be adversely affected.

In addition to the numerous conditions required for the registration as a NBFC with the RBI, we are required to maintain certain statutory and regulatory approvals for our business. In the future, we will be required to obtain new approvals for any proposed operations. There can be no assurance that the relevant authorities

will issue any of such approvals in the timeframe anticipated by us or at all. Failure by us to obtain the required approvals may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations.

There may be future changes in the regulatory system or in the enforcement of the laws and regulations including policies or regulations or legal interpretations of existing regulations, relating to or affecting interest rates, taxation, or exchange controls, that could have an adverse effect on non-deposit taking NBFCs. In addition, we are required to make various filings with the RBI, the ROC and other relevant authorities pursuant to the provisions of RBI regulations, the Companies Act and other Regulations. If we fail to comply with these requirements, or a regulator claims we have not complied with such requirements, we may be subject to penalties. Moreover, these laws and regulations can be amended, supplemented or changed at any time such that we may be required to restructure our activities and incur additional expenses in complying with such laws and regulations, which could materially and adversely affect our business. In addition, any historical or future failure to comply with the terms and conditions of our existing regulatory or statutory approvals may cause us to lose or become unable to renew such approvals.

23. Post IPO the GoI will continue to retain majority shareholding in the company, which will allow it to exercise significant influence over the company. Further, the GoI could require the company to take actions aimed at serving the public interest, which may not necessarily be profitable or financially feasible.

Post IPO, the GoI controls 86.36% of our paid-up Equity Share capital. Accordingly, the GoI will continue to exercise significant influence over our business policies and affairs and all matters requiring shareholder approval, including the composition of our Board, the adoption of amendments to our Articles of Association, the approval of mergers, strategic acquisitions and joint ventures and the sale of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. Further, the President of India may from time-to-time issue directions as he may consider necessary in regard to the exercise and performance of the functions of our Company in matters involving national security or substantial public interest.

As a result of controlling ownership by the GoI, the company is required to adhere to certain restrictions and may not be able to diversify its borrowing portfolio by issuing different instruments without the prior approval of the GoI. There can be no assurance that the GoI will grant us such approvals in the future. The GoI will retain control over the decisions requiring adoption by the company's shareholders acting by a simple majority. This concentration of ownership may also delay, defer or even prevent a change in its control and may make some transactions more difficult or impossible without the support of the GoI. The interests of the GoI with respect to such matters and the factors that it will take into account when exercising its voting rights may not be consistent with and may conflict with the interests of its other shareholders, including the investors who purchased the Equity Shares in initial public offering.

Pursuant to the company's Articles of Association, the GoI may, from time to time, issue such directives or instructions as may be considered necessary in regard to the conduct of its business and affairs and may vary and annul any such directive or instruction. The GoI will have the power to elect and remove the Directors and therefore determine the outcome of most proposals for corporate action requiring approval of the Board or the shareholders, including with respect to the payment of dividends. Under the company's Articles of Association, the GoI may issue directives with respect to the conduct of its business or its affairs or change in control or impose other restrictions.

In addition, the GoI influences the company's operations through various departments and policies. The company's business is dependent, directly and indirectly, on the policies and support of the GoI, in many significant ways, including with respect to the cost of its capital, the financial strength of the MoR, the management and growth of its business and its overall profitability. Additionally, the MoR is also significantly affected by the policies and support of the GoI. In particular, given the importance of the Indian Railways to the Indian economy, the GoI could require the company to take actions aimed at serving the public interest, which may not necessarily be profitable or financially feasible. Any such actions or directives may adversely impact the company's business, financial condition and results of operation.

24. Our indebtedness and the conditions and restrictions imposed by our financing arrangements could restrict our ability to obtain additional financing, raise capital, conduct our business and operations in the manner we desire.

Incurring indebtedness is a core requirement of the nature of our business, and a large outstanding borrowings portfolio could have significant implications on our business and results of operations. We will continue to incur additional indebtedness in the future. As of March 31, 2022, our total borrowings were

Rs.3,884,166.18 million. Our indebtedness could have several important consequences, including but not limited to the following:

- a portion of our cash flows may be used towards servicing of our existing debt, which will reduce the availability of our cash flows to fund working capital and other general corporate requirements;
- our ability to obtain additional financing in the future at reasonable terms may be restricted;
- fluctuations in market interest rates may affect the cost of our borrowings, as a portion of our indebtedness is at variable interest rates; and
- there could be a material adverse effect on our business, prospects, results of operations and financial condition if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements.

Some of the financing arrangements entered into by us include restrictive conditions and covenants that require us to obtain lenders consents and/ or intimate the respective lenders in advance, prior to carrying out certain activities and entering into certain transactions. For instance, we are required to obtain consent from our lenders in an instance where (i) shareholding of the GoI in our Company falls below 51%; (ii) our Company effectuates a change in its capital structure; and (iii) our Company amends its charter documents. In the event that such consents or waivers are not granted to us in a timely manner or at all, and if we do not repay any such loans from lenders from which we have been unable to obtain consents by such time, we would be in breach of the relevant financing covenants.

A failure to observe the covenants under our financing arrangements or failure to obtain necessary consents may lead to the termination of our credit facilities, acceleration of amounts due under such facilities, trigger cross-default provisions and the enforcement of security provided. There can be no assurance that we will be able to persuade our lenders to grant extensions or refrain from exercising such rights which may adversely affect our operations and cash flows. As a result, we may have to dedicate a substantial portion of our cash flows from our operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Additionally, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing or generate sufficient cash to fund our liquidity requirements. Further, as a result, the MoR may have to infuse equity or additional capital.

In addition, we also have unsecured loans which may be recalled at any time at the option of such lenders. Certain of our secured loans may also permit the lenders to recall the loan on demand. Such recalls on borrowed amounts may be contingent upon happening of an event including events beyond our control and there can be no assurance that we will be able to persuade our lenders to give us extensions or to refrain from exercising such recalls which may adversely affect our operations and cash flows.

In addition, we may need to refinance all or a portion of our debt on or before maturity. We cannot assure you that we will be able to refinance any of our debt on commercially reasonable terms or at all. Occurrence of any of the above contingencies with respect to our indebtedness could materially and adversely affect our business prospects, financial condition and results of operations.

25. The company's loan agreements in respect of certain offshore borrowings contain 'change of control' provisions that trigger mandatory prepayment in the event the shareholding of the GoI in the Company falls below 51%.

The company meets a portion of its annual borrowing target mandated by the MoR through mobilization of funds from offshore markets. The senior unsecured debt facility agreements and Euro Medium Term Note programme documents entered into by the Company contain 'change of control 'clauses. The clauses state that in the event the holding of the GoI in the Company falls below 51%, the Company may be required to redeem the debt prior to maturity as a result of such change in control.

In the event such clauses are triggered, the company may be exposed to refinancing and liquidity risks. Besides, the company has entered into derivative transactions to hedge foreign currency exchange risk and interest rate risk associated with such borrowings which may be required to be wound-up subjecting it to incur additional cost towards unwinding charges that may affect its results of operations and financial position if the company is unable to build in such costs as part of the weighted average cost of incremental borrowing which are included in the lease rentals payable by the MoR.

26. *Fluctuations in the value of the Indian Rupee against other foreign currencies may have a material adverse effect on our cost of borrowings.*

Changes in currency exchange rates influence our results of operations. A significant portion of our borrowings are denominated in currencies other than Indian Rupees, most significantly the U.S. Dollar and Japanese Yen. Significant fluctuations in currency exchange rates between the Indian Rupee and these currencies and inter-se such currencies may increase the cost of our borrowings. Although we selectively enter into hedging transactions to minimize our currency exchange risks and build in such costs in the weighted average cost of incremental borrowing which are included in the lease rentals payable by the MoR, there can be no assurance that such measures will enable us to avoid the effect of any adverse fluctuations in the value of the Indian rupee against the U.S. dollar, Japanese Yen or other relevant foreign currencies. In the event we are unable to build such costs in the weighted average cost of incremental borrowing to the MoR, our financial condition and results of operations may be adversely affected.

27. *No debenture redemption reserve will be created for the Bonds issued under this issue since as per Companies Act 2013 (Share Capital & Debentures) Rules For NBFCs registered with the RBI under Section 45-IA of the RBI (Amendment) Act, 1997, no DRR is required in the case of privately placed debenture.*

According to the Companies (Share Capital and Debentures) Rules, 2014 as amended, for NBFCs registered with the RBI under Section 45-IA of the RBI (Amendment) Act, 1997, no DRR is required in case of privately placed debentures. Therefore, creation of DRR is not envisaged against the Bonds being issued under the terms of this Private Placement Memorandum.

28. *As an NBFC, we may be subject to periodic inspections by the RBI. Non-compliance with observations made by RBI during these inspections could expose us to penalties and restrictions.*

We are subject to periodic inspections by the RBI to verify the correctness or completeness of any statement, information, or particulars furnished to the RBI for the purpose of obtaining any information or particulars which we have failed to furnish on being called upon to do so. In past inspection reports, RBI has, among other things, identified deficiencies in our systems and operations such as the information technology systems being less than adequate for the operations of our company, the company not framed a policy on the fit and proper criteria, CRO is required to develop a risk mitigation framework and risk register, the company did not have any comprehensive Risk Management Policy. we are in the process of resolving all these deficiencies to the satisfaction of the RBI. While, as on the date of this private placement memorandum, the RBI has not made any major observations against us; there can be no assurance that the RBI will not make observations in the future. Imposition of any penalty or adverse findings by the RBI during the ongoing or any future inspections may have an adverse impact on our business prospects, financial condition, and results of operations.

29. *We have experienced negative cash flows in relation to our operating activities and investment activities in recent years/ periods. If we do not generate sufficient cash flows from our operations or experience negative cash flows in the future, our results of operations, liquidity and ability to service our indebtedness and fund our operations would be adversely affected.*

The following table sets forth certain information relating to our cash flows for the periods indicated. We may, in future, experience negative operating cash flows.

	Fiscal			
	2022	2021	2020	2019
	(Rs. million)			
Net cash flow/ (used) in operating activities	(644,122.82)	(899,066.47)	(627,006.10)	(417,481.90)
Net cash flow from investment activities	(47.19)	4.23	14.70	13.10
Net cash flow from financing activities	642,663.02	902,020.35	626,968.10	417,494.50
Net cash flow/ (used) during the year	(1506.99)	2958.11	(23.30)	25.80

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially affect our ability to operate our business and implement our growth plans.

Further, we have substantial debt service obligations and contractual commitments and our lease income,

available cash and borrowings may not be adequate to meet our future liquidity needs. We cannot assure you that our businesses will generate sufficient cash flow from operations such that our anticipated revenue growth will be realized or that future borrowings will be available to us under credit facilities in amounts sufficient to enable us to repay our existing indebtedness or fund our other liquidity needs. If we are unable to service our existing debt, our ability to raise debt in the future will be adversely affected which will have a significant adverse effect on our results of operations and financial condition.

30. We have decided to exercise the option under section 115 BAA of the Income Tax Act, 1961 and have not made any provision for tax for the current Fiscal while foregoing allowances such as unutilised and unexpired MAT credits of the earlier years exposing us to higher tax provisions if the provisions of section 115BAA of the Income Tax Act, 1961 are amended.

We have decided to exercise the option permitted under section 115 BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated September 20, 2019. In terms of the aforesaid notification, companies exercising the option under section 115 BAA will be subject to reduced corporate tax rate of 22% (effective tax rate 25.17% after surcharge and cess). However, certain exemptions/ deductions will have to be foregone. Since our Company's taxable income under normal assessment is nil, we would not be required to pay any tax on exercising the option to adopt section 115BAA, we would also be outside the ambit of section 115JB of the Income Tax Act, 1961. Till now, the Company was paying Minimum Alternate Tax under the provisions of section 115 JB of the Income Tax Act, 1961. In the event of Company has taxable income under normal assessment in future, we will not be able to avail the foregone MAT credit, leading to higher incidence of tax which may adversely affect the financial performance, results of operations and financial position. Any subsequent change in the extant income tax provisions may enhance our tax liability and adversely affect our financial performance and results of operations.

31. We face competition from financial and other institutions in raising funds from the market and may not be able to raise funds on terms beneficial to us.

We face competition from financial and other institutions aiming to raise funds from the market. The market for raising funds is competitive and our ability to obtain funds on acceptable terms, or at all, will depend on various factors including our ability to maintain our credit ratings. In addition, since we are a non-deposit accepting NBFC, we may have restricted access to funds in comparison to banks and deposit taking NBFCs. Our primary competitors are public sector undertakings, public sector banks, financial institutions and other NBFCs. In the event that the terms and conditions of the debt instruments offered by such institutions are more attractive than those offered by us, we may not be able to raise debt from the market to the extent and on terms and conditions beneficial to us. If we are unable to raise such debt, it would lead to an increase in our cost of borrowings and thus, potentially affect our financial condition and results of operations.

32. We have in this PPM included certain non-GAAP financial measures and certain other selected statistical information related to our operations and financial performance. These non-GAAP measures and statistical information may vary from any standard methodology that is applicable across the financial services industry, and therefore may not be comparable with financial or statistical information of similar nomenclature computed and presented by other financial services companies.

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this section and elsewhere in this PPM. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. We have also included in this PPM, financial information, including, AUM, net gearing ratio and Cost of Borrowings that may be different from those followed by other financial services companies. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other NBFCs and financial services companies.

33. We have certain contingent liabilities and commitments, and any crystallization of our contingent liabilities and commitments may adversely affect our financial condition.

Our Financial Statements disclosed the following contingent liabilities as per Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets:

- As of March 31, 2022, claims against our Company not acknowledged as debts (Claims by

bondholders in the consumer/ civil courts) amounted to Rs.4.20 million.

- Claims against our Company not acknowledge as debt – relating to service matter pending in the Supreme Court - amount not ascertainable.

- The procurement/ acquisition of assets leased out by our Company to the Indian Railways is done by MoR. As per the lease agreements entered into between our Company and the MOR, the sales tax/ value added tax liability, if any, on procurement/ acquisition and leasing is recoverable from the MOR.

- Director-General of GST Intelligence (DGGI), Chennai Zonal unit has served a show cause notice dated 16-4-2019 on the company alleging contravention of the provision of sec 67,68 and 70 of the Finance Act, 1994 by the company and as to why service tax of Rs26,537.65 million along with interest and penalty be not demanded from the company. The company has submitted reply against the Show Cause notice stating that there is no contravention of the provision of any of the above-stated section of the Finance Act, 1994. Against the reply given by the company, vide letter dt 21-10-20, Commissioner, CGST, Delhi East, seeking comments given by the DGGI, Chennai Zonal unit and the company filed the counter comments to the department and the company is not liable to pay the tax. However, if any liability arises that would be recoverable from the Ministry of Railways, Government of India.

- The disputed demand of tax including interest thereon for the AY 2015-16 was Rs. 9.48 million. Against the said demand, the Company has filed a rectification application u/s 154. Based on the decisions of the Appellate Authority in similar matters and interpretation of relevant provisions, the Company is confident that the demands will be either deleted or substantially reduced, and accordingly, no provision is considered necessary. However, the said demand of Rs.9.48 million has been adjusted by the department, out of the refund to IRFC for the AY 2016-17.

- The income tax assessment of the Company has been completed up to the AY 2019-20. During the year, an intimation u/s 143(1) for FY 2018-19 was received from the CPC. In the said intimation, TDS credit has been short granted by Rs.1502.46 million despite it appearing in Form 26AS. Further, the book profit has been increased by Rs.1,462.42 million without any reason and a demand of additional tax and interest thereon has been raised. The demand of Rs.2,043.26 million has been adjusted against the refund claimed for AY 2020-21. Against the said demand issued by the CPC u/s 143 (1), an appeal was filed at CIT (A) on 28 January 2022 for consideration of TDS credit and removal of additional demand, and also rectification application u/s 154 was filed on 1 February 2022 for consideration of TDS credit. Pending disposal of the appeal, management is of the view that no provision is required.

  In the event that any of these contingent liabilities materialize, the Issuer's business prospects, financial condition and results of operations may be adversely affected.

34. We may not be able to adequately protect our intellectual property rights.

Our ability to compete effectively depends in part upon protection of our intellectual property rights. Currently, we have registered our logo "", and slogans, "Bhavishya Path Par" and "Future on Track" slogans under class 36 of the Trade Marks Act. Even though we has obtained registration for these trademarks, we may not always be successful in safeguarding the same from infringement or passing off. Additionally, there can be no assurance that we will be able to effectively recover damages for any infringement of our trademarks through legal proceedings. Further, there can be no assurance that we will be able to renew our existing trademark registrations after expiry. To the extent we are unable to effectively protect our intellectual property, our business and goodwill may be adversely affected.

35. Our financial performance may be affected in the event of any delay or default by the MoR relating to the payment of lease rentals and / or other payments that are due to our Company under the terms of the Standard Lease Agreement.

Under the terms of the Standard Lease Agreement, our Company is entitled to receive lease rentals (including the value of the Rolling Stock Assets leased by us to the MoR in the relevant fiscal year) and/ or certain other payments due to our Company as specified under the Standard Lease Agreement. Under the current provisioning norms as specified by RBI, and pursuant to the exemption granted by RBI by way of its letter dated December 21, 2018, our Company is exempt from the provisioning norms to the extent of our direct exposure to the sovereign. Pursuant to the Standard Lease Agreement, the MoR currently pays the semiannual lease rents in advance. The Standard Lease Agreement does not include any provision where our Company can claim any additional amount from the MoR in the event of a delay by the MoR towards its

payment obligations. Our business, financial performance and cash flows may be adversely affected in the event of any delay or default by the MoR relating to the payment of lease rentals and/ or other payments under the terms of the Standard Lease Agreement.

36. Liabilities arising due to interpretational differences of provisions of GST law on implementation and execution of contracts for construction of railway projects directly between us and railway contractors would devolve on us. In case we are unable to recover such liabilities from the MoR our business operations and financial condition may be adversely affected.

Our Company has implemented various provisions of the Central Goods and Services Tax Act, 2017, State Goods and Services Tax Act, 2017 and Integrated Goods and Services Tax Act, 2017. Our company's interpretation of applicable provisions may be different from the interpretation of Revenue Department / GST Department of the Government which may result in increase in tax liabilities and interest and penalties thereon. As per the terms of the Standard Lease Agreement, indirect taxes, duties and cess are recoverable from them. Furthermore, for construction of railway projects funded by us, up till now, the Ministry of Railways was our agent for appointment of contractors, overseeing the construction and progress of projects, payment to contractors and other related activities till the completion and leasing of projects to the Ministry of Railways. We were the undisclosed principal. The construction contracts for projects funded by the Issuer were executed between the Ministry of Railways and the railway contractors. However, with effect from 1 May 2020, our company is the disclosed principal and the Ministry of Railways will act as the agent for all construction contracts for railway projects funded by it. The new contracts would be executed between our Company and railway contractors. The contracts for the existing projects funded by us have been novated in the name of our Company. Our company has also obtained GST registration in certain states where it has funded such projects and are under implementation. On account of being the principal under such contracts, any civil and criminal liability arising out of disputes with contractors would devolve directly on us. Our company would also be liable for interest and penalties, if any, due to non-compliance of applicable GST and income tax laws on payment to railway contractors by the Ministry of Railways out of funds transferred by our company to them.

37. We have entered into certain transactions with related parties in the past and any such transactions or any future related party transactions may potentially involve conflicts of interest, which may adversely affect our business, prospects, financial condition, and results of operation.

We have entered into certain transactions with related parties, including our Promoter and our Directors, and may continue to do so in future. For the Fiscal 2022, 2021 and 2020, the total amount of such related party transactions was Rs. 44,37,512.21 million, 38,04,873.30 million and Rs.28,64,950.60 million respectively. While we believe that all such transactions are in compliance with applicable laws and are on arms-length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties, or that we will be able to maintain existing terms in cases where the terms are more favourable than if the transaction had been conducted on arm's length basis. It is likely that we will enter into other related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our business prospects, financial condition and results of operations, including because of potential conflicts of interest or otherwise.

38. We have not registered the title documents of office premises and accordingly the title to our office premises may be imperfect.

We have entered into agreements of sale dated April 11, 2002 and November 21, 2002 in respect of office premises located at NBCC place. As per the terms of the sale agreement we have possession of said office premises. However, execution of sale deed is pending due to necessary permission of Government required to NBCC to execute the sale deed.

39. Insurance obtained by us may not adequately protect us against all losses and could adversely affect our business prospects, financial condition and results of operations.

Our insurance policies may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. There can, however, be no assurance that the terms of our insurance policies will be adequate to cover any loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that our company will not disclaim coverage as to any future claim. A successful assertion of one or more large claims against our company that exceeds our company's available insurance coverage or changes in our company's insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business prospects, financial condition

and results of operations.

40. *We utilize the services of certain third parties for our operations. Any deficiency or interruption in their services could adversely affect our business and reputation.*

We engage third party service providers from time to time for services including internal auditing, accounting functions, housekeeping, security and secretarial services. Our ability to control the manner in which services are provided by third party service providers is limited and we may be held liable on account of any deficiency of services on the part of such service providers. We cannot assure you that we will be successful in continuing to receive uninterrupted and quality services from our third-party service providers. Any disruption or inefficiency in the services provided by our third-party service providers could affect our business and reputation.

41. *Our ability to pay dividends in the future will depend upon future earnings, guidelines issued by the DPE, financial condition, cash flows, working capital requirements and capital expenditures.*

As per the CPSE Capital Restructuring Guidelines, all central public sector enterprises are required to pay a minimum annual dividend of 30.00% of profit after tax or 5.00% of the net-worth, whichever is higher, subject to the maximum dividend permitted under the legal provisions and the conditions mentioned in the aforesaid guidelines. However, an exemption from paying dividends may be granted by the DIPAM in accordance with the CPSE Capital Restructuring Guidelines, upon application to its Administrative Department to those CPSEs fulfilling certain criteria including having a high financial gearing (leverage ratio). Accordingly, whenever required our Company writes to the MoR for seeking exemption from the CPSE Capital Restructuring Guidelines and requesting the MoR to refer this exemption to DIPAM. Similar representations have also been made by our Company to DIPAM.

The amount of future dividend payments, if any, will depend upon a number of factors, including but not limited to our future earnings, guidelines issued by the DPE, financial condition, financial gearing, cash flows, working capital requirements, contractual obligations, applicable Indian legal restrictions and capital expenditures. In addition, our ability to pay dividends may be impacted by a number of factors, including results of operations, financial conditions, contractual restrictions and restrictive covenants under the loan or financing agreements our Company may enter into to finance our fund requirements for our business activities. There can be no assurance that we will be able to pay dividends in the future.

42. *System failures or inadequacy and security breaches in computer systems may adversely affect our business.*

In the course of our business operations, we collect, process, store, use and otherwise have access to a large volume of information. Our computer networks and IT infrastructure may be vulnerable to computer hackers, computer viruses, worms, malicious applications and other security problems resulting from unauthorized access to, or improper use of, such networks and IT infrastructure by our employees, third-party service providers or even independent third parties. In the past, we experienced an instance of a cyber security incident in relation to our website that required us to temporarily take down our website. Although our security systems have anti-virus software, such malicious attacks or malware related disruptions may jeopardize the security of information stored in and transmitted through our IT infrastructure and computer systems. We may therefore be required to incur significant expenses to protect against the threat of such security breaches and/ or to alleviate problems caused by such breaches. Unauthorized access and malware sabotage techniques and systems change frequently and generally are not recognized until launched against a target. We may be unable to anticipate these techniques or implement adequate preventative measures. Even if we anticipate these cyber security incidents, we may not be able to prevent or counteract such attacks or control the impact of such attacks in a timely manner or at all.

Any security breach, data theft, unauthorized access, unauthorized usage, virus or similar breach or disruption could result in loss or disclosure of confidential information, damage to our reputation, litigation, regulatory investigation or other liabilities. Further, we could be adversely affected if additional legislation or amendments to existing regulations are introduced to require changes in our business practices or if such legislation or regulations are interpreted or implemented in ways that adversely affect our business, financial condition and results of operations.

43. *Some of the information disclosed in this PPM is based on information from industry sources and publications which have not been independently verified by us.*

Some of the information disclosed in this PPM is based on information from the Ministry of Railways and certain other industry publications and sources, which have not been verified by us independently. Industry

sources and publications generally state that the information contained therein has been obtained from sources considered to be reliable, but their accuracy, adequacy or completeness are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.

44. We may not be able to detect money-laundering and other illegal or improper activities fully or on a timely basis, which could expose us to additional liability and harm our business or reputation.

We are required to comply with applicable anti-money-laundering and anti-terrorism laws and other regulations in India. Although we believe that we have adequate internal policies, processes and controls in place to prevent and detect any anti-money laundering activity, there can be no assurance that we will be able to fully control instances of any potential or attempted violation by other parties and may accordingly be subject to regulatory actions including imposition of fines and other penalties.

45. We rely on borrowings from institutional investors and such borrowings are subject to exposure norms prescribed by regulatory authorities and the trading in our non-convertible debentures and bonds may be infrequent, limited or sporadic, which may affect our ability to raise debt financing in future.

We rely on borrowings from institutional investors through issuance of bonds on a private placement basis. The fact that such institutions are subject to single party, group and sectoral exposure limits imposed by the regulatory authorities, our ability to raise funds from these institutions may be limited in future. In addition, our bonds and non-convertible debentures are listed on the debt segment of the BSE and NSE. Trading in our debt securities has been limited and we cannot assure you that the debt securities will be frequently traded on the BSE or NSE or that there would be any market for our debt securities. Further, we cannot predict if and to what extent a secondary market may develop for the debt securities or at what price such debt securities will trade in the secondary market or whether such market will be liquid or illiquid.

EXTERNAL RISK FACTORS

Risks Relating to India and Other External Risk Factors

46. Significant differences exist between Ind AS and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our Company's financial condition.

Our financial statements are prepared and presented in conformity with Ind AS. Ind AS differs in certain significant respects from U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles or U.S. GAAP, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar.

47. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.

Our results of operations and financial condition depend significantly on worldwide economic conditions and the health of the Indian economy. Various factors may lead to a slowdown in the Indian or world economy which in turn may adversely impact our business, prospects, financial performance and operations.

We mainly derive revenue from our operations in India and the performance and growth of our business is significantly dependent on the performance of the Indian economy. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, and emerging market conditions in Asia also have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit could negatively affect interest rates

and liquidity, which could adversely affect the Indian economy and our business. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business and results of operations and the market price of the Equity Shares. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues.

48. Natural disasters, acts of war, political unrest, epidemics, terrorist attacks or other events which are beyond our control, may cause damage, loss or disruption to our business and have an adverse impact on our business, financial condition, results of operations and growth prospects.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India or countries to who we export our products could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. A worsening of the current outbreak of COVID-19 pandemic or future outbreaks of COVID-19 virus or a similar contagious disease could adversely affect the Indian economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business.

49. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in global financial markets across the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cashflows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom's exit from the European Union ("Brexit"), there remains significant uncertainty around the terms of the UK's future relationship with the European Union and, more generally, as to the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets. For example, Brexit could give rise to increased volatility in foreign exchange rate movements and the value of equity and debt investments.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations.

50. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects, results of operations and, financial condition.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

The Finance Act, 2020 ("Finance Act"), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax ("DDT"), will not be payable in respect of dividends declared, distributed or paid by a domestic company after 31 March 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and likely be subject to tax deduction at source. The company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such Dividend.

In addition, we are subject to tax related inquiries and claims. We may be particularly affected by claims from tax authorities on account of income tax assessment, service tax and GST that combines taxes and levies by the central and state governments into one unified rate of interest with effect from July 1, 2017.

For instance, the Finance Act, 2019 stipulates any sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act, 2019 has also clarified that the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments were notified on December 10, 2019 and have come into effect from July 1, 2020. As such, there is no certainty on the impact that the Finance Act, 2019 may have on our company's business and operations.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and group structure may result in it being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specified terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have an adverse effect on our business.

51. Difficulties faced by other financial institutions or the Indian financial sector generally could cause our business to suffer.

We are exposed to the risks of the Indian financial system. The financial difficulties faced by certain Indian financial institutions could materially adversely affect our business because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. Such "systemic risk", may materially adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with which we interact on a daily basis. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and materially adversely affect our business. For instance, towards the end of 2018, defaults in debt repayments by a large NBFC in India, Infrastructure Leasing & Financial Services Limited, which had a significant shareholding from government-owned institutions, led to heightened investor focus around the health of the broader NBFC sector as well as their sources of liquidity. This has led to some tightening in liquidity available to certain NBFCs and, as a result, it has become more difficult for certain NBFCs to renew loans and raise capital in recent times. If any event of similar nature or magnitude affecting the market sentiment surrounding the sector occurs again in the future, it may result in increased borrowing costs and difficulties in accessing cost-effective debt for us. Our cost of borrowings is sensitive to interest rate fluctuations which exposes us to the risk of reduction in spreads, on account of volatility in interest rates. In addition, our transactions with these financial institutions expose us to various risks in the event of default by a counterparty, which can impact us negatively during periods of market illiquidity.

52. Investors may not be able to enforce a judgment of a foreign court against us.

We are incorporated under the laws of India and all of our Directors and key management personnel reside in India. The majority of our assets, and the assets of certain of our Directors, key management personnel and other senior management, are also located in India. Where investors wish to enforce foreign judgments in India, they may face difficulties in enforcing such judgments. India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. In order to be enforceable, a judgment obtained in a jurisdiction which India recognises as a reciprocating territory must meet certain requirements of the Civil Procedure Code, 1908 (the "CPC"). Further, the CPC only permits enforcement of monetary decrees not being in the nature of any amounts payable in respect of taxes or, other charges of a similar nature or in respect of a fine or other penalty. Judgments or decrees from jurisdictions not recognised as a reciprocating territory by India, whether or not predicated solely upon the general laws of the non-reciprocating territory, cannot be enforced or executed in India. Even if a party were to obtain a judgment in such a jurisdiction, it would be required to institute a fresh suit upon the judgment in India and would not be able to enforce such judgment by proceedings in execution. Further, the party which has obtained such judgment must institute the new proceedings within three years of obtaining the judgment. As a result, the investor may be unable to: (i) effect service of process outside of India upon us and such other persons or entities; or (ii) enforce in courts outside of India judgments obtained in such courts against us and such other persons or entities.

It cannot be assured that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it views the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI to repatriate any amount recovered pursuant to the execution of such foreign judgment.

53. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

The Indian economy has had sustained periods of high inflation in the recent past which has contributed to an increase in interest rates. High fluctuation in inflation rates may make it more difficult for us to accurately estimate or control our costs. Continued high rates of inflation may increase our expenses related to salaries or wages payable to our employees or any other expenses. There can be no assurance that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

RISKS RELATING TO THE BONDS

54. There is no guarantee that the Bonds issued pursuant to this Issue will be listed on NSE and BSE in a timely manner, or at all.

In accordance with Indian law and practice, permissions for listing and trading of the Bonds issued pursuant to this Issue will not be granted until the relevant stock exchanges as well as SEBI approve of the listing, which will be available only after an updated document is accordingly filed with the relevant authorities at the time of such listing. Approval for listing and trading will require all relevant documents authorizing the issuing of Bonds to be submitted. There could be a failure or delay in listing the Bonds on the NSE and/or BSE. If permission to deal in and for an official quotation of the Bonds is not granted by the Stock Exchanges, the Bonds will remain unlisted.

55. There has been only a limited trading in the Bonds of such nature and the same may not develop in future, therefore the price of the Bonds may be volatile.

There has been only a limited trading in bonds of such nature in the past. Although the Bonds shall be listed on NSE and BSE, there can be no assurance that a public market for these Bonds would be available on a sustained basis. The liquidity and market prices of the Bonds can be expected to vary with changes in market and economic conditions, our financial condition and prospects and other factors that generally influence market price of Bonds. Such fluctuations may significantly affect the liquidity and market price of the Bonds, which may trade at a discount to the price at which the Bonds are being issued.

Further, the price of our Bonds may fluctuate after this Issue due to a wide variety of factors, including:

- Changes in the prevailing interstate;
- Volatility in the Indian and global securities markets;

- Our operational performance, financial results and our ability to expand our business;
- Developments in India's economic liberalization and deregulation policies;
- Changes in India's laws and regulations impacting our business;
- Changes in securities analysts' recommendations or the failure to meet the expectations of securities analysts;
- The entrance of new competitors and their positions in the market; and
- Announcements by our Company of its financial results.

We cannot assure that an active trading market for our Bonds will be sustained after this Issue, or that the price at which our Bonds are initially offered will correspond to the prices at which they will trade in the market subsequent to this issue.

56. Foreign Investors, including Eligible NRIs, FIIs and Eligible QFIs subscribing to the Bonds are subject to risks in connection with (i) exchange control regulations, and, (ii) fluctuations in foreign exchange rates.

The Bonds will be denominated in Indian rupees and the payment of interest and redemption amount shall be made in Indian rupees. Various statutory and regulatory requirements and restrictions apply in connection with the Bonds held by Eligible NRIs, FIIs and Eligible QFIs ("Exchange Control Regulations"). Amounts payable to Eligible NRIs, FIIs and Eligible QFIs holding the Bonds, on redemption of the Bonds and/or the interest paid/payable in connection with such Bonds or the amount payable on enforcement of security would accordingly be subject to prevailing Exchange Control Regulations in case of applicants who have invested on repatriation basis.

Any change in the Exchange Control Regulations may adversely affect the ability of such Eligible NRIs, FIIs and Eligible QFIs to convert such amounts into other currencies, in a timely manner or at all. Further, fluctuations in the exchange rates between the Indian rupee and other currencies could adversely affect the amounts realized by Eligible NRIs, FIIs and Eligible QFIs on redemption or payment of interest on the Bonds by us. Additionally, our Bonds are quoted in Indian rupees in India and Investors may be subject to potential losses arising out of exchange rate risk on the Indian rupee and risks associated with the conversion of Indian rupee proceeds into foreign currency. Investors are subject to currency fluctuation risk and convertibility risk since the Bonds are quoted in Indian rupees on the Indian stock exchanges on which they are listed. Returns on the Bonds will also be paid in Indian rupees. The volatility of the Indian rupee against the U.S. dollar and other currencies subjects Investors who convert funds into Indian rupees to purchase our bonds to currency fluctuation risks.

57. Investor may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the Bonds.

Our ability to pay interest accrued on the Bonds and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors, including our financial condition, profitability and the general economic conditions in India and the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the Bonds and/or the interest accrued thereon in a timely manner, or at all.

58. Changes in prevailing interest rates may affect the price of the Bonds.

All securities where a fixed rate of interest is offered, such as the Bonds, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e., when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon rate, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the trading price of theBonds.

59. Any downgrading in our domestic and international credit rating of our Bonds may affect the trading price of our Bonds.

CRISIL Ratings Ltd. ("CRISIL") has accorded "CRISIL AAA/Stable" vide its letter Ref No. RL/INRAFIC/292858/LTBP/0522/32679/108854839 dated May 4, 2022, ICRA Ltd. ("ICRA") vide its letter No. ICRA/Indian Railway Finance Corporation Ltd/10052022/1 dated May 10, 2022 has also assigned a credit rating of "[ICRA] AAA" with a Stable Outlook and Credit Analysis & Research Ltd. ("CARE") has accorded "CARE AAA" with a Stable Outlook vide its letter Ref No. CARE/DRO/RL/2022-23/1150 dated May 17, 2022

for the entire borrowing programme of Rs.665,000 million for FY 2022-23.

Further, international rating agencies like Japan Credit Rating Agency Limited has affirmed its BBB+ (Stable Outlook) rating on the long-term senior debts and the Japanese Yen bonds issued by the Company. Standard & Poor's, Moody's and Fitch have assigned BBB- (Stable Outlook), Baa3 (Stable Outlook) and BBB- (Stable Outlook) rating respectively to the foreign currency borrowings of the Company.

These ratings may be suspended, withdrawn or revised at any time. Any revision or downgrading in the credit rating may lower the trading price of the Bonds and may also affect our ability to raise further debt. For the rationale for these ratings by domestic Credit Rating Agencies, refer to the Annexure.

60. Payments made on the Bonds will be subordinate to certain tax and other liabilities as laid down by law.

The Bonds will be subordinate to certain liabilities preferred by law such as to claims of the Government on account of taxes, and certain liabilities incurred in the ordinary course of our transactions. In particular, in the event of bankruptcy, liquidation or winding-up, our assets will be available to pay obligations on the Bonds only after all of the liabilities that rank senior to these Bonds have been paid. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining, after paying the aforesaid senior ranking claims, to pay amounts due on the Bonds. Further, there is no restriction on the amount of debt securities that we may issue that may rank above the Bonds. The issue of any such debt securities may reduce the amount recoverable by Investors in the Bonds on our bankruptcy, winding-up or liquidation.

61. Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the Bonds are legal investments for it, (ii) the Bonds can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of bonds.

62. The Bonds are subject to the risk of change in-law.

The terms and conditions of the Bonds are based on Indian law in effect as of the date of issue of the relevant Bonds. No assurance can be given as to the impact of any possible judicial decision or change to Indian law or administrative practice after the date of issue of the relevant Bonds and any such change could materially and adversely impact the value of any Bonds affected by it.

63. No debenture redemption reserve will be created for the Bonds issued under this issue since as per Companies (Share Capital & Debentures) Rules, 2014, as amended ("Debentures Rules"), or NBFC's registered with the RBI under section 45-1A of the RBI (Amendment) Act, 1997, no DRR is required in the case of privately placed debenture.

According to the Companies (Share Capital and Debentures) Rules, 2014, or NBFCs registered with the RBI under Section 45-1A of the RBI (Amendment) Act, 1997 no DRR is required in Case of privately placed debentures. Therefore, creation of DRR is not envisaged against the Bonds being issued under the terms of this Private Placement Memorandum.

GENERAL RISK

64. Investment in bonds involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under the chapter "Management's perception of Risk Factors" of this private placement memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the bonds or investor's decision to purchase such bonds .

VII. BRIEF SUMMARY OF BUSINESS/ ACTIVITIES OF ISSUER AND ITS LINE OF BUSINESS

1. OVERVIEW

The Company was incorporated on December 12, 1986 under the Companies Act as a public limited company and received its certificate for commencement of business on December 23, 1986. The GoI, Ministry of Railways, incorporated the Company as a financial arm of Indian Railways, for the purpose of raising a part of the resources necessary for meeting the developmental needs of the Indian Railways. The company is listed on NSE and BSE w.e.f. January 29, 2021. Our Promoter is the President of India, acting through the MoR which holds 86.36% of the paid-up equity share capital.

The Ministry of Corporate Affairs, through its notification dated October 8, 1993 published in the Official Gazette of India, classified the Company as a Public Financial Institution under Section 4(A) of the Companies Act (now as defined under sub-section 72 of Section 2 of the Companies Act, 2013).

The Company was registered with the RBI under Section 45-IA of RBI Act as a non-banking financial company without accepting public deposits *vide* certificate of registration dated February 16, 1998. The Company was later classified under the category "Infrastructure Finance Company" by the RBI through a fresh certificate of registration dated November 22, 2010.

The Company's registered and corporate office is situated at Room Nos. 1316 - 1349, 3rd Floor, Hotel The Ashok, Diplomatic Enclave, 50-B, Chanakyapuri, New Delhi – 110021, India.

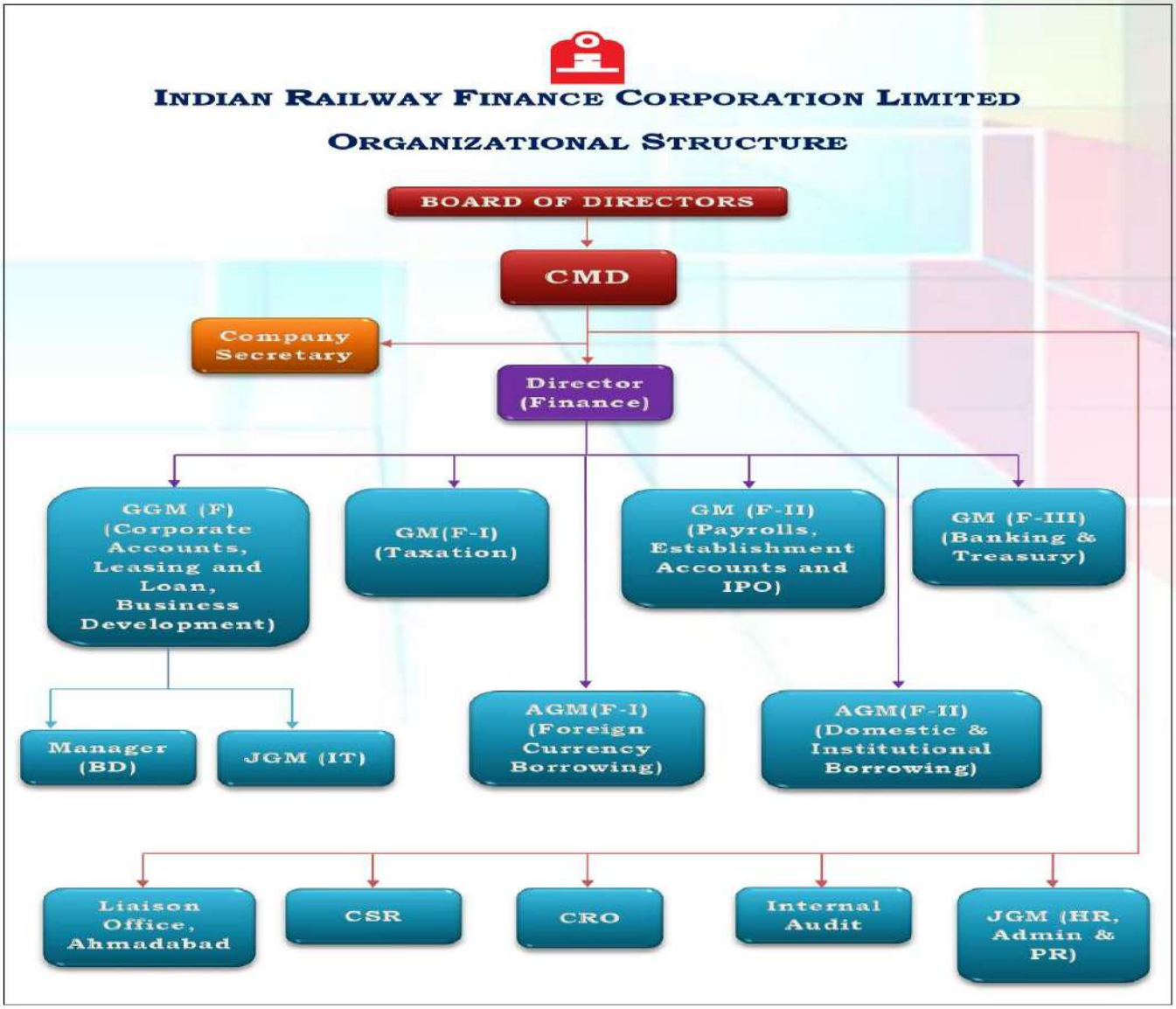
Due to the Company's status as a government company, it was exempt from provisions of the RBI Act relating to the maintenance of liquid assets, the creation of reserve funds and prudential norms. However, the exemptions granted to the Govt. NBFC have since been withdrawn from May 31, 2018. Accordingly, the Company is complying with all the prudential norms applicable to NBFC-ND-SI except for its exposure to Sovereign. RBI vide its letter dated December 21, 2018 has granted exemption from Income Recognition and Asset Classification (IRAC) norms, standard asset provisioning and exposure norms to the extent of their direct exposure on the sovereign.

The primary objective of the Company is to act as a financing arm for the Indian Railways. The development of the Company's business is dependent on the MOR's strategy concerning the growth of the Indian Railways. (The MOR is responsible for the acquisition of rolling stock and for the improvement, expansion and maintenance of the railway infrastructure. The Company is responsible mainly for raising the finance necessary for the acquisition of rolling stock ordered by the MOR). The Company's principal business therefore is borrowing funds from the commercial markets to finance the acquisition of new rolling stock which is then leased to the Indian Railways. For the first time during FY 2011-12, the Company was assigned the additional task of financing select capacity enhancement works of Indian Railways including doubling, electrification etc. to the tune of Rs.20,784.90 million. However, for the FY 2012-13, FY 2013-14 and FY 2014-15, no amount was mandated by MOR for funding such capacity enhancement works of Indian Railways.

For the year 2015-16, the Company was assigned the additional task of funding Railway Projects through Institutional Finance from LIC for which MoR and LIC had executed a Memorandum of Understanding (MoU) that had expired on 31st March, 2020 and could not be renewed. In terms of the MoU, LIC had committed to disburse funds to the tune of Rs.0.15 million crore over five-year period from FY 2015-16 to FY 2019-20 for funding of identified Railway Projects but LIC cumulatively has disbursed a sum of Rs.2,05,000 million. By the end of FY 2021-22, the disbursement by the Company for funding of Railway Projects has remained at Rs.1,671,524.10 million. Besides, the Company has funded National Projects to the extent of Rs.75,787.00 million. In addition to this, Company during FY 2020-21 was also given an additional mandate for funding under the head of 'EBR-Special' towards the developmental expenditure requirements of MoR for which company had disbursed a sum of Rs.5,16,190million.

At the beginning of each Fiscal Year, the MOR notifies the Company of its financing requirements which are to be met through market borrowings. The Company then undertakes to provide finance to the Indian Railways subject to market conditions. At the end of each year, a lease agreement is drawn in relation to the rolling stock acquired by the MOR from IRFC funds during the previous year. The Lease is for a period of 30 years comprising primary lease period of 15 years followed by a secondary lease period of another 15 years. Lease rentals represent the Company's capital recovery plus the cost plus a net interest margin. The full recovery of principal and interest takes place during the primary lease period. The Company charges a margin of 40 bps over its cost of incremental borrowings for FY 2021-22. A part of the funds so raised are also utilized for funding bankable projects (i.e. such projects or proposals that have sufficient collateral, future cash flows and high probability of success) approved by the MOR and which are executed by Rail Vikas Nigam Limited ("**RVNL**"). Similar to core lease transactions, the interest charged by the Company is on a cost plus margin basis. In addition, the Company has also granted loans to Railway PSUs like Railtel Corporation of India Limited ("**RailTel**"). To the end of March, 2022, IRFC has funded rolling stock assets worth Rs.2,813,920 million. Further, it has disbursed funds to the tune of Rs.76,980 million to various railway entities.

2. CORPORATE STRUCTURE



3. KEY OPERATIONAL & FINANCIAL PARAMETERS OF THE ISSUER (Based on restated financial information)

(Rs. in millions)

Particulars	Half Year Ended 30.09.2022 Limited Review	Year ended 31.03.2022 (Audited)	Year ended 31.03.2021 (Audited)	Year ended 31.03.2020 (Audited)
Balance sheet				
Net Fixed Assets	314.04	379.62	453.57	110.47
Current Assets	444,387.35	344,505.62	223,787.09	1,47,962.34
Non-current assets	4,207,276.46	4,154,917.00	3,580,574.60	2,606,968.48
Total assets	4,651,977.85	4,499,802.24	3,804,815.23	2,755,041.29
Non-Current liabilities (including maturities of long-term borrowings and short-term borrowings)	3,654,162.00	3,719,888.93	3,017,785.72	2,077,128.93

Particulars	Half Year Ended 30.09.2022 Limited Review	Year ended 31.03.2022 (Audited)	Year ended 31.03.2021 (Audited)	Year ended 31.03.2020 (Audited)
Financial Liabilities (Borrowings, trade payables, and other financial liabilities)	224,460.58	7,556.49	59,089.00	49,854.46
Provisions	-	16.05	3.09	16.89
Deferred tax liabilities (net)	-	-	-	-
Other non-current liabilities	11,200.26	5,669.33	3,601.28	4,065.15
Current liabilities (Including maturities of borrowings)	212,996.80	164,277.25	213,321.07	266,638.28
Financial Liabilities (borrowings, trade payables and other financial liabilities)	107,301.73	187,174.70	137,793.51	53,896.73
Provisions	829.38	519.66	288.13	121.14
Current tax liabilities (net)	-	-	-	-
Other current liabilities	5,536.19	4736.43	13,799.60	322.19
Equity (equity and other equity)	435,490.91	409,963.40	3,59,133.82	302,997.52
Total equity and liabilities	4,651,977.85	4,499,802.24	3,804,815.23	2,755,041.29
Profit and Loss				
Total revenue from operations	1,14,372.39	202,982.68	157,704.72	134,210.17
Other Income	6.20	23.33	3.9	0.73
Total expenses	80619.99	1,42,114.42	113,547.31	102,289.94
Total comprehensive income	33,760.67	60,893.36	44,176.07	31,915.44
Profit/ loss	33,758.60	60,901.55	44,161.31	31,920.96
Other comprehensive income	(2.07)	(5.00)	14.76	-5.52
Profit/ loss after tax	33,758.60	60,898.36	44,161.31	31,920.06
Earnings per equity share: (a) basic;	2.58	4.66	3.66	3.4
and (b) diluted	2.58	4.66	3.66	3.4
Continuing Operations	-	-	-	-
Discontinued operations	-	-	-	-
Total continuing and discontinued operations	-	-	-	-
Cash Flow				
Net cash generated from operating activities	1,00,080.96	(6,44,122.82)	(899,066.47)	(627,006.06)
Net cash used in/ generated from investing activities	(1.62)	(47.19)	4.23	14.72
Net cash used in financing activities	(14,316.42)	6,42,663.02	902,020.35	626,968.07
Cash and cash equivalents (in the beginning)	1,464.92	2,971.91	13.8	37.07
Balance as per statement of cash flows (in the end)	87,227.84	1,464.92	2,971.91	13.8
Additional information				
Net worth	435,490.91	4,09,963.40	359,133.82	302,997.52
Cash and cash equivalents	87,227.84	1,464.92	2,971.91	13.8

Particulars	Half Year Ended 30.09.2022 Limited Review	Year ended 31.03.2022 (Audited)	Year ended 31.03.2021 (Audited)	Year ended 31.03.2020 (Audited)
Current Investments	-	2.92	9.17	10.05
Assets under Management	4,390,695.70	3,821,444.03	3,600,789.37	2,661,369.90
Off Balance sheet assets	-	-	-	-
Total debts to total assets (%)	83.13	83.86	85.47	85.07
Debt service coverage ratio	N.A.	N.A.	0.31	0.38
Interest Income	34,224.01	72,946.72	39,436.59	27,479.98
Interest expense	79,981.78	140,747.82	112,370.53	101,626.62
Interest service coverage ratio	N.A.	N.A.	1.39	1.31
Provisioning & Write-offs	-	-	-	-
Bad debts to Account receivable ratio	-	-	-	-
Gross NPA (%)	Nil	Nil	Nil	Nil
Net NPA (%)	Nil	Nil	Nil	Nil
Tier I Capital Adequacy Ratio (%)	491.72	439.73	420.46%	395.39%
Tier II Capital Adequacy Ratio (%)	-	-	-	-

4. GROSS DEBT EQUITY RATIO OF THE ISSUER*

Before the issue of debt securities	9.10
After the issue of debt securities	9.21

* Any change in shareholders fund and debt has not been considered after September 30, 2022 except for Rs.25000 million towards Bonds issue pertaining to164th Series, Rs.39,552 million towards Bonds issue pertaining to 165th Series, Rs. 5,000 million towards Bonds issue pertaining to 166th Series, Rs. 25105 million towards Bonds issue pertaining to 167th series and Rs. 50000 Million towards Bonds issue pertaining to to168th A (Rs. 25000 million) & 168th B (Rs. 25000 million).

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5. OTHER FINANCIAL PARAMETERS

Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Dividend declared (as %age on FV)	14.00	10.50	4.21
Interest Coverage Ratio (times)	NA	1.39	1.31

6. PROJECT COST AND MEANS OF FINANCING, IN CASE OF FUNDING OF NEW PROJECTS

The funds being raised by the Issuer through present issue of Bonds are not meant for financing any particular project. The funds shall be used for meeting the requirement for identified railway projects which shall be part of annual budget estimates. The funds shall be invested in railway projects as contained in MOR's annual works, machinery, and rolling stock programme as contained in annual budget estimates presented before Parliament.

7. SUBSIDIARIES OF THE ISSUER

The Company does not have any subsidiary.

8. DETAILS OF ANY OTHER CONTINGENT LIABILITIES OF THE ISSUER BASED ON THE LAST AUDITED FINANCIAL STATEMENTS INCLUDING AMOUNT AND NATURE OF LIABILITY

(a) As on 31st March, 2022, claim against the company not acknowledged as debt amounts to Rs.4.22 million.

(b) Directorate General of GST Intelligence, Chennai, Zonal Unit has served a show cause notice dated 16 April 2019 on the company alleging contravention of provisions of sections 67, 68 and 70 of the Finance Act, 1994 by the company and why service tax of Rs.26,537.70 million along with interest and penalty be not demanded from the company. The company has submitted reply against the said show cause notice stating that there is no contravention of provisions of any of the above stated sections of the Finance Act, 1994, vide letter dt 21-10-20, Commissioner, CGST, Delhi East, seeking comments by the DGGI, Chennai Zonal unit and the company filed the counter comments to the department and the company is not liable to pay the tax. However, if any liability arises that would be recoverable from the Ministry of Railways, Government of India.

(c) The disputed demand of tax including interest thereon for the AY 2015-16 was Rs. 9.48 million. Against the said demand, the Company has filed a rectification application u/s 154. Based on the decisions of the Appellate Authority in similar matters and interpretation of relevant provisions, the Company is confident that the demands will be either deleted or substantially reduced, and accordingly, no provision is considered necessary. However, the said demand of Rs.9.48 million has been adjusted by the department, out of the refund to IRFC for the AY 2016-17.

(d) The income tax assessment of the Company has been completed up to the AY 2019-20. During the year, an intimation u/s 143(1) for FY 2018-19 was received from the CPC. In the said intimation, TDS credit has been short granted by Rs.1502.46 million despite it appearing in Form 26AS. Further, the book profit has been increased by Rs.1,462.42 million without any reason and a demand of additional tax and interest thereon has been raised. The demand of Rs.2,043.26 million has been adjusted against the refund claimed for AY 2020-21. Against the said demand issued by the CPC u/s 143 (1), an appeal was filed at CIT (A) on 28 January 2022 for consideration of TDS credit and removal of additional demand, and also rectification application u/s 154 was filed on 1 February 2022 for consideration of TDS credit. Pending disposal of the appeal, management is of the view that no provision is required.

VIII. BRIEF HISTORY OF ISSUER SINCE INCORPORATION, DETAILS OF ACTIVITIES INCLUDING ANY REORGANIZATION, REONSTRUCTION OR AMALGAMATION, CHANGES IN CAPITAL STRUCTURE, (AUTHORIZED, ISSUED AND SUBSCRIBED) AND BORROWINGS

1. BRIEF HISTORY OF THE ISSUER

Indian Railway Finance Corporation Limited, a Public Financial Institution was incorporated on 12th December, 1986 by the Ministry of Railways, for the purpose of raising the necessary resources for meeting the developmental needs of the Indian Railways (the "Indian Railways"). IRFC began its operations after obtaining the certificate of Commencement of Business on 23rdDecember, 1986. IRFC was initially set up with an Authorised Capital of Rs.2,000 million which was increased to Rs. 5000 million in 1989-90 and was further enhanced to Rs.10,000 million during the year 2007-08. During the year 2009-10, the Authorised Capital was again increased to Rs.20,000 million. And further to Rs.50,000 million in 2011-12, Rs.150,000 million in 2015-16 and to Rs.250,000 million in 2020-21 so far. Similarly, the paid-up share capital has gone up from Rs.1,000 million in 1986-88 to Rs.1,600 million during 1988-89, Rs.2,320 million in the year 1989-90, Rs.5000 million in the year 2007-08, Rs.8,000 million in 2008-09, Rs.10,910 million in 2009-10, Rs.16020 million in 2010-11, Rs.21,020million in FY 2011-12, Rs.23,520million in FY 2012-13, Rs.33520 million in FY 2013-14, Rs.35,839.60 million in FY 2014-15, Rs.45,264.60 million in FY 2015-16, Rs.65,264.60 million in FY 2016-17, Rs.93,804.60 million in FY 2018-19, Rs.118,804.60 million in FY 2019-20 and Rs.130,685.10 million in FY 2020-21.

The Company is listed on NSE and BSE w.e.f. January 29, 2021. Our Promoter is the President of India, acting through the MoR which holds 86.36% of the paid-up equity share capital. The balance sheet size of IRFC has increased consistently over the years from Rs.33,2831.70 million (as per Indian GAAP) in 2008-09 to Rs.16,14,510.40 million (as per IND-AS) in 2017-18 to Rs.20,64,382.90 million (as per IND-AS) for the year ending March 31,2019 to Rs. 27,55,041.30 million (as per IND-AS) for the year ending March 31, 2020 and further to Rs. 44,99,802.24 million (as per IND-AS) for the year ending March 31, 2022.

IRFC's registered office is at Room Nos. 1316 – 1349, 3rd Floor, Hotel The Ashok, Diplomatic Enclave, 50-B, Chanakyapuri, New Delhi – 110021 w.e.f. 4th March, 2021. Its registration number with Registrar of Companies, NCT of Delhi & Haryana is 26363.

IRFC is registered as a Non- Banking Finance Company under section 45 IA – with the RBI, previously IRFC was not required to comply with the Reserve Bank of India's regulatory requirements on asset classification, income recognition, provisioning, and prudential exposure norms, which restrict a non-banking finance Company's maximum exposure to a sector or an entity. However, the exemptions granted to the Govt. NBFC have since been withdrawn from May 31, 2018. Accordingly, the Company is complying with all the prudential norms applicable to NBFC-ND-SI except for its exposure to Sovereign. RBI vide its letter dated December 21, 2018 has granted exemption from Income Recognition and Asset Classification (IRAC) norms, standard asset provisioning and exposure norms to the extent of their direct exposure on the sovereign.

IRFC was ranked among top ten central Public Sector Undertakings for its performance during 2001-02, 2002-03, 2003-04 and 2004-05 by the Department of Public Enterprises and has also been given an award by President of India and Prime Minister of India for these years.

Looking at the financials and Balance Sheet strength of the Company among other things, CRISIL, ICRA and CARE have accorded stand-alone rating of "CRISIL AAA/Stable" (pronounced as "CRISIL Triple A with stable outlook"),"[ICRA] AAA" (pronounced as "ICRA triple A") and "CARE AAA" (pronounced as "triple A") respectively to IRFC. Standard and Poor's, Moody's and Fitch Ratings the well-known international credit rating agencies have accorded IRFC rating of BBB- (Stable), Baa3 (Stable) and BBB- (Stable) respectively on long term foreign currency rating. Japanese Credit Rating Agency Limited have also assigned rating of BBB + (Stable) to the Company. The ratings assigned by the above International Credit Rating Agencies are at par with the rating assigned to the Government of India.

Since its inception, IRFC has been earning profits every year and has paid dividend of Rs.66,191 million till 31.03.2022.

2. BACKGROUND

Soon after India attained independence in 1947, Five Year Plans were implemented with the intention of establishing planned development in the Indian economy. Under the initial Five Year Plans the Government funded Indian Railways centrally through the Ministry of Finance. In 1986, following a change in Government policy, IRFC was established with the sole purpose of acting as a financial intermediary between the financial market and the Ministry of Railways (MOR) to enable the Ministry of Railways to access funds raised in the market, an activity which the Ministry of Railways could not have entered into itself as under Government policy, the Government departments other than the Ministry of Finance cannot raise money directly in the financial market. IRFC is, therefore, a dedicated funding arm of the MOR, Government of India. It has a monopoly in the business of raising funds for the Ministry of Railways since they rely solely on IRFC for external funding of its rolling stock assets.

3. OBJECTS AND PRESENT BUSINESS

The primary objective of IRFC is to act as a financing arm for the Indian Railways. The development of IRFC's business is dependent on the Ministry of Railways' strategy concerning the growth of Indian Railways. Its principal business is borrowing from the commercial markets to finance the acquisitions of the rolling stock assets which is then in turn leased to Indian Railways. The Ministry of Railways is responsible for the acquisition of rolling stock assets and for the improvement, expansion and maintenance of the railway rolling stock. IRFC is responsible only for raising the finance necessary for the acquisition of rolling stock assets ordered by the Ministry of Railways. Besides, the Company has been assigned the task of funding Railway Projects through Institutional Finance (EBR-IF) route.

At the beginning of each fiscal year, Ministry of Railways (MOR) notifies IRFC of its financing needs to be met through market borrowings. IRFC then undertakes to provide finance to Indian Railways subject to market conditions. At the end of each year, a lease agreement is drawn up to cover the capital value of the infrastructure assets acquired by MOR during the previous year. Lease rentals represent IRFC's cost plus a margin. Part of the funds so raised shall also be utilized for funding bankable projects approved by MOR and to be executed by RVNL. Debt servicing will be done from revenues generated by MOR from the projects. (As in the core lease transactions, Debt servicing will be on cost plus margin basis.)

4. PROFITABILITY AND NET INTEREST MARGINS AND PERFORMANCE DURING FINANCIAL YEAR 2021-22

Lease income from rolling stock leased to MOR represents 64.05% of IRFC's total income, the balance comes from interest on loans and deposits and amortization of Gain on Account of Securitisation. This level of revenue concentration is expected to continue, as IRFC is likely to remain focused on financing Indian Railways. Furthermore, the regulatory restrictions on IRFC's investments limit the potential for any significant change in investment income.

Profit after tax for FY 2021-22 is 60,898.40 million which has registered an year to year growth of 37.90% from 44,161.30 million in FY 2020-21,38.35% from Rs.31,921.00 million in FY 2019-20 mainly on account of higher incremental disbursement and lower operating costs.

IRFC clocked a year-to-year revenue growth of 28.71% fromRs.1,57,704.70 million for the year 2020-21 to Rs.2,02,982.68 million for the year 2021-22. The main reasons attributed to the growth in revenue are incremental leasing of rolling stock assets and additional funding of Railway Projects. On the other hand, the total expenditure has registered a growth of 25.16% from1,13,547.30 million in FY 2020-21due to higher interest outgo on additional borrowings, issue expenses pertaining to fresh borrowings and the expenses on CSR.

The Company has disbursed a sum of Rs.6,06,834 million for 2021-22. The cumulative funding to Railway Sector has crossed Rs.5.04 lakh crore mark. Assets Under Management stood at Rs.4,15,238 crore.

IRFC's cost-plus based lease agreement with Ministry of Railways assures a moderate net interest margin. The margin on the incremental assets leased to MOR for the last three years is as follows: -

Period	Lease pricing (IRR to the Railways)	Average cost of funds to IRFC	Margin
2019-20	7.77%	7.37%	0.40%

2020-21	7.11%	6.71%	0.40%
2021-22	7.02%	6.62%	0.40%

5. NON-PERFORMING LOANS

IRFC had no non-performing loans as at March 31, 2022.There is no precedent of Indian Railways delaying payments to IRFC. All assets leased to India Railways are standard assets. Moreover, as a result of restrictions placed by the Department of Public Sector Enterprises on investments and IRFC's own conservative guidelines, IRFC's investment portfolio is likely to remain limited in size. Therefore, overall prospects for IRFC's asset quality will be even more closely tied to its relationship with Indian Railways.

6. CAPITAL STRUCTURE

Particulars		Amount (Rs. in million)
(A)	Authorised Share Capital	
	2500,00,00,000 Equity Shares of Rs. 10 each	2,50,000.00
(B)	Issued, Subscribed & Paid-up Equity Share Capital	
	1306,85,06,000 Equity Shares of Rs.10 each	1,30,685.10
(C)	Present Issue: Aggregating to Rs.50000 million to168th Series (168th A 25000 Million & 168th B 25000 Million) (Rs. (Unsecured, Taxable Redeemable, Non-Convertible Bonds in the nature of Debentures)	50,000.00
(D)	Paid-up capital After the Issue Share Application Money	130,685.10
(E)	Securities Premium Account Before the Issue and After the Issue	19,008.74

*Since the present offer comprises of issue of non-convertible debt securities, it shall not affect the paid-up equity share capital or share premium account of the Company after the offer.

7. KEY MILESTONES

Year	Event
1986	• Incorporation of our Company.
1987	• Commencement of fund raising from the domestic capital market; and • Financing the procurement of rolling stock assets by Indian Railways.
1988	• RaisedloanfromExportImportBankofJapanonbehalfoftheMinistryofFinance
1991	• Company declared maiden dividend to the GoI.
1993	• DeclaredasaPublicFinancialInstitutionunderSection4AoftheCompaniesAct.
1996	• Maiden issue of floating rate notes of USD 70 million in the offshore market; • Public issue of deep discount bonds; and • First MoU entered with the GoI through MoR in relation to operational targets.
1998	• Registered as a NBFC; • Rated excellent by the DPE for overall performance in respect of the MoU entered with the GoI through MoR for the year1997-98; • Raised term loans from Corporation Bank and Indian Overseas Bank for a tenure of 15 years; and • Maiden issue of secured, redeemable, non-cumulative, taxable bonds to Life Insurance Corporation of India for tenure of 15 years.
1999	• Maiden issue of secured, redeemable, non-cumulative, taxable bonds in Separately Transferable Redeemable Principal Parts (STRPP).
2003	• Ranked among the top ten central public sector undertakings for overall performance with respect to the MoU entered with the GoI acting through MoR for the year 2001-02; and • Raised USD 75 million through syndicated foreign currency loan.
2004	• Issue of Yen denominated bonds on a private placement basis in the Japanese capital market.

2005	• Issue of Euro-Yen bonds in the offshore market; and • Maiden issue of floating rate bonds in the domestic capital market.
2007	• Issue of samurai bonds in the Japanese capital market; and • Issue of bonds on private placement bonds in the US capital market.
2008	• Categorized as Asset Finance Company (NBFC-ND-AFC) by RBI.
2010	• Maiden issuance of secured, redeemable, non-cumulative, taxable bonds for a tenure of 25 years; and • Categorized as Infrastructure Finance Company (NBFC-IFC) by RBI.
2011	• Issue of Euro-Dollar bonds in the offshore market; and • Raised foreign currency term loan from American Family Life Assurance Company of Columbus for tenure 15year.
2012	• Raised funds through a public issue of tax –free bonds at a differential coupon rate • Our Company entered into a memorandum of understanding dated July 27, 2012 with MoR with respect to the financing of railway infrastructure projects by our Company. The MoU sets out the understanding between the parties as regards the leasing by our Company to the MoR of the infrastructure assets like railway tracks etc. owned by our Company
2016	• Highest single year mobilization of Rs.95,000 million through tax free bonds • Forayed into funding railway projects through institutional finance from LIC
2018	• Central Board of Direct Taxes vide notification dated August 8, 2017 notified that the any bond redeemable after three years issued by our Company will be classified as "long-term specified asset" under Section 54EC of the Income-tax Act, 1961. • The Bank of Tokyo-Mitsubishi UFJ Ltd., Mizuho Bank Ltd. and Sumitomo Mitsui Banking Corporation (Singapore branch) sanctioned syndicated loan to our company amounting to JPY equivalent of USD250 million for a period of 10 years. • Unsecured fixed rate Regulation S green bonds issued by our Company amounting to USD 500 million for a period of 10 years • Awarded "*Mini Ratna Category I"* status
2019	• Set up Euro Medium Term Note (EMTN) Programme for USD 2 billion • Issuance of Reg S bonds of USD 500 million in the EMTN format • Awarded "*Best Growth Performance-Financial Services*" and "*Best Mini Ratna in Services"* at the PSU Awards 2019, organised by dun & brad street.
2020	• GMTN issuance of USD 300 Million with tenor of 30 years • 30-year tenor issuance was the maiden issue by an Indian CPSE
2021	• Becomes a listed entity and made its maiden IPO successfully on 29th January 2021 • Ranked 96th in the Fortune India 500 companies on the basis of FY 2021 financial results. • Highest ever annual funding target of ₹ 1,04,369 crore • Made four issuances of 20-year bonds in domestic capital market for an aggregate amount of ₹ 13,972.7 crore which has helped in discovering price for bonds of 20-yeartenor
2022	• Issued USD 500 mn Green Bonds in FY 2021-22 with the same being priced at a cost of 3.57% and having a tenor of 10 year bullet. • Became the first CPSE in the country to list its offshore bonds exclusively at Indian stock exchanges established in the GIFT city, Gandhinagar. • Raised 130 bn JPY loan equivalent to USD 1.1 bn Green Loan which was one of the largest Green loan transaction originating from India in terms of size and tenor.

8. CAPITAL STRUCTURE AS ON MARCH 31, 2022

(Rs. in million)

	Aggregate value
Authorised share capital	
2500,00,00,000 Equity Shares of Rs.10 each	2,50,000.00
Issued, subscribed and paid-up share capital	
1306,85,06,000 Equity Shares of Rs.10 each	1,30,685.10
Securities premium account	19,008.74

9. EQUITY SHARE CAPITAL HISTORY OF THE ISSUER FOR LAST THREE YEARS AS ON JUNE 30, 2022

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue price per share (Rs.)	Nature of Consideration (cash, bonus, other than cash)	Nature of Allotment	Cumulative no. of Equity Shares	Cumulative Share Capital (Rs.)
March 26, 2019	2,85,40,00,000	10	10	Cash	Further allotment	9,38,04,60,000	93,80,46,00,000
March 28, 2020	2,50,00,00,000	10	10	Cash	Further allotment	11,88,04,60,000	1,18,80,46,00,000
January 25, 2021	1,18,80,46,000	10	10	Cash	Initial Public Offer	13,06,85,06,000	1,30,68,50,60,000

10. CHANGES IN THE AUTHORISED CAPITAL OF THE ISSUER FOR LAST THREE YEARS AS ON SEPTEMBER 30, 2022:

Sr. No.	Date of Shareholders resolution	AGM/ EGM	Alteration
1.	September 30, 2020	AGM	The authorised capital of our Company was increased from Rs.150,000 million comprising of 15,00,00,00,000 Equity Shares of Rs.10 each to Rs.2,50,000 million comprising of 25,00,00,00,000 Equity Shares of Rs.10 each.

11. DETAILS OF ANY ACQUISITION OR AMALGAMATION IN THE LAST ONE YEAR

None

12. DETAILS OF ANY REORGANIZATION OR RECONSTRUCTION IN THE LAST ONE YEAR

Type of Event	Date of Announcement	Date of Completion	Details
None	None	None	None

13. SHAREHOLDING PATTERN OF THE ISSUER (as on 30-09-2022)

S. No.	Particulars	Total no. of shares	No. of shares held in dematerialized form	Total shareholding as a % of total no. of shares
(A)	**PROMOTER AND PROMOTER GROUP**			
-1	INDIAN			
(a)	Individuals/ Hindu Undivided Family			
(b)	Central Government/ State Government(s)	11286437000	11286437000	86.36
(c)	Bodies Corporate			

(d)	Financial Institutions/ Banks			
(e)	Others			
	Sub-Total (A)(1)	**11286437000**	**11286437000**	**86.36**
-2	FOREIGN			
(a)	Individuals (NRIs/ Foreign Individuals)			
(b)	Bodies Corporate			
(c)	Institutions			
(d)	Qualified Foreign Investor			
(e)	Others			
	Sub-Total (A)(2)			
	Total A= (A)(1)+ (A)(2)	**11286437000**	**11286437000**	**86.36**
(B)	**PUBLIC SHAREHOLDNG**			
-1	INSTITUTIONS			
(a)	Mutual Funds/ Hdfc Trustee Company Limited	283943152	283943152	2.17
(b)	Foreign Portfolio Investor	137569742	137569742	1.05
(c)	Insurance Companies	159076575	159076575	1.22
	Sub-Total (B)(1)	**580589469**	**580589469**	**4.44**
-2	Key Managerial Personnel	13225	13225	0
	Sub-Total (B)(2)	**0**	**0**	**0**
-3	NON-INSTITUTIONS			
(a)	Individual share capital upto Rs.2 lacs	858572782	858572782	6.57
(b)	Individual share capital in excess of Rs.2 lacs	221565975	221565975	1.70
(c)	Any other (specify)	121327549	121327549	0.92
	Bodies Corporate	56429668	56429668	0.43
	Trusts	2533900	2533900	0.02
	Non-Resident Indians	26540233	26540233	0.20
	HUF	35823748	35823748	0.27
	Sub-Total (B)(3)	**1201479531**	**1201479531**	**9.19**
	Total B= (B)(1) + (B)(2) + (B)(3)	**1782069000**	**1782069000**	**13.64**
	TOTAL(A)+(B)	**13068506000**	**13068506000**	**100**
(C)	**NON-PROMOTER- NON-PUBLIC SHAREHOLDER**			
-1	CUSTODIAN/ DR HOLDER			
-2	EMPLOYEE BENEFIT TRUST			
	GRAND TOTAL (A)+(B)+(C)	**13068506000**	**13068506000**	**100**

**Post the IPO of the company the shares are listed on NSE and BSE w.e.f. January 29, 2021 and the holding of the President of India alongwith his nominees has reduced to 86.36%*

NOTE: THE PROMOTERS HAVE NOT PLEDGED OR ENCUMBERED BY THEIR SHAREHOLDING IN THE ISSUER COMPANY

14. LIST OF TOP TEN EQUITY SHAREHOLDERS OF THE ISSUER (as on 30-09-2022)

S. No.	Name	Equity Shares of face value of Rs.10 each	% to the total Equity Share Capital of the company
1	PRESIDENT OF INDIA ACTING THROUGH THE MOR	11286437000	86.36
2	HDFC TRUSTEE COMPANY LIMITED-HDFC FLEXI CAP FUND	209565688	1.60
3	LIFE INSURANCE CORPORATION OF INDIA	114200185	0.87
4	L AND T MUTUAL FUND TRUSTEE LTD-L AND T MID CAP FU	46234200	0.35
5	TATA AIG GENERAL INSURANCE COMPANY LIMITED	41126727	0.31
6	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERI	25942207	0.20
7	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	24340247	0.19
8	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA VAL	14716241	0.11
9	GOVERNMENT PENSION FUND GLOBAL	12932602	0.10
10	PARAG PARIKH CONSERVATIVE HYBRID FUND	9976423	0.08
	TOTAL	**11785471520**	**90.18**

**Post the IPO of the company the shares are listed on NSE and BSE w.e.f. January 29, 2021 and the holding of the President of India along with his nominees has reduced to 86.36%*

NOTE: SPLITTING OF FACE VALUE OF SHARE FROM RS.1000/- TO RS.10/- WAS APPROVED BY THE SHAREHOLDERS IN THEIR MEETING HELD ON 12TH SEPTEMBER, 2017. ACCORDINGLY, THE NUMBER OF ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARES IS 13,06,85,06,000OF RS.10/- EACH.

15. PROMOTER HOLDING IN THE ISSUER (as on 30-09-2022)

Sr. No.	Name of Shareholder	Total No. of Equity Shares held	No. of Equity Shares held in demat form	Total shareholding as a % age of total No. of Equity Shares	No of Equity Shares Pledged	% of Equity Shares pledged with respect to shares owned
1.	President of India along with his nominees	11,28,64,37,000	11,28,64,37,000	86.36%*	--	--

**Post IPO of the company the shares are listed on NSE and BSE w.e.f. January 29, 2021 and the holding of the President of India alongwith his nominees has reduced to 86.36%*

NOTE: SPLITTING OF FACE VALUE OF SHARE FROM RS.1000/- TO RS.10/- WAS APPROVED BY THE SHAREHOLDERS IN THEIR MEETING HELD ON 12TH SEPTEMBER, 2017. ACCORDINGLY, THE NUMBER OF ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARES IS 13,06,85,06,000OF RS.10/- EACH.

16. BORROWINGS OF THE ISSUER (as on 31-12-2022)

A. SECURED LOAN FACILITIES

Secured Rupee Term Loans from domestic banks:

(in Rs. million)

S. No	Description	Date of Maturity of Loan	As at 31st December 2022
1.	Union bank of India I Tranch (i), (ii) & (iii)	29-Dec-37	50,000.00
2.	PNB-VIII	31-Mar-28	8,000.00
3.	Bank of Baroda-V`	15-Jan-28	35,000.00

S. No	Description	Date of Maturity of Loan	As at 31st December 2022
4.	Canara Bank VII	30-Dec-27	47,000.00
5.	Canara Bank VI- Tranch (i), (ii) & (iii)	08-Nov-27	70,000.00
6.	Union bank of India II	23-Sep-27	25,500.00
7.	Bank of Baroda-IV	12-Sep-27	1,20,000.00
8.	HDFC TL-VII	22-Aug-27	25,000.00
9.	UCO Bank I Tranch (i) & (ii)	30-Jun-27	20,000.00
10.	PNB-VII	30-Jun-27	7,500.00
11.	HDFC TL-VIII	16-Apr-27	25,000.00
12.	State Bank Of India VI Tranch (i) & (ii)	15-Apr-27	70,000.00
13.	Bank of India-(IV)	11-Apr-27	3,000.00
14.	DEUTSCHE BANK TL-1	28-Mar-27	20,000.00
15.	Punjab National Bank-VI	31-Dec-26	30,000.00
16.	Punjab National Bank (V)	30-Sep-26	25,000.00
17.	ICICI Bank TL-IV	15-Sep-26	50,000.00
18.	ICICI Bank TL-III	27-May-26	50,000.00
19.	ICICI Bank TL-II	22-Apr-26	50,000.00
20.	HDFC Bank LTD (VI)-T II	30-Mar-26	3,650.00
21.	HDFC Bank LTD (VI)-T I	11-Mar-26	16,350.00
22.	ICICI Bank TL-I	19-Feb-26	40,000.00
23.	HDFC-V-II	30-Dec-24	18,000.00
24.	HDFC-V-I	30-Dec-24	52,000.00
25.	HDFC-IV	26-Sep-24	50,000.00
26.	Oriental bank of commerce	17-Aug-23	15,000.00
27.	Punjab National Bank(IV)	30-Mar-23	8,000.00
28.	Punjab National Bank(III)	17-Feb-23	24,000.00
29.	State bank of India (V) Tranch I & II*	15-Oct-22	54,440.00
30.	HDFC-I	30-Mar-23	7,000.00
31.	State Bank of India (III)	03-Jan-23	46,268.00
32.	HDFC-III	24-Dec-22	14,000.00
33.	HDFC-II	04-Nov-22	14,000.00
34.	Central bank of India	28-June-2027	15,000.00
35.	DEUTSCHE BANK TL-2	28-05-2037	20,000.00
36.	Indian Overseas Bank	28-02-2036	20,000.00
37.	Bank of Baroda-VI	20-12-2037	7,000.00
38.	Bank of India TL-III	27-01-2036	50,000.00
39.	Bank of India TL-V	11-10-2036	11,000.00
40.	State Bank Of India VII Tranch	14-12-2037	500.00
41.	ICICI Bank TL-V	15-03-2036	35,000.00
42.	Union Bank of India TL II	29-12-2037	9,500.00
43.	Union Bank of India TL III	29-12-2037	12,000.00
44.	Punjab and Sindh Bank TL I	31-12-2037	7,900.00
45.	J & K Bank TL-II	31-12-2037	7,500.00
Total			**12,89,108.00**

* secured by way of pari-passu first charge over the rolling stock assets/lease receivables of the Company

Secured Rupee Term Loan from Others:

(in Rs. Millions)

S. No.	Name of Lender(s)	Repayment Schedule	Final Maturity Date	Amount Sanctioned	Principal Amount Outstanding (as of December 31st, 2022)
1.	National Small Savings Fund (NSSF)- I	Repayable at the end of 10 years from the date of availment i.e. March 28, 2018	March 28, 2028	100,000.00	100,000.00
2.	National Small Savings Fund (NSSF)- II	Repayable at the end of 10 years from the date of availment i.e. February 7, 2019	February 7, 2029	75,000.00	75,000.00
Total					**175,000.00**

* secured by way of pari-passu first charge over the rolling stock assets/lease receivables of the Company

Short term loan against fixed deposit

(in Rs. million)

S. No.	Name of Lender(s)	Final Maturity Date	Amount Sanctioned	Principal Amount Outstanding (as of December 31st, 2022)
NIL				

Secured Foreign Currency Term Loans

(in Rs. million)

Sr. No.	Name of Lender(s)	Repayment Schedule	Final Maturity Date	Amount Sanctioned	Principal Amount Outstanding (as of December 31st, 2022)
1.	FCL-SBI Hong Kong USD	Repayable at the end of 7 years from the date of availment i.e. March 24, 2021	March 24, 2028	USD 2000 Million*	18,306.20
Total					**18,306.20**

*Partially secured at 11% of loan amount

Foreign currency term loans have been availed for acquisition of rolling stock assets, which has been secured by way of pari-passu first charge over the present and future rolling stock assets / lease receivables of the Company.

B. UNSECURED LOAN FACILITIES

Unsecured Short Term Rupee Loans from Domestic Banks

(in Rs. million)

Sr. No.	Name of Lender(s)	Date of Availment	Final Maturity Date	Amount Outstanding (as of December 31st, 2022)
1.	Union Bank	15-10-2022	13-01-2023	3,890.00
2.	Union Bank	06-12-2022	06-03-2023	19,610.00

Sr. No.	Name of Lender(s)	Date of Availment	Final Maturity Date	Amount Outstanding (as of December 31st, 2022)
3.	IndusInd Bank	29-12-2022	27-01-2023	60.00
4.	IndusInd Bank	30-12-2022	27-01-2023	5,000.00
5.	IndusInd Bank	31-12-2022	30-01-2024	2,940.00
6.	Karnataka Bank	29-12-2022	28-01-2023	7,500.00
Total				**39,000.00**

Long Term loan against fixed deposit

(in Rs. million)

S. No.	Name of Lender(s)	Final Maturity Date	Amount Sanctioned	Principal Amount Outstanding (as of December 31st, 2022)
NIL				

Unsecured Short-Term Working Capital Demand Loan from domestic banks:

(in Rs. million)

S. No.	Name of Lender(s)	Final Maturity Date	Amount Sanctioned	Principal Amount Outstanding (as of December 31st, 2022)
NIL				

Unsecured Foreign Currency Term Loans

(in Rs. million)

S. No.	Name of Lender(s)	Repayment Schedule	Final Maturity Date	Amount Sanctioned	Amount Outstanding (as of December 31st, 2022)
1.	American Family Life Assurance Company of Columbus (AFLAC-1)	Repayable at the end of 15 years from the date of availment i.e. March 10, 2011	March 10, 2026	JPY 12 billion	12,140.06
2.	American Family Life Assurance Company of Columbus (AFLAC-2)	Repayable at the end of 15 years from the date of availment i.e. March 30, 2011	March 30, 2026	JPY 3 billion	3,081.85
3.	Syndicated Foreign Currency Loan- JPY	Repayable at the end of 10 years from the date of availment i.e. March 28, 2018	March 28, 2028	JPY 26.23 Billion	16,557.17
4.	FCL – SBI BAHRAIN USD 300M	Repayable at the end of 10 years from the date of availment i.e. March 26, 2020	March 26, 2030	USD 300 Million	24,963.00
5.	SYND FCL-JPY-III USD 300M MAR'2020_SBI-SMBC	Repayable at the end of 10 years from the date of availment i.e. March 31, 2020	March 31, 2030	JPY 33.189 Billion Equivalent of USD 300 Million	20,948.90
6.	SYND FCL-JPY-II USD300M JUN'19	Repayable at the end of 7 years from the date of availment i.e. June 7, 2019	June 4, 2026	JPY 32.856 Billion Equivalent of USD 300 Million	20,738.71

7.	FCL-SBI Hong Kong USD 1000 Million	Repayable at the end of 10 years from the date of availment i.e. March 10, 2021	March 10, 2031	USD 1000Million	83,210.00
8.	FCL- JPY- USD 325 Million	Repayable at the end of 10 years from the date of availment i.e. March 31, 2021	March 31, 2031	JPY 35.40 Billion Equivalent of USD 325 Million	22,344.87
9.	FCL-SBI Hong Kong USD	Repayable at the end of 7 years from the date of availment i.e. March 24, 2021	March 24, 2028	USD 2000 Million*	148,113.80
10.	SYND GREEN FCL JPY EQ. USD 400M MAR'22	Repayable at the end of 7 years from the date of availment i.e. March 24, 2022	March 24, 2029	USD 400 Million	29,985.79
11.	SYND GREEN FCL JPY EQ. USD 700M MAR'22	Repayable at the end of 10 years from the date of availment i.e. March 24, 2022	March 24, 2032	USD 700 Million	52,475.13
Total					**434,559.28**

*Partially secured at 11% of loan amount

Foreign currency bonds issued in the off-shore market

(in Rs. million)

Sr. No.	Series of Bonds	Deemed date of allotment	Coupon rate and maturity and redemption	Credit Ratings	Amount Raised	Redemption Amount Outstanding (as of December 31st, 2022)
1.	Green Bonds	December 13, 2017	*Coupon Rate:* 3.835% per annum payable semi annually. *Maturity and Redemption:* Redeemable at par at the end of ten years from the deemed date of allotment i.e. on December 13, 2017.	**Standard and Poor's**: BBB- (Stable outlook) **Fitch**: BBB- (stable outlook) **Moody's**: Baa3 (stable outlook)	USD 500 Million	41,605.00
2.	Reg-S Bonds (under EMTN programme)	March 29, 2019	*Coupon Rate:* 3.73% per annum payable half yearly. *Maturity and Redemption:* Redeemable at par at the end of five years from the deemed date of allotment i.e. on March 29, 2019.	**Standard and Poor's**: BBB- (Stable outlook) **Fitch**: BBB- (stable outlook) **Moody's**: Baa3 (stable outlook)	USD500 Million	41,605.00
3.	Reg-S 144 A Bonds	Feb 13, 2020	*Coupon Rate: 3.95%*	**Standard and Poor's**: BBB- (Stable outlook) **Fitch**: BBB- (stable outlook) **Moody's**: Baa3 (stable outlook)	USD 300 Million	24,963.00

4.	Reg-S 144 A Bonds	Feb 13, 2020	*Coupon Rate: 3.249%*	**Standard and Poor's**: BBB- (Stable outlook) **Fitch**: BBB- (st able outlook) **Moody's**: Baa3 (stable outlook)	USD 700 Million	58,247.00
5.	Reg-S Bonds (under GMTN programme)	Feb 10, 2021	*Coupon Rate: 2.80%*	**Standard and Poor's**: BBB- (Stable outlook) **Fitch**: BBB- (st able outlook) **Moody's**: Baa3 (stable outlook)	USD 750 Million	62,407.50
6.	REG-S/144A GREEN BONDS USD 500M	Jan 21, 2022	*Coupon Rate: 3.57%*	**Standard and Poor's**: BBB- (Stable outlook) **Fitch**: BBB- (st able outlook) **Moody's**: Baa3 (stable outlook)	USD 500 Million	41,605.00
Total						**270,432.50**

Unsecured Rupee Term Loan from Others:

(in Rs. Millions)

S. No.	Name of Lender(s)	Repayment Schedule	Final Maturity Date	Amount Sanctioned	Principal Amount Outstanding (as of December 31st, 2022)
1.	IIFCL I	18 equal semi-installments commencing from 30.09.2027 (555.56 Million)	March 31, 2036	10,000.00	10,000.00
Total					**10,000.00**

C. NON-CONVERTIBLE BONDS/ DEBENTURES (Outstanding as on December 31st, 2022)

Debenture Series	Coupon	Amount (Rs. In million)	Date of Allotment	Redemption Date / Schedule	Tenor (in years)	Credit Rating	Secured/ Unsecured	Security
53rd C Series Taxable Bonds	8.75%	4100.00	29.11.2006	29.11.2026	20	ICRA AAA CRISIL AAA CARE AAA	Secured	pari-passu first charge over the rolling stock assets of the Company
54th B Series Taxable Bonds	10.04%	3200.00	07.06.2007	07.06.2027	20	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
61st A Series Taxable Bonds	10.70%	6150.00	11.09.2008	11.09.2023	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-

Debenture Series	Coupon	Amount (Rs. In million)	Date of Allotment	Redemption Date / Schedule	Tenor (in years)	Credit Rating	Secured/ Unsecured	Security
62nd B Series Taxable Bonds	8.50%	2850.00	26.12.2008	26.12.2023	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
63rd B Series Taxable Bonds	8.65%	3150.00	15.01.2009	15.01.2024	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
65th N Series Taxable Bonds	8.20%	600.00	27.04.2009	27.04.2023	14	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
65th O Series Taxable Bonds	8.20%	600.00	27.04.2009	27.04.2024	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
67th A Series Taxable Bonds	8.65%	2000.00	03.02.2010	03.02.2025	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
67th B Series Taxable Bonds	8.80%	3850.00	03.02.2010	03.02.2030	20	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
69th Series Taxable Bonds	8.95%	6000.00	10.03.2010	10.03.2025	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
70th 'AA' Series Taxable Bonds	8.79%	14100.00	04.05.2010	04.05.2030	20	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
70th A Series Taxable Bonds	8.72%	150.00	04.05.2010	04.05.2031	21	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
70th B Series Taxable Bonds	8.72%	150.00	04.05.2010	04.05.2032	22	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
70th C Series Taxable Bonds	8.72%	150.00	04.05.2010	04.05.2033	23	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
70th D Series Taxable Bonds	8.72%	150.00	04.05.2010	04.05.2034	24	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-

Debenture Series	Coupon	Amount (Rs. In million)	Date of Allotment	Redemption Date / Schedule	Tenor (in years)	Credit Rating	Secured/ Unsecured	Security
70th E Series Taxable Bonds	8.72%	150.00	04.05.2010	04.05.2035	25	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
71st A Series Taxable Bonds	8.83%	2200.00	14.05.2010	14.05.2031	21	ICRA AAA CRISIL AAA CAREAAA	-do-	-do-
71st B Series Taxable Bonds	8.83%	2200.00	14.05.2010	14.05.2032	22	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
71st C Series Taxable Bonds	8.83%	2200.00	14.05.2010	14.05.2033	23	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
71st D Series Taxable Bonds	8.83%	2200.00	14.05.2010	14.05.2034	24	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
71st E Series Taxable Bonds	8.83%	2200.00	14.05.2010	14.05.2035	25	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
74th Series Taxable Bonds	9.09%	10760.00	29.03.2011	29.03.2026	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
75th Series Taxable Bonds	9.09%	1500.00	31.03.2011	31.03.2026	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
76th A Series Taxable Bonds	9.33%	2550.00	10.05.2011	10.05.2026	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
76th B Series Taxable Bonds	9.47%	9950.00	10.05.2011	10.05.2031	20	ICRA AAA CRISIL AAA CAREAAA	-do-	-do-
79th A Series Tax free Bonds	7.77%	1915.10	08.11.2011	08.11.2026	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
80th A Series Tax Free Bonds	8.10% /8.30%	30956.519	23.02.2012	23.02.2027	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
81st A Series Tax Free Bonds	7.38%	667.00	26.11.2012	26.11.2027	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-

Debenture Series	Coupon	Amount (Rs. In million)	Date of Allotment	Redemption Date / Schedule	Tenor (in years)	Credit Rating	Secured/ Unsecured	Security
82nd A Series Tax Free Bonds	7.38%	300.00	30.11.2012	30.11.2027	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
83rd A Series Tax Free Bonds	7.39%	950.00	06.12.2012	06.12.2027	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
86th Series Tax Free Bonds	7.18% /7.68%	28144.80	19.02.2013	19.02.2023	10	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
86th A Series Tax Free Bonds	7.34 % /7.84%	25589.10	19.02.2013	19.02.2028	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
87th Series Tax Free Bonds	6.88% / 7.38%	1651.70	23.03.2013	23.03.2023	10	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
87th A Series Tax Free Bonds	7.04% / 7.54%	2638.80	23.03.2013	23.03.2028	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
88th Series Taxable Bonds	8.83%	11000.00	25.03.2013	25.03.2023	10	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
89th Series Tax free Bonds	8.35%	4870.00	21.11.2013	21.11.2023	10	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
89th A Series Tax free Bonds	8.48%	7380.00	21.11.2013	21.11.2028	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
90th Series Tax free Bonds	8.35%	570.00	27.11.2013	27.11.2023	10	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
90th A Series Tax free Bonds	8.48%	550.00	27.11.2013	27.11.2028	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-

Debenture Series	Coupon	Amount (Rs. In million)	Date of Allotment	Redemption Date / Schedule	Tenor (in years)	Credit Rating	Secured/ Unsecured	Security
91st Series Tax free Bonds	8.23%	17783.21	18.02.2014	18.02.2024	10	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
91st A Series Tax free Bonds	8.48%	5262.546	18.02.2014	18.02.2024	10	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
92nd Series Tax free Bonds	8.40%	10901.868	18.02.2014	18.02.2029	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
92nd A Series Tax free Bonds	8.65%	6883.591	18.02.2014	18.02.2029	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
93rd A Series Tax free Bonds	8.55%	16500.00	10.02.2014	10.02.2029	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
94th A Series Tax free Bonds	8.55%	130.00	12.02.2014	12.02.2029	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
95th Series Tax free Bonds	8.19%	2311.52	26.03.2014	26.03.2024	10	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
95th A Series Tax free Bonds	8.44%	1297.384	26.03.2014	26.03.2024	10	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
96th Series Tax free Bonds	8.63%	9479.132	26.03.2014	26.03.2029	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
96th A Series Tax free Bonds	8.88%	4364.141	26.03.2014	26.03.2029	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
99th Series Taxable Bonds	7.19%	11390.00	31.07.2015	31.07.2025	10	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-

Debenture Series	Coupon	Amount (Rs. In million)	Date of Allotment	Redemption Date / Schedule	Tenor (in years)	Credit Rating	Secured/ Unsecured	Security
100th Series Tax free Bonds	7.15%	3290.00	21.08.2015	21.08.2025	10	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
101st Series Taxable Bonds	7.87%	29347.00 (Interest capitalization bonds allotted on 15.10.2020 for Rs.9347.0 million)	27.10.2015	27.10.2045	30	ICRA AAA CRISIL AAA CARE AAA	Unsecured	-
102nd Series Tax free Bonds	7.07%	3674.739	21.12.2015	21.12.2025	10	ICRA AAA CRISIL AAA CARE AAA	Secured	pari-passu first charge over the rolling stock assets of the Company
102nd A Series Tax free Bonds	7.32%	3689.486	21.12.2015	21.12.2025	10	ICRA AAA CRISIL AAA CARE AAA	Secured	-do-
103rd Series Tax free Bonds	7.28%	20573.103	21.12.2015	21.12.2030	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
103rd A tax free Bonds	7.53%	10742.172	21.12.2015	21.12.2030	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
104th Series Tax free Bonds	7.25%	2944.158	21.12.2015	21.12.2035	20	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
104th A Series Tax free Bonds	7.50%	3696.342	21.12.2015	21.12.2035	20	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
106th Series Tax free Bonds	7.04%	10500.00	03.03.2016	03.03.2026	10	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
107th Series Tax free Bonds	7.04%	485.972	22.03.2016	22.03.2026	10	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
107th A Series Tax free Bonds	7.29%	1907.138	22.03.2016	22.03.2026	10	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-

Debenture Series	Coupon	Amount (Rs. In million)	Date of Allotment	Redemption Date / Schedule	Tenor (in years)	Credit Rating	Secured/ Unsecured	Security
108th Series Tax free Bonds	7.35%	10163.760	22.03.2016	22.03.2031	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
108th A Series Tax free Bonds	7.64%	11943.130	22.03.2016	22.03.2031	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
109th Series Taxable Bonds	8.02%	74335.00 (Interest capitalization bonds allotted on 15.04.2021 for Rs.24335.0 million)	30.03.2016	30.03.2046	30	ICRA AAA CRISIL AAA CARE AAA	Unsecured	-
110th Series Taxable Bonds	7.80%	43364.00 (Interest capitalization bonds allotted on 15.04.2021 for Rs.13364.0 million)	22.06.2016	22.06.2046	30	ICRA AAA CRISIL AAA CARE AAA	Unsecured	-
118th Series Taxable Bonds	7.83%	29500.00	21.03.2017	21.03.2027	10	ICRA AAA CRISIL AAA CARE AAA	Secured	-do-
120th Series Taxable Bonds	7.49%	22000.00	30.05.2017	30.05.2027	10	ICRA AAA CRISIL AAA CARE AAA	Secured	-do-
121st Series Taxable Bonds	7.27%	20500.00	15.06.2017	15.06.2027	10	ICRA AAA CRISIL AAA CARE AAA	Secured	-do-
122nd Series Taxable Bonds	6.77%	56446.00 (Interest capitalization bonds allotted on 15.04.2022 for Rs.15446 million)	27.06.2017	27.06.2047	30	ICRA AAA CRISIL AAA CARE AAA	Unsecured	-do-
123rd Series Taxable Bonds	7.33%	17450.00	28.08.2017	28.08.2027	10	ICRA AAA CRISIL AAA CARE AAA	Secured	pari-passu first charge over the rolling stock assets of the Company
124th Series Taxable Bonds	7.54%	9350.00	31.10.2017	31.10.2027	10	ICRA AAA CRISIL AAA CARE AAA	Secured	-do-
125th Series Taxable Bonds	7.41%	29812.00 (Interest capitalization bonds allotted on 15.10.2022 for Rs.8812	22.12.2017	22.12.2047	30	ICRA AAA CRISIL AAA CARE AAA	Unsecured	-

Debenture Series	Coupon	Amount (Rs. In million)	Date of Allotment	Redemption Date / Schedule	Tenor (in years)	Credit Rating	Secured/ Unsecured	Security
		million)						
129th Series Taxable Bonds	8.45%	30000.00	04.12.2018	04.12.2028	10	ICRA AAA CRISIL AAA CAREAAA	Secured	-do-
130th Series Taxable Bonds	8.40%	28454.00	08.01.2019	08.01.2029	10	ICRA AAA CRISIL AAA CAREAAA	Secured	-do-
131st Series Taxable Bonds	8.55%	22365.00	21.02.2019	21.02.2029	10	ICRA AAA CRISIL AAA CARE AAA	Secured	-do-
132nd Series Taxable Bonds	8.25%	25000.00	28.02.2019	28.02.2024	5	ICRA AAA CRISIL AAA CARE AAA	Secured	-do-
133rd Series Taxable Bonds	8.35%	30000.00	13.03.2019	13.03.2029	10	ICRA AAA CRISIL AAA CARE AAA	Secured	-do-
134th Series Taxable Bonds	8.30%	30000.00	25.03.2019	25.03.2029	10	ICRA AAA CRISIL AAA CARE AAA	Secured	-do-
135th Series Taxable Bonds	8.23%	25000.00	29.03.2019	29.03.2029	10	ICRA AAA CRISIL AAA CARE AAA	Secured	-do-
136th Series Taxable Bonds	7.95%	30000.00	12.06.2019	12.06.2029	10	ICRA AAA CRISIL AAA CARE AAA	Secured	-do-
137th Series Taxable Bonds	7.30%	18000.00	18.06.2019	18.06.2049	30	ICRA AAA CRISIL AAA CARE AAA	Unsecured	-
138th Series Taxable Bonds	7.85%	21200.00	01.07.2019	01.07.2034	15	ICRA AAA CRISIL AAA CARE AAA	Secured	pari-passu first charge over the rolling stock assets of the Company
139th Series Taxable Bonds	7.54%	24556.00	29.07.2019	29.07.2034	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-

Debenture Series	Coupon	Amount (Rs. In million)	Date of Allotment	Redemption Date / Schedule	Tenor (in years)	Credit Rating	Secured/ Unsecured	Security
140th Series Taxable Bonds	7.48%	25920.00	13.08.2019	13.08.2029	10	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
141st Series Taxable Bonds	7.48%	21070.00	29.08.2019	29.08.2034	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
142nd Series Taxable Bonds	7.50%	27070.00	09.09.2019	09.09.2029	10	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
143rd Series Taxable Bonds	7.55%	24549.00	06.11.2019	06.11.2029	10	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
144th Series Taxable Bonds	7.55%	15800.00	31.12.2019	12.04.2030	10 years 3 months 12 days	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
145th Series Taxable Bonds	6.59%	30000.00	21.01.2020	14.04.2023	3 years 2 months 24 days	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
146th Series Taxable Bonds	7.08%	30000.00	28.02.2020	28.02.2030	10	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
147th Series Taxable Bonds	6.99%	8470.00	19.03.2020	19.03.2025	5	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
148th Series Taxable Bonds	6.58%	25000.00	31.03.2020	31.03.2050	30	ICRA AAA CRISIL AAA CARE AAA	Unsecured	-
149th Series Taxable Bonds	6.19%	31900.00	28.04.2020	28.04.2023	3	ICRA AAA CRISIL AAA CARE AAA	Secured	pari-passu first charge over the rolling stock assets of the Company
150th Series Taxable Bonds	6.90%	25650.00	05.06.2020	05.06.2035	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
151st Series Taxable Bonds	6.73%	30000.00	06.07.2020	06.07.2035	15	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
152nd Series Taxable Bonds	6.41%	20000.00	30.07.2020	11.04.2031	10 years 8 months 12 days	ICRA AAA CRISIL AAA	-do-	-do-

Debenture Series	Coupon	Amount (Rs. In million)	Date of Allotment	Redemption Date / Schedule	Tenor (in years)	Credit Rating	Secured/ Unsecured	Security
						CARE AAA		
153rd Series Taxable Bonds	6.85%	59912.00	29.10.2020	29.10.2040	20	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
154th Series Taxable Bonds	6.85%	46520.00	01.12.2020	01.12.2040	20	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
155th Series Taxable Bonds	5.04%	30000.00	05.02.2021	05.05.2023	2 years 3 months	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
156th Series Taxable Bonds	7.21%	19545.00	25.02.2021	25.02.2041	20	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
157th Series Taxable Bonds	6.80%	13750.00	30.03.2021	30.04.2041	20 years 1 month	ICRA AAA CRISIL AAA CARE AAA	-do-	-do-
158th Series Taxable Bonds	6.99%	19940.00	04.06.2021	04.06.2041	20 years	ICRA AAA CRISIL AAA CARE AAA	Unsecured	-
159th Series Taxable Bonds	6.89%	29809.00	19.07.2021	19.07.2031	10 years	ICRA AAA CRISIL AAA CARE AAA	Unsecured	-
160th Series Taxable Bonds	7.03%	46930.00	30.07.2021	30.07.2036	15 years	ICRA AAA CRISIL AAA CARE AAA	Unsecured	-
161st Series Taxable Bonds	6.92%	40000.00	31.08.2021	31.08.2031	10 years	ICRA AAA CRISIL AAA CARE AAA	Unsecured	-
162nd Series Taxable Bonds	6.95%	50000.00	24.11.2021	24.11.2036	15 years	ICRA AAA CRISIL AAA CARE AAA	Unsecured	-
163rd Series Taxable Bonds	6.87%	11800.00	21.12.2021	14.04.2032	10 years 3 months 24 days	ICRA AAA CRISIL AAA CARE AAA	Unsecured	-
164th Series Taxable Bonds	7.69%	25000.00	11.10.2022	11.10.2032	10 years	ICRA AAA CRISIL AAA CARE AAA	Unsecured	-
165th Series Taxable Bonds	7.64%	39552.00	28.11.2022	28.11.2037	15 years	ICRA AAA CRISIL AAA	Unsecured	-

Debenture Series	Coupon	Amount (Rs. In million)	Date of Allotment	Redemption Date / Schedule	Tenor (in years)	Credit Rating	Secured/ Unsecured	Security
						CARE AAA		
166th Series Taxable Bonds	7.47%	5000.00	16.12.2022	15.04.2033	10 years 3 months 30 days	ICRA AAA CRISIL AAA CARE AAA	Unsecured	-
167th Series Taxable Bonds	7.65%	25105.00	30.12.2022	30.12.2032	10 years	ICRA AAA CRISIL AAA CARE AAA	Unsecured	-

* Our company has received a premium of Rs.3,42,700 on series 81 and 81st A, Rs.71,000 on series 82 and 82nd A, Rs.1,25,000 on Series 83 and 83th A, Rs.4,99,900 on Series 84, Rs.95,000 on Series 85, Rs.27,96,000 on series 89 and 89th A, Rs.1,22,000 on Series 90 and 90th A, Rs.16,50,000/- on series 93rd A, Rs.13,000 on series 94th A, Rs.68,73,000 on series 99th, Rs.4,21,000 on Series 100th and Rs.2,91,00,000/- on Series 106.

54 EC Capital Gain Bonds (Outstanding as on December 31, 2022)							
Debenture Series	**Coupon**	**Amount (Rs. In millions)**	**Date of Allotment**	**Redemption Date / Schedule**	**Credit Rating**	**Secured/ Unsecured**	**Security**
54EC Apr, 2018 Bond Series	5.75%	54.52	30.04.18	30.04.23	ICRA AAA CRISIL AAA CAREAAA	Secured	pari-passu first charge over the rolling stock assets of the Company
54EC May, 2018 Bond Series	5.75%	83.58	31.05.18	31.05.23	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC June, 2018 Bond Series	5.75%	127.56	30.06.18	30.06.23	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC Jul, 2018 Bond Series	5.75%	137.02	31.07.18	31.07.23	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC Aug, 2018 Bond Series	5.75%	81.17	31.08.18	31.08.23	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC Sep, 2018 Bond Series	5.75%	71.01	28.09.18	30.09.23	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC Oct, 2018 Bond Series	5.75%	116.94	31.10.18	31.10.23	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC Nov, 2018 Bond Series	5.75%	98.69	30.11.18	30.11.23	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC Dec, 2018 Bond Series	5.75%	135.12	31.12.18	31.12.23	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC Jan, 2019 Bond Series	5.75%	133.35	31.01.19	31.01.24	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC Feb, 2019 Bond Series	5.75%	145.31	28.02.19	29.02.24	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC Mar, 2019 Bond Series	5.75%	692.68	29.03.19	31.03.24	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC Apr, 2019 Bond Series	5.75%	249.71	30.04.19	30.04.24	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC May, 2019 Bond Series	5.75%	436.60	31.05.19	31.05.24	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC June, 2019 Bond Series	5.75%	596.14	30.06.19	30.06.24	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC July, 2019 Bond Series	5.75%	633.99	31.07.19	31.07.24	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC Aug, 2019 Bond Series	5.75%	571.15	31.08.19	31.08.24	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-

54EC Sept, 2019 Bond Series	5.75%	543.41	30.19.19	30.09.24	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC Oct 2019 Bond Series	5.75%	669.18	31.10.19	31.10.24	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC Nov 2019 Bond Series	5.75%	711.59	30.11.19	30.11.24	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC Dec 2019 Bond Series	5.75%	926.28	31.12.19	31.12.24	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC Jan 2020 Bond Series	5.75%	823.75	31.01.20	31.01.25	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC Feb 2020 Bond Series	5.75%	881.04	28.02.20	28.02.25	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54EC Mar 2020 Bond Series	5.75%	1429.69	31.03.20	31.03.25	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, Apr 2020 Bond Series	5.75%	131.17	30.04.20	30.04.2025	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, May 2020 Bond Series	5.75%	378.92	31.05.20	31.05.2025	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, Jun 2020 Bond Series	5.75%	1160.16	30.06.20	30.06.2025	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, July 2020 Bond Series	5.75%	774.33	31.07.20	31.07.2025	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, Aug 2020 Bond Series	5.00%	343.87	31.08.20	31.08.2025	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, Sep 2020 Bond Series	5.00%	529.70	30.09.20	30.09.2025	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, Oct 2020 Bond Series	5.00%	458.81	31.10.20	31.10.2025	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, Nov 2020 Bond Series	5.00%	412.82	30.11.20	30.11.2025	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, Dec 2020 Bond Series	5.00%	685.27	31.12.20	31.12.2025	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, Jan 2021 Bond Series	5.00%	629.66	31.01.21	31.01.2026	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, Feb 2021 Bond Series	5.00%	822.50	28.02.21	28.02.2026	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-

54 EC, March 2021 Bond Series	5.00%	2098.79	31.03.21	31.03.2026	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, April 2021 Bond Series	5.00%	565.74	30.04.21	30.04.2026	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, May 2021 Bond Series	5.00%	507.06	31.05.21	31.05.2026	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, June 2021 Bond Series	5.00%	838.14	30.06.21	30.06.2026	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, July 2021 Bond Series	5.00%	1050.55	31.07.21	31.07.2026	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, August 2021 Bond Series	5.00%	887.12	31.08.21	31.08.2026	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, September 2021 Bond Series	5.00%	1203.22	30.09.21	30.09.2026	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, October 2021 Bond Series	5.00%	832.21	31.10.21	31.10.2026	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, November 2021 Bond Series	5.00%	645.61	30.11.21	30.11.2026	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, December 2021 Bond Series	5.00%	1122.29	31.12.21	31.12.2026	ICRA AAA CRISIL AAA CAREAAA	Secured	-Do-
54 EC, Jan 2022 Bond Series	5.00%	926.35	31.01.22	31.01.27	ICRA AAA CRISIL AAA	Secured	-Do-
54 EC, Feb 2022 Bond Series	5.00%	945.57	28.02.22	28.02.27	ICRA AAA CRISIL AAA	Secured	-Do-
54 EC, Mar 2022 Bond Series	5.00%	2088.60	31.03.22	31.03.27	ICRA AAA CRISIL AAA	Secured	-Do-
54 EC, April 2022 Bond Series	5.00%	1205.18	30.04.22	30.04.27	ICRA AAA CRISIL AAA	Secured	-Do-
54 EC, May 2022 Bond Series	5.00%	1258.97	31.05.22	31.05.27	ICRA AAA CRISIL AAA	Secured	-Do-
54 EC, June 2022 Bond Series	5.00%	1352.31	30.06.22	30.06.27	ICRA AAA CRISIL AAA	Secured	-Do-
54 EC, July 2022 Bond Series	5.00%	1,671.01	31.07.22	31.07.27	ICRA AAA CRISIL AAA	Secured	-Do-
54 EC, August 2022 Bond Series	5.00%	840.60	31.08.22	31.08.27	ICRA AAA CRISIL AAA	Secured	-Do-
54 EC, September 2022 Bond Series	5.00%	1189.47	30.09.22	30.09.27	ICRA AAA CRISIL AAA	Secured	-Do-

54 EC, October 2022 Bond Series	5.00%	1093.36	31.10.22	31.10.27	ICRA AAA CRISIL AAA	Secured	-Do-
54 EC, November 2022 Bond Series	5.00%	1326.48	30.11.22	30.11.27	ICRA AAA CRISIL AAA	Secured	-Do-
54 EC, December 2022 Bond Series	5.00%	685.27	31.12.22	31.12.27	ICRA AAA CRISIL AAA	Secured	-Do-

17. TOP 10 BONDHOLDERS (as on 31st December 2022)

Sr.No.	Name of the Bondholder	Total amount of bonds held (Rs. in million)	%of total bonds outstanding
1	LIFE INSURANCE CORPORATION OF INDIA	28472.8	16.76
2	NPS TRUST- A/C UTI RETIREMENT SOLUTIONS PENSION FUND	15552.3	10.42
3	CBT-EPF-05-E-DM	15206.2	10.03
4	SBI LIFE INSURANCE CO.LTD	5886.2	3.08
5	BHARAT BOND ETF - APRIL 2030	4566.2	3.08
6	STATE BANK OF INDIA	4284.5	2.72
7	HDFC LIFE INSURANCE COMPANY LIMITED -SHAREHOLDERS S	4175	2.51
8	EMPLOYEES' STATE INSURANCE CORPORATION A/C SBI FUN	3794	2.26
9	CBT-EPF-11-E-DM	3579	1.81
10	COAL MINES PROVIDENT FUND ORGANISATION	3279.7	1.90
	Total	**88795.9**	**54.57**

18. AMOUNT OF CORPORATE GUARANTEES ISSUED BY THE ISSUER IN FAVOUR OF VARIOUS COUNTER PARTIES INCLUDING ITS SUBSIDIARIES, JOINT VENTURE ENTITIES, GROUP COMPANIES ETC.

The Issuer has not issued any corporate guarantee in favour of any counterparty including its subsidiaries, joint venture entities, group companies etc.

19. COMMERCIAL PAPER OUTSTANDING AS ON DECEMBER 31, 2022

NIL

20. OTHER BORROWINGS (INCLUDING HYBRID DEBT LIKE FOREIGN CURRENCY CONVERTIBLE BONDS ("FCCBs"), OPTIONALLY CONVERTIBLE BONDS/ DEBENTURES/ PREFERENCE SHARES)

The Issuer has not issued any debt like Foreign Currency Convertible Bonds, optionally convertible Bonds / Debentures / Preference Shares etc. till the date of the Private Placement Memorandum.

21. SERVICING BEHAVIOR ON EXISTING DEBT SECURITIES, DEFAULT(S) AND/OR DELAY(S) IN PAYMENTS OF INTEREST AND PRINCIPAL OF ANY KIND OF TERM LOANS, DEBT SECURITIES AND OTHER FINANCIAL INDEBTEDNESS INCLUDING CORPORATE GUARANTEE ISSUED BY THE ISSUER, IN THE PAST 5 YEARS

a. The main constituents of the Issuer's borrowings are generally in the form of bonds, debentures, loans from banks and financial institutions, external commercial borrowings etc.
b. The Issuer has been servicing all its principal and interest liabilities on time and there has been no instance of delay or default since inception.
c. The Issuer has neither defaulted in repayment/ redemption of any of its borrowings nor affected any kind of roll over against any of its borrowings in the past.

22. OUTSTANDING BORROWINGS/ DEBT SECURITIES ISSUED FOR CONSIDERATION OTHER THAN CASH, WHETHER IN WHOLE OR PART, AT A PREMIUM OR DISCOUNT, OR IN PURSUANCE OF AN OPTION

The Issuer confirms that other than and to the extent mentioned elsewhere in this Private Placement Memorandum, it has not issued any debt securities or agreed to issue any debt securities or availed any borrowings for a consideration other than cash, whether in whole or in part, at a premium or discount or in pursuance of an option since inception.

23. LENDING BY THE COMPANY

The Issuer is the dedicated market borrowing arm of the Indian Railways. Our primary business is financing the acquisition of rolling stock assets, which includes both powered and unpowered vehicles, for example locomotives, coaches, wagons, trucks, flats, electric multiple units, containers, cranes, trollies of all kinds and other items of rolling stock components as enumerated in the Standard Lease Agreement, leasing of railway infrastructure assets and national projects of the Government of India and lending to other entities under the Ministry of Railways, Government of India ("MoR").

24. CLASSIFICATION OF LOANS GIVEN TO ASSOCIATES OR ENTITIES RELATE TO BOARD, SENIOR MANAGEMENT, PROMOTERS, ETC. AS ON 31st March 2022

The Issuer has not provided any loans/advances to associates, entities/person relating to the board, senior management, Promoter expect as provided for in the chapter titled "Related Party Transaction" in the Annual report of the Company.

25. AGGREGATED EXPOSURE TO TOP 20 BORROWERS

Particulars	**As on 31st March, 2022**
Total advances to twenty largest borrowers	Rs. 4,152,473.93 million
Percentage of advances to twenty largest borrowers to total advances of the -NBFC.	100%

26. DETAILS OF LOANS OVERDUE AND CLASSIFIED AS NON-PERFORMING IN ACCORDANCE WITH RBI'S STIPULATIONS AS ON 31st March 2022:

Movement of gross NPA		**Movement of provisions for NPA**	
Movement of gross NPA*	**Rs. in million**	**Movement of provisions for NPA**	**Rs. in million**
Opening gross NPA	NIL	Opening balance	NIL
- Additions during the year	NIL	- Provisions made during the year	NIL
- Reductions during the year	NIL	- Write-off/ write-back of excess provisions	NIL
Closing balance of gross NPA	NIL	Closing balance	NIL

*Please indicate the gross NPA recognition policy (Day's Past Due)

27. PORTFOLIO SUMMARY OF BORROWINGS AS ON 31st December 2022

S.No.	Particulars	Amount Outstanding (Rs. Millions)	% to Total Borrowings
1.	Bonds (including bonds from overseas market)	20,76,620.55	51.60
2.	Rupee Term Loan	13,28,108.00	33.00
3.	National Small Saving Fund	1,75,000.00	4.35
4.	India Infrastructure Finance Company Limited	10,000.00	0.25
5.	Foreign Currency Term Loan	4,34,559.28	10.80
	Total	**40,24,287.83**	**100.00**

28. QUANTUM AND PERCENTAGE OF SECURED VS. UNSECURED BORROWINGS (as on 31.12.2022)

S.No.	Particulars	Percentage to Total
1.	Secured Borrowings	67.26
2.	Unsecured Borrowings	32.74
Total		**100.00**

29. ANY CHANGE IN PROMOTER'S HOLDINGS IN NBFCS DURING THE LAST FINANCIAL YEARBEYOND THE THRESHOLD PRESCRIBED BY RESERVE BANK OF INDIA

At present, RBI has prescribed such a threshold level at 26%. There is no change in promoter's holding in our Company during the last financial year beyond the threshold level of 26%.

30. CLASSIFICATION OF LOANS/ ADVANCES AS ON 31st MARCH 2022 GIVEN ACCORDING TO:

- **Type of Loans:**

S. No.	Type of Loans/ Advances	Rs. in million	Percentage (%)
1.	Secured	-	-
2.	Unsecured	4,152,376.82	
	a) Lease receivables from MoR**	2,006,924.99	48.34
	b) Advances to MoR against Project Assets, EBR-S and National Projects**	2,077,203.78	50.02
	c) Loan to RVNL & IRCON***	68,248.05	1.64
	Total assets under management (AUM)*^	**4,152,376.82**	**100.00**

**Information required at borrower level (and not by loan account as customer may have multiple loan accounts); ^Issuer is also required to disclose off balance sheet items;*

*** There is no credit risk on the amount due from sovereign*
**** Loan given under tripartite agreement with Ministry of Railways*

- **Denomination of loans outstanding by loan-to-value:** NA

S. No.	LTV (at the time of origination)	Percentage of AUM
1	Upto 40%	-
2	40-50%	-
3	50-60%	-
4	60-70%	-
5	70-80%	-
6	80-90%	-
7	>90%	-
	Total	-

- **Sectoral exposure:**

S. No.	Segment-wise break-up of AUM	Percentage of AUM
1	**Retail**	-
A	Mortgages (home loans and loans against property)	-
B	Gold loans	-
C	Vehicle finance	-
D	MFI	-
E	MSME	-
F	Capital market funding (loans against shares, margin funding)	-
G	Others	-
2	**Wholesale**	
A	Infrastructure	100%
B	Real estate (including builder loans)	-
C	Promoter funding	-
D	Any other sector (as applicable)	-

E	Others	-
	Total	100%

- **Denomination of loans outstanding by ticket size*:**

S. No.	Ticket size (at the time of origination)	Percentage of AUM
1	Upto Rs.2 lakh	-
2	Rs.2-5 lakh	-
3	Rs.5 - 10 lakh	-
4	Rs.10 - 25 lakh	-
5	Rs.25 - 50 lakh	-
6	Rs.50 lakh - 1 crore	-
7	Rs.1 - 5 crore	-
8	Rs.5 - 25 crore	-
9	Rs.25 - 100 crore	-
10	>Rs. 100 crore	100%
	Total	100%

* Information required at the borrower level (and not by loan account as a customer may have multiple loan accounts);

- **Geographical classification of borrowers:**

S. No.	Top 5 states	Percentage of AUM
1	New Delhi	100%
	Total	100%

- **Segment-wise gross NPA:**

S. No.	Segment-wise gross NPA	Gross NPA (%)
1	**Retail**	NIL
A	Mortgages (home loans and loans against property)	
B	Gold loans	
C	Vehicle finance	
D	MFI	
E	MSME	
F	Capital market funding (loans against shares, margin funding)	
G	Others	
2	**Wholesale**	NIL
A	Infrastructure	
B	Real estate (including builder loans)	
C	Promoter funding	
D	Any other sector (as applicable)	
E	Others	
	Total	NIL

- **Residual maturity profile of assets and liabilities:**

(Rs. in million)

Bucket as at March 31, 2022	Deposits	Advances	Investments	Borrowings	FCA	FCL
Up to 30/31 days	-	76,910.71	2.73	56,088.40	-	-
>1 month – 2 months	-	-	-	12,270.00	-	-
>2 months – 3 months	-	-	-	19,029.00	-	-

>3 months – 6 months	-	-	-	7,000.00	-	-
>6 months – 1 year	-	80,394.74	-	69,905.00	-	-
>1 years – 3 years	-	353,527.46	-	274,900.26	-	-
>3 years – 5 years	-	425,531.38	-	324,534.42	-	-
>5 years	-	3,293,632.08	97.11	3,131,816.06	-	-
Ind AS Adjustments	-	-	-	(11,378.31)	-	-
Total	-	4,229,996.37	100.03	3,884,166.18	-	-
Remarks	Since IRFC is a Non-Deposit accepting NBFC, we don't have any term deposit from public or any other sources	Includes advances in from of term loans to RVNL & IRCON, Lease Receivables against Rolling stock, advances against Project Assets, EBR-S, National Projects& interest accrued	Includes investments in PTC & Equity of IRCON	Includes borrowings from both domestic and overseas market, viz. LTL, STL, NSSF, 54EC, LIC Bonds, FCY Secured and Unsecured Loans, FCY Bonds	-	-

*FCA – Foreign Currency Assets; FCL – Foreign Currency Liabilities;

31. DISCLOSURE OF LATEST ALM STATEMENTS TO STOCK EXCHANGES

Data as on 31.03.2021 (Rs. in Crore)

Sr. No.	Item	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
	Liabilities									
1	Debt Securities	0	0	0	0	13612.86	26002.21	8116.59	130843.13	178574.79
2	Market Borrowings	0	0	0	0	7320.18	5370.28	10049.12	122646.54	144535.89
3	Total	0	0	0	0	20933.04	31372.49	18165.71	253489.67	323110.68
	Assets									
4	Advances	14909.13	0	0	0	6453.2	46209.78	37227.14	130747.8	235547.05
5	Investments	0.47	0	0	0	0.45	0.29	0	10.77	11.98
6	Total	**14909.60**	**0**	**0**	**0**	**48319.73**	**108955.05**	**73558.56**	**637737.91**	**881780.39**

6.2 HFCs shall make disclosures as specified for NBFCs in SEBI Circular no. CIR/IMD/DF/ 6 /2015, dated September 15, 2015, as revised from time to time with appropriate modifications viz. retail housing loan, loan against property,wholesale loan - developer and others.

- Not Applicable.

*Confidential and for internal use only

32. WHERE THE ISSUER IS A NON-BANKING FINANCE COMPANY OR HOUSING FINANCE COMPANY THE FOLLOWING DISCLOSURES ON ASSET LIABILITY MANAGEMENT (ALM) SHALL BE PROVIDED FOR THE LATEST AUDITED FINANCIALS:

S. No.	Particulars of disclosures	Detail
1.	Details with regard to lending done out of the issue proceeds of earlier issuances of debt securities (whether public issue or private placement) by NBFC Lending Policy Classification of Loans given to associate or entities related to Board, Senior management, promoters, etc. Classification	Lending Policy – Refer page no. 69 Classification of Loans given to associate or entities related to Board, Senior management, promoters, etc. – Refer page no. 69 Classification of loans into several maturity profile denomination – Refer page no. 69 Aggregated exposure to top 20 borrowers – Refer page no. 69 Details of loans, overdue and classified as Non-performing assets (NPA) – Refer page no. 69
2.	Details of borrowings made by NBFC	Portfolio Summary of borrowings made by NBFC – Refer page no.69 Quantum and percentage of Secured vs. Unsecured borrowings -Refer page no. 70
3.	Details of change in shareholding	Any change in promoters holding in NBFC during last financial year beyond the threshold prescribed by Reserve Bank of India – Refer page no. 70
4.	Disclosure of Assets undermanagement	Segment wise break up and Type of loans – Refer page no. 70
5.	Details of borrowers	Geographical location wise – Refer page no. 71
6.	Details of Gross NPA	Segment wise – Refer page no. 71
7.	Details of Assets and Liabilities	Residual maturity profile wise into several bucket – Refer page no. 71-72
8.	Disclosure of latest ALM statements to stock exchanges	Refer Page no.72

33. STANDALONE FINANCIAL INFORMATION OF THE ISSUER

a. Standalone Statement of Profit & Loss in Accordance with IND-AS (Based on restated financial information)

(Rs. in million)

Particulars	Half Year Ended 30.09.2022 Limited Review	Year ended 31.03.2022 (audited)	Year ended 31.03.2021 (audited)	Year ended 31.03.2020 (audited)
Revenue from operations				
Interest Income	34,224.01	72,946.72	39,436.59	27,479.98
Lease Income	80,148.38	1,30,035.96	118,265.62	106,724.27
Total revenue from operations	**1,14,372.39**	**2,02,982.68**	**157,702.21**	**134,204.25**
Dividend Income	-	9.96	2.51	5.92
Other Income	6.20	23.33	3.90	0.73
Total Income	**1,14,378.59**	**2,03,015.97**	**157,708.62**	**134,210.90**
Expenses				
Finance costs	79,981.78	1,40,747,.82	112,370.53	101,626.62
Impairment on financial instruments	(41.19)	4.61	27.15	21.41
Employee benefit expense	64.37	107.48	78.47	62.65
Depreciation, amortization and impairment	70.12	140.25	44.32	4.58
Other expenses	544.91	1114.26	1,026.84	574.68
Total Expenses	**80,619.99**	**1,42,114.62**	**113,547.31**	**102,289.94**
Profit before exceptional and extraordinary items and tax	33,758.60	60,901.55	44,161.31	31,920.96
Exceptional items	-	-	-	-
Profit before tax	**33,758.60**	**60,901.55**	**44,161.31**	**31,920.96**
Tax expense				
Current tax	-	-	-	-
Tax For Earlier Years	-	-	-	-
Deferred tax	-	-	-	-
Adjustment for Earlier Years	-	3.19	-	-
Total Tax Expenses	-	-	-	-
Profit for the period from continuing operations	**33,758.60**	**60,898.36**	**44,161.31**	**31,920.96**
Profit from discontinued operations	-	-	-	-
Tax expense of discontinued operations	-	-	-	-
Profit from discontinued operations (after tax)	-	-	-	-
Profit for the period	**33,758.60**	**60,898.36**	**44,161.31**	**31,920.96**
Other comprehensive income				
(A) (i) Items that will not be reclassified to profit orloss				
- Remeasurement of defined benefit plans	2.80	5.61	0.01	(0.35)
- Remeasurement of Equity Instrument	(0.73)	(10.61)	14.75	(5.17)

Particulars	Half Year Ended 30.09.2022 Limited Review	Year ended 31.03.2022 (audited)	Year ended 31.03.2021 (audited)	Year ended 31.03.2020 (audited)
(ii) Income tax relating to items that will not be reclassified to profit or loss				
- Remeasurement of defined benefit plans - Remeasurement of Equity Instrument	-	-	-	-
Subtotal (A)	**(2.07)**	**(5.00)**	**14.76**	**(5.52)**
(B) (i) Items that will be reclassified to profit and loss	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Subtotal (B)	**-**	**-**	**-**	**-**
Other Comprehensive Income (A+B)	**(2.07)**	**(5.00)**	**14.76**	**(5.52)**
Total comprehensive income for the period (comprising profit (loss) and other comprehensive income for the period)	**33,760.67**	**60,898.36**	**44,176.07**	**31,915.44**
Earnings per equity share (for continuing operations)				
Basic (Rs.)	2.58	4.66	3.66	3.40
Diluted (Rs.)	2.58	4.66	3.66	3.40
Earnings per equity share (for discontinued operations)				
Basic (Rs.)	**-**	**-**	**-**	**-**
Diluted (Rs.)	**-**	**-**	**-**	**-**
Earnings per equity share (for continuing and discontinued operations)				
Basic (Rs.)	2.58	4.66	3.66	3.40
Diluted (Rs.)	2.58	4.66	3.66	3.40

b. Statement of Balance Sheet

Standalone Balance Sheet in Accordance with IND-AS (Based on restated financial information)

(Rs. in million)

Particulars	Half Year Ended 30.09.2022 Limited Review	As at 31.03.2022 (audited)	As at 31.03.2021 (audited)	As at 31.03.2020 (audited)
ASSETS				
Financial assets				
Cash and cash equivalents	87,227.84	1,464.92	2,971.91	13.80
Bank Balance other than above	9,556.43	1,568.84	1,617.33	993.83
Derivative financial instruments	5,060.29	2,023.25	760.14	-

Particulars	Half Year Ended 30.09.2022 Limited Review	As at 31.03.2022 (audited)	As at 31.03.2021 (audited)	As at 31.03.2020 (audited)
Receivables				
- Lease receivables	21,97,295.71	2,006,924.99	1,655,689.91	1,485,798.00
Loans	59,331.26	68,248.05	69,698.15	6,4233.71
Investments	96.38	100.03	119.82	115.12
Other financial assets	21,66,004.16	2,247,779.18	1,995,580.54	1,182,742.54
Total financial assets	**45,24,572.07**	**4,328,109.26**	**3,726,437.80**	**2,733,897.00**
Non-financial assets				
Current tax assets (net)	6,277.49	6,373.08	9,333.87	6308.41
Property, plant and equipment	133.54	138.86	453.16	110.04
Right of Use Assets	164.52	224.25		
Other intangible assets	15.98	16.51	0.41	0.43
Other non-financial assets	1,20,814.25	1,64,940.28	68,589.99	14725.41
Total non-financial assets	**1,27,405.78**	**1,71,692.98**	**78,377.43**	**21,144.29**
Total Assets	**46,51,977.85**	**4,499,802.24**	**3,804,815.23**	**2,755,041.29**
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Derivative financial instruments	11,200.26	5,669.33	3,601.28	4,065.15
Payables				
- Trade payables				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than macro enterprises and small enterprises	-	-	-	-
- Other payables				
(i) Total outstanding dues of micro enterprises and small enterprises	1.94	10.02	3.78	0.50
(ii) Total outstanding dues of creditors other than macro enterprises and small enterprises	220.86	235.69	503.83	377.02
Debt securities	19,80,192.30	1,941,749.53	1,785,747.89	1,552,904.56
Borrowings (other securities)	18,86,966.50	1,942,416.65	1,445,358.90	790,862.65
Other financial liabilities	3,31,539.51	1,94,485.48	1,963,74.91	103,373.67
Total financial liabilities	**42,10,121.37**	**4,084,566.70**	**3,431,590.59**	**2,451,583.55**
Non-financial liabilities				
Current tax liabilities (net)	-	-	-	-

Particulars	Half Year Ended 30.09.2022 Limited Review	As at 31.03.2022 (audited)	As at 31.03.2021 (audited)	As at 31.03.2020 (audited)
Provisions	829.38	535.71	291.22	138.03
Deferred tax liabilities (net)	-	-	-	-
Other non-financial liabilities	5,536.19	4,736.43	13,799.60	322.19
Total non-financial liabilities	**6,365.57**	**5,272.14**	**14,090.82**	**460.22**
Total liabilities	**42,16,486.94**	**4,089,838.84**	**3,445,681.41**	**2,452,043.77**
Equity				
Equity Share Capital	1,30,685.06	130,685.06	130,685.06	118,804.60
Other equity	3,04,805.85	279,278.34	228,448.76	184,192.92
Total equity	**4,35,490.91**	**4,09,963.40**	**3,59,133.82**	302,997.52
Total Liabilities and Equity	**46,51,977.85**	**4,499,802.24**	**3,804,815.23**	**2,755,041.29**

c. Cash Flow Statement

Standalone Statement of Cash flows in accordance with IND-AS (Based on restated financial information)

(Rs. in million)

Particulars	Half Year Ended 30.09.2022 Limited Review	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2020
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before taxes	33,758.60	60,901.55	44,161.31	31920.96
Adjustments for				
Remeasurement of defined benefit plans	2.80	5.61	0.01	(0.35)
Depreciation and amortization	70.12	140.25	44.32	4.58
Provision of interest on Income tax	-	-	5.33	20.91
Loss on sale of fixed assets	-	0.03	0.25	0.07
Profit on sale of fixed assets	-	-	(0.01)	-
Discount on Commercial Paper	-	324.49	505.55	1,358.05
Adjustments towards effective interest rate	498.90	797.98	(3217.08)	(1482.30)
Interest Expense on lease liabilities	5.77	16.48	6.79	-
Dividend Received	-	(9.96)	(2.51)	(5.92)
Share Issue Expenses	-	(1.03)	-	-
Operating profit before working capital changes	34,336.19	62,175.40	41,503.96	31,816.00
Movements in working capital:				
Increase/ (decrease) in trade payable	22.91	(261.90)	130.09	255.79
Increase/ (decrease) in provisions	293.67	244.49	193.76	(0.84)
Increase/ (decrease) in others non financial liabilities	799.76	(9,063.17)	13,477.41	274.04

Particulars	Half Year Ended 30.09.2022 Limited Review	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2020
Increase/ (decrease) in other financial liabilities	1,28,879.61	(1,777.07)	68,357.31	30,374.25
Decrease/ (increase) in receivables	(1,90,370.72)	(3,51,235.08)	(169,891.91)	(235,532.88)
Decrease/ (increase) in loans and advances	8916.79	1,450.10	(5,464.4)	(5,278.8)
Decrease/ (increase) in bank balance other than cash and cash equivalents	7,987.59	48.49	(623.50)	(220.24)
Decrease/ (increase) in other non financial assets	44,126.03	(96,350.29)	(53,895.20)	261.68
Decrease/ (increase) in other financial assets	81,014.54	(2,52,311.39)	(789,813.21)	(443,061.27)
Cash generated from operations	(99,985.37)	(647,080.42)	(896,025.73)	(621,112.31)
Less: Direct taxes paid (net of refunds)	(95.59)	(2,957.60)	3040.74	5,893.75
Net cash flow/ (used) in operating activities (A)	(1,00,080.96)	(644,122.82)	(899,066.47)	(627,006.06)
B. CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property plant & equipment and intangible assets	(4.54)	(66.33)	(8.65)	(2.41)
Proceeds from sale of property plant & equipment	-	-	0.32	0.05
Proceeds from realization of pass-through certificates/ sale of investments	2.92	9.18	10.05	11.16
Dividend income received	-	9.96	2.51	5.92
Net cash flow/ (used) in investing activities (B)	(1.62)	(47.19)	4.23	14.72
C. CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issue of equity share capital	-	-	11,880.46	25,000.00
Proceeds from Security Premium	-	-	19,008.74	-
Issue of Debt Securities (Net of redemptions)	38,362.45	184,834.63	242,488.51	308,125.43
Raising of Rupee Term Loans/ Foreign Currency Borrowings (net of repayments)	52,614.36	497,314.74	657,781.22	289,007.28
Issue of commercial paper (net of repayments)	-	(29,294.76)	(10,169.37)	7416.27
Payments for lease liabilities (including interest)	(64.51)	(128.84)	(40.24)	-
Share Issue Expenses	-	-	(207.04)	(169.80)

Particulars	Half Year Ended 30.09.2022 Limited Review	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2020
Final dividend paid	-	-	(5,000.00)	(2,000.00)
Interim dividend paid	-	(10,062.75)	(13,721.93)	-
Dividend tax paid		-	-	(411.11)
Net cash generated by/(used in) financing activities (C)	(14,316.42)	642,663.02	902,020.35	626,968.07
Net increase in Cash and Cash equivalents (A+B+C)	85,762.92	(1,506.99)	2,958.11	(23.27)
Cash and cash equivalent at the beginning of the year	1,464.92	2,971.71	13.80	37.07
Cash and cash equivalents at the end of year end	87,227.84	1,464.92	2,971.91	13.80

d. Auditor's Qualifications

Financial Year	Auditors' Qualifications
2021-22	NIL
2020-21	NIL
2019-20	NIL
2018-19	NIL
2017-18	NIL
2016-17	NIL

34. MATERIAL EVENT, DEVELOPMENT OR CHANGE AT THE TIME OF ISSUE

With effect from January 25, 2021 the equity shares of the company are listed on NSE and BSE. As per the prospectus dated January 22, 2021 the Initial public offering was of 1,782,069,000 equity shares of face value of Rs.10 each for cash at a price of Rs.26.00 per equity share (including a premium of Rs.16.00 per equity share) aggregating to Rs.46,333.79 million comprising of fresh issue of 1,188,046,000 equity shares aggregating to Rs.30,889.20 million and an offer for sale of 594,023,000 equity shares by the president of India, acting through the MOR, aggregating to Rs.15,444.60 million.

For Detailed financials visit below links

https://irfc.co.in/investors/annual-reports

IX. SUMMARY TERM SHEET

DETAILS OF THE INSTRUMENT

Security Name	7.40% p.a., IRFC Bonds Series 168A, 2026	7.65% p.a., IRFC Bonds Series 168B, 2033
Issuer	Indian Railway Finance Corporation Limited (“IRFC” or the “Issuer” or the “Company”)	Indian Railway Finance Corporation Limited (“IRFC” or the “Issuer” or the “Company”)
Type of Instrument	Unsecured, Redeemable, Non-Convertible, Taxable Bonds in the nature of Debentures (“Bonds”)	Unsecured, Redeemable, Non-Convertible, Taxable Bonds in the nature of Debentures (“Bonds”)
Nature of Instrument	Unsecured	Unsecured
Seniority	Unsecured Debt	Unsecured Debt
Mode of Issue	Private Placement	Private Placement
Eligible Investors	**Qualified Institutional Buyers (“QIBs”)** 1. Mutual Funds; 2. Public Financial Institutions specified in Section 2(72) of the Companies Act 2013; 3. Scheduled Commercial Banks; 4. State Industrial Development Corporations; 5. Insurance Companies registered with the Insurance Regulatory and Development Authority; 6. Provident Funds and Pension Funds with minimum corpus of Rs.25.00 crore; 7. National Investment Funds set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; 8. Insurance funds set up and managed by army, navy or air force of the Union of India; 9. Alternative Investment Funds, subject to investment conditions applicable to them under the Securities Exchange Board of India (Alternative Investment Funds) Regulations, 2012 10. Foreign Portfolio Investors (“FPI”), Foreign Institutional Investors (“FII”) and sub- accounts (other than a sub account which is a foreign corporate or foreign individual), Qualified Foreign Investors (“QFIs”), not being an individual, registered with SEBI and who is not a resident of USA and is not be subject to any taxation laws of the USA **Non- QIBs** 1) Companies and Bodies Corporate authorized to invest in bonds/debentures; 2) Co-operative Banks and Regional Rural Banks authorized to invest in bonds/ debentures; 3) Gratuity Funds and Superannuation Funds; 4) Provident Funds and Pension Funds with corpus of less than Rs.25.00 crore; 5) Societies authorized to invest in bonds/debentures; 6) Trusts authorized to invest in bonds/debentures; 7) Statutory Corporations/ Undertakings	**Qualified Institutional Buyers (“QIBs”)** 1. Mutual Funds; 2. Public Financial Institutions specified in Section 2(72) of the Companies Act 2013; 3. Scheduled Commercial Banks; 4. State Industrial Development Corporations; 5. Insurance Companies registered with the Insurance Regulatory and Development Authority; 6. Provident Funds and Pension Funds with minimum corpus of Rs.25.00 crore; 7. National Investment Funds set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; 8. Insurance funds set up and managed by army, navy or air force of the Union of India; 9. Alternative Investment Funds, subject to investment conditions applicable to them under the Securities Exchange Board of India (Alternative Investment Funds) Regulations, 2012 10. Foreign Portfolio Investors (“FPI”), Foreign Institutional Investors (“FII”) and sub- accounts (other than a sub account which is a foreign corporate or foreign individual), Qualified Foreign Investors (“QFIs”), not being an individual, registered with SEBI and who is not a resident of USA and is not be subject to any taxation laws of the USA **Non- QIBs** 1) Companies and Bodies Corporate authorized to invest in bonds/debentures; 2) Co-operative Banks and Regional Rural Banks authorized to invest in bonds/ debentures; 3) Gratuity Funds and Superannuation Funds; 4) Provident Funds and Pension Funds with corpus of less than Rs.25.00 crore; 5) Societies authorized to invest in bonds/debentures; 6) Trusts authorized to invest in bonds/debentures; 7) Statutory Corporations/ Undertakings

	established by Central/ State legislature authorized to invest in bonds/debentures; 8) Hindu Undivided Families through Karta; 9) Limited Liability Partnership; 10)Partnership firms formed under applicable laws in India in the name of the partners; **11)**Resident Individual Investors	established by Central/ State legislature authorized to invest in bonds/debentures; 8) Hindu Undivided Families through Karta; 9) Limited Liability Partnership; 10)Partnership firms formed under applicable laws in India in the name of the partners; 11)Resident Individual Investors
Non-Eligible classes of Investors	1) Minors without Guardian name (A guardian may apply on behalf of a Minor. However, Applications by Minors must be made through Application Forms that contain the names of both the Minor Applicant and the guardian); 2) Non-Resident Investors being an individual including NRIs, QFIs (Individual) and FPIs (Individual); 3) Indian Venture Capital Funds; 4) Foreign Venture Capital Investors; 5) Overseas Corporate Bodies; 6) Persons ineligible to contract under applicable statutory/ regulatory requirements	1) Minors without Guardian name (A guardian may apply on behalf of a Minor. However, Applications by Minors must be made through Application Forms that contain the names of both the Minor Applicant and the guardian); 2) Non-Resident Investors being an individual including NRIs, QFIs (Individual) and FPIs (Individual); 3) Indian Venture Capital Funds; 4) Foreign Venture Capital Investors; 5) Overseas Corporate Bodies; 6) Persons ineligible to contract under applicable statutory/ regulatory requirements
Listing (including name of stock exchange(s) where it will be listed and timeline for listing)	The bonds are proposed to be listed on the Wholesale Debt Market (WDM) Segment of NSE and BSE on or before three trading days from the issue closing date	The bonds are proposed to be listed on the Wholesale Debt Market (WDM) Segment of NSE and BSE on or before three trading days from the issue closing date
Credit Ratings	CARE AAA by CARE, CRISIL AAA/Stable by CRISIL, and "[ICRA] AAA" by ICRA	CARE AAA by CARE, CRISIL AAA/Stable by CRISIL, and "[ICRA] AAA" by ICRA
Base Issue Size	Rs. 5,000 million	Rs. 5,000 million
Option to retain over subscription through green shoe option	Upto Rs. 20,000 million (Not exceeding five times of base issue size)	Upto Rs. 20,000 million (Not exceeding five times of base issue size)
Aggregate Issue Size	Rs. 25,000 million	Rs. 25,000 million
Objects of Issue	The funds shall be used for meeting the funding requirement of Indian Railways. The proceeds of the bond issue(s) will be used for acquisition of Rolling Stock (Railway Assets)/ Identified Railway Projects to be leased out to Indian Railways/ funding Bankable Railway Projects of RVNL approved by MOR and as contained in the annual budget estimates presented before Parliament	The funds shall be used for meeting the funding requirement of Indian Railways. The proceeds of the bond issue(s) will be used for acquisition of Rolling Stock (Railway Assets)/ Identified Railway Projects to be leased out to Indian Railways/ funding Bankable Railway Projects of RVNL approved by MOR and as contained in the annual budget estimates presented before Parliament
Details of the utilization of the proceeds	The funds shall be used for meeting the funding requirement of Indian Railways. The proceeds of the bond issue(s) will be used for acquisition of Rolling Stock (Railway Assets)/ Identified Railway Projects to be leased out to Indian Railways/ funding Bankable Railway Projects of RVNL approved by MOR and as contained in the annual budget estimates presented before Parliament	The funds shall be used for meeting the funding requirement of Indian Railways. The proceeds of the bond issue(s) will be used for acquisition of Rolling Stock (Railway Assets)/ Identified Railway Projects to be leased out to Indian Railways/ funding Bankable Railway Projects of RVNL approved by MOR and as contained in the annual budget estimates presented before Parliament
Coupon Rate	7.40% p.a.	7.65% p.a.

Step up /Step down coupon rate	N.A.	N.A.
Coupon Payment frequency	Annual	Annual
Coupon Payment dates	First Interest Payment on October 15, 2023, after that on 15th October each year and Final Interest payment will be made on 18th April, 2026 along with final redemption of Bonds.	First Interest Payment on October 15, 2023, after that on 15th October each year and Final Interest payment will be made on 18th April, 2033 along with final redemption of Bonds.
Coupon Type	Fixed	Fixed
Coupon Re set Process (including rates, spr ead, effective dat e, interest rate cap and floor etc.)	None	None
Day count basis	Interest shall be computed on an "actual/actual basis". Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis	Interest shall be computed on an "actual/actual basis". Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis
Interest on application money	The interest on application money shall be paid from the date of receipt of application money in IRFC's account till one day prior to the date of allotment on the aggregate face value amount of Bonds. No interest on application money would be paid if the date of receipt of application money and allotment is same.	The interest on application money shall be paid from the date of receipt of application money in IRFC's account till one day prior to the date of allotment on the aggregate face value amount of Bonds. No interest on application money would be paid if the date of receipt of application money and allotment is same.
Default Interest Rate	• 2% per annum over the coupon rate will be payable by the Issuer for the defaulting period in case of default in payment of Coupon or Redemption Amount. • 2% per annum or such other rate as specified by the regulator from time to time over the Coupon Rate will be payable by the Issuer for the period of delay in cases where the bond trust deed is not executed in accordance with the timeline under applicable law. • 1% per annum over the Coupon Rate will be payable by the Issuer for the period of delay between the Deemed Date of Allotment and the date of listing, in accordance with the timeline under applicable law.	• 2% per annum over the coupon rate will be payable by the Issuer for the defaulting period in case of default in payment of Coupon or Redemption Amount. • 2% per annum or such other rate as specified by the regulator from time to time over the Coupon Rate will be payable by the Issuer for the period of delay in cases where the bond trust deed is not executed in accordance with the timeline under applicable law. • 1% per annum over the Coupon Rate will be payable by the Issuer for the period of delay between the Deemed Date of Allotment and the date of listing, in accordance with the timeline under applicable law.
Tenor	3 years 3 months	10 years 3 months
Redemption Date	18-04-2026	18-04-2033
Redemption Amount	Redeemable at face value of Bonds	Redeemable at face value of Bonds
Redemption Premium / Discount	Nil	Nil
Issue Price	Rs.1,00,000 per bond	Rs.1,00,000 per bond
Premium on issue	N.A.	N.A.
Discount at which security is issued and the effective yield as a result of	Nil	Nil

such discount		
Put option date	NA	NA
Put option Price	NA	NA
Call option date	NA	NA
Call option Price	NA	NA
Put notification Time	NA	NA
Call notification Time	NA	NA
Face Value	Rs.1,00,000 per bond	Rs.1,00,000 per bond
Minimum Application and in multiples of Debt Securities thereafter	100 Bonds and in Multiples of 1 Bond thereafter	100 Bonds and in Multiples of 1 Bond thereafter
Minimum subscription of debt security	As the current issue of Bonds is being made on Private Placement basis, the requirement of minimum subscription shall not be applicable and therefore the Company shall not be liable to refund the issue subscription(s)/ proceed(s) in the event of the total issue collection falling short of issue size or certain percentage of issue size	As the current issue of Bonds is being made on Private Placement basis, the requirement of minimum subscription shall not be applicable and therefore the Company shall not be liable to refund the issue subscription(s)/ proceed(s) in the event of the total issue collection falling short of issue size or certain percentage of issue size
Issue Time Table: Issue	16th January, 2023	16th January, 2023
Opening Date* Issue Closing	16th January, 2023	16th January, 2023
Date* Pay- in date*	18th January, 2023	18th January, 2023
Deemed Date of Allotment*	18th January, 2023	18th January, 2023
Settlement mode of the Instrument	Payment of interest and repayment of principal shall be made by way of cheque(s)/warrant(s)/ demand draft(s)/direct credit/ RTGS/ NECS/ NEFT or any other electronic mode offered by banks.	Payment of interest and repayment of principal shall be made by way of cheque(s)/warrant(s)/ demand draft(s)/direct credit/ RTGS/ NECS/ NEFT or any other electronic mode offered by banks.
Settlement Cycle	T+2 day (T being the bidding date)	T+2 day (T being the bidding date)
Issuance mode	Demat only	Demat only
Trading mode	Demat only	Demat only
Type of Bidding	Close Bidding	Close Bidding
Manner of Allotment	Uniform Yield	Uniform Yield
No. of Applications	As per the applicable rules	As per the applicable rules
Depository	NSDL & CDSL	NSDL & CDSL
Holiday Convention	If the Coupon Payment Date falls on a holiday, the payment of Coupon up to original scheduled date, will be made on the following working day, however the dates of the future coupon payments would be in accordance with the schedule originally stipulated at the time of issuing the security. If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Working Day, the redemption proceeds shall be paid by the Issuer on the immediately preceding Working Day along with interest accrued on the Bonds until but excluding the date of such payment.	If the Coupon Payment Date falls on a holiday, the payment of Coupon up to original scheduled date, will be made on the following working day, however the dates of the future coupon payments would be in accordance with the schedule originally stipulated at the time of issuing the security. If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Working Day, the redemption proceeds shall be paid by the Issuer on the immediately preceding Working Day along with interest accrued on the Bonds until but excluding the date of such payment.

	It is clarified that Interest/redemption with respect to the Bonds shall be made only on the days on which scheduled commercial banks are open for business in New Delhi. If the Record Date falls on a day which is not a Working Day, the immediately succeeding Working Day will be considered as the Record Date	It is clarified that Interest/redemption with respect to the Bonds shall be made only on the days on which scheduled commercial banks are open for business in New Delhi. If the Record Date falls on a day which is not a Working Day, the immediately succeeding Working Day will be considered as the Record Date
Record Date	15 days prior to each Coupon Payment Date / Redemption Date	15 days prior to each Coupon Payment Date / Redemption Date
Trustees	SBI CAP Trustee Company Limited	SBI CAP Trustee Company Limited
All covenants of the issue (including side letters, accelerated payment clause, etc.)	All covenants to the issue shall be mentioned in the Bond Trust Deed which will be executed within time frame prescribed under the Companies Act.	All covenants to the issue shall be mentioned in the Bond Trust Deed which will be executed within time frame prescribed under the Companies Act.
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Information Memorandum	Bonds are Unsecured	Bonds are Unsecured
Transaction Documents	The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue: a. Letter appointing Trustees to the Bondholders; b. Trusteeship Agreement c. Rating Agreement with CRISIL/ CARE / ICRA; d. Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Bonds in dematerialized form; e. Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form;	The Issuer has executed/ shall execute the documents including but not limited to the following in connection with the Issue: a. Letter appointing Trustees to the Bondholders; b. Trusteeship Agreement c. Rating Agreement with CRISIL/ CARE / ICRA; d. Tripartite Agreement between the Issuer; Registrar and NSDL for issue of Bonds in dematerialized form; e. Tripartite Agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form;

	f. Letter appointing Registrar and MoU entered into between the Issuer and the Registrar; g. Application made to NSE/BSE for seeking its in-principle approval for listing of Bonds; h. Listing Agreement with NSE/BSE; Letters appointing Arrangers to the Issue.	f. Letter appointing Registrar and MoU entered into between the Issuer and the Registrar; g. Application made to NSE/BSE for seeking its in-principle approval for listing of Bonds; h. Listing Agreement with NSE/BSE; i. Letters appointing Arrangers to the Issue.
Conditions precedent to subscription of Bonds	The subscription from investors shall be accepted for allocation and allotment by the Issuer subject to the following: 1. Rating letters from the aforesaid rating agencies; 2. Letter from the Trustees conveying their consent to act as Trustees for the Bondholders Making an application to BSE and NSE for seeking their in-principle approval for listing of Bonds.	The subscription from investors shall be accepted for allocation and allotment by the Issuer subject to the following: 1. Rating letters from the aforesaid rating agencies; 2. Letter from the Trustees conveying their consent to act as Trustees for the Bondholders 3. Making an application to BSE and NSE for seeking their in-principle approval for listing of Bonds.
Conditions subsequent to subscription of Bonds	The Issuer shall ensure that the following documents are executed/ activities are completed as per time frame mentioned elsewhere in this Private Placement Memorandum: 1. Ensuring that the payment made for subscription to the Bonds is from the bank account of the person/ entity subscribing to the Bonds and keep record of the bank accounts from where payments for subscriptions have been received; 2. Maintaining a complete record of private placement offers in Form PAS-5 3. Filing a return of allotment of Bonds with complete list of all Bondholders in Form PAS- 3 under section 42 of the Companies Act, 2013, with the Registrar of Companies, National Capital Territory of Delhi & Haryana within fifteen days of the Deemed Date of Allotment along with fee as provided in the Companies (Registration Offices and Fees) Rules, 2014; 4. Credit of demat account(s) of the allottee(s) by number of bonds allotted within the stipulated time period from the deemed date of allotment. 5. Making listing application to NSE and BSE within 3 days from the closure of the issue of bonds. 6. Executing the Bond Trust Deed in favour of the Trustee prior to the listing of the Debentures and submit with NSE and BSE within five working days of the execution of the same for uploading on their website. Besides, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in this Private Placement Memorandum.	The Issuer shall ensure that the following documents are executed/ activities are completed as per time frame mentioned elsewhere in this Private Placement Memorandum: 1. Ensuring that the payment made for subscription to the Bonds is from the bank account of the person/ entity subscribing to the Bonds and keep record of the bank accounts from where payments for subscriptions have been received; 2. Maintaining a complete record of private placement offers in Form PAS-5 3. Filing a return of allotment of Bonds with complete list of all Bondholders in Form PAS- 3 under section 42 of the Companies Act, 2013, with the Registrar of Companies, National Capital Territory of Delhi & Haryana within fifteen days of the Deemed Date of Allotment along with fee as provided in the Companies (Registration Offices and Fees) Rules, 2014; 4. Credit of demat account(s) of the allottee(s) by number of bonds allotted within the stipulated time period from the deemed date of allotment. 5. Making listing application to NSE and BSE within 3 days from the closure of the issue of bonds. 6. Executing the Bond Trust Deed in favour of the Trustee prior to the listing of the Debentures and submit with NSE and BSE within five working days of the execution of the same for uploading on their website. 7. Besides, the Issuer shall perform all activities, whether mandatory or otherwise, as mentioned elsewhere in this Private Placement Memorandum.
Additional Covenants	**Default In Payment:** In case of default in payment of interest and/ or principal redemption on the due dates, the Company shall pay additional interest at the rate of 2%p.a. over the Coupon Rate for the defaulting period i.e., the period	**Default In Payment:** In case of default in payment of interest and/ or principal redemption on the due dates, the Company shall pay additional interest at the rate of 2%p.a. over the Coupon Rate for the defaulting period i.e., the period

	commencing from and including the date on which such amount becomes due and upto but excluding the date on which such amount is actually paid. **Allotment of Bonds:** The Issuer shall allot the Bonds within the timeline in accordance with applicable law, and if the Issuer is not able to allot the Bonds within such period, it shall repay the Application money to the subscribers with additional interest as provided under applicable law. **Delay in Listing:** In case of delay in listing of the debt securities beyond the specified timelines, the Company shall pay penal interest of at least @ 1 % p.a. over the coupon rate for the period of delay to the investor and shall be be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from Stock Exchanges. **Execution of Trust Deed:** Where an issuer fails to execute the trust deed within the period specified in Regulation 18(1) of SEBI (NCS) Regulations, 2021, without prejudice to any liability arising on account of violation of the provisions of the Act and these regulations, the issuer shall also pay interest of at least two percent per annum or such other rate, as specified by the Board to the holder of debt securities, over and above the agreed coupon rate, till the execution of the trust deed.	commencing from and including the date on which such amount becomes due and upto but excluding the date on which such amount is actually paid. **Allotment of Bonds:** The Issuer shall allot the Bonds within the timeline in accordance with applicable law, and if the Issuer is not able to allot the Bonds within such period, it shall repay the Application money to the subscribers with additional interest as provided under applicable law. **Delay in Listing:** In case of delay in listing of the debt securities beyond the specified timelines, the Company shall pay penal interest of at least @ 1 % p.a. over the coupon rate for the period of delay to the investor and shall be be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from Stock Exchanges. **Execution of Trust Deed:** Where an issuer fails to execute the trust deed within the period specified in Regulation 18(1) of SEBI (NCS) Regulations, 2021, without prejudice to any liability arising on account of violation of the provisions of the Act and these regulations, the issuer shall also pay interest of at least two percent per annum or such other rate, as specified by the Board to the holder of debt securities, over and above the agreed coupon rate, till the execution of the trust deed.
Events of Default (including manner of voting/ conditions of joining Inter Creditor Agreement)	If the Issuer commits a default in making payment of any installment of interest or repayment of principal amount of the Bonds on the respective due date(s), the same shall constitute an "Event of Default" by the Issuer. Besides, it would also constitute an "Event of Default" by the Issuer, if the Issuer does not perform or does not comply with one or more of its material obligations in relation to the Bonds issued in pursuance of terms and conditions stated in this Private Placement Memorandum, Trusteeship Agreement and Trust Deed, which in opinion of the Trustees is incapable of remedy. Manner of voting/conditions of joining Inter Creditor Agreement shall be mentioned in the Bond Trust Deed which will be executed within time frame prescribed under the applicable regulations.	If the Issuer commits a default in making payment of any installment of interest or repayment of principal amount of the Bonds on the respective due date(s), the same shall constitute an "Event of Default" by the Issuer. Besides, it would also constitute an "Event of Default" by the Issuer, if the Issuer does not perform or does not comply with one or more of its material obligations in relation to the Bonds issued in pursuance of terms and conditions stated in this Private Placement Memorandum, Trusteeship Agreement and Trust Deed, which in opinion of the Trustees is incapable of remedy. Manner of voting/conditions of joining Inter Creditor Agreement shall be mentioned in the Bond Trust Deed which will be executed within time frame prescribed under the applicable regulations.
Remedies	As mentioned in the Trust Deed	As mentioned in the Trust Deed
Creation of recovery expense fund	The issuer has created a recovery expense fund with the BSE as the Designated Stock Exchange, in the manner as specified by the SEBI pursuant to circular number SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 as amended from time to time and informed the debenture trustee about the same.	The issuer has created a recovery expense fund with the BSE as the Designated Stock Exchange, in the manner as specified by the SEBI pursuant to circular number SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 as amended from time to time and informed the debenture trustee about the same.
Conditions for breach of	Shall be mentioned in the Bond Trust Deed which will be executed within time frame	Shall be mentioned in the Bond Trust Deed which will be executed within time frame

covenants	prescribed under the applicable regulations.	prescribed under the applicable regulations.
Cross Default	Not Applicable	Not Applicable
Role and Responsibilities of Trustees	The Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustees by the holder(s) of the Bonds and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustees. The Trustee shall carry out its duties and perform its functions as required to discharge its obligations under the terms of the Companies Act, 2013, SEBI NCS Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Trusteeship Agreement, the Trust Deed, Private Placement Memorandum and all other related transaction documents, with due care, diligence and loyalty. The Trustees shall ensure disclosure of all material events on an ongoing basis.	The Trustees shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustees by the holder(s) of the Bonds and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustees. The Trustee shall carry out its duties and perform its functions as required to discharge its obligations under the terms of the Companies Act, 2013, SEBI NCS Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Trusteeship Agreement, the Trust Deed, Private Placement Memorandum and all other related transaction documents, with due care, diligence and loyalty. The Trustees shall ensure disclosure of all material events on an ongoing basis.
Settlement Mode of the Instrument	Through Clearing Corporation of BSE i.e. ICCL	Through Clearing Corporation of BSE i.e. ICCL
Mode of Subscription	Successful Bidders should ensure to do the funds pay-in from their same bank account which is updated by them in the BSE-EBP Platform i.e. BSE BOND while placing the bids. The pay-in should be made in the ICCL's Clearing Account as displayed in BSE BOND platform.	Successful Bidders should ensure to do the funds pay-in from their same bank account which is updated by them in the BSE-EBP Platform i.e. BSE BOND while placing the bids. The pay-in should be made in the ICCL's Clearing Account as displayed in BSE BOND platform.
Designated Stock Exchange	BSE. Being the EBP platform used for this issuance	BSE. Being the EBP platform used for this issuance
Reissuance and consolidation	The Issuer shall have the right to reissuance or consolidate the bonds under the present series in accordance with the applicable law	The Issuer shall have the right to reissuance or consolidate the bonds under the present series in accordance with the applicable law
Risk factors pertaining to the issue	Mentioned at Chapter – VI of the private placement memorandum cum application letter i.e. "Management perception to Risks Factors"	Mentioned at Chapter – VI of the private placement memorandum cum application letter i.e. "Management perception to Risks Factors"
Governing Law and Jurisdiction	The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of district courts of Delhi	The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of district courts of Delhi

ILLUSTRATION OF BOND CASH FLOW – 168th A SERIES:

Name of Issuer	*Indian Railway Finance Corporation Limited*
Face Value of Bonds	*Rs.1 lakh per Bond*
Deemed Date of Allotment	18th January, 2023
Put & Call Option	*NA*
Redemption Date	18th April, 2026
Coupon Rate	7.40% p.a.
Frequency of Interest Payment with specified Dates	*Annual*
Day Count Convention	*Actual / Actual*

Particulars	Original Coupon Payment Date & Redemption Date	Modified Coupon Payment Date & Redemption Date	No. of Days	Amount payable per Bond (in Rs.)
Allotment Date	Wednesday, 18 January, 2023	Wednesday, 18 January, 2023		-100000.00
1st Coupon	Sunday, 15 October, 2023	Monday, 16 October, 2023	270	5473.97
2nd Coupon	Tuesday, 15 October, 2024	Tuesday, 15 October, 2024	366	7400.00
3rd Coupon	Wednesday, 15 October, 2025	Wednesday, 15 October, 2025	365	7400.00
Last Coupon & Principal	Saturday, 18 April, 2026	Saturday, 18 April, 2026	185	3750.68
	Saturday, 18 April, 2026	Saturday, 18 April, 2026	185	100000.00

ILLUSTRATION OF BOND CASH FLOW – 168th B SERIES:

Name of Issuer	*Indian Railway Finance Corporation Limited*
Face Value of Bonds	*Rs.1 lakh per Bond*
Deemed Date of Allotment	18th January, 2023
Put & Call Option	*NA*
Redemption Date	18th April, 2033
Coupon Rate	7.65% p.a.
Frequency of Interest Payment with specified Dates	*Annual*
Day Count Convention	*Actual / Actual*

Particulars	Original Coupon Payment Date & Redemption Date	Modified Coupon Payment Date & Redemption Date	No. of Days	Amount payable per Bond (in Rs.)
Allotment Date	Wednesday, 18 January, 2023	Wednesday, 18 January, 2023		-100000.00
1st Coupon	Sunday, 15 October, 2023	Monday, 16 October, 2023	270	5658.90
2nd Coupon	Tuesday, 15 October, 2024	Tuesday, 15 October, 2024	366	7650.00
3rd Coupon	Wednesday, 15 October, 2025	Wednesday, 15 October, 2025	365	7650.00
4th Coupon	Thursday, 15 October, 2026	Thursday, 15 October, 2026	365	7650.00
5th Coupon	Friday, 15 October, 2027	Friday, 15 October, 2027	365	7650.00
6th Coupon	Sunday, 15 October, 2028	Monday, 16 October, 2028	366	7650.00
7th Coupon	Monday, 15 October, 2029	Monday, 15 October, 2029	365	7650.00
8th Coupon	Tuesday, 15 October, 2030	Tuesday, 15 October, 2030	365	7650.00
9th Coupon	Wednesday, 15 October, 2031	Wednesday, 15 October, 2031	365	7650.00
10th Coupon	Friday, 15 October, 2032	Friday, 15 October, 2032	366	7650.00
Last Coupon & Principal	Monday, 18 April, 2033	Monday, 18 April, 2033	185	3877.40
	Monday, 18 April, 2033	Monday, 18 April, 2033	185	100000.00

Assumptions:

1. It is clarified that Interest/redemption with respect to the Bonds shall be made only on the days on which scheduled commercial banks are open for business in New Delhi

2. Effect of holiday:

   The actual dates and the maturity amount will be in accordance to and in compliance with the provisions of SEBI circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.

   If any Coupon Payment Date falls on a day that is not a Working Day/ Business Day, the payment shall be made by the Issuer on the following Working Day/ Business Day in line with SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021. However, the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security. Further, interest will not be paid for the extended period.

   If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Working/Business Day, the redemption proceeds shall be paid by the Issuer on the previous Working Day/ Business Day along with interest accrued on the Bonds until but excluding the date of such payment.

X. TERMS OF OFFER (DETAILS OF DEBT SECURITIES PROPOSED TO BE ISSUED, MODE OF ISSUANCE, ISSUE SIZE, UTILIZATION OF ISSUE PROCEEDS, REDEMPTION AMOUNT, PERIOD OF MATURITY, FACE VALUE, ISSUE PRICE, EFFECTIVE YIELD FOR INVESTORS)

PRIVATE PLACEMENT OF 25000 TAXABLE UNSECURED REDEEMABLE NON-CONVERTIBLE BONDS OF FACE VALUE OF RS.1,00,000 EACH IN THE NATURE OF DEBENTURES (SERIES 168 A) (COLLECTIVELY REFERRED TO AS THE "BONDS") FOR CASH AT PAR FOR Rs. 5000 MILLION ("BASE ISSUE") WITH OPTION TO RETAIN OVERSUBSCRIPTION UPTO RS. 20000 MILLION AN AMOUNT AGGREGATING TO RS. 25000 MILLION, 25000 TAXABLE UNSECURED REDEEMABLE NON-CONVERTIBLE BONDS OF FACE VALUE OF RS.1,00,000 EACH IN THE NATURE OF DEBENTURES (SERIES 168 B) (COLLECTIVELY REFERRED TO AS THE "BONDS") FOR CASH AT PAR FOR Rs. 5000 MILLION ("BASE ISSUE") WITH OPTION TO RETAIN OVERSUBSCRIPTION UPTO RS. 20000 MILLION AN AMOUNT AGGREGATING TO RS. 25000 MILLION, BY INDIAN RAILWAY FINANCE CORPORATION LIMITED ("IRFC" OR THE "ISSUER" OR THE "COMPANY")

1. ISSUE SIZE

PRIVATE PLACEMENT OF 25000 TAXABLE UNSECURED REDEEMABLE NON-CONVERTIBLE BONDS OF FACE VALUE OF RS.1,00,000 EACH IN THE NATURE OF DEBENTURES (SERIES 168 A) (COLLECTIVELY REFERRED TO AS THE "BONDS") FOR CASH AT PAR FOR Rs. 5000 MILLION ("BASE ISSUE") WITH OPTION TO RETAIN OVERSUBSCRIPTION UPTO RS. 20000 MILLION AN AMOUNT AGGREGATING TO RS. 25000 MILLION, 25000 TAXABLE UNSECURED REDEEMABLE NON-CONVERTIBLE BONDS OF FACE VALUE OF RS.1,00,000 EACH IN THE NATURE OF DEBENTURES (SERIES 168 B) (COLLECTIVELY REFERRED TO AS THE "BONDS") FOR CASH AT PAR FOR Rs. 5000 MILLION ("BASE ISSUE") WITH OPTION TO RETAIN OVERSUBSCRIPTION UPTO RS. 20000 MILLION AN AMOUNT AGGREGATING TO RS. 25000 MILLION, BY INDIAN RAILWAY FINANCE CORPORATION LIMITED ("IRFC" OR THE "ISSUER" OR THE "COMPANY")

2. ELIGIBILITY TO COME OUT WITH THE ISSUE

Indian Railway Finance Corporation Ltd. ("IRFC" or the "Issuer" or the "Company"), its directors and authorised officers have not been prohibited from accessing the debt market under any order or directions passed by SEBI / any other Government Authority.

3. REGISTRATION AND GOVERNMENT APPROVALS

The Company can undertake the activities proposed by it in view of the present approvals and no further approval from any government authority (ies) is required by it to undertake the proposed activities save and except those approvals which may be required to be taken in the normal course of business from time to time.

4. AUTHORITY FOR THE ISSUE

The present issue of Bonds is being made pursuant to resolutions passed by the Board of Directors of the Company on May 20, 2022.

5. OBJECTS OF THE ISSUE

The funds shall be used for meeting the funding requirement of Indian Railways. The proceeds of the bond issue(s) will be used for acquisition of Rolling Stock (Railway Assets)/ Identified Railway Projects to be leased out to Indian Railways/ funding Bankable Railway Projects of RVNL approved by MOR and as contained in the annual budget estimates presented before Parliament

Our Company is a Public Sector Enterprise and as such, we do not have any identifiable group companies under the same management. Further, in accordance with the SEBI Debt Regulations, IRFC will not utilize the proceeds of the Issue for providing loans to or acquisition of shares of any person who is part of the same group or who is under the same management.

6. UTILISATION OF ISSUE PROCEEDS

The funds raised through this private placement shall be used for acquisition of Rolling Stock (Railway Assets)/Identified Railway Projects to be leased out to Indian Railways/ funding Bankable Railway Projects of RVNL approved by MOR in line with the present business activities of IRFC. The main object

clause of our Memorandum of Association permits our Company to undertake its existing activities as well as the activities for which the funds are being raised through this issue.
Our Company is a Public Sector Enterprise and as such, we do not have any identifiable group companies under the same management. Further, in accordance with the SEBI Debt Regulations, IRFC will not utilize the proceeds of the Issue for providing loans to or acquisition of shares of any person who is part of the same group or who is under the same management.

7. MINIMUM SUBSCRIPTION

In terms of the SEBI NCS Regulations, the issuer may decide the amount of minimum subscription which it seeks to raise by issue of Bonds and disclose the same in the offer document. The Issuer has decided not to stipulate any minimum subscription for the present Issue and therefore the Issuer shall not be liable to refund the issue subscription(s)/ proceed(s) in the event of the total issue collection falling short of issue size or certain percentage of issue size.

8. UNDERWRITING

The present Issue of Bonds is not underwritten.

9. NATURE OF BONDS

The Bonds are to be issued in the form of Taxable Unsecured Redeemable Non-Convertible Bonds in the nature of Debentures (collectively referred to as the “Bonds”).

10. FACE VALUE, ISSUE PRICE, EFFECTIVE YIELD FOR INVESTOR

Each Bond has a face value of Rs. 1 lakh and is issued as well as redeemable at par i.e. for Rs.1 lakh. The Bonds shall be redeemable at par i.e. for Rs.1 lakh per Bond. Since there is no discount or premium on either issue price or redemption value of the Bonds, the effective yield for the investors shall be the same as the coupon rate on the Bonds. Issue of Bonds does not form part of ‘non-equity regulatory capital’ as set out under Chapter V of the NCS Regulations.

11. TERMS OF PAYMENT

The full-face value of the Bonds applied for is to be paid along with the Application Form. Investor(s) need to send in the Application Form RTGS details for the full value of Bonds applied for.

Face Value per Bond	Minimum Application for	Amount Payable on Application per Bond
1 lakh	**100 Bonds**	**1 lakh**

12. DEEMED DATE OF ALLOTMENT

All benefits under the Bonds including payment of interest will accrue to the Bondholders from and including 18th January, 2023 which shall be the Deemed Date of Allotment. All benefits relating to the Bonds will be available to the investors from the Deemed Date of Allotment. The actual allotment of Bonds may take place on a date other than the Deemed Date of Allotment. The Issuer reserves the right to keep multiple allotment date(s)/ deemed date(s) of allotment at its sole and absolute discretion without any notice. In case if the issue closing date/ pay in dates is/are changed (preponed/ postponed), the Deemed Date of Allotment may also be changed (pre-pond/ postponed) by the Issuer at its sole and absolute discretion.

13. LETTER(S) OF ALLOTMENT/ BOND CERTIFICATE(S)/REFUND ORDER(S)/ ISSUE OF LETTER(S) OF ALLOTMENT

The beneficiary account of the investor(s) with National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL)/ Depository Participant will be given initial credit within 2 working days from the Deemed Date of Allotment. The initial credit in the account will be akin to the Letter of Allotment. On completion of the all statutory formalities, such credit in the account will be akin to a Bond Certificate.

14. ISSUE OF BOND CERTIFICATE(S)

Subject to the completion of all statutory formalities within timeframe prescribed in the relevant regulations/act/rules etc, the initial credit akin to a Letter of Allotment in the Beneficiary Account of the investor would be replaced with the number of Bonds allotted in physical form.

15. DEPOSITORY ARRANGEMENTS

The Company has appointed KFin Technologies Limited (Formerly Known as Karvy Fintech Private Limited), Unit – IRFC BONDS, Selenium Tower B, Plot No. 31 - 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 (Andhra Pradesh) [Tel No. (040) 67161667, 040-67161598 Fax No. 91-40-23420814, Email: einward.ris@kfintech.com] as Registrars & Transfer Agent for the present bond issue. The Company has made necessary depository arrangements with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for issue and holding of Bonds in dematerialised form. In this context the Company has signed two tripartite agreements asunder:

- Tripartite Agreement dated 23rd January, 2001 among IRFC, National Securities Depository Limited (NSDL) and the Registrar.
- Tripartite Agreement dated 8th May, 2003 among IRFC, Central Depository Services Limited (CDSL) and the Registrar

16. PROCEDURE FOR APPLYING FOR DEMAT FACILITY

a. Applicant(s) should have/ open a Beneficiary Account with any Depository Participant of NSDL or CDSL.

b. the applicant(s) must specify their beneficiary account number and depository participants ID in the relevant columns of the Application Form.

c. If incomplete/incorrect beneficiary account details are given in the Application Form which does not match with the details in the depository system, the allotment of Bonds shall be held in abeyance till such time satisfactory/demat account details are provided by the applicant.

d. The Bonds shall be directly credited to the Beneficiary Account as given in the Application Form and after due verification, allotment advice/refund order, if any, would be sent directly to the applicant by the Registrars to the Issue but the confirmation of the credit of the Bonds to the applicant's Depository Account will be provided to the applicant by the Depository Participant of the applicant.

e. Interest or other benefits with respect to the Bonds would be paid to those bondholders whose names appear on the list of beneficial owners given by the depositories to the Issuer as on the Record Date. In case, the beneficial owner is not identified by the depository on the Record Date due to any reason whatsoever, the Issuer shall keep in abeyance the payment of interest or other benefits, till such time the beneficial owner is identified by the depository and intimated to the Issuer. On receiving such intimation, the Issuer shall pay the interest or other benefits to the beneficiaries identified, within a period of 15 days from the date of receiving such intimation.

f. Applicants may please note that the Bonds shall be allotted and traded on the stock exchange(s) only in dematerialized form.

17. FICTITIOUS APPLICATIONS

Attention of applicants is specifically drawn to the provisions of sub section (1) of section 38 of the Companies Act, which is reproduced below:

"Any person who-

(a) makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a Company to allot, or register any transfer of, securities

to him, or to any other person in a fictitious name" shall be liable for action under Section447."

18. MARKET LOT

The market lot will be one Bond ("Market Lot"). Since the Bonds are being issued only in dematerialized form, the odd lots will not arise either at the time of issuance or at the time of transfer of Bonds.

19. TRADING OF BONDS

The marketable lot for the purpose of trading of Bonds shall be 1 (one) Bond of face value of Rs.1 lakh each. Trading of Bonds would be permitted in demat mode only in standard denomination of Rs.1 lakh and such trades shall be cleared and settled in recognised stock exchange(s) subject to conditions specified by SEBI. In case of trading in Bonds which has been made over the counter, the trades shall be reported on a recognised stock exchange having a nationwide trading terminal or such other platform as may be specified by SEBI.

20. MODE OF TRANSFER OF BONDS

The Bonds shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/ CDSL/ Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Bonds held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Issuer.

Transfer of Bonds to and from foreign investors, in case they seek to hold the Bonds and are eligible to do so, will be governed by the then prevailing guidelines of RBI. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with IRFC Ltd.

21. COMMON FORM OF TRANSFER

The Issuer undertakes that it shall use a common form/ procedure for transfer of Bonds issued under terms of this Private Placement Memorandum or any other guideline in this regard.

22. INTEREST ON APPLICATION MONEY

a) In case of change in deemed date of allotment and in respect of investors who get allotment in the bond issue , interest on application money shall be paid at the coupon rate applicable for bond series (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) from the date of receipt of application money in IRFC's account till one day prior to the date of allotment on the aggregate face value amount of Bonds The interest on Application Money shall be computed as per "Actual/Actual" day count convention. The payment shall be made only through electronic mode. However, in case of rejection of electronic mode, due to incomplete / in correct detail provided by applicant payment may be made through cheque /demand draft. The cheque /demand draft for interest on application money shall be dispatched by the Issuer within 15 days from the Deemed Date of Allotment by registered post to the sole/ first applicant, at the sole risk of the applicant.

b) No interest on Application Money will be paid in respect of applications which are rejected due to any reason.

23. INTEREST ON THE BONDS

The Bonds shall carry interest at the Coupon Rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) from, and including, the Deemed Date of Allotment up to, but excluding the Redemption Date, payable on the "Coupon Payment Dates", on the outstanding principal amount of Bonds till Redemption Date, to the holders of Bonds (the "Holders" and each, a "Holder") as of the relevant record Date. Interest on Bonds will cease from the Redemption Date in all events.

If any Coupon Payment Date falls on a day which is not a working day ('Working Day' on which scheduled commercial banks are open for business in New Delhi), payment of interest will be made on next working day without liability for making payment of interest for the delayed period.

24. COMPUTATION OF INTEREST

Interest for each of the interest periods shall be computed as per Actual/ Actual day count convention on the face value amount of Bonds outstanding at the Coupon Rate rounded off to the nearest Rupee. Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis, on the face value amount of Bonds outstanding.

25. RECORD DATE

The 'Record Date' for the Bonds shall be 15 days prior to each Coupon Payment Date and Redemption Date. In case of redemption of Bonds, the trading in the Bonds shall remain suspended between the Record Date and the Redemption Date. Interest payment and principal repayment shall be made to the person whose name appears as beneficiary with the Depositories as on Record Date. In the event of the Issuer not receiving any notice of transfer at least 15 days before the respective Coupon Payment Date and at least 15 days prior to the Redemption Date, the transferees for the Bonds shall not have any claim against the Issuer in respect of interest so paid to the registered Bondholders.

26. DEDUCTION OF TAX AT SOURCE

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. Tax exemption certificate/ declaration of non-deduction of tax at source, if applicable, on interest on application money should be submitted along with the application form.

Interest payable subsequent to the Deemed Date of Allotment of Bonds will be treated as "Interest on Securities" as per Income Tax Rules. Bondholders desirous of claiming exemption from deduction of income tax at source on the interest payable on Bonds should submit tax exemption certificate/ document, under Section 193 of the Income Tax Act, 1961, if any, at the head office of IRFC Ltd., at least 45 days before the payment becoming due.

FII's will be subject to withholding tax as applicable under section 195 of the Income Tax Act, 1961.

Regarding deduction of tax at source and the requisite declaration forms to be submitted, prospective investors are advised to consult their own tax consultant(s).

27. PUT & CALL OPTION

NOT APPLICABLE.

28. Right to Buyback, Re-purchase and Re-issue

The Issuer will have the right, power and authority, exercisable at its sole and absolute discretion from time to time, to buyback or re-purchase a part or all of its Bonds from the secondary markets or through a tender offer or any other method permitted under applicable law, at any time prior to the Redemption Date, subject to applicable law and in accordance with the applicable guidelines or regulations, if any.

In the event of a part or all of the Issuer's Bonds being bought back or repurchased as aforesaid or redeemed under any circumstances whatsoever, the Issuer shall have, and shall be deemed always to have had, the right, power and authority to re-issue the Bonds, either by re-issuing the same Bonds or by issuing other debentures in their place.

Further the Issuer, in respect of such bought back or re-purchased or re-deemed Bonds shall have the right, power and authority, exercisable either for a part or all of those Bonds, to cancel, keep alive, appoint nominee(s) to hold or re-issue at such price and on such terms and conditions as it may deem fit and as permitted under the SEBI Operational Circular or by applicable laws or regulations.

29. REDEMPTION

The face value of the Bond will be redeemed at par, unless previously redeemed by the issuer, on the

expiry of from the deemed date of allotment. The Bond will not carry any obligation, for interest or otherwise, after the date of redemption. The Bonds held in the Dematerialised Form shall be taken as discharged on payment of the redemption amount by IRFC on maturity to the registered Bondholders whose name appear in the Register of Bondholders on the Record date. Such payment will be a legal discharge of the liability of the Issuer towards the Bondholders.

In case if the redemption date falls on a day which is not a Working day ("Working day on which scheduled commercial banks are open for business in New Delhi), then the payment due shall be made on the previous Working Day but without liability for making payment of interest for the intervening period.

30. EVENTS OF DEFAULT & REMEDIES

If the Issuer commits a default in making payment of any installment of interest or repayment of principal amount of the Bonds on the respective due date(s), the same shall constitute an "Event of Default" by the Issuer.

Besides, it would also constitute an "Event of Default" by the Issuer, if the Issuer does not perform or does not comply with one or more of its material obligations in relation to the Bonds issued in pursuance of terms and conditions stated in this Private Placement Memorandum, Trusteeship Agreement and Trust Deed, which in opinion of the Trustees is incapable of remedy.
Manner of voting/ conditions of joining Inter Creditor Agreement shall be mentioned in the Bond Trust Deed which will be executed within time frame prescribed under the Companies Act.

31. ADDITIONAL COVENANTS

In case of delay in listing of the debt securities beyond the specified timelines, the Company shall pay penal interest of at least @ 1 % p.a. over the coupon rate for the period of delay to the investor and shall be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from Stock Exchanges.

32. SETTLEMENT/ PAYMENT ON REDEMPTION

Payment on redemption will be made by cheque(s)/ interest/ redemption warrant(s)/ demand draft(s)/ credit through direct credit ECS/ NECS/ EFT / RTGS /NEFT in the name of the Bondholder(s) whose name appears on the records of IRFC as on the Record Date. The Issuer's liability to Bondholder(s) towards all their rights including payment of interest or otherwise shall cease and stand extinguished from the due date of redemption in all events. Further, the Issuer will not be liable to pay interest, income or compensation of any kind from the date of such redemption of the Bonds.

The Bonds shall be taken as discharged on payment of the redemption amount by the Company. Such payment will be a legal discharge of the liability of the Company towards the Bondholders.

The liability of the Company shall stand discharged on posting of redemption warrants by Registered Post and / or remitting the redemption proceeds through ECS/ NECS/ EFT / RTGS /NEFT to the above said Beneficiaries. No claim, damages or penal interest in respect of delayed payment, etc. shall lie upon the Company in the event of non-receipt of the same by the addressee Bondholder.

33. EFFECT OF HOLIDAYS

If any Coupon Payment Date falls on a day that is not a Working day, the payment shall be made by the Issuer on the immediately succeeding Working Day.

If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Working day, the redemption proceeds shall be paid by the Issuer on the immediately preceding Working day along with interest accrued on the Bonds until but excluding the date of such payment.

In the event the Record Date falls on a day which is not a Working day, the immediately succeeding Working Day will be considered as the Record Date.

It is clarified that Interest/redemption with respect to the Bonds shall be made only on the days on which scheduled commercial banks are open for business in New Delhi.

34. LIST OF BENEFICIAL OWNERS

The Issuer shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

35. SUCCESSION

In the event of the demise of the sole/first holder of the Bond(s) or the last survivor, in case of joint holders for the time being, the Issuer shall recognize the executor or administrator of the deceased Bondholder, or the holder of succession certificate or other legal representative as having title to the Bond(s). The Issuer shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, wherever it is necessary, or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter. The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Bond(s) standing in the name of the deceased Bondholder on production of sufficient documentary proof or indemnity.

Where a non-resident Indian becomes entitled to the Bond by way of succession, the following steps have to be complied:

Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the Bond was acquired by the NRI as part of the legacy left by the deceased holder.

Proof that the NRI is an Indian National or is of Indian origin. Such holding by the NRI will be on a non-repatriation basis.

36. WHO CAN APPLY

The following categories of investors are eligible to apply for this Issue of Bonds. However, the prospective subscribers must make their own independent evaluation and judgement regarding their eligibility to invest in the Issue.

1. Qualified Institutional Buyers ("QIBs")

(a) Mutual Funds;
(b) Public Financial Institutions specified in Section 2(72) of the Companies Act2013;
(c) Scheduled Commercial Banks;
(d) State Industrial Development Corporations;
(e) Insurance Companies registered with the Insurance Regulatory and Development Authority;
(f) Provident Funds and Pension Funds with minimum corpus of Rs.25.00crore;
(g) National Investment Funds set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;
(h) Insurance funds set up and managed by army, navy or air force of the Union of India.
(i) Alternative Investment Funds, subject to investment conditions applicable to them under the Securities Exchange Board of India (Alternative Investment Funds) Regulations, 2012
(j) Foreign Portfolio Investors ("FPI"), Foreign Institutional Investors ("FII") and sub-accounts (other than a sub account which is a foreign corporate or foreign individual), Qualified Foreign Investors ("QFIs"), not being an individual, registered with SEBI and who is not a resident of USA and is not be subject to any taxation laws of the USA

2. Non-QIBs

(a) Companies and Bodies Corporate authorized to invest in bonds/debentures;

(b) Co-operative Banks and Regional Rural Banks authorized to invest in bonds/ debentures;

(c) Gratuity Funds and Superannuation Funds;

(d) Provident Funds and Pension Funds with corpus of less than Rs.25.00crore;

(e) Societies authorized to invest in bonds/ debentures;

(f) Trusts authorized to invest in bonds/debentures;

(g) Statutory Corporations/ Undertakings established by Central/ State legislature authorized to invest in bonds/debentures;

(h) Hindu Undivided Families through Karta;

(i) Limited liability partnership

(j) Partnership firms formed under applicable laws in India in the name of the partners.

(k) Resident Individual Investors

However, out of the aforesaid class of investors eligible to invest, this Private Placement Memorandum is intended solely for the use of the person to whom it has been sent by the Issuer for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the securities offered herein, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the prospective investor receiving this Information Memorandum from the Issuer).

3. HNI's (Resident Indian Individuals and HUF, and Category III FPIs being individuals and NRIs on repatriation as well as non-repatriation basis) (who is not a resident of USA and is not be subject to any taxation laws of the USA);

4. Participation by any of the above-mentioned Investor classes in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of Bonds that can be held by them under applicable statutory and/or regulatory provisions.

5. An NRI/FPI can apply for Bonds offered in the Issue subject to the conditions and restrictions contained in the FEMA (Borrowing or Lending in Rupees) Regulations, 2000, as amended from time to time and other applicable statutory and/or regulatory requirements.

6. Eligible NRI's, and FPI's should ensure that they are in compliance with applicable statutory and/or regulatory requirements in India and the other jurisdictions to which they are subject, before they apply for Bonds under the Issue, and that our Company and the Lead Managers shall not be liable for any consequences in connection with any non-compliances by such eligible NRIs, and FPIs.

7. An eligible FPI and NRI should not be (i) based in the United States of America ("USA"), and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA.

37. WHO ARE NOT ELIGIBLE TO APPLY FOR BONDS

This Issue is not being offered to the following categories of investors and any application from such investors will be deemed an invalid application and rejected:

(a) Minors without Guardian name (A guardian may apply on behalf of a Minor. However, Applications by Minors must be made through Application Forms that contains the names of both the Minor Applicant and the guardian);
(b) Non-Resident Investors except as specifically provided above including Non-Resident Indians/FPIs/QFIs/FIIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;
(c) Indian Venture Capital Funds;
(d) Foreign Venture Capital Investors;
(e) Overseas Corporate Bodies;
(f) Persons ineligible to contract under applicable statutory/ regulatory requirements

38. DOCUMENTS TO BE PROVIDED BY INVESTORS

In order to be able to bid under the BSE Bond - EBP Platform / NSE Bond - EBP Platform, eligible Investors must have provided the requisite documents (including but not limited to know your customer) in accordance with the Operational Guidelines or applicable law or as requested by the Issuer. The Issuer is entitled at any time to require an eligible Investor to provide any know your customer or other documents as may be required to be maintained by it or delivered to a third party by it in accordance with applicable laws.

39. HOW TO APPLY

This being a private placement Issue, the eligible investors who have been addressed through this communication directly only are eligible to apply. Applications for the Bonds must be in the prescribed form and completed in BLOCK LETTERS in English and as per the instructions contained therein.

All eligible Investors should refer the operating guidelines for issuance of debt securities on private placement basis through an electronic book mechanism as available on the website of BSE / NSE. Investors will also have to complete the mandatory know your customer verification process. Investors should refer to the BSE EBP Guidelines / NSE EBP Guidelines in this respect.

The Issue details shall be entered on the BSE Bond - EBP Platform / NSE Bond - EBP Platform by the Issuer at least 2 (two) Business Days prior to the Issue opening date, in accordance with the Operational Guidelines.

The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the BSE Bond EPB - Platform / NSE Bond – EBP Platform, at least 1 (one)Business Day before the start of the Issue opening date.

Some of the key guidelines in terms of the current Operational Guidelines on issuance of securities on private placement basis through an EBP mechanism are as follows:

(i) Bidding Process

a) The bidding process on the BSE Bond - EPB Platform / NSE Bond - EBP Platform shall be on an anonymous order driven system.
b) Bid shall be made by way of entering bid in: (A) Price; or (B) Coupon (in %), up to four decimal places; or (C) Spread in basis points (bps). Further, the bid amount shall be specified in Indian Rupees.
c) The bidding process, in cases where the coupon / spread is discovered during bidding, shall be based on the following: the face value remaining constant, bids / quotes shall be placed by the Eligible Investors in terms of coupon / spread.

(ii) Modification of Bid

Investors may note that modification of bid is allowed during the bidding period / window. However, in the last 10 (ten) minutes of the bidding period / window, revision of bid is only allowed for improvement of coupon or yield and upward revision of the bid amount placed by the Investor.

(iii) **Cancellation of Bid**

Investors may note that cancellation of bid is allowed during the bidding period / window. However, in the last 10 (ten) minutes of the bidding period or window, no cancellation of bids is permitted.

(iv) **Multiple Bids**

Investors may note that multiple bids are permitted. Multiple bids by the Arranger to the Issue are permitted as long as each bid is on behalf of different Investors/ same Investors. Arranger to the Issue can put multiple bids for same Investor provided the total of all bids entered is not equal to or more than 5% (five per cent) of the Base Issue Size or Rs.100,00,00,000 (Rupees Hundred Crore), whichever is lower.

(v) **Offer or Issue of executed Private Placement Memorandum to successful eligible Investors**

The signed copy of the Private Placement Memorandumalong with the Application Form will be issued to the successful eligible Investors, who are be required to complete and submit the Application Form to the Issuer in order to accept the offer of the Bonds.

However, Investors should refer to the Operational Guidelines as prevailing on the date of the bid.

Bids by the Arranger

The Arrangers as mapped on BSE Bond EPB - Platform / NSE Bond – EBP Platform by the Issuer are allowed to bid on a proprietary, client and consolidated basis. At the time of bidding, the Arranger

is required to disclose the following details to the BSE Bond EPB - Platform / NSE Bond – EBP Platform:

(i) Whether the bid is proprietary bid or is being entered on behalf of an eligible Investor or is a consolidated bid, i.e., an aggregate bid consisting of proprietary bid and bid(s) on behalf of eligible Investors.

(ii) For consolidated bids, the Arranger shall disclose breakup between proprietary bid and bid(s) made on behalf of Eligible Investors.

(iii) For bids entered on behalf of eligible Investors, the Arranger shall disclose the following:

(a) Names of such eligible Investors;
(b) Category of the eligible Investors; and
(c) Quantum of bid of each eligible Investor.

Provided that the Arranger shall not allowed to bid on behalf of any Eligible Investor if the bid amount exceeds 5% (five per cent.) of the Base Issue Size or Rs.100,00,00,000 (Rupees Hundred crore), whichever is lower (or such revised limits as may be specified in the Operational Guidelines from time to time).

Withdrawal of Issue

The Issuer reserves the right to withdraw the Issue prior to the Issue closing date, at its discretion, and including but not limited to the event of any unforeseen development adversely affecting the economic and regulatory environment or any other force majeure condition including any change in applicable law, due to pandemic, epidemic, etc., pursuant to the conditions set out under the Operational Guidelines. A withdrawal from the issue proceeds shall imply withdrawal of the total issue including Anchor Portion.

Further, the Issuer shall be permitted to withdraw from the Issue process on the following events:

(i) The Issuer is unable to receive the bids upto the Base Issue Size; or
(ii) A bidder has defaulted on payment towards the Allotment, within stipulated timeframe, due to which the Issuer is unable to fulfill the Base Issue Size; or
(iii) The cut-off yield in the Issue is higher than the estimated cut-off yield disclosed to the EBP, where the Base Issue Size is fully subscribed.

If the Issuer has withdrawn the Issue pursuant to point (iii), where the cut-off yield of the Issue is higher than the estimated cut-off yield disclosed to the BSE Bond EBP - Platform / NSE Bond –EBP Platform, the estimated cut off yield shall be mandatorily disclosed by the BSE Bond EBP - Platform / NSE Bond – EBP Platform to the eligible Investors. The expression 'estimated cut off yield' means yield so estimated by the Issuer, prior to opening of issue on the BSE Bond EBP - Platform / NSE Bond – EBP Platform. The disclosure of estimated cut off yield by the BSE Bond EBP - Platform / NSE Bond – EBP Platform to the eligible Investors, pursuant to closure of the Issue, shall be at the discretion of the Issuer. Provided that the Issuer shall accept or withdraw the Issue on the BSE Bond EBP - Platform / NSE Bond – EBP Platform within 1 (one) hour of the closing of the bidding window, and not later than 6 (six) pm on the Issue closing date.

However, Eligible Investors should refer to the Operational Guidelines prevailing on the date of the bid.

Determination of Coupon

The Coupon will be decided based on bids received on the BSE Bond EBP - Platform / NSE Bond – EBP Platform.

Right to Accept or Reject Applications

The Issuer reserves its full, unqualified and absolute right to accept or reject the application, in part or in full, without assigning any reason thereof. The rejected Applicant will be intimated along with the refund warrant, if applicable. No interest on Application money will be paid on rejected Applications. The Application Form that is not complete in all respects is liable to be rejected and

would not be paid any interest on the Application money. For further instructions regarding the application for the Bonds, eligible Investors are requested to read the instructions provided in the Application Form.

Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

(i) Number of Bonds applied for is less than the minimum application size; and
(ii) Bondholder details as may be required is not given.

Basis of Allocation

Allocation shall be made as approved by the Issuer in accordance with applicable SEBI regulations, Operational Guidelines, and applicable laws. Post completion of bidding process, the Issuer will upload the provisional allocation on the BSE Bond EBP - Platform / NSE Bond – EBP Platform. Post receipt of details of the successful Eligible Investors, the Issuer will upload the final allocation file on the BSE Bond EBP - Platform / NSE Bond –EBP Platform. At its sole discretion, the Issuer shall decide the amount of over subscription to be retained over and above the Base Issue Size.

The allotment of valid applications received on the closing day shall be done in the following manner:

(a) allotment would be done first on “yield priority” basis;
(b) where two or more bids are at the same yield, then the allotment shall be done on“time-priority” basis;
(c) where two or more bids have the same yield and time, then allotment shall be done on“pro-rata” basis.

Applications by Successful Investors

Original Application Forms complete in all respects must be submitted to the corporate office of Issuer before the last date indicated in the Issue time-table or such extended time as decided by the Issuer accompanied by details of remittance of the Application money. The Application Form will constitute the acceptance required under Section 42 of the Companies Act and the PAS Rules. Successful Investors should ensure to do the funds pay-in from their same bank account which is updated by them in the BSE Bond - EBP Platform / NSE Bond – EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE Bond – EBP Platform / NSE Bond – EBP Platform and the bank account from which payment is done by the successful investor, the payment would be returned back. Payment should be made by the deadline specified by the BSE/NSE. Successful bidders should do the funds pay-in to the bank accounts of the clearing corporation of the relevant Exchanges (“**Designated Bank Account**”).

Upon final allocation by the Issuer, and confirmation by the Issuer to go ahead with the Allotment, the Issuer or the Registrar on behalf of the Issue shall instruct the Depositories on the pay-in date, and the Depositories shall accordingly credit the allocated Bonds to the demat account of the successful Investor(s). Upon instructions of the Registrar or the Issuer, the Depositories shall confirm to the clearing corporation of the relevant Exchanges that the Bonds have been transferred to the demat account(s) of the successful Investor(s). Upon confirmation from the Depository, the clearing corporation of the relevant Exchanges shall transfer funds to the Designated Bank Account of the Issuer.

Successful bidders must do the funds pay-in to the Designated Bank Account up to 10:30 am on the pay-in date (“**Pay-in Time**”). Successful bidders should ensure to do the funds pay-in from their same bank account which is updated by them in the BSE Bond - EBP Platform / NSE Bond – EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE Bond – EBP Platform / NSE Bond – EBP Platform and the bank account from which payment is done by the successful bidder, the payment would be returned back. Provided that, in case of bids made by the Arranger on behalf of eligible Investors, funds pay-in shall be made from the bank account of such eligible Investors. Cheque(s), demand draft(s), money orders, postal orders will not be accepted. The Issuer assumes no responsibility for any applications lost in mail.

Note: In case of failure of any successful Investor to complete the funds pay-in by the Pay-in Time or the funds are not received in the Designated Bank Account of the clearing corporation of the relevant Exchanges by the Pay in Time for any reason whatsoever, the bid will liable to be rejected

and the Issuer and/or the Arranger shall not be liable to the successful Investor.

Post-Allocation Disclosures by the EBP

Upon final allocation by the Issuer, the Issuer shall disclose the Issue Size, coupon rate, ISIN, number of successful bidders, category of the successful bidder(s), etc. The EBP shall upload such data, as provided by the Issuer, on its website to make it available to the public.

Terms of Payment

The full-face value of the Bonds applied for is to be paid along with the Application Form as set out above.

Acknowledgements

No separate receipts will be provided by the Issuer for the Application money.

Deemed Date of Allotment

The cut-off date declared by the Issuer from which all benefits under the Bonds including Coupon on the Bonds shall be available to the Bondholders is the Deemed Date of Allotment. The actual allotment of Bonds (i.e. approval from the Board of Directors or a Committee thereof) may take place on a date other than the Deemed Date of Allotment. The Issuer reserves the right to keep multiple allotment date(s)/deemed date(s) of allotment at its sole and absolute discretion without any notice. If in case, the issue closing date changes (i.e. preponed/ postponed), then the Deemed Date of Allotment may also be changed (preponed/ postponed) by the Issuer, at its sole and absolute discretion.

Letter(s) of Allotment/ Bond Certificate(s)

The beneficiary account of the Investor(s) with NSDL or CDSL or Depository Participant will be given initial credit within 2 (two) days from the Deemed Date of Allotment. The initial credit in the account will be akin to a letter of Allotment. On completion of the all-statutory formalities, such credit in the account will be akin to a Bond certificate.

Fictitious applications

Any person who makes, in fictitious name, any application to a body corporate for acquiring, or subscribing to, the Bonds, or otherwise induced a body corporate to allot, register any transfer of Bonds therein to them or any other person in a fictitious name, shall be punishable under the extant laws.

40. FORCE MAJEURE

The Issuer reserves the right to withdraw the issue prior to the Issue Closing Date in the event of any unforeseen development adversely affecting the economic and regulatory environment.

41. APPLICATIONS UNDER POWER OF ATTORNEY

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories and the exemption certificate/ document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the Issuer or to the Registrars or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

42. APPLICATION BY MUTUAL FUNDS

In case of applications by Mutual Funds, a separate application must be made in respect of each scheme of an Indian Mutual Fund registered with SEBI and such applications will not be treated as multiple applications, provided that the application made by the Asset Management Company/ Trustees/ Custodian clearly indicate their intention as to the scheme for which the application has been made.

43. PAN/GIR NUMBER

All applicants should mention their Permanent Account Number or the GIR Number allotted under Income Tax Act, 1971 and the Income Tax Circle/ Ward/ District. In case where neither the PAN nor the GIR Number has been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided.

44. SIGNATURES

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate/ Notary Public under his/her official seal.

45. NOMINATION FACILITY

As per Section 72 of the Companies Act, 2013, only individuals applying as sole applicant/Joint Applicant can nominate, in the prescribed manner, a person to whom his Bonds shall vest in the event of his death. Non-individuals including holders of Power of Attorney cannot nominate.

46. RIGHT OF BONDHOLDER(S)

Bondholder is not a shareholder. The Bondholders will not be entitled to any other rights and privilege of shareholders other than those available to them under statutory requirements. The Bond(s) shall not confer upon the holders the right to receive notice, or to attend and vote at the General Meeting of the Issuer. The principal amount and interest on the Bonds will be paid to the registered Bondholders only, and in case of Joint holders, to the one whose name stands first.

Besides the above, the Bonds shall be subject to the provisions of the Companies Act, the Articles of Association of the Issuer, the terms of this bond issue and the other terms and conditions as may be incorporated in the Debenture Trust Deed and other documents that may be executed in respect of these Bonds.

47. MODIFICATION OF RIGHTS

The rights, privileges, terms and conditions attached to the Bonds may be varied, modified or abrogated with the consent, in writing, of those holders of the Bonds who hold at least three fourth of the outstanding amount of the Bonds or with the sanction accorded pursuant to a resolution passed at a meeting of the Bondholders, provided that nothing in such consent or resolution shall be operative against the Issuer where such consent or resolution modifies or varies the terms and conditions of the Bonds, if the same are not acceptable to the Issuer.

48. FUTURE BORROWINGS

The Issuer shall be entitled to borrow/ raise loans or avail of financial assistance in whatever form as also issue Bonds/ Debentures/ Notes/ other securities in any manner with ranking as pari- passu basis or otherwise and to change its capital structure, including issue of shares of any class or redemption or reduction of any class of paid up capital, on such terms and conditions as the Issuer may think appropriate, without the consent of, or intimation to, the Bondholder(s) or the Trustees in this connection.

49. BOND/ DEBENTURE REDEMPTION RESERVE ("DRR")

According to the Companies (Share Capital and Debentures) Rules, 2014, or NBFCs registered with the RBI under Section 45-1A of the RBI (Amendment) Act, 1997 no DRR is required in Case of privately placed debentures. Therefore, creation of DRR is not envisaged against the Bonds being issued under the terms of this Private Placement Memorandum.

50. NOTICES

All notices required to be given by the Issuer or by the Trustees to the Bondholders shall be deemed to have been given if sent by ordinary post/ courier to the original sole/ first allottees of the Bonds and/ or if published in one All India English daily newspaper and one regional language newspaper.

All notices required to be given by the Bondholder(s), including notices referred to under "Payment of Interest" and "Payment on Redemption" shall be sent by registered post or by hand delivery to the Issuer or to such persons at such address as may be notified by the Issuer from time to time.

51. JOINT-HOLDERS

Where two or more persons are holders of any Bond(s), they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to provisions contained in the Companies Act.

52. DISPUTES & GOVERNING LAW

The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of courts of Delhi.

53. INVESTOR RELATIONS AND GRIEVANCE REDRESSAL

Arrangements have been made to redress investor grievances expeditiously as far as possible, the Issuer endeavours to resolve the investor's grievances within 30 days of its receipt. All grievances related to the issue quoting the Application Number (including prefix), number of Bonds applied for, amount paid on application and details of collection centre where the Application was submitted, may be addressed to the Compliance Officer at registered office of the Issuer. All investors are hereby informed that the Issuer has appointed a Compliance Officer who may be contracted in case of any pre-issue/ post-issue related problems such as no n-credit of letter(s) of allotment/ bond certificate(s), non-receipt of refund order(s), interest warrant(s)/ cheque(s) etc. Contact details of the Compliance Officer are given elsewhere in this Private Placement Memorandum.

XI WILFUL DEFAULTER

Neither the Issuer nor any of the current directors of the Issuer have been declared as wilful defaulters.

Name of Bank declaring entity to be wilful defaulter	Year in which entity is declared as wilful defaulter	Outstanding amount at the time of declaration	Name of entity declared as willful defaulter	Steps taken for removal from list of wilful defaulter	Other disclosures	Any other disclosures
NIL	NIL	NIL	NIL	NIL	NIL	NIL

XII CREDIT RATING FOR THE BONDS

CRISIL Ratings Ltd. (**"CRISIL"**) has accorded **"CRISIL AAA/Stable"** vide its letter Ref No. RL/INRAFIC/292858/LTBP/0522/32679/108854839/7 dated December 19, 2022, ICRA Ltd. (**"ICRA"**) vide its letter No. ICRA/ Indian Railway Finance Corporation Limited/10012023/1 dated January 10, 2023 has also assigned a credit rating of **"[ICRA] AAA"** with a Stable Outlook and Credit Analysis & Research Ltd. (**"CARE"**) has accorded **"CARE AAA"** with a Stable Outlook vide its letter Ref No. CARE/DRO/RL/2022-23/2713 dated December 23, 2022 for the entire borrowing programme of Rs.6,65,000 million for FY 2022-23.

A copy of each rating letter received from the three above mentioned rating Agencies and press release issued on May 4, 2022 by CRISIL, on May 11, 2022 by ICRA, on May 17, 2022 by CARE is enclosed elsewhere in this Private Placement Memorandum.

Other than the credit ratings mentioned herein above, the Issuer has not sought any other credit rating from any other credit rating agency(ies) for the Bonds offered for subscription under the terms of this Private Placement Memorandum.

The above ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future. The rating agencies have the right to suspend, withdraw the rating at any time on the basis of new information etc.

XIII TRUSTEE FOR THE BONDHOLDERS

Fees charged by the Trustee

The Issuer has appointed SBICAP Trustee Company Limited as the trustee through its consent letter dated 11th January, 2023 and a consolidated fees is charged (Plus the applicable taxes) for the services as agreed in terms of the offer letter dated 28th April 2022 for FY 2022-23.

The Issuer shall pay to the Debenture Trustees so long as they hold the office of the Debenture Trustee, remuneration for their services as Debenture Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other documents executed/to be executed and such any other expenses like advertisement, notices, letters to debenture holders, and additional professional fees/expenses that would be incurred in case of default, and such expenses shall be pre- agreed with the Issuer and re-imbursement will be on an actual basis

Creation of Recovery Expense Fund -The Issuer has created and maintained the recovery expense fund as per the terms of the Applicable Laws.

Events of Default (including manner of voting/conditions of joining Inter Creditor Agreements)

Subject to the terms of the Debenture Trust Deed, the Debenture Trustee, at its discretion may, or if so requested in writing by the holders of at least three-fourths of the outstanding amount of the Debentures or with the sanction of a special resolution, passed at a meeting of the Debenture Holders, (subject to being indemnified and/or secured by the Debenture Holders to its satisfaction), give notice to our Issuer specifying that the Debentures and/or any particular options of Debentures, in whole but not in part are and have become due and repayable on such date as may be specified in such notice inter alia if any of the events listed below occurs. The description below is indicative and a complete list of events of default including cross defaults, if any, and its consequences will be specified in the Debenture Trust Deed:

Consequences of Event(s) of Default

In accordance with the circular (SEBI/HO/MIRSD/CRADT/CIR/P/2020/203) dated October 13, 2020 issued by SEBI on "Standardisation of procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities", post the occurrence of a "default", the consent of the bondholders for entering into an inter-creditor agreement (the "ICA) shall be sought by the trustee after providing a notice to the investors in the manner stipulated under applicable law. Further, the meeting of the Bondholders shall be held within the period stipulated under applicable law. In case(s) where majority of investors express their consent to enter into the ICA, the trustee shall enter into the ICA on behalf of the investors upon compliance with the conditions as stipulated in the above-mentioned circular. In case consents are not received for signing the ICA, the trustee shall take further action, if any, as per the decision taken in the meeting of the investors. The consent of the majority of investors shall mean the approval of not less than 75% of the investors by value of the outstanding debt and 60% of the investors by number at the ISIN level.

Regulation 51 read with the Explanation to Clause A (11) in Part B of Schedule III of the SEBI Listing Regulations, defines 'default' as non-payment of interest or principal amount in full on the pre-agreed date which shall be recognized at the first instance of delay in the servicing of any interest or principal on debt.

It is hereby confirmed, in case of an occurrence of a "default", the Trustee shall abide and comply with the procedures mentioned in the above- mentioned circular (SEBI/HO/MIRSD/CRADT/CIR/P/2020/203) dated October 13, 2020 issued by SEBI.

Roles and Responsibilities of the Trustee -As per Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time and Debenture Trust Deed and as specified in the Transaction Documents the Debt securities shall be considered as unsecured. It is the duty of the Debenture Trustee to monitor as per SEBI circular dated November 12th 2020.

XIV STOCK EXCHANGES WHERE BONDS ARE PROPOSED TO BE LISTED

The unsecured, redeemable, non-convertible, non-cumulative bonds in the nature of debentures ("Bonds") Series 168 are proposed to be listed on the wholesale debt market segments of the NSE and BSE. The Issuer shall obtain the in-principle approval of NSE and BSE for listing of the Bonds. The Issuer shall make an application to the NSE and BSE to list the Bonds to be issued and allotted under this Private Placement Memorandum and complete all the formalities relating to listing of the Bonds within stipulated time (as per applicable law) from the date of closure of the Issue. If the permission to list and trade the Bonds is not granted by the stock exchanges, the Issuer shall forthwith repay, without interest, all such moneys received from the Applicant in pursuance of this Private Placement Memorandum and Section 42 of the Companies Act, 2013. If default is made, the Issuer and every officer in default will liable to fine as prescribed in Section 42 of the Companies Act, 2013.

XV MATERIAL CONTRACTS & AGREEMENTS INVOLVING FINANCIAL OBLIGATIONS OF THE ISSUER

By very nature of its business, the Issuer is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Issuer. However, Copies of the below mentioned contracts and agreements may be inspected at the Corporate Office of the Issuer between 10.00 a.m. and 2.00 p.m. on any working day until the issue closing date.

a. Memorandum and Articles of Association of IRFC

b. Special Resolution passed by the shareholders of the Company at meeting held on on 29th September 2021 under Section 180(1)(c) of the Companies Act 2013

c. Resolution of the board of directors under Section 179 of the Companies Act, 2013, passed at its meeting held on 20.05.2022, authorising the issuance of the Debentures.

d. Credit Rating Letters from CRISIL, CARE and ICRA

e. Copies of the audited Balance Sheets and profit & Loss Accounts for five years ended 2018, 2019, 2020, 2021 and 2022.

f. Copy of Tripartite Agreement dated October 31, 2017 amongst IRFC, NSDL and Registrar to the Issue.

g. Copy of Tripartite Agreement dated September 27, 2017 amongst IRFC, CDSL and Registrar to the Issue.

h. Letter of consent from SBI Cap Trustee Company Limited for acting as Trustees for and on behalf of the holder(s) of the Bonds.

XVI UNDERTAKING BY THE ISSUER

The issuer undertakes that this Private Placement Memorandum contains full disclosures in conformity with Form PAS-4 prescribed under section 42 and rule 14(3) of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended by Companies (Prospectus and Allotment of Securities) Second Amendment Rules, 2018, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued vide circular no. SEBI/LAD-NRO/GN/2021/39 dated August 9, 2021, SEBI Circular No. SEBI/HO/DDHS/ DDHS_Div1/P/CIR/2022/00139 dated October 10, 2022, SEBI Circular No. SEBI/HO/DDHS/P/CIR/2022/00144 dated October 28, 2022. Circular no. DNBD(PD) CC No. 330 /03.10.001/2012-13 dated June 27, 2013 issued by the Reserve Bank of India on "Raising Money through Private Placement by NBFCs-Debentures etc.", circular no. DNBS(PD) CC No.349/03.10.001/2013-14 dated July 02, 2013 issued by the Reserve Bank of India on "Raising Money through Private Placement by NBFCs-Non-Convertible Debentures (NCDs) – Clarification" and circular no. DNBR (PD) CC No.021/03.10.001/2014-15 dated February 20, 2015 issued by the Reserve Bank of India on "Raising Money through Private Placement of Non-Convertible Debentures (NCDs) by NBFCs". This issuance would be under the electronic book mechanism for issuance of debt securities on private placement basis as per SEBI Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 bearing reference number SEBI/HO/DDHS/P/CIR/2021/613, as amended.

Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the chapter "Management's Perception of Risk Factors" given on page number 16 under the section 'General Risks'.

The issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Private Placement Memorandum contains all information with regard to the issuer and the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The issuer has no side letter with any debt securities holder except the one(s) disclosed in the private placement memorandum. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed.

The issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act and the rules and regulations made thereunder except composition of the Board of Directors of the Company, composition of Audit Committee and Nomination & Remuneration Committee and to the extent compliances are within the ambit of the Company.

The compliance with the Act and the rules does not imply that payment of interest or repayment of bonds, is guaranteed by the Central Government.

The monies received under the offer a shall be used only for the purposes and objects indicated in the private placement memorandum.

The issuer also confirms that whatever is stated in this private placement memorandum and in the attachments thereto is true, correct and complete and no information material to the subject matter of this private placement Memorandum has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.
Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association

Investment in bonds involve a degree of risk and investors should not invest any funds in such bonds unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained in chapter "Management's perception of risk factors" of this private placement offer letter. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the bonds or investor's decision to purchase such bonds.

The undersigned has been authorized by the Board of Directors vide resolution dated 14.10.2021 to sign this Private Placement Memorandum and declare that all the requirements of Companies Act, 2013 and the rules made there under in respect of the subject matter of this form and matters incidental thereto have been complied with.

(Rakhi Dua)
Additional General Manager (Finance)

Place: New Delhi
Date: 16.01.2023

इंडियन रेलवे फाइनेंस कॉरपोरेशन लि० Indian Railway Finance Corporation Ltd. आई.आर.एफ.सी IRFC सी.आई.एन. नं० CIN No. L65910DL1986 GOI026363 New Delhi नई दिल्ली

XVII Annexures

a. Copy of resolution of the Board of Directors authorizing the present Issue of Bonds;

b. Copy of rating letters from CRISIL, ICRA and CARE along with press release;

c. Copy of consent letter from SBI CAP Trustee Company Limited to act as Trustees for the Bondholders;

d. Financial Information

इंडियन रेलवे फाईनेन्स कॉरपोरेशन लिमिटेड

(भारत सरकार का उपक्रम) (सी आई एन : L65910DL1986GOI026363)

पंजीकृत कार्यालय : रूम नं. 1316 & 1349, तीसरी मंजिल, दि अशोक, डिप्लोमैटिक एन्कलेव 50–बी, चाणक्यपुरी, नई दिल्ली–110021

दूरभाष : 011-24100385

INDIAN RAILWAY FINANCE CORPORATION LTD.

(A Government of India Enterprise) (CIN : L65910DL1986GOI026363)

Regd. Office : Room Nos. 1316 – 1349, 3rd Floor, The Ashok, Diplomatic Enclave:- 50-B, Chanakyapuri, New Delhi-110021

Phone : 011-24100385, E-mail : info@irfc.nic.in, Website : www.irfc.nic.in

Certified true copy of Resolution passed in the 282nd Meeting of the Board of Directors of Indian Railway Finance Corporation Limited held on Friday, 20th May, 2022, at 15th Floor, Block No. C-2, Gift One Tower, Road 5C, Zone 5, Gandhinagar, Gujarat-382355.

Item No 8. Authorization of market borrowing by IRFC during the FY 2022-23

"**RESOLVED THAT** the Company be and is hereby authorized to raise from the domestic markets / offshore markets, funds upto Rs. 66,500 crore or such amount as may be intimated by MoR, through ECBs /ECAs / Funding facility from Multilateral / Bilateral Agencies / issue of Taxable Bond including Government Guaranteed Bonds, Govt. Serviced Bonds, Capital Gain Taxable Bonds Under Section 54 EC of Income Tax Act / Tax-free bonds/subordinated bonds/perpetual bonds through Public Issue / Private Placement as per SEBI's guidelines issued from time to time or through innovative structures, with or without swap, with fixed and / or floating rates linked to G-Sec / LIBOR or any other suitable benchmark, or through securitization of a portion of future lease receivables from MoR and / or by availing loans from Banks / Financial Institutions / National Small Saving Funds (NSSF) / Govt. of India etc., with no cap on the tenor of such borrowings provided that in case of secured bond issuances in the domestic capital market the tenor is not to exceed 30 years.

RESOLVED FURTHER THAT the amount of funds to be mobilized through private placement of taxable bonds during the financial year 2022-23 may not exceed the amount of Rs. 66,500 Crore or the revised mandated amount as intimated by MOR and the periodicity of private placement issues and the quantum of each issue may be decided depending upon the suitability of market conditions and the requirements of funds by MoR; provided that the Board of Directors shall be kept apprised of such private placement issues from time to time.

RESOLVED FURTHER THAT the Company be and is hereby authorized to raise from the domestic markets / offshore markets during the first two months of the next financial year or till the 1st Board Meeting in the next Financial Year, whichever is later for refinancing the short term borrowings raised for fulfilling the last-minute funding requirement mandated by MoR during the current fiscal / meeting the fresh funding requirement of MoR for the next financial year / restructuring and refinancing high cost debts outstanding in IRFC's books through ECBs including Loans and Notes / Bonds on standalone basis/ MTN programme / ECAs / issue of Taxable Bonds/54EC Bonds/Govt. Guaranteed Bonds/Govt. Serviced Bonds / Funding facility from Multilateral / Bilateral Agencies / Tax-free bonds through Public Issue / Private Placement either directly or by appointing Merchant Bankers / Arrangers or through innovative structures, with or without swap, with fixed and / or floating rates linked to G-Sec / LIBOR or any other suitable benchmark, or through securitization of a portion of future lease receivables from MoR and / or by availing loans from Banks / Financial Institution / National Small Saving Funds (NSSF), with no cap on the tenor of such borrowings provided that in case of secured bond issuances in the domestic capital market the tenor is not to exceed 30 years.

RESOLVED FURTHER THAT Chairman & Managing Director be and is hereby authorized to manage the fund raising, inter-alia, through raising of funds by issuance, redemption etc of Taxable, including Capital Gain Bonds U/S 54EC of Income Tax Act/ Tax-free Bonds through Private Placement, securitization of a portion of future lease receivables from MoR, Commercial Papers, Cash Credit, WCDL, Line of Credit, Short Term Loans, Terms Loans, NSSF Loan, Govt. Serviced Bonds and Govt. Guaranteed Bonds by Private Placement/Public Issue etc. and to make allotment, make application for listing of bonds and to take all such other actions as necessary in this regard.

RESOLVED FURTHER THAT the Chairman & Managing Director be and is hereby authorized to make offer(s) of invitation(s) to subscribe to the secured / unsecured, redeemable, non-convertible bonds /

Shinde 20/5/2022

Indian Railway Finance Corporation Ltd. IRFC CIN L65910DL1986 GOI026363 New Delhi

आज़ादी का अमृत महोत्सव

debentures / debt securities (Bonds) to be issued by the Company in one or more tranches during the Financial Year 2022-23 through Public Issue / Private Placement in conformity with rules, regulations and enactments as applicable from time to time and to do, all such acts, deeds and things as may be deemed fit in respect of issue of bonds and also to decide keeping in view the directions of Ministry of Finance, face value, issue price, issue size, timing, amount, security, coupon / interest rate(s), yield, identify the investors, listing, allotment and other terms and conditions of issue of bonds, appoint Debenture Trustees (s) for the bonds etc. issued during FY 2022-23, open and administer Escrow Accounts, availing of Bank Guarantee, availing issuer services portal of NSDL/CDSL/any other Regulatory Authority etc. that may be required for issuance, redemption, etc. of bonds both Public Issue and Private Placement as it may deem necessary.

RESOVLED FURTHER THAT Chairman & Managing Director be and is hereby authorized to nominate any Executive(s) to execute, sign and seal, all letters / documents in relation to above fund raisings and for all banking transactions.

RESOLVED FURTHER THAT the Chairman &Managing Director be and is hereby authorized to raise funds and to do all acts/actions/deeds as required/necessary to raise funds linked to any benchmark/transitioned benchmark/benchmark to be transitioned in future through offshore markets either through Global Medium Term Note Programme / External Commercial Borrowings (ECB)/ offshore loans/offshore bonds/Multilateral loans/ Multilateral guaranteed offshore loans/Bilateral loans or any other innovative structure having principal linked to any offshore currency.

RESOLVED FURTHER THAT the Chairman & Managing Director be and is hereby authorized to nominate any Executive(s) to execute, sign and seal, all letters / documents in relation to above fund raisings and for all banking transactions.

RESOLVED FURTHER THAT the Chairman &Managing Director or Director Finance or Group General Manager (Finance), General Manager (Finance), Addl. General Manager (Finance) or Manager (Finance) be and are hereby authorized severally to sign in the facsimile as well as in ink, the Bond Certificates to be issued in physical form relating to IRFC Bonds including 54EC bonds during the year 2022-23."

Certified True Copy

Shirode
23/05/2022

Indian Railway Finance Corporation Ltd. IRFC CIN L65910DL1986 GOI026363 New Delhi

(Vijay Babulal Shirode)
Jt.GM (Law) & Company Secretary

ICRA

ICRA Limited

Ref: ICRA/Indian Railway Finance Corporation Limited/10012023/1

Date: January 10, 2023

Mr. A. Samantaray
Jt. General Manager (F&A)
Indian Railway Finance Corporation Ltd.
Room no. 1316-1349, 3rd Floor, Hotel The Ashok
Diplomatic Enclave, 50-B, Chanakyapuri,
New Delhi – 110021

Dear Sir,

Re: ICRA rating for Rs. 66,500 crore Long-Term Borrowing Programme (yet to be placed: Rs. 46,884.3 crore; outstanding: Rs. 19615.7 crore) for the year FY 2022-23 of Indian Railway Finance Corporation Ltd

Please refer to your request dated January 09, 2023 for revalidating the rating letter issued for the captioned programme.

We confirm that the **[ICRA]AAA** (pronounced as ICRA triple A) rating with a **Stable** outlook assigned to your captioned programme and last communicated to you vide our letter dated December 09, 2022 stands. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

The terms and conditions for the rating of the aforementioned instrument shall remain the same as communicated vide our letter Ref **ICRA/Indian Railway Finance Corporation Ltd/10052022/1** dated **May 10, 2022.**

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the long-term debt to be issued by you.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,
For ICRA Limited

KARTHIK SRINIVASAN
Digitally signed by KARTHIK SRINIVASAN
Date: 2023.01.10 12:09:00 +05'30'

Karthik Srinivasan
Senior Vice President
karthiks@icraindia.com

Annexure: Instrument Details

ISIN	Instrument Name	Date of issuance	Coupon rate	Maturity date	Amount (Rs. crore)	Current Rating and Outlook
INE053F08197	NCD	11/10/2022	7.69%	11/10/2032	2500	[ICRA]AAA (Stable)
INE053F08205	NCD	28/11/2022	7.64%	28/11/2037	3955.2	[ICRA]AAA (Stable)
INE053F08213	NCD	16/12/2022	7.47%	15/04/2033	500	[ICRA]AAA (Stable)
INE053F08221	NCD	30/12/2022	7.65%	30/12/2032	2510.5	[ICRA]AAA (Stable)

Details of Bank Facilities

Name of Bank	Facility	Amount (Rs. crore)	Rating	Rating Assigned on
Central Bank of India	Term Loan	1500	[ICRA]AAA (Stable)	May-22
Deutsche Bank	Term Loan	2000	[ICRA]AAA (Stable)	May-22
Indian Overseas Bank	Term Loan	2000	[ICRA]AAA (Stable)	May-22
State Bank of India	Term Loan	50	[ICRA]AAA (Stable)	May-22
Bank of Baroda	Term Loan	700	[ICRA]AAA (Stable)	May-22
Union Bank of India	Term Loan	2150	[ICRA]AAA (Stable)	May-22
Jammu & Kashmir Bank Limited	Term Loan	750	[ICRA]AAA (Stable)	May-22
Punjab & Sind Bank	Term Loan	1000	[ICRA]AAA (Stable)	May-22

Ratings

CRISIL
An S&P Global Company

CONFIDENTIAL

RL/INRAFIC/292858/LTBP/0522/32679/108854839/7
December 19, 2022

Ms. Shelly Verma
Director Finance (Corporate)
Indian Railway Finance Corporation Limited
UG – Floor, East Tower, NBCC Place,
Bhisham Pitamah Marg, Lodhi Road ,
Pragati Vihar,
North Delhi - 110003

Dear Ms. Shelly Verma,

Re: CRISIL Rating on the Rs.66500 Crore Long-Term Borrowing Programme of Indian Railway Finance Corporation Limited

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.
Please refer to our rating letter dated November 16, 2022 bearing Ref. no:RL/INRAFIC/292858/LTBP/0522/32679/108854839/6

Please find in the table below the rating outstanding for your company.

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Long-Term Borrowing Programme	66500	CRISIL AAA/Stable

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Aesha Maru
Associate Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings

***Disclaimer**: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301*

No. CARE/DRO/RL/2022-23/2713

Ms. Shelly Verma
Director
Indian Railway Finance Corporation Limited
Room Nos 1316-1349, 3rd Floor, Hotel The Ashok, Diplomatic Enclave, 50-B, Chanakyapuri,
New Delhi
Delhi 110021

December 23, 2022

Confidential

Dear Madam,

Credit rating for Long-Term Market Borrowing Programme (FY23)

Please refer to our letter no. CARE/DRO/RL/2022-23/2096 dated October 03, 2022, and your request for revalidation of the rating assigned to the Long-Term Marketing Borrowing Programme (FY23) of Indian Railway Finance Corporation Limited, for a limit of Rs.66,500.00 crore.

2. The following rating(s) have been reviewed:

Sr. No.	Instrument	Amount (Rs. crore)	Rating[1]	Rating Action
1.	Market Borrowing Programme	66,500.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
	Total Instruments	66,500.00 (Rs. Sixty-Six Thousand Five Hundred Crore Only)		

3. The NCDs are repayable as per annexure 1.
4. Please arrange to get the rating revalidated, in case the proposed issue is not made within **six months** from the date of this letter.
5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr.)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Trustee/IPA	Details of top 10 investors

[1]Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE Ratings Ltd.'s publications.

6. CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

7. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the debt instruments, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such instruments. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

8. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
9. Users of this rating may kindly refer our website www.careedge.in for latest update on the outstanding rating.
10. CARE Ratings Ltd. ratings are **not** recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

Mohit Sachdeva
Assistant Director
mohit.sachdeva@careedge.in

Neha Kadiyan
Associate Director
neha.kadiyan@careedge.in

Encl.: As above

Disclaimer

The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

CARE Ratings Limited

13th Floor, E-1 Block, Videocon Tower,
Jhandewalan Extension, New Delhi - 110055
Phone: +91-11-4533 3200

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off
Eastern Express Highway, Sion (East), Mumbai - 400 022
Phone: +91-22-6754 3456
Email: care@careedge.in • www.careedge.in

CIN-L67190MH1993PLC071691

Annexure 1

Instrument	ISIN	Issuance Date	Coupon date	Maturity Date	Issue Size (Rs Crore)	Rating Assigned along with Rating Outlook
54EC Bonds	INE053F07DJ2	30-04-2022	5.00%	30-04-2027	120.52	CARE AAA Stable
54EC Bonds	INE053F07DK0	31-05-2022	5.00%	31-05-2027	125.90	CARE AAA Stable
54EC Bonds	INE053F07DL8	30-06-2022	5.00%	30-06-2027	135.23	CARE AAA Stable
54EC Bonds	INE053F07DM6	31-07-2022	5.00%	31-07-2027	167.10	CARE AAA Stable
54EC Bonds	INE053F07DN4	31-08-2022	5.00%	31-08-2027	84.06	CARE AAA Stable
54EC Bonds	INE053F07DO2	30-09-2022	5.00%	30-09-2027	118.95	CARE AAA Stable
Central Bank of India - Term Loan	NA	28-06-2022	6.79%	28-06-2037	2000	CARE AAA Stable
Deutsche Bank - Term Loan	NA	28-06-2022	6.30%	28-06-2029	2000	CARE AAA Stable
Indian Overseas Bank - Term Loan	NA	27-07-2022	6.15%	31-08-2035	2000	CARE AAA Stable
Proposed					59,748.24	CARE AAA Stable

Indian Railway Finance Corporation Limited

May 17, 2022

Ratings

Facilities	Amount (Rs. crore)	Rating[1]	Rating Action
Market Borrowing Programme (FY07)	870.00 (Rs. Eight hundred seventy crore only)	CARE AAA/Stable [Triple A, Outlook: Stable]	Reaffirmed
Market Borrowing Programme (FY08)	2,155.00 (Rs. Two thousand one hundred fifty five crore only)	CARE AAA/Stable [Triple A, Outlook: Stable]	Reaffirmed
Market Borrowing Programme (FY09)	4,879.00 (Rs. Four thousand eight hundred seventy nine crore only)	CARE AAA/Stable [Triple A, Outlook: Stable]	Reaffirmed
Market Borrowing Programme (FY10)	3,307.62 (Rs. Three thousand three hundred seven crore and sixty two lakh only)	CARE AAA/Stable [Triple A, Outlook: Stable]	Reaffirmed
Market Borrowing Programme (FY11)	4,095.56 (Rs. Four thousand ninety five crore and fifty six lakh only)	CARE AAA/Stable [Triple A, Outlook: Stable]	Reaffirmed
Market Borrowing Programme (FY12)	8,250.00 (Rs. Eight thousand two hundred fifty crore only)	CARE AAA/Stable [Triple A, Outlook: Stable]	Reaffirmed
LT Market Borrowing Programme (FY13)	8,106.04 (Rs. Eight thousand one hundred six crore and four lakh only)	CARE AAA/Stable [Triple A, Outlook: Stable]	Reaffirmed
LT Market Borrowing Programme (FY14)	8,828.34 (Rs. Eight thousand eight hundred twenty eight crore and thirty four lakh only)	CARE AAA/Stable [Triple A, Outlook: Stable]	Reaffirmed
LT Market Borrowing Programme (FY15)^	2,625.00 (Rs. Two thousand six hundred twenty five crore only)	CARE AAA/Stable [Triple A, Outlook: Stable]	Reaffirmed
LT Market Borrowing Programme (FY16)	19,200.00 (Rs. Nineteen thousand two hundred crore only)	CARE AAA/Stable [Triple A, Outlook: Stable]	Reaffirmed
LT Market Borrowing Programme (FY17)	35,310.00 (Rs. Thirty five thousand three hundred ten crore only)	CARE AAA/Stable [Triple A, Outlook: Stable]	Reaffirmed
LT Market Borrowing Programme (FY18)	34,500.00 (Rs. Thirty four thousand five hundred crore only)	CARE AAA/Stable [Triple A, Outlook: Stable]	Reaffirmed
LT Market Borrowing Programme (FY19)	54,940.00 (Rs. Fifty four thousand nine hundred forty crore only)	CARE AAA/Stable [Triple A, Outlook: Stable]	Reaffirmed
LT Market Borrowing Programme (FY20)	55,471.00 (Rs. Fifty five thousand four hundred seventy one crore only)	CARE AAA/Stable [Triple A, Outlook: Stable]	Reaffirmed
LT Market Borrowing Programme (FY21)	58,000.00 (Rs. Fifty eight thousand crore only)	CARE AAA/Stable [Triple A, Outlook: Stable]	Reaffirmed
LT Market Borrowing Programme (FY22)	65,258.00 (Rs. Sixty five thousand two hundred fifty eight crore only)	CARE AAA/Stable [Triple A, Outlook: Stable]	Reaffirmed
LT Market Borrowing Programme (FY23)	66,500.00 (Rs. Sixty-Six Thousand and Five Hundred crore only)	CARE AAA/Stable [Triple A, Outlook: Stable]	Assigned

[1]*Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications*

Total Long-Term Instruments	**4,32,295.56 (Rs. Four Lakhs Thirty-Two Thousand Two Hundred Ninety-Five Crore and Fifty-Six Lakhs Only)**		
Commercial Paper	15,000.00	CARE A1+ (A One Plus)	Reaffirmed
Short-Term Market Borrowing Programme (FY17)^	8,000.00	CARE A1+ (A One Plus)	Reaffirmed
Short-Term Market Borrowing Programme (FY18)^	12,000.00	CARE A1+ (A One Plus)	Reaffirmed
Total Short-Term Instruments	**35,000.00 (Rs. Thirty-Five Thousand Crore Only)**		

^ repaid and redeemed on maturity; documents required to withdraw the ratings are to be received
Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The rating reaffirmation for the various bank facilities/ market instruments of Indian Railway Finance Corporation Limited (IRFC) continues to factor in the majority ownership by Government of India (GoI) and IRFC's strategic role as a dedicated financing arm of Indian Railways (IR), responsible for arranging funds for meeting planned outlay of IR. The company's principal business is to borrow funds from the commercial markets to finance the acquisition of new rolling stock and construction of developmental projects or infrastructure for IR.

The ratings also factor in IRFC's strong financial fundamentals with consistently profitable operations, strong asset quality with history of nil non-performing assets (NPAs), comfortable capitalization profile and adequate liquidity position. Additionally, the ratings also draw comfort from demonstrated government support as evident via regular and periodic equity infusions and favorable lease agreements that protect IRFC against any exchange rate volatility, interest rate fluctuations and liquidity risk by transferring of risks to Ministry of Railways (MoR). Going forward, the continued sovereign ownership and support from GoI in maintaining comfortable capital structure and asset quality will remain key rating sensitivities.

Rating Sensitivities

Negative factors: Factors that could individually or collectively lead to negative rating action/downgrade

- Any material changes in government support and/or strategic role played by IRFC in supporting Indian Railways or reduction in GoI's shareholding below 51%
- Significant deterioration in IRFC's standalone credit profile including its profitability and asset quality profile

Detailed description of the key rating drivers

Key Rating Strengths

Majority GoI ownership marked with demonstrated government support and strong integration with parent

Majority owned by GoI, IRFC is a Schedule 'A' Public Sector Enterprise under the administrative control of MoR. In line with the divestment objective of GoI, IRFC came up with its IPO in January 2021 and raised equity of Rs.4,633.38 crore which included fresh equity raise of Rs.3,088.92 crore and offer for sale of shares by GoI amounting to Rs.1,544.46 crore. Through IPO, GoI divested 5% of its shareholding, and as a result, the overall shareholding of GoI came down to 86.36% as on June 30, 2021 from 100% till December 31, 2020, and continues to be so as on March 31, 2022.

The company has a demonstrated history of receiving timely and regular parent support in the form of regular capital infusions and CARE expects IRFC to maintain comfortable capital structure and overall gearing remaining around ten times going forward.

Additionally, the favorable lease agreement with MoR protects IRFC against any exchange rate volatility, interest rate fluctuations and liquidity risk. CARE Ratings believes that given the position of IRFC as a dedicated financing arm of IR, IRFC will continue to be strategically important for IR. Also, with majority government ownership, timely support from GoI is expected to be forthcoming and any material change in the ownership of and/or support to IRFC will remain a key rating monitorable.

Strategic role in providing financial assistance to meet planned outlay of Indian Railways

IRFC is an arranger of finance for MoR and raises money from the market to part-finance the planned outlay of IR. The MoR is responsible for acquisition of rolling stock, improvement, expansion and maintenance of the railway infrastructure, while IRFC is responsible for mobilizing resources necessary for the acquisition of rolling stock ordered by the MoR. The resources thus raised are used for part-funding for creation of assets (through lease financing) for IR. At the beginning of each fiscal year, the MoR notifies IRFC of its financing requirements that are to be met through market borrowings. At the end of each year, a finance lease agreement is drawn in relation to the rolling stock acquired by the MoR from IRFC funds during the previous year. The lease is for a period of 30 years comprising primary lease period of 15 years followed by a secondary lease period of another 15 years. Lease rentals comprise IRFC's capital recovery, cost plus a net interest margin, which are covered under the primary lease period. Over the last few years, IRFC has provided funding for various railway infrastructure asset projects such as electrification, doubling of railway line, etc. The company's resources have been predominantly used for the acquisition of rolling stock assets, financing of railway infrastructure assets and meeting other developmental needs of IR.

IRFC maintains a dominant share in MoR's increasing requirement for rolling stock on the strength of its ability to mobilize funds at competitive rates. IRFC, under the directives of MoR, also extends loans to other entities of MoR, viz., Rail Vikas Nigam Ltd. (RVNL) and IRCON International Limited (IRCON, rated CARE AAA; Stable). As on December 31, 2021, 47% of the loans and advances were towards lease receivables from MoR, 51% were advances against lease of railway infrastructure assets and advance against National Project, and remaining 2% as loans provided to IRCON, RVNL and other advances. As on December 31, 2021, about 97% of IRFC's revenue is from lease and remaining 3% is from income from loans and advances and investment income.

Strong asset quality on account of entire exposure to MoR/MoR-owned entities

As a non-banking finance company (NBFC) with majority ownership by GoI, IRFC does not have to comply with Reserve Bank of India's (RBI) regulatory requirements on asset classification, liquidity coverage ratio, provisioning, and prudential exposure norms to the extent of its exposure to MoR, which restricts a NBFC's maximum exposure to a sector or an entity. On account of the entire exposure of IRFC to MoR/MoR-owned entities which are controlled by GoI, the recovery risk is largely mitigated. As a result, IRFC continues to have strong asset quality with a history of nil non-performing assets (NPAs).

Healthy capitalization profile

The capitalization profile of IRFC (given zero percent risk weight is assigned to MoR's exposure) remains strong marked with overall CAR at 466% as on December 31, 2021, improving from 420% as on Mar-21. The capitalization metrics are also supported by tangible net worth of Rs.39,505 crore as on December 31, 2021, up from Rs.35,913 crore as on March 31, 2021, on account of sequential positive internal accruals. The overall gearing of IRFC stood at 9.3 times as on December 31, 2021, up marginally from 9.0 times as on March 31, 2021.

Diversified borrowings profile

End December 31, 2021, total borrowings of IRFC stood at Rs.3,69,102 crore, up from Rs.3,23,111 crore as on March 31, 2021, with funds availed from various lender categories such as banks, other financial institutions and foreign institutional investors. As on December 31, 2021, borrowings from domestic bonds market formed 46% of the total borrowings, followed by rupee term loan from banks forming another 31%, about 15% in the form of foreign/external commercial borrowings (ECM), 5% through NSSF and the remaining 3% in the form of commercial paper.

Key Rating Weaknesses

Moderate profitability metrics

IRFC operates on a cost-plus based model, and as per the lease agreement with MoR, the lease rentals are calculated as equal to half yearly payments to be made by the MoR based on weighted average cost of incremental borrowing during the relevant year together with a reasonable markup mutually agreed between the MoR and IRFC. IRFC has moderate financial profile marked by modest revenue growth, controlled borrowing costs, marginal credit costs and overall profitability protected under lease agreement with MoR. For 9MFY22 (refers to the period April 1 to December 31), total income of IRFC grew by 27% Y-o-Y to Rs.14,369 crore as against Rs.11,316 crore in 9MFY21, driven by 95% Y-o-Y rise in interest income from pre-commencement lease, interest income on loans and others to Rs.5,382 crore (Rs.3,944 crore in FY21). End nine months December 31, 2021, profit after tax (PAT) of IRFC increased by 57% Y-o-Y to Rs.4,597 crore (primarily because of a lower base in 9MFY21). As a result, IRFC's net interest margin (NIM) and return on total assets (ROTA) improved marginally, albeit moderate, to 1.53% and 1.51% (reported 1.45%, annualized), respectively in 9MFY22 vs. 1.39% and 1.35%, respectively, as on March 31, 2021. Operating expenses/ATA ratio remained low at 0.11% due to its wholesale lending model while credit costs remained negligible with nil NPA and IRFC being exempted from providing standard provisions against its exposure to IR.

High concentration risk

The loan book of IRFC is highly concentrated as the entire exposure is to MoR or MoR-related entities. As on December 31, 2021, 47% of the loans and advances was towards lease receivable from MoR, 51% was towards advance against lease of railway infrastructure assets and advance against National Project and remaining 2% of loans was provided to IRCON and RVNL and other advances. Also, the development of IRFC's business is dependent on the Ministry of Railways' strategy concerning the growth of Indian Railways. However, IRFC is exempted from RBI's credit concentration norms.

Liquidity Position: Adequate

Liquidity profile of IRFC remains comfortable on the back of GoI ownership and support from GoI in the form of regular equity infusions and favourable lease agreement wherein IRFC can get advance lease rentals from MoR if need arises. Due to IRFC's status as a government company, it is exempted from RBI's guidelines regarding applicability of liquidity coverage ratio for NBFCs.

Analytical approach: Standalone along with factoring in majority ownership by Government of India.

Applicable Criteria

Criteria on assigning Outlook and Credit watch to Credit Ratings
CARE's Policy on Default Recognition
CARE Methodology for Non-Banking Financial Companies
Financial Sector –Financial Ratios
Factoring Linkages with Government

About the Company

Indian Railway Finance Corporation (IRFC), a GoI undertaking under the purview of Ministry of Railways (MoR) is a financing arm of Ministry of Railways. It is also registered as Systemically Important Non–Deposit taking Non-Banking Financial Company (NBFC – ND-SI) and Infrastructure Finance Company (NBFC- IFC) with Reserve Bank of India (RBI). The company is a notified Public Financial Institution (PFI) under the Companies Act. IRFC's principal business is to borrow funds from the financial markets to finance the acquisition / creation of assets which are then leased out to the Indian Railways. The funds are utilized for acquiring rolling stock assets and also building up infrastructure, constituting significant part of annual capital expenditure of Indian Railways. Besides, the company has been assigned the task of funding Railway Projects through Institutional Finance (EBR-IF) route. A significant portion of IRFC's revenue is generated from the leasing of rolling stock assets, comprising locomotives, passenger coaches and freight wagons, to the Indian Railways.

IRFC operates on a cost-plus-based model, and as per the agreement, the lease rentals are calculated as equal to half yearly payments to be made by the MoR based on weighted average cost of incremental borrowing during the relevant year together with a reasonable markup mutually agreed between the MoR and IRFC. While economic ownership of assets vests with MoR, IRFC retains the legal title of the asset. MoR pays lease rentals to IRFC which are sufficient to meet the debt obligations of IRFC. Apart from leasing assets to IR, IRFC under the directives of MoR also extends loans to other entities of MoR, viz., Rail Vikas Nigam Ltd. (RVNL), etc. The responsibility of debt servicing lies with MoR as debt servicing is done from revenues generated by MoR from these projects.

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	9MFY22 (UA)
Total Income	13,421	15,771	14,369
PAT	3,192	4,416	4,597
Interest coverage (times)	1.22	1.39	1.47
Total Assets	2,75,504	3,78,052	4,31,404
Net NPA (%)	Nil	Nil	Nil
ROTA (%)	1.32	1.35	1.51*

A: Audited, UA: Unaudited, Total assets exclude intangible assets
**reported 1.45%, annualized*

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Annexure 4

Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
NCD	INE053F09EL2	29-Nov-06	8.75%	29-Nov-26	410.00	CARE AAA; Stable
NCD	INE053F09EK4	29-Nov-06	8.68%	29-Nov-21	225.00	CARE AAA; Stable
NCD^	NA	NA	NA	NA	235.00	CARE AAA; Stable
NCD	INE053F09EN8	07-Jun-07	9.95%	07-Jun-22	150.00	CARE AAA; Stable
NCD	INE053F09EO6	07-Jun-07	10.04%	07-Jun-27	320.00	CARE AAA; Stable
NCD	INE053F09FD6	07-Jun-07	9.86%	07-Jun-22	33.00	CARE AAA; Stable
NCD	INE053F09FI5	28-Sep-07	9.66%	28-Sep-22	400.00	CARE AAA; Stable
NCD	INE053F09FK1	29-Oct-07	9.20%	29-Oct-22	500.00	CARE AAA; Stable
NCD^	NA	NA	NA	NA	752.00	CARE AAA; Stable
NCD	INE053F09FP0	11-Sep-08	10.70%	11-Sep-23	615.00	CARE AAA; Stable
NCD	INE053F09FS4	26-Dec-08	8.50%	26-Dec-23	285.00	CARE AAA; Stable
NCD	INE053F09FV8	15-Jan-09	8.65%	15-Jan-24	315.00	CARE AAA; Stable
NCD^	NA	NA	NA	NA	3,664.00	CARE AAA; Stable
NCD	INE053F09GL7	27-Apr-09	8.20%	27-Apr-22	60.00	CARE AAA; Stable
NCD	INE053F09GM5	27-Apr-09	8.20%	27-Apr-23	60.00	CARE AAA; Stable
NCD	INE053F09GN3	27-Apr-09	8.20%	27-Apr-24	60.00	CARE AAA; Stable
NCD	INE053F09GQ6	03-Feb-10	8.65%	03-Feb-25	200.00	CARE AAA; Stable
NCD	INE053F09GR4	03-Feb-10	8.80%	03-Feb-30	385.00	CARE AAA; Stable
NCD	INE053F09GV6	10-Mar-10	8.95%	10-Mar-25	600.00	CARE AAA; Stable
NCD^	NA	NA	NA	NA	1,942.62	CARE AAA; Stable
NCD	INE053F09GX2	04-May-10	8.79%	04-May-30	1,410.00	CARE AAA; Stable
NCD	INE053F09GY0	04-May-10	8.72%	04-May-31	15.00	CARE AAA; Stable
NCD	INE053F09GZ7	04-May-10	8.72%	04-May-32	15.00	CARE AAA; Stable
NCD	INE053F09HA8	04-May-10	8.72%	04-May-33	15.00	CARE AAA; Stable
NCD	INE053F09HB6	04-May-10	8.72%	04-May-34	15.00	CARE AAA; Stable
NCD	INE053F09HC4	04-May-10	8.72%	04-May-35	15.00	CARE AAA; Stable
NCD	INE053F09HD2	14-May-10	8.83%	14-May-31	220.00	CARE AAA; Stable
NCD	INE053F09HE0	14-May-10	8.83%	14-May-32	220.00	CARE AAA; Stable
NCD	INE053F09HF7	14-May-10	8.83%	14-May-33	220.00	CARE AAA; Stable
NCD	INE053F09HG5	14-May-10	8.83%	14-May-34	220.00	CARE AAA; Stable
NCD	INE053F09HH3	14-May-10	8.83%	14-May-35	220.00	CARE AAA; Stable
NCD	INE053F09HM3	29-Mar-11	9.09%	29-Mar-26	1,076.00	CARE AAA; Stable
NCD	INE053F09HN1	31-Mar-11	9.09%	31-Mar-26	150.00	CARE AAA; Stable

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
NCD^	NA	NA	NA	NA	284.56	CARE AAA; Stable
NCD	INE053F09HP6	10-May-11	9.33%	10-May-26	255.00	CARE AAA; Stable
NCD	INE053F09HQ4	10-May-11	9.47%	10-May-31	995.00	CARE AAA; Stable
NCD	INE053F09HT8	08-Nov-11	7.55%	08-Nov-21	539.60	CARE AAA; Stable
NCD	INE053F09HU6	08-Nov-11	7.77%	08-Nov-26	191.51	CARE AAA; Stable
NCD	INE053F07520	23-Feb-12	8.00%/8.15 %	23-Feb-22	3,173.24	CARE AAA; Stable
NCD	INE053F07538	23-Feb-12	8.10%/8.30	23-Feb-27	3,095.65	CARE AAA; Stable
NCD	INE053F09HV4	26-Nov-12	7.21%	26-Nov-22	256.00	CARE AAA; Stable
NCD	INE053F09HW2	26-Nov-12	7.38%	26-Nov-27	66.70	CARE AAA; Stable
NCD	INE053F09HX0	30-Nov-12	7.22%	30-Nov-22	41.00	CARE AAA; Stable
NCD	INE053F09HY8	30-Nov-12	7.38%	30-Nov-27	30.00	CARE AAA; Stable
NCD	INE053F09HZ5	06-Dec-12	7.22%	06-Dec-22	30.00	CARE AAA; Stable
NCD	INE053F09IA6	06-Dec-12	7.39%	06-Dec-27	95.00	CARE AAA; Stable
NCD	INE053F09IB4	07-Dec-12	7.22%	07-Dec-22	499.90	CARE AAA; Stable
NCD	INE053F09IC2	14-Dec-12	7.19%	14-Dec-22	95.00	CARE AAA; Stable
NCD	INE053F07561	19-Feb-13	7.18%/7.68 %	19-Feb-23	2,814.48	CARE AAA; Stable
NCD	INE053F07579	19-Feb-13	7.34%/7.84 %	19-Feb-28	2,558.91	CARE AAA; Stable
NCD	INE053F07587	23-Mar-13	6.88%/7.38 %	23-Mar-23	165.17	CARE AAA; Stable
NCD	INE053F07595	23-Mar-13	7.04%/7.54 %	23-Mar-28	263.88	CARE AAA; Stable
NCD	INE053F07603	25-Mar-13	8.83%	25-Mar-23	1,100.00	CARE AAA; Stable
NCD^	NA	NA	NA	NA	90.00	CARE AAA; Stable
NCD	INE053F07611	21-Nov-13	8.35%	21-Nov-23	487.00	CARE AAA; Stable
NCD	INE053F07629	21-Nov-13	8.48%	21-Nov-28	738.00	CARE AAA; Stable
NCD	INE053F07637	27-Nov-13	8.35%	27-Nov-23	57.00	CARE AAA; Stable
NCD	INE053F07645	27-Nov-13	8.48%	27-Nov-28	55.00	CARE AAA; Stable
NCD	INE053F07652	18-Feb-14	8.23%	18-Feb-24	1,778.32	CARE AAA; Stable
NCD	INE053F07678	18-Feb-14	8.48%	18-Feb-24	526.25	CARE AAA; Stable
NCD	INE053F07660	18-Feb-14	8.40%	18-Feb-29	1,090.19	CARE AAA; Stable
NCD	INE053F07686	18-Feb-14	8.65%	18-Feb-29	688.36	CARE AAA; Stable
NCD	INE053F07694	10-Feb-14	8.55%	10-Feb-29	1,650.00	CARE AAA; Stable
NCD	INE053F07702	12-Feb-14	8.55%	12-Feb-29	13.00	CARE AAA; Stable
NCD	INE053F07710	26-Mar-14	8.19%	26-Mar-24	231.15	CARE AAA; Stable
NCD	INE053F07736	26-Mar-14	8.44%	26-Mar-24	129.74	CARE AAA; Stable
NCD	INE053F07728	26-Mar-14	8.63%	26-Mar-29	947.91	CARE AAA; Stable
NCD	INE053F07744	26-Mar-14	8.88%	26-Mar-29	436.41	CARE AAA; Stable
NCD*	INE053F07751	22-Jan-15	7.83%	22-Jan-17	2,625.00	CARE AAA; Stable

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
NCD	INE053F07777	31-Jul-15	7.19%	31-Jul-25	1,139.00	CARE AAA; Stable
NCD	INE053F07785	21-Aug-15	7.15%	21-Aug-25	329.00	CARE AAA; Stable
NCD	INE053F07793	21-Dec-15	7.07%	21-Dec-25	367.47	CARE AAA; Stable
NCD	INE053F07827	21-Dec-15	7.32%	21-Dec-25	368.95	CARE AAA; Stable
NCD	INE053F07801	21-Dec-15	7.28%	21-Dec-30	2,057.31	CARE AAA; Stable
NCD	INE053F07835	21-Dec-15	7.53%	21-Dec-30	1,074.22	CARE AAA; Stable
NCD	INE053F07819	21-Dec-15	7.25%	21-Dec-35	294.42	CARE AAA; Stable
NCD	INE053F07843	21-Dec-15	7.50%	21-Dec-35	369.63	CARE AAA; Stable
NCD	INE053F07868	03-Mar-16	7.04%	03-Mar-26	1,050.00	CARE AAA; Stable
NCD	INE053F07876	22-Mar-16	7.04%	22-Mar-26	48.60	CARE AAA; Stable
NCD	INE053F07892	22-Mar-16	7.29%	22-Mar-26	190.71	CARE AAA; Stable
NCD	INE053F07884	22-Mar-16	7.35%	22-Mar-31	1,016.38	CARE AAA; Stable
NCD	INE053F07900	22-Mar-16	7.64%	22-Mar-31	1,194.31	CARE AAA; Stable
NCD	INE053F08080	27-Oct-15	7.87%	27-Oct-45	2,934.70	CARE AAA; Stable
NCD^	NA	NA	NA	NA	6,765.30	CARE AAA; Stable
NCD	INE053F07934	08-Nov-16	7.24%	08-Nov-21	650.00	CARE AAA; Stable
NCD	INE053F07942	24-Nov-16	6.70%	24-Nov-21	2,000.00	CARE AAA; Stable
NCD	INE053F07983	21-Mar-17	7.83%	21-Mar-27	2,950.00	CARE AAA; Stable
NCD^	NA	NA	NA	NA	29,710.00	CARE AAA; Stable
NCD	INE053F07AA7	30-May-17	7.49%	30-May-27	2,200.00	CARE AAA; Stable
NCD	INE053F07AB5	15-Jun-17	7.27%	15-Jun-27	2,050.00	CARE AAA; Stable
NCD	INE053F07AC3	28-Aug-17	7.33%	28-Aug-27	1,745.00	CARE AAA; Stable
NCD	INE053F07AD1	31-Oct-17	7.54%	31-Oct-27	935.00	CARE AAA; Stable
NCD^	NA	NA	NA	NA	27,570.00	CARE AAA; Stable
NCD	INE053F07AY7	04-Dec-18	8.45%	04-Dec-28	3,000.00	CARE AAA; Stable
NCD	INE053F07AZ4	08-Jan-19	8.40%	08-Jan-29	2,845.40	CARE AAA; Stable
NCD	INE053F07BA5	21-Feb-19	8.55%	21-Feb-29	2,236.50	CARE AAA; Stable
NCD	INE053F07BB3	28-Feb-19	8.25%	28-Feb-24	2,500.00	CARE AAA; Stable
NCD	INE053F07BC1	13-Mar-19	8.35%	13-Mar-29	3,000.00	CARE AAA; Stable
NCD	INE053F07BD9	25-Mar-19	8.30%	25-Mar-29	3,000.00	CARE AAA; Stable
NCD	INE053F07BE7	29-Mar-19	8.23%	29-Mar-29	2,500.00	CARE AAA; Stable
NCD^	NA	NA	NA	NA	35,858.10	CARE AAA; Stable
NCD	INE053F07BR9	12-Jun-19	7.95%	12-Jun-29	3,000.00	CARE AAA; Stable
NCD	INE053F07BS7	01-Jul-19	7.85%	01-Jul-34	2,120.00	CARE AAA; Stable
NCD	INE053F07BT5	29-Jul-19	7.54%	29-Jul-34	2,455.60	CARE AAA; Stable
NCD	INE053F07BU3	13-Aug-19	7.48%	13-Aug-29	2,592.00	CARE AAA; Stable
NCD	INE053F07BV1	29-Aug-19	7.48%	29-Aug-34	2,107.00	CARE AAA; Stable
NCD	INE053F07BW9	09-Sep-19	7.50%	09-Sep-29	2,707.00	CARE AAA; Stable
NCD	INE053F07BX7	06-Nov-19	7.55%	06-Nov-29	2,454.90	CARE AAA; Stable

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
NCD	INE053F07BY5	31-Dec-19	7.55%	12-Apr-30	1,580.00	CARE AAA; Stable
NCD	INE053F07BZ2	21-Jan-20	6.59%	14-Apr-23	3,000.00	CARE AAA; Stable
NCD	INE053F07CA3	28-Feb-20	7.08%	28-Feb-30	3,000.00	CARE AAA; Stable
NCD	INE053F07CB1	19-Mar-20	6.99%	19-Mar-25	847.00	CARE AAA; Stable
NCD^	NA	NA	NA	NA	29,607.50	CARE AAA; Stable
NCD	INE053F07CC9	28-Apr-20	6.19%	28-Apr-23	3,190.00	CARE AAA; Stable
NCD	INE053F07CD7	05-Jun-20	6.90%	05-Jun-35	2,565.00	CARE AAA; Stable
NCD	INE053F07CQ9	06-Jul-20	6.73%	06-Jul-35	3,000.00	CARE AAA; Stable
NCD	INE053F07CR7	30-Jul-20	6.41%	11-Apr-31	2,000.00	CARE AAA; Stable
NCD	INE053F07CS5	29-Oct-20	6.85%	29-Oct-40	5,991.20	CARE AAA; Stable
NCD	INE053F07CT3	01-Dec-20	6.85%	01-Dec-40	4,652.00	CARE AAA; Stable
NCD	INE053F07CU1	05-Feb-21	5.04	05-May-23	3,000.00	CARE AAA; Stable
NCD	INE053F07CV9	25-Feb-21	7.21	25-Feb-41	1,954.50	CARE AAA; Stable
NCD	INE053F07CW7	30-Mar-21	6.8	30-Apr-41	1,375.00	CARE AAA; Stable
NCD^	NA	NA	NA	NA	30,272.30	CARE AAA; Stable
NCD	INE053F08098	04-Jun-21	6.99	04-Jun-41	1,994.00	CARE AAA; Stable
NCD	INE053F08106	19-Jul-21	6.89	19-Jul-31	2,980.90	CARE AAA; Stable
NCD	INE053F08114	30-Jul-21	7.03	30-Jul-36	4,693.00	CARE AAA; Stable
NCD	INE053F08122	31-Aug-21	6.92	31-Aug-31	4,000.00	CARE AAA; Stable
NCD	INE053F08155	24-Nov-21	6.95	24-Nov-36	5,000.00	CARE AAA; Stable
NCD	INE053F08163	21-Dec-21	6.87	14-Apr-2032	1,180.00	CARE AAA; Stable
Long-term Market Borrowing Programme FY22	NA	NA	NA	NA	45,410.10	CARE AAA; Stable
Long-term Market Borrowing Programme FY23	NA	NA	NA	NA	66,500.00	CARE AAA; Stable
Commercial Paper	-	-	-	<1 year	15,000.00	CARE A1+
Short Term Instruments-Short Term Borrowing*	-	-	-	-	8,000.00	CARE A1+
Short Term Instruments-Short Term Borrowing*	-	-	-	-	12,000.00	CARE A1+

^ *currently no ISIN assigned as mentioned by the company*

* *repaid and redeemed on maturity; documents required to withdraw the ratings are to be received.*

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020

1	Borrowings-Secured Long Term Borrowings	LT	870.00	CARE AAA; Stable	-	1)CARE AAA; Stable (15-Sep-21)	1)CARE AAA; Stable (04-Dec-20)	1)CARE AAA; Stable (06-Dec-19)
2	Borrowings-Secured Long Term Borrowings	LT	4879.00	CARE AAA; Stable	-	1)CARE AAA; Stable (15-Sep-21)	1)CARE AAA; Stable (04-Dec-20)	1)CARE AAA; Stable (06-Dec-19)
3	Borrowings-Secured Long Term Borrowings	LT	2155.00	CARE AAA; Stable	-	1)CARE AAA; Stable (15-Sep-21)	1)CARE AAA; Stable (04-Dec-20)	1)CARE AAA; Stable (06-Dec-19)
4	Borrowings-Secured Long Term Borrowings	LT	4095.56	CARE AAA; Stable	-	1)CARE AAA; Stable (15-Sep-21)	1)CARE AAA; Stable (04-Dec-20)	1)CARE AAA; Stable (06-Dec-19)
5	Borrowings-Secured Long Term Borrowings	LT	3307.62	CARE AAA; Stable	-	1)CARE AAA; Stable (15-Sep-21)	1)CARE AAA; Stable (04-Dec-20)	1)CARE AAA; Stable (06-Dec-19)
6	Borrowings-Secured Long Term Borrowings	LT	8250.00	CARE AAA; Stable	-	1)CARE AAA; Stable (15-Sep-21)	1)CARE AAA; Stable (04-Dec-20)	1)CARE AAA; Stable (06-Dec-19)
7	Borrowings-Market Borrowing Programme	LT	8106.04	CARE AAA; Stable	-	1)CARE AAA; Stable (15-Sep-21)	1)CARE AAA; Stable (04-Dec-20)	1)CARE AAA; Stable (06-Dec-19)
8	Borrowings-Market Borrowing Programme	LT	8828.34	CARE AAA; Stable	-	1)CARE AAA; Stable (15-Sep-21)	1)CARE AAA; Stable (04-Dec-20)	1)CARE AAA; Stable (06-Dec-19)
9	Borrowings-Market Borrowing Programme	LT	2625.00	CARE AAA; Stable	-	1)CARE AAA; Stable (15-Sep-21)	1)CARE AAA; Stable (04-Dec-20)	1)CARE AAA; Stable (06-Dec-19)
10	Borrowings-Market Borrowing Programme	LT	19,200.00	CARE AAA; Stable	-	1)CARE AAA; Stable (15-Sep-21)	1)CARE AAA; Stable (04-Dec-20)	1)CARE AAA; Stable (06-Dec-19)
11	Borrowings-Market Borrowing Programme	LT	35,310.00	CARE AAA; Stable	-	1)CARE AAA; Stable (15-Sep-21)	1)CARE AAA; Stable (04-Dec-20)	1)CARE AAA; Stable (06-Dec-19)
12	Short Term Instruments-Short Term Borrowing	ST	8,000.00	CARE A1+	-	1)CARE A1+ (15-Sep-21)	1)CARE A1+ (04-Dec-20)	1)CARE A1+ (06-Dec-19)
13	Short Term Instruments-Short Term Borrowing	ST	12,000.00	CARE A1+	-	1)CARE A1+ (15-Sep-21)	1)CARE A1+ (04-Dec-20)	1)CARE A1+ (06-Dec-19)
14	Borrowings-Market	LT	34,500.00	CARE	-	1)CARE AAA;	1)CARE	1)CARE

	Borrowing Programme			AAA; Stable		Stable (15-Sep-21)	AAA; Stable (04-Dec-20)	AAA; Stable (06-Dec-19)
15	Commercial Paper-Commercial Paper (Standalone)	ST	15,000.00	CARE A1+	-	1)CARE A1+ (15-Sep-21)	1)CARE A1+ (04-Dec-20)	1)CARE A1+ (06-Dec-19)
16	Borrowings-Market Borrowing Programme	LT	54,940.00	CARE AAA; Stable	-	1)CARE AAA; Stable (15-Sep-21)	1)CARE AAA; Stable (04-Dec-20)	1)CARE AAA; Stable (06-Dec-19)
17	Borrowings-Market Borrowing Programme	LT	55,471.00	CARE AAA; Stable	-	1)CARE AAA; Stable (15-Sep-21)	1)CARE AAA; Stable (04-Dec-20)	1)CARE AAA; Stable (06-Dec-19) 2)CARE AAA; Stable (06-Jun-19)
18	Borrowings-Market Borrowing Programme	LT	58,000.00	CARE AAA; Stable	-	1)CARE AAA; Stable (15-Sep-21)	1)CARE AAA; Stable (04-Dec-20) 2)CARE AAA; Stable (22-Apr-20)	-
19	Borrowings-Market Borrowing Programme	LT	65,258.00	CARE AAA; Stable	-	1)CARE AAA; Stable (15-Sep-21) 2)CARE AAA; Stable (13-May-21)	-	-
20	Borrowings-Market Borrowing Programme	LT	66,500.00	CARE AAA; Stable	-			

* Long Term / Short Term

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: NA

Annexure 4: Complexity level of various instruments rated for this company

Sr. No	Name of instrument	Complexity level
1	Borrowings-Market Borrowing Programme	Simple
2	Borrowings-Secured Long-Term Borrowings	Simple
3	Commercial Paper-Commercial Paper (Standalone)	Simple
4	Short Term Instruments-Short Term Borrowing	Simple

Annexure 5: Bank Lender Details for this Company
To view the lender wise details of bank facilities please **click here**

Note on complexity levels of the rated instrument: CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

****For detailed Rationale Report and subscription information, please contact us at www.careedge.in**

Rating Rationale

May 04, 2022 | Mumbai

Indian Railway Finance Corporation Limited

'CRISIL AAA/Stable' assigned to Long-Term Borrowing Programme

Rating Action

Rs.66500 Crore Long-Term Borrowing Programme	**CRISIL AAA/Stable (Assigned)**
Rs.65258 Crore Long-Term Borrowing Programme	**CRISIL AAA/Stable (Reaffirmed)**
Rs.40000 Crore Long-Term Borrowing Programme	**CRISIL AAA/Stable (Reaffirmed)**
Rs.54940 Crore Long-Term Borrowing Programme	**CRISIL AAA/Stable (Reaffirmed)**
Rs.55471 Crore Long-Term Borrowing Programme	**CRISIL AAA/Stable (Reaffirmed)**
Rs.58000 Crore Long-Term Borrowing Programme	**CRISIL AAA/Stable (Reaffirmed)**
Bonds Aggregating Rs.101138.38 Crore (Including Bonds and Term Loans) (Reduced from Rs.121419 Crore)	**CRISIL AAA/Stable (Reaffirmed)**
Non Convertible Debentures Aggregating Rs.58984 Crore	**CRISIL AAA/Stable (Reaffirmed)**
Rs.15000 Crore Short Term Debt&	**CRISIL A1+ (Reaffirmed)**

&Total short-term bank borrowings and borrowings under the rated short-term debt programme not to exceed Rs 15000 crore at any point in time.
1 crore = 10 million
Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has assigned its **'CRISIL AAA/Stable'** rating to the Rs 66500 crore long-term borrowing programme of Indian Railway Finance Corporation Limited (IRFC). Ratings on existing debt instruments has been reaffirmed at 'CRISIL AAA/Stable/CRISIL A1+'.

CRISIL Ratings has also withdrawn its rating on Bonds of Rs 12,067 crore (See Annexure 'Details of Rating Withdrawn' for details) in line with its withdrawal policy. CRISIL Ratings has received independent verification that these instruments are fully redeemed.

The ratings reflect IRFC's strategic importance to its parent, the GoI, because of the company's status as the financing arm of Indian Railways (IR). The ratings also factor in IRFC's strong capitalisation and asset quality and adequate resource profile. These rating strengths are partially offset by IRFC's average earnings profile.

Analytical Approach

For arriving at the ratings, CRISIL Ratings has considered the standalone business and financial risk profiles of IRFC, and has factored in support from GoI. This is given the majority ownership of IRFC by GoI, and the significant role it plays in supporting the expansion of the Indian Railways as the dedicated financing arm.

Key Rating Drivers & Detailed Description

Strengths:

Strategic importance to and support from GoI

IRFC, IR's financing arm, functions under the Ministry of Railways (MoR) and constitutes a crucial part of India's infrastructure. Hence, IRFC derives substantial business and financial support from GoI. The support is reflected in IRFC's majority ownership (86.36%) by GoI. Moreover, IRFC has a close working relationship with IR and has MoR's officials as directors on its board.

Favourable lease agreements between IRFC and IR protect the former's net interest margin, as interest and foreign exchange risks on its borrowings are transferred to IR. IRFC also plans to diversify its business profile by lending outside IR; however, this will form a small part of the total portfolio and advances will be to entities having linkages with IR.

Strong capitalisation and asset quality

Capitalisation is strong, marked by continued support from the GoI. As on December 31, 2021, networth was Rs 39,505 crore and capital adequacy ratio was 466.34%. GoI has been infusing equity capital at regular intervals to support the capital structure (Rs 2854 crore and Rs 2500 crore infused in fiscal 2019 and fiscal 2020, respectively). Further, Rs 3,088.92 crore were raised via IPO in fiscal 2021. Gearing stood at 9.34 times as on December 31, 2021 (9.00 times as on March 31, 2021), and may remain around 10 times on a steady state basis.

Asset quality is strong, with zero non-performing assets as on date, as IRFC mainly lends to IR, which is a sovereign entity.

Adequate resource profile

Ability to raise long-term funds at competitive rates is underpinned by IRFC's access to a diversified pool of wholesale investors, including banks, mutual funds, pension and gratuity funds, insurance companies, as well as external commercial borrowings (ECBs). The weighted average cost of borrowing was around 6.38% (annualized) for six months ended September 30, 2021 (6.35% for fiscal 2021) and compares well with that of its peers.

Weakness:

Average Earnings Profile

Earnings profile remains average as IRFC is a funding vehicle, and enhancing profitability is not the primary objective. The margin remains stable, by way of a mark-up over the borrowing cost. CRISIL Ratings, therefore, believes that IRFC will continue to generate adequate return on its assets of 1.51% (annualized) for nine months ended December 31, 2021 (1.35% in fiscal 2021).

Liquidity: Superior

IRFC had total borrowings of Rs 369102 crore as on December 31, 2021. Total debt maturing over next three months till June 30, 2022 is Rs 15,811 crore. Against this, IRFC had cash balance of Rs 13 crore and unutilised bank lines of Rs 12,418 crore as on March31, 2022.

Outlook: Stable

CRISIL Ratings believes IRFC will continue to derive business and financial support from the GoI because of its strategic role in channelling finance to IR. Support from GoI should help IRFC maintain a strong credit risk profile.

Rating Sensitivity Factors

Downward Factors

- Reduction in the shareholding by GoI below 51%, leading to diminution in expected support to IRFC.
- Significant deterioration of asset quality leading to subsequent pressure on profitability and capitalization.

About the Company

IRFC was set up as a dedicated funding arm of MoR, specifically to raise resources from the capital market to finance rolling stock (wagons and coaches). IRFC leases rolling stock to IR and collects lease rentals from IR in advance, at half-yearly intervals. An annual lease agreement, structured to ensure that IRFC's expenses (mainly cost of borrowing) are covered, backs this arrangement and allows IRFC to earn adequate margin.

For fiscal 2021, IRFC reported profit after tax (PAT) of Rs 4416 crore on total income (net of interest expenditure) of Rs 4534 crore, as against Rs 3192 crore and Rs 3258 crore, respectively, for the previous fiscal.

For nine months ended December 31, 20210, IRFC reported profit after tax (PAT) of Rs 4597 crore on total income (net of interest expenditure) of Rs 4647 crore, as against Rs 2934 crore and Rs 2997 crore, respectively, for the corresponding period previous fiscal.

Key Financial Indicators

For the nine months ended December 31,	Unit	2021	2020
Total Assets	Rs crore	431405	308317
Total income	Rs crore	14369	11317
Profit after tax	Rs crore	4597	2934
Gross NPA	%	Nil	Nil
Overall capital adequacy ratio	%	466.3	434.3

Any other information: Not applicable

Note on complexity levels of the rated instrument:

CRISIL Ratings' complexity levels are assigned to various types of financial instruments. The CRISIL Ratings' complexity levels are available on www.crisil.com/complexity-levels. Users are advised to refer to the CRISIL Ratings' complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of Instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Cr)	Complexity levels	Rating assigned with outlook
INE053F09EL2	Bonds	29-Nov-06	8.75	29-Nov-26	410	Simple	CRISIL AAA/Stable
INE053F09EN8	Bonds	7-Jun-07	9.95	7-Jun-22	150	Simple	CRISIL AAA/Stable
INE053F09EO6	Bonds	7-Jun-07	10.04	7-Jun-27	320	Simple	CRISIL AAA/Stable
INE053F09FD6	Bonds	7-Jun-07	9.86	7-Jun-22	33	Simple	CRISIL AAA/Stable
INE053F09FI5	Bonds	28-Sep-07	9.66	28-Sep-22	800	Simple	CRISIL AAA/Stable
INE053F09FK1	Bonds	29-Oct-07	9.2	29-Oct-22	500	Simple	CRISIL AAA/Stable
INE053F09FP0	Bonds	11-Sep-08	10.7	11-Sep-23	615	Simple	CRISIL AAA/Stable
INE053F09FS4	Bonds	26-Dec-08	8.5	26-Dec-23	285	Simple	CRISIL AAA/Stable
INE053F09FV8	Bonds	15-Jan-09	8.65	15-Jan-24	315	Simple	CRISIL AAA/Stable
INE053F09GL7	Bonds	27-Apr-09	8.2	27-Apr-22	60	Simple	CRISIL AAA/Stable
INE053F09GM5	Bonds	27-Apr-09	8.2	27-Apr-23	60	Simple	CRISIL AAA/Stable
INE053F09GN3	Bonds	27-Apr-09	8.2	27-Apr-24	60	Simple	CRISIL AAA/Stable
INE053F09GQ6	Bonds	3-Feb-10	8.65	3-Feb-25	200	Simple	CRISIL AAA/Stable
INE053F09GR4	Bonds	3-Feb-10	8.8	3-Feb-30	385	Simple	CRISIL AAA/Stable
INE053F09GV6	Bonds	10-Mar-10	8.95	10-Mar-25	600	Simple	CRISIL AAA/Stable
INE053F09GX2	Bonds	4-May-10	8.79	4-May-30	1410	Simple	CRISIL AAA/Stable
INE053F09GY0	Bonds	4-May-10	8.72	4-May-31	15	Simple	CRISIL AAA/Stable
INE053F09GZ7	Bonds	4-May-10	8.72	4-May-32	15	Simple	CRISIL AAA/Stable
INE053F09HA8	Bonds	4-May-10	8.72	4-May-33	15	Simple	CRISIL AAA/Stable
INE053F09HB6	Bonds	4-May-10	8.72	4-May-34	15	Simple	CRISIL AAA/Stable
INE053F09HC4	Bonds	4-May-10	8.72	4-May-35	15	Simple	CRISIL AAA/Stable
INE053F09HD2	Bonds	14-May-10	8.83	14-May-31	220	Simple	CRISIL AAA/Stable
INE053F09HE0	Bonds	14-May-10	8.83	14-May-32	220	Simple	CRISIL AAA/Stable
INE053F09HF7	Bonds	14-May-10	8.83	14-May-33	220	Simple	CRISIL AAA/Stable
INE053F09HG5	Bonds	14-May-10	8.83	14-May-34	220	Simple	CRISIL AAA/Stable
INE053F09HH3	Bonds	14-May-10	8.83	14-May-35	220	Simple	CRISIL AAA/Stable
INE053F09HM3	Bonds	29-Mar-11	9.09	29-Mar-26	1076	Simple	CRISIL AAA/Stable
INE053F09HN1	Bonds	31-Mar-11	9.09	31-Mar-26	150	Simple	CRISIL AAA/Stable
INE053F09HP6	Bonds	10-May-11	9.33	10-May-26	255	Simple	CRISIL AAA/Stable
INE053F09HQ4	Bonds	10-May-11	9.47	10-May-31	995	Simple	CRISIL AAA/Stable
INE053F09HU6	Bonds	8-Nov-11	7.77	8-Nov-26	192	Simple	CRISIL AAA/Stable
INE053F07538	Bonds	23-Feb-12	8.1	23-Feb-27	2734	Simple	CRISIL AAA/Stable
INE053F07538	Bonds	23-Feb-12	8.3	23-Feb-27	361	Simple	CRISIL AAA/Stable

INE053F09HV4	Bonds	26-Nov-12	7.21	26-Nov-22	256	Simple	CRISIL AAA/Stable
INE053F09HW2	Bonds	26-Nov-12	7.38	26-Nov-27	67	Simple	CRISIL AAA/Stable
INE053F09HX0	Bonds	30-Nov-12	7.22	30-Nov-22	41	Simple	CRISIL AAA/Stable
INE053F09HY8	Bonds	30-Nov-12	7.38	30-Nov-27	30	Simple	CRISIL AAA/Stable
INE053F09HZ5	Bonds	6-Dec-12	7.22	6-Dec-22	30	Simple	CRISIL AAA/Stable
INE053F09IA6	Bonds	6-Dec-12	7.39	6-Dec-27	95	Simple	CRISIL AAA/Stable
INE053F09IB4	Bonds	7-Dec-12	7.22	7-Dec-22	500	Simple	CRISIL AAA/Stable
INE053F09IC2	Bonds	14-Dec-12	7.19	14-Dec-22	95	Simple	CRISIL AAA/Stable
INE053F07561	Bonds	19-Feb-13	7.18/7.68	19-Feb-23	2814	Simple	CRISIL AAA/Stable
INE053F07579	Bonds	19-Feb-13	7.34/7.84	19-Feb-28	2559	Simple	CRISIL AAA/Stable
INE053F07587	Bonds	23-Mar-13	6.88/7.38	23-Mar-23	165	Simple	CRISIL AAA/Stable
INE053F07595	Bonds	23-Mar-13	7.04	23-Mar-28	264	Simple	CRISIL AAA/Stable
INE053F07603	Bonds	25-Mar-13	8.83	25-Mar-23	1100	Simple	CRISIL AAA/Stable
INE053F07611	Bonds	21-Nov-13	8.35	21-Nov-23	487	Simple	CRISIL AAA/Stable
INE053F07629	Non Convertible Debentures	21-Nov-13	8.48	21-Nov-28	738	Simple	CRISIL AAA/Stable
INE053F07637	Non Convertible Debentures	27-Nov-13	8.35	27-Nov-23	57	Simple	CRISIL AAA/Stable
INE053F07645	Non Convertible Debentures	27-Nov-13	8.48	27-Nov-28	55	Simple	CRISIL AAA/Stable
INE053F07652	Non Convertible Debentures	18-Feb-14	8.23	18-Feb-24	1778	Simple	CRISIL AAA/Stable
INE053F07678	Non Convertible Debentures	18-Feb-14	8.48	18-Feb-24	526	Simple	CRISIL AAA/Stable
INE053F07660	Non Convertible Debentures	18-Feb-14	8.4	18-Feb-29	1090	Simple	CRISIL AAA/Stable
INE053F07686	Non Convertible Debentures	18-Feb-14	8.65	18-Feb-29	688	Simple	CRISIL AAA/Stable
INE053F07694	Non Convertible Debentures	10-Feb-14	8.55	10-Feb-29	1650	Simple	CRISIL AAA/Stable
INE053F07702	Non Convertible Debentures	12-Feb-14	8.55	12-Feb-29	13	Simple	CRISIL AAA/Stable
INE053F07710	Non Convertible Debentures	26-Mar-14	8.19	26-Mar-24	231	Simple	CRISIL AAA/Stable
INE053F07736	Non Convertible Debentures	26-Mar-14	8.44	26-Mar-24	130	Simple	CRISIL AAA/Stable
INE053F07728	Non Convertible Debentures	26-Mar-14	8.63	26-Mar-29	948	Simple	CRISIL AAA/Stable
INE053F07744	Non Convertible Debentures	26-Mar-14	8.63/8.88	26-Mar-29	436	Simple	CRISIL AAA/Stable
INE053F07777	Non Convertible Debentures	31-Jul-15	7.19	31-Jul-25	1139	Simple	CRISIL AAA/Stable
INE053F07785	Non Convertible Debentures	21-Aug-15	7.15	21-Aug-25	329	Simple	CRISIL AAA/Stable
INE053F08080	Non Convertible Debentures	27-Oct-15	7.87	27-Oct-45	2935	Simple	CRISIL AAA/Stable
INE053F07793	Non Convertible Debentures	21-Dec-15	7.07	21-Dec-25	367	Simple	CRISIL AAA/Stable
INE053F07827	Non Convertible Debentures	21-Dec-15	7.32	21-Dec-25	369	Simple	CRISIL AAA/Stable
INE053F07801	Non Convertible Debentures	21-Dec-15	7.28	21-Dec-30	2057	Simple	CRISIL AAA/Stable
INE053F07835	Non Convertible Debentures	21-Dec-15	7.53	21-Dec-30	1074	Simple	CRISIL AAA/Stable
INE053F07819	Non Convertible Debentures	21-Dec-15	7.25	21-Dec-35	294	Simple	CRISIL AAA/Stable
INE053F07843	Non Convertible Debentures	21-Dec-15	7.5	21-Dec-35	370	Simple	CRISIL AAA/Stable
INE053F07868	Non Convertible Debentures	3-Mar-16	7.04	3-Mar-26	1050	Simple	CRISIL AAA/Stable
INE053F07876	Non Convertible Debentures	22-Mar-16	7.04	22-Mar-26	49	Simple	CRISIL AAA/Stable

INE053F07892	Non Convertible Debentures	22-Mar-16	7.29	22-Mar-26	191	Simple	CRISIL AAA/Stable
INE053F07884	Non Convertible Debentures	22-Mar-16	7.35	22-Mar-31	1016	Simple	CRISIL AAA/Stable
INE053F07900	Non Convertible Debentures	22-Mar-16	7.64	22-Mar-31	1194	Simple	CRISIL AAA/Stable
INE053F08130	Non Convertible Debentures (LIC Unsecured Unlisted Bonds)	30-Mar-16	8.02	30-Mar-46	7434	Simple	CRISIL AAA/Stable
NA	Non Convertible Debentures^	NA	NA	NA	18849.91	Simple	CRISIL AAA/Stable
NA#	Bonds (LIC Unsecured Unlisted Bonds)	27-Jun-17	6.77	27-Jun-47	4100	Simple	CRISIL AAA/Stable
NA#	Bonds (LIC Unsecured Unlisted Bonds)	22-Dec-17	7.41	22-Dec-47	2100	Simple	CRISIL AAA/Stable
NA#	Bonds (LIC Unsecured Unlisted Bonds)	18-Jun-19	7.30	18-Jun-49	1800	Simple	CRISIL AAA/Stable
NA#	Bonds (LIC Unsecured Unlisted Bonds)	31-Mar-20	6.58	31-Mar-50	2500	Simple	CRISIL AAA/Stable
INE053F08148	Bonds (LIC Unsecured Unlisted Bonds)	22-Jun-16	7.8	22-Jun-46	4336	Simple	CRISIL AAA/Stable
INE053F07918	Bonds	30-Jun-16	7.65	30-Jul-29	1000	Simple	CRISIL AAA/Stable
INE053F07983	Bonds	21-Mar-17	7.83	21-Mar-27	2950	Simple	CRISIL AAA/Stable
NA	Bonds^	NA	NA	NA	2072.85	Simple	CRISIL AAA/Stable
NA	Term Loan 1	30-Mar-17	NA	30-Apr-18	2500	NA	CRISIL AAA/Stable
NA	Term loan 2	30-Mar-17	NA	30-Apr-18	1500	NA	CRISIL AAA/Stable
NA	Term loan 3	30-Mar-17	NA	30-Apr-18	300	NA	CRISIL AAA/Stable
NA	Term loan 4	30-Mar-17	NA	30-Apr-18	2000	NA	CRISIL AAA/Stable
NA	Term loan 5	30-Mar-17	NA	30-Apr-18	500	NA	CRISIL AAA/Stable
NA	Term loan 6	30-Mar-17	NA	30-Apr-18	100	NA	CRISIL AAA/Stable
NA	Term loan 7	30-Mar-17	NA	30-Apr-18	100	NA	CRISIL AAA/Stable
NA	Term loan 8	30-Mar-17	NA	30-Apr-18	100	NA	CRISIL AAA/Stable
NA	Term loan 9	30-Mar-17	NA	30-Apr-18	80	NA	CRISIL AAA/Stable
NA	Short Term Debt@	NA	NA	7-365 days	15000	Simple	CRISIL A1+
NA	Long term borrowing program^	NA	NA	NA	40000	Simple	CRISIL AAA/Stable
NA	Long term borrowing program^	NA	NA	NA	54940	Simple	CRISIL AAA/Stable
NA	Long term borrowing program^	NA	NA	NA	55471	Simple	CRISIL AAA/Stable
INE053F07AC3	Bonds	28-Aug-17	7.33	28-Aug-27	1745	Simple	CRISIL AAA/Stable
INE053F07AB5	Bonds	15-Jun-17	7.27	15-Jun-27	2050	Simple	CRISIL AAA/Stable
INE053F07AA7	Bonds	30-May-17	7.49	30-May-27	2200	Simple	CRISIL AAA/Stable
INE053F07AD1	Bonds	31-Oct-17	7.54	31-Oct-27	935	Simple	CRISIL AAA/Stable
INE053F07AJ8	Bonds	25-Jan-18	7.63	25-Jan-23	3000	Simple	CRISIL AAA/Stable
INE053F07AM2	Bonds	30-Apr-18	5.75	30-Apr-23	1000	Simple	CRISIL AAA/Stable
INE053F07AN0	Bonds	31-May-18	5.75	31-May-23	1000	Simple	CRISIL AAA/Stable
INE053F07AO8	Bonds	30-Jun-18	5.75	30-Jun-23	1000	Simple	CRISIL AAA/Stable
INE053F07AP5	Bonds	31-Jul-18	5.75	31-Jul-23	1000	Simple	CRISIL AAA/Stable
INE053F07AQ3	Bonds	31-Aug-18	5.75	31-Aug-23	1000	Simple	CRISIL AAA/Stable
INE053F07AR1	Bonds	30-Sep-18	5.75	30-Sep-	7.1	Simple	CRISIL AAA/Stable

				23			
INE053F07AS9	Bonds	31-Oct-18	5.75	31-Oct-23	11.69	Simple	CRISIL AAA/Stable
INE053F07AY7	Bonds	4-Dec-18	8.45	4-Dec-28	3000	Simple	CRISIL AAA/Stable
INE053F07AZ4	Bonds	8-Jan-19	8.40	8-Jan-29	2845.4	Simple	CRISIL AAA/Stable
INE053F07AT7	Bonds	30-Nov-18	5.75	30-Nov-23	1000	Simple	CRISIL AAA/Stable
INE053F07AU5	Bonds	31-Dec-18	5.75	31-Dec-23	1000	Simple	CRISIL AAA/Stable
INE053F07BA5	Bonds	21-Feb-19	8.55	21-Feb-29	2236.5	Simple	CRISIL AAA/Stable
INE053F07AV3	Bonds	31-Jan-19	5.75	31-Jan-24	1000	Simple	CRISIL AAA/Stable
INE053F07AW1	Bonds	28-Feb-19	5.75	29-Feb-24	14.53	Simple	CRISIL AAA/Stable
INE053F07BB3	Bonds	28-Feb-19	8.25	28-Feb-24	2500	Simple	CRISIL AAA/Stable
INE053F07BC1	Bonds	13-Mar-19	8.35	13-Mar-29	3000	Simple	CRISIL AAA/Stable
INE053F07BD9	Bonds	25-Mar-19	8.30	25-Mar-29	3000	Simple	CRISIL AAA/Stable
INE053F07BE7	Bonds	29-Mar-19	8.23	29-Mar-29	2500	Simple	CRISIL AAA/Stable
INE053F07AX9	Bonds	31-Mar-19	5.75	31-Mar-24	69.27	Simple	CRISIL AAA/Stable
INE053F07BF4	Bonds	30-Apr-19	5.75	30-Apr-24	24.95	Simple	CRISIL AAA/Stable
INE053F07BR9	Bonds	12-Jun-19	7.95	12-Jun-29	3000	Simple	CRISIL AAA/Stable
INE053F07BG2	Bonds	31-May-19	5.75	31-May-24	43.4	Simple	CRISIL AAA/Stable
INE053F07BS7	Debentures	1-Jul-19	7.85	1-Jul-34	2120	Simple	CRISIL AAA/Stable
INE053F07BT5	Debentures	29-Jul-19	7.54	29-Jul-34	2455.6	Simple	CRISIL AAA/Stable
INE053F07BH0	Bonds	30-Jun-19	5.75	30-Jun-24	59.61	Simple	CRISIL AAA/Stable
INE053F07BI8	Bonds	31-Jul-19	5.75	31-Jul-24	63.4	Simple	CRISIL AAA/Stable
INE053F07BU3	Bonds	13-Aug-19	7.48	13-Aug-29	2592	Simple	CRISIL AAA/Stable
INE053F07BV1	Debentures	29-Aug-19	7.48	29-Aug-34	2107	Simple	CRISIL AAA/Stable
INE053F07BW9	Debentures	9-Sep-19	7.50	9-Sep-29	2707	Simple	CRISIL AAA/Stable
INE053F07BJ6	Debentures	31-Aug-19	5.75	31-Aug-24	56.64	Simple	CRISIL AAA/Stable
INE053F07BK4	Bonds	30-Sep-19	5.75	30-Sep-24	21.03	Simple	CRISIL AAA/Stable
INE053F07BX7	Debentures	6-Nov-19	7.55	6-Nov-29	2454.9	Simple	CRISIL AAA/Stable
INE053F07BL2	Debentures	31-Oct-19	5.75	31-Oct-24	24.95	Simple	CRISIL AAA/Stable
INE053F07BM0	Bonds	30-Nov-19	5.75	30-Nov-24	30.32	Simple	CRISIL AAA/Stable
INE053F07BY5	Bonds	31-Dec-19	7.55	12-Apr-30	1580	Simple	CRISIL AAA/Stable
INE053F07BN8	Bonds	31-Dec-19	5.75	31-Dec-24	40.02	Simple	CRISIL AAA/Stable
INE053F07BZ2	Bonds	21-Jan-20	6.59	14-Apr-23	3000	Simple	CRISIL AAA/Stable
INE053F07BO6	Bonds	31-Jan-20	5.75	31-Jan-25	39.31	Simple	CRISIL AAA/Stable
INE053F07CA3	Bonds	28-Feb-20	7.08	28-Feb-30	3000	Simple	CRISIL AAA/Stable
INE053F07CB1	Bonds	19-Mar-20	6.99	19-Mar-25	847	Simple	CRISIL AAA/Stable
INE053F07CC9	Bonds$	28-Apr-20	6.19	28-Apr-23	3190	Simple	CRISIL AAA/Stable
INE053F07CD7	Bonds$	5-Jun-20	6.90	5-Jun-35	2565	Simple	CRISIL AAA/Stable
INE053F07CQ9	Bonds$	6-Jul-20	6.73	6-Jul-35	3000	Simple	CRISIL AAA/Stable
INE053F07CR7	Bonds$	30-Jul-20	6.41	11-Apr-31	2000	Simple	CRISIL AAA/Stable
INE053F07CS5	Bonds$	29-Oct-20	6.85	29-Oct-40	5991.2	Simple	CRISIL AAA/Stable
INE053F07CT3	Bonds$	1-Dec-20	6.85	1-Dec-40	4652	Simple	CRISIL AAA/Stable
INE053F07CU1	Bonds$	5-Feb-21	5.04	5-May-23	3000	Simple	CRISIL AAA/Stable
INE053F07CV9	Bonds$	25-Feb-21	7.21	25-Feb-41	1954.5	Simple	CRISIL AAA/Stable
INE053F07CW7	Bonds$	30-Mar-21	6.80	30-Apr-41	1375	Simple	CRISIL AAA/Stable
INE053F07CE5	Bonds$	30-Apr-20	5.75	30-Apr-25	13.117	Simple	CRISIL AAA/Stable
INE053F07CF2	Bonds$	31-May-20	5.75	31-May-25	37.892	Simple	CRISIL AAA/Stable
INE053F07CG0	Bonds$	30-Jun-20	5.75	30-Jun-25	116.016	Simple	CRISIL AAA/Stable
INE053F07CH8	Bonds$	31-Jul-20	5.75	31-Jul-25	77.433	Simple	CRISIL AAA/Stable
INE053F07CI6	Bonds$	31-Aug-20	5.0	31-Aug-25	34.387	Simple	CRISIL AAA/Stable
INE053F07CJ4	Bonds$	30-Sep-20	5.0	30-Sep-25	52.97	Simple	CRISIL AAA/Stable
INE053F07CK2	Bonds$	31-Oct-20	5.0	31-Oct-25	45.881	Simple	CRISIL AAA/Stable
INE053F07CL0	Bonds$	30-Nov-20	5.0	30-Nov-25	41.282	Simple	CRISIL AAA/Stable
INE053F07CM8	Bonds$	31-Dec-20	5.0	31-Dec-25	68.527	Simple	CRISIL AAA/Stable
INE053F07CN6	Bonds$	31-Jan-21	5.0	31-Jan-26	62.966	Simple	CRISIL AAA/Stable

INE053F07CO4	Bonds$	28-Feb-21	5.0	28-Jan-26	82.25	Simple	CRISIL AAA/Stable
INE053F07CP1	Bonds$	31-Mar-21	5.0	31-Mar-26	209.879	Simple	CRISIL AAA/Stable
NA	Long term borrowing program^	NA	NA	NA	29429.70	Simple	CRISIL AAA/Stable
INE053F08106	Bonds%	19-Jul-21	6.89	19-Jul-31	2980.90	Simple	CRISIL AAA/Stable
INE053F08114	Bonds%	30-Jul-21	7.03	30-Jul-36	4693.00	Simple	CRISIL AAA/Stable
INE053F08122	Bonds%	31-Aug-21	6.92	31-Aug-31	4000.00	Simple	CRISIL AAA/Stable
INE053F08155	Bonds%	24-Nov-21	6.95	24-Nov-36	5000.00	Simple	CRISIL AAA/Stable
INE053F08163	Bonds%	21-Dec-21	6.87	14-Apr-32	1180.00	Simple	CRISIL AAA/Stable
INE053F07CX5	Bonds%	30-Apr-21	5.0	30-Apr-26	56.57	Simple	CRISIL AAA/Stable
INE053F07CY3	Bonds%	31-May-21	5.0	31-May-26	50.71	Simple	CRISIL AAA/Stable
INE053F08098	Bonds%	04-Jun-21	6.99	04-Jun-41	1994	Simple	CRISIL AAA/Stable
INE053F07CZ0	Bonds%	30-Jun-21	5.0	30-Jun-26	83.81	Simple	CRISIL AAA/Stable
INE053F07DA1	Bonds%	31-Jul-21	5.0	31-Jul-26	105.06	Simple	CRISIL AAA/Stable
INE053F07DB9	Bonds%	31-Aug-21	5.0	31-Aug-26	88.71	Simple	CRISIL AAA/Stable
INE053F07DC7	Bonds%	30-Sep-21	5.0	30-Sep-26	120.32	Simple	CRISIL AAA/Stable
INE053F07DD5	Bonds%	31-Oct-21	5.0	31-Oct-26	83.22	Simple	CRISIL AAA/Stable
INE053F07DE3	Bonds%	30-Nov-21	5.0	30-Nov-26	64.56	Simple	CRISIL AAA/Stable
INE053F07DF1	Bonds%	31-Dec-21	5.0	31-Dec-26	112.23	Simple	CRISIL AAA/Stable
INE053F07DG8	Bonds%	31-Jan-22	5.0	31-Jan-27	92.635	Simple	CRISIL AAA/Stable
INE053F07DH6	Bonds%	28-Feb-22	5.0	28-Jan-27	94.32	Simple	CRISIL AAA/Stable
INE053F07DI4	Bonds%	31-Mar-22	5.0	31-Mar-27	208.86	Simple	CRISIL AAA/Stable
NA	Long term borrowing program^	NA	NA	NA	44249.09	Simple	CRISIL AAA/Stable
NA	Long term borrowing program^	NA	NA	NA	66500.00	Simple	CRISIL AAA/Stable

^Not yet issued
#According to the company, currently ISIN not assigned
$Part of long term borrowing programme for fiscal 2021
%Part of long term borrowing programme for fiscal 2022
@Total short-term bank borrowings and borrowings under the rated short-term debt programme not to exceed Rs.15000 crore at any point in time

Annexure - Details of Ratings Withdrawn

ISIN	Name of Instrument	Date of Allotment	Coupon Rate (%)	Maturity	Issue Size (Rs.Cr)	Complexity levels
INE053F09EH0	Bonds	17-May-06	8.64	17-May-21	700	Simple
INE053F09EK4	Bonds	29-Nov-06	8.68	29-Nov-21	225	Simple
INE053F09FC8	Bonds	7-Jun-07	9.86	7-Jun-21	33	Simple
INE053F09HR2	Bonds	31-May-11	9.57	31-May-21	1245	Simple
INE053F09HS0	Bonds	28-Jul-11	9.41	28-Jul-21	1500	Simple
INE053F09HT8	Bonds	8-Nov-11	7.55	8-Nov-21	540	Simple
INE053F07520	Bonds	23-Feb-12	8	23-Feb-22	2798	Simple
INE053F07520	Bonds	23-Feb-12	8.15	23-Feb-22	376	Simple
INE053F07934	Bonds	8-Nov-16	7.24	8-Nov-21	650	Simple
INE053F07942	Bonds	24-Nov-16	6.7	24-Nov-21	2000	Simple
INE053F07AE9	Bonds	30-Nov-17	5.25	30-Nov-20	500	Simple
INE053F07AF6	Bonds	31-Dec-17	5.25	31-Dec-20	500	Simple
INE053F07AG4	Bonds	31-Jan-18	5.25	31-Jan-21	500	Simple
INE053F07AI0	Bonds	31-Mar-18	5.25	31-Mar-21	500	Simple

Annexure - Rating History for last 3 Years

	Current			2022 (History)		2021		2020		2019		Start of 2019
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Bond	LT	24559.0	CRISIL AAA/Stable		--	17-05-21	CRISIL AAA/Stable	21-04-20	CRISIL AAA/Stable	04-06-19	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--	05-02-21	CRISIL AAA/Stable		--		--	--
Long-Term	LT	416748.38	CRISIL		--	17-05-21	CRISIL	21-04-20	CRISIL	04-06-19	CRISIL	CRISIL

Borrowing Programme			AAA/Stable				AAA/Stable		AAA/Stable		AAA/Stable	AAA/Stable
			--		--	05-02-21	CRISIL AAA/Stable		--		--	--
Non Convertible Debentures	LT	58984.0	CRISIL AAA/Stable		--	17-05-21	CRISIL AAA/Stable	21-04-20	CRISIL AAA/Stable	04-06-19	CRISIL AAA/Stable	CRISIL AAA/Stable
			--		--	05-02-21	CRISIL AAA/Stable		--		--	--
Short Term Debt	ST	15000.0	CRISIL A1+		--	17-05-21	CRISIL A1+	21-04-20	CRISIL A1+	04-06-19	CRISIL A1+	CRISIL A1+
			--		--	05-02-21	CRISIL A1+		--		--	--

All amounts are in Rs.Cr.

Criteria Details

Links to related criteria
Rating Criteria for Banks and Financial Institutions
CRISILs Criteria for rating short term debt
Criteria for Notching up Stand Alone Ratings of Entities Based on Government Support

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May 11, 2022

Indian Railway Finance Corporation Ltd: Rating assigned; earlier ratings reaffirmed

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term borrowing programme FY2023	-	66,500	[ICRA]AAA (Stable); assigned
Short-term borrowing programme^	15,000	15,000	[ICRA]A1+; reaffirmed
Previous years' rated long-term borrowing programmes	3,07,123.97	2,93,640	[ICRA]AAA (Stable); reaffirmed
Total	**3,22,123.97**	**3,75,140**	

**Instrument details are provided in Annexure-1; ^ includes commercial paper borrowing*

Rationale

The ratings for Indian Railway Finance Corporation (IRFC) Ltd factor in its sovereign ownership (86.36% held by the Government of India (GoI) as on March 31, 2022) and its strategic importance to the Ministry of Railways (MoR). IRFC was set up as the sole agency for funding the MoR's extra budgetary requirement, the other source being Government budgetary funds. With the MoR being the sole counterparty to IRFC on its own and through other public sector undertakings {Ircon International Limited (IRCON) and Rail Vikas Nigam Limited (RVNL)} under its direct purview, IRFC's loan book has maintained favourable asset quality indicators and a low credit risk profile. The company enjoys good financial flexibility by virtue of its sovereign ownership. The ratings also factor in IRFC's adequate capitalisation in relation to its risk profile, supported by regular equity infusions by the GoI, and its adequate liquidity profile supported by the long tenure of its borrowings and its moderate earnings profile.

Nevertheless, given the planned capital expenditure by the MoR, IRFC would continue to increase its borrowings and would need regular capital support to maintain a prudent capitalisation profile. This could lead to further dilution in the GoI's stake in IRFC, though ICRA expects the GoI to maintain a majority stake in the company and IRFC to remain strategically important to the MoR. By virtue of its mandate, IRFC has high credit concentration with its business growth highly dependent on the MoR's expansion plans for the Indian Railways. ICRA expects IRFC to maintain a dominant share in the MoR's increasing requirement for funding rolling stock, given its quasi-sovereign franchise and demonstrated ability to mobilise funds at competitive rates.

Key rating drivers and their description

Credit strengths

Sovereign ownership and strategic importance to GoI – GoI has a majority shareholding (86.36%) in IRFC. Its primary activity is to mobilise funds on behalf of the Indian Railways for procuring locomotives, passenger coaches and wagons as well as funding of railway projects. The Union Budget for FY2023 has allocated Rs. 1,01,500 crore to be raised through Extra Budgetary Resources (EBR) for the Indian Railways. IRFC has been given the mandate of raising Rs. 66,500 crore, which forms 66% of the total EBR budgeted to be raised by the MoR. ICRA expects IRFC to maintain a dominant share in the MoR's increasing funding requirements, given its proven ability to mobilise funds at competitive rates, which is supported by its quasi-sovereign franchise. Consequently, ICRA expects IRFC to remain strategically important to the MoR going forward as well.

Superior asset quality – With sovereign accounting for 98% of IRFC's exposure, it continues to maintain superior asset quality with Nil gross non-performing advances (NPAs) as on December 31, 2021. ICRA notes that the Board of Directors have approved amendments in its Article of Association to allow lending to other infrastructure-related sectors subject to the approval of Administrative Ministry and Shareholders special resolution, though lending to other sectors would take time to build up. ICRA expects the company to maintain similar asset quality indicators, going forward as well, as a large part of the exposure will remain towards the MoR.

Strong financial flexibility and liquidity support – Given its quasi-sovereign status, IRFC has been able to raise funds from domestic and international markets at competitive rates. It also has the approval of the GoI to issue low-cost capital gains bonds under section 54EC, which further supports the competitive cost of funds. As on December 31, 2021, about 46% of the company's borrowings were through a combination of long-term domestic tax-free and taxable bonds, 31% from banks, ~15% from external commercial borrowings including foreign currency market borrowings and foreign currency loans, 5% from National Small Savings Funds and the balance (3%) through short-term borrowings. Also, as the entire cost of funds passes through to the MoR as per the Standard Lease Agreement, the company's earnings profile is insulated from any adverse movement in the interest rates and exchange rates through variation clauses.

Adequate capitalisation levels – IRFC reported a healthy CRAR of 466% and a net worth of Rs. 39,505 crore as on December 31, 2021, supported by the zero per cent risk weight associated with the MoR's exposures as well as its stable internal capital generation. The reported gearing remained moderately high at 9.9 times as on December 31, 2021 (after including Rs. 22,200 crore of "other financial liabilities" in the borrowings, without which the gearing is 9.3 times). ICRA notes that although the management had a stated intention earlier of maintaining the long-term leverage below 10 times, the same can exceed 10 times in the medium term given the GoI's plan for capital expenditure and the subsequent demand to be placed on IRFC. The company had raised Rs. 3,088.92 crore through an initial public offering (IPO) in January 2021 and had received an equity infusion of ~Rs. 2,500 crore from the GoI in March 2020, which supported its capital structure. Nevertheless, given the long-term nature of its assets and the expected growth from the GoI's plan for capital expenditure, it would be imperative for IRFC to raise capital to maintain prudent capitalisation going forward.

Credit challenges

High concentration risk – By virtue of its mandate, IRFC faces credit concentration risk due to its exposure (100%) to the MoR or its controlled entities. The company is highly dependent on the MoR's expansion plans for growth. However, it is exempted from the Reserve Bank of India's (RBI) credit concentration norms to the extent of its exposure to the MoR. Apart from the leased assets to the MoR (98% of the portfolio as on December 31, 2021), the company has provided loans (2%) to MoR-owned entities – RVNL and IRCON – which undertake the construction of new railway lines, highways, bridges and port connectivity. These entities have a supportive memorandum of understanding (MoU) with the MoR for the repayment of their borrowings, which is likely to ensure their debt servicing to IRFC.

Moderate profitability indicators – IRFC operates on a fixed lending spread model, whereby it on-lends to the MoR at a fixed margin (~30-50 bps) over its weighted average cost of borrowing plus all other costs incidental to borrowing. This margin is in accordance with the terms of the Standard Lease Agreement signed by the company with the MoR at the end of every fiscal and was 40 bps for rolling stock and 35 bps for project assets in FY2022. Though the fixed lending spread model limits the profitability to an extent, the company's low operating expenses owing to the wholesale nature of the business as well as the negligible credit costs due to the superior asset quality indicators provide support to the profitability profile.

IRFC has exercised the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated September 20, 2019. Since the company's taxable income under normal assessment is nil, it would not be required to pay any tax on exercising this option. IRFC would also be outside the scope of Section 115JB of the Income-tax Act, 1961 and would accordingly not be required to pay the minimum alternate tax with effect from FY2020. This, in turn, has resulted in improved profitability indicators with the return on assets (RoA) and return on equity (RoE) increasing to 1.5% and 16.3%, respectively, in 9M FY2022 from 1.3% and 13.34%, respectively, in FY2021. ICRA expects the profitability indicators to remain stable going forward as well.

Liquidity position: Adequate

As on March 31, 2022, IRFC had positive cumulative mismatches across all buckets after adjusting for loan disbursements as per past trends. In addition, given its sovereign ownership, IRFC enjoys strong financial flexibility with access to funding from diverse sources, which could be tapped to plug temporary mismatches arising out of debt repayments occurring throughout the year while lease rentals are received twice a year. IRFC had ~Rs. 13 crore of unencumbered cash and cash equivalents as on March 31, 2022 and sanctioned but unutilised lines of Rs. 8,968 crore compared with debt repayment of Rs. 22,657 crore during April-September 2022. IRFC also has the option to seek advance lease rentals from the MoR, if needed, embedded in the Standard Lease Agreement with the MoR. However, this option has not been exercised by IRFC since inception, which provides further comfort regarding its repayment track record and liquidity management.

Rating sensitivities

Positive factors – Not applicable

Negative factors – A significant dilution in the GoI's stake or a decline in the strategic importance of IRFC as the sole arranger of lease finance for the MoR may warrant a change in its credit ratings.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Credit Rating Methodology for Non-Banking Finance Companies Impact of Parent or Group Support on an Issuer's Credit Rating
Parent/Group Support	Parent/Group Company: Government of India The ratings derive strength from the GoI's 86.36% ownership in IRFC as on March 31, 2021 and the company's strategic importance to the MoR as the sole arranger of lease finance for the Indian Railways
Consolidation/Standalone	Standalone

About the company

Indian Railway Finance Corporation Ltd was incorporated by the Government of India, Ministry of Railways (MoR) in 1986 as a financing arm of the Indian Railways for the purpose of raising necessary resources for meeting the developmental needs of the Indian Railways. The company's principal business is to borrow funds from financial markets to finance the acquisition/creation of assets, which are then leased out to the Indian Railways as a finance lease. IRFC is a Schedule 'A' Public Sector Enterprise under the administrative control of the MoR, the GoI. It is also registered as a systemically important non-deposit taking non-banking financial company (NBFC-ND-SI) and an infrastructure finance company (NBFC-IFC) with the RBI.

Apart from providing finance to the MoR, IRFC provides loans to RVNL, an entity wholly owned by the MoR, and IRCON, a public sector undertaking in which the GoI has a majority stake (73.18% as on March 31, 2022).

As on December 31, 2021, IRFC's assets under management (AUM) stood at Rs. 4,02,301 crore with 98% comprising receivables from the MoR. In 9M FY2022, IRFC reported a net profit (profit after tax; PAT) of Rs. 4,597 crore on an asset base of Rs. 4,31,405 crore as on December 31, 2021. In FY2021, IRFC reported a PAT of Rs. 4,416 crore and an AUM of Rs. 3,60,079 crore on an asset base of Rs. 3,78,733 crore as on March 31, 2021 compared to a PAT of Rs. 3,192 crore and an AUM of Rs. 2,66,137 crore on an asset base of Rs. 2,75,534 crore as on March 31, 2020.

Key financial indicators (audited)

IRFC	FY2019	FY2020	FY2021	9M FY2022
	Audited	Audited	Audited	Provisional
Total income (Rs. crore)	10,987	13,421	15,771	14,369
Profit after tax (Rs. crore)	2,140	3,192	4,416	4,597
Net worth (Rs. crore)	24,866	30,300	35,913	39,505
Loan book (Rs. crore)	2,00,937	2,66,137	3,60,079	4,02,301
Total assets (gross) (Rs. crore)	2,06,466	2,75,534	3,78,733	4,31,405
Return on assets (%)	1.2%	1.3%	1.4%	1.5%
Return on net worth (%)	9.5%	11.6%	13.3%	16.3%
Gross gearing (times)	7.3	8.1	9.3	9.9^
Gross NPA (%)	0.0%	0.0%	0.0%	0.0%
Net NPA (%)	0.0%	0.0%	0.0%	0.0%
Solvency (Net stage 3/Net worth)	0.0%	0.0%	0.0%	0.0%
CRAR (%)	260 %	395%	420%	466%

Source: *ICRA Research, IRFC; All figures and ratios as per ICRA's calculations;* ^ after including Rs. 22,200 crore of "other financial liabilities" in the borrowings, without which the gearing is 9.3 times

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument				Current Rating (FY2023)	Chronology of Rating History for the Past 3 Years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding as of Mar 31, 2022 (Rs. crore)	Date & Rating	Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020
					May 11, 2022	May 12, 2021	Apr 23, 2020	Jun 07, 2019
1	Short-term borrowing programme^	ST	15,000	-	**[ICRA]A1+**	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
2	Previous years' rated long-term borrowing programmes	LT	2,93,640	2,93,640	**[ICRA]AAA (Stable)**	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
3	Long-term borrowing programme FY2023	LT	66,500	-	**[ICRA]AAA (Stable)**	-	-	-

LT – Long term, ST – Short term; ^includes commercial paper borrowing

Complexity level of the rated instruments

Instrument	Complexity Indicator
Short-term Borrowing Programme	Very Simple
Previous years' rated long-term borrowing programmes	Very Simple
Long-term borrowing programme FY2023	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or

complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: www.icra.in

Annexure-1: Instrument details as on March 31, 2022

ISIN	Instrument Name	Date of Issuance/ Sanction	Coupon Rate/ Yield	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE053F09EL2	NCD	11/29/2006	8.75%	11/29/2026	410.00	[ICRA]AAA (Stable)
INE053F09EN8	NCD	6/7/2007	9.95%	6/7/2022	150.00	[ICRA]AAA (Stable)
INE053F09EO6	NCD	6/7/2007	10.04%	6/7/2027	320.00	[ICRA]AAA (Stable)
INE053F09FD6	NCD	6/7/2007	9.86%	6/7/2022	33.00	[ICRA]AAA (Stable)
INE053F09FI5	NCD	9/28/2007	9.66%	9/28/2022	200.00	[ICRA]AAA (Stable)
INE053F09FK1	NCD	10/29/2007	9.20%	10/29/2022	500.00	[ICRA]AAA (Stable)
INE053F09FP0	NCD	9/11/2008	10.70%	9/11/2023	615.00	[ICRA]AAA (Stable)
INE053F09FS4	NCD	12/26/2008	8.50%	12/26/2023	285.00	[ICRA]AAA (Stable)
INE053F09FV8	NCD	1/15/2009	8.65%	1/15/2024	315.00	[ICRA]AAA (Stable)
INE053F09GL7	NCD	4/27/2009	8.20%	4/27/2022	60.00	[ICRA]AAA (Stable)
INE053F09GM5	NCD	4/27/2009	8.20%	4/27/2023	60.00	[ICRA]AAA (Stable)
INE053F09GN3	NCD	4/27/2009	8.20%	4/27/2024	60.00	[ICRA]AAA (Stable)
INE053F09GQ6	NCD	2/3/2010	8.65%	2/3/2025	200.00	[ICRA]AAA (Stable)
INE053F09GR4	NCD	2/3/2010	8.80%	2/3/2030	385.00	[ICRA]AAA (Stable)
INE053F09GV6	NCD	3/10/2010	8.95%	3/10/2025	600.00	[ICRA]AAA (Stable)
INE053F09GX2	NCD	5/4/2010	8.79%	5/4/2030	1,410.00	[ICRA]AAA (Stable)
INE053F09GY0	NCD	5/4/2010	8.72%	5/4/2031	15.00	[ICRA]AAA (Stable)
INE053F09GZ7	NCD	5/4/2010	8.72%	5/4/2032	15.00	[ICRA]AAA (Stable)
INE053F09HA8	NCD	5/4/2010	8.72%	5/4/2033	15.00	[ICRA]AAA (Stable)
INE053F09HB6	NCD	5/4/2010	8.72%	5/4/2034	15.00	[ICRA]AAA (Stable)
INE053F09HC4	NCD	5/4/2010	8.72%	5/4/2035	15.00	[ICRA]AAA (Stable)
INE053F09HD2	NCD	5/14/2010	8.83%	5/14/2031	220.00	[ICRA]AAA (Stable)
INE053F09HE0	NCD	5/14/2010	8.83%	5/14/2032	220.00	[ICRA]AAA (Stable)
INE053F09HF7	NCD	5/14/2010	8.83%	5/14/2033	220.00	[ICRA]AAA (Stable)
INE053F09HG5	NCD	5/14/2010	8.83%	5/14/2034	220.00	[ICRA]AAA (Stable)
INE053F09HH3	NCD	5/14/2010	8.83%	5/14/2035	220.00	[ICRA]AAA (Stable)
INE053F09HM3	NCD	3/29/2011	9.09%	3/29/2026	1,076.00	[ICRA]AAA (Stable)
INE053F09HN1	NCD	3/31/2011	9.09%	3/31/2026	150.00	[ICRA]AAA (Stable)
INE053F09HP6	NCD	5/10/2011	9.33%	5/10/2026	255.00	[ICRA]AAA (Stable)
INE053F09HQ4	NCD	5/10/2011	9.47%	5/10/2031	995.00	[ICRA]AAA (Stable)
INE053F09HU6	NCD	11/8/2011	7.77%	11/8/2026	191.51	[ICRA]AAA (Stable)
INE053F07538	NCD	2/23/2012	8.10%/8.30%	2/23/2027	3,095.65	[ICRA]AAA (Stable)
INE053F09HV4	NCD	11/26/2012	7.21%	11/26/2022	256.00	[ICRA]AAA (Stable)
INE053F09HW2	NCD	11/26/2012	7.38%	11/26/2027	66.70	[ICRA]AAA (Stable)
INE053F09HX0	NCD	11/30/2012	7.22%	11/30/2022	41.00	[ICRA]AAA (Stable)
INE053F09HY8	NCD	11/30/2012	7.38%	11/30/2027	30.00	[ICRA]AAA (Stable)
INE053F09HZ5	NCD	12/6/2012	7.22%	12/6/2022	30.00	[ICRA]AAA (Stable)
INE053F09IA6	NCD	12/6/2012	7.39%	12/6/2027	95.00	[ICRA]AAA (Stable)
INE053F09IB4	NCD	12/7/2012	7.22%	12/7/2022	499.90	[ICRA]AAA (Stable)
INE053F09IC2	NCD	12/14/2012	7.19%	12/14/2022	95.00	[ICRA]AAA (Stable)
INE053F07561	NCD	2/19/2013	7.18%/7.68%	2/19/2023	2,814.48	[ICRA]AAA (Stable)
INE053F07579	NCD	2/19/2013	7.34%/7.84%	2/19/2028	2,558.91	[ICRA]AAA (Stable)
INE053F07587	NCD	3/23/2013	6.88%/7.38%	3/23/2023	165.17	[ICRA]AAA (Stable)
INE053F07595	NCD	3/23/2013	7.04%/7.54%	3/23/2028	263.88	[ICRA]AAA (Stable)
INE053F07603	NCD	3/25/2013	8.83%	3/25/2023	1,100.00	[ICRA]AAA (Stable)
INE053F07611	NCD	11/21/2013	8.35%	11/21/2023	487.00	[ICRA]AAA (Stable)
INE053F07629	NCD	11/21/2013	8.48%	11/21/2028	738.00	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance/ Sanction	Coupon Rate/ Yield	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE053F07637	NCD	11/27/2013	8.35%	11/27/2023	57.00	[ICRA]AAA (Stable)
INE053F07645	NCD	11/27/2013	8.48%	11/27/2028	55.00	[ICRA]AAA (Stable)
INE053F07652	NCD	2/18/2014	8.23%	2/18/2024	1,778.32	[ICRA]AAA (Stable)
INE053F07678	NCD	2/18/2014	8.23%/8.48%	2/18/2024	526.25	[ICRA]AAA (Stable)
INE053F07660	NCD	2/18/2014	8.40%	2/18/2029	1,090.19	[ICRA]AAA (Stable)
INE053F07686	NCD	2/18/2014	8.40%/8.65%	2/18/2029	688.36	[ICRA]AAA (Stable)
INE053F07694	NCD	2/10/2014	8.55%	2/10/2029	1,650.00	[ICRA]AAA (Stable)
INE053F07702	NCD	2/12/2014	8.55%	2/12/2029	13.00	[ICRA]AAA (Stable)
INE053F07710	NCD	3/26/2014	8.19%	3/26/2024	231.15	[ICRA]AAA (Stable)
INE053F07736	NCD	3/26/2014	8.19%/8.44%	3/26/2024	129.74	[ICRA]AAA (Stable)
INE053F07728	NCD	3/26/2014	8.63%	3/26/2029	947.91	[ICRA]AAA (Stable)
INE053F07744	NCD	3/26/2014	8.63%/8.88%	3/26/2029	436.41	[ICRA]AAA (Stable)
INE053F07777	NCD	7/31/2015	7.19%	7/31/2025	1,139.00	[ICRA]AAA (Stable)
INE053F07785	NCD	8/21/2015	7.15%	8/21/2025	329.00	[ICRA]AAA (Stable)
INE053F07793	NCD	12/21/2015	7.07%	12/21/2025	367.47	[ICRA]AAA (Stable)
INE053F07827	NCD	12/21/2015	7.32%	12/21/2025	368.95	[ICRA]AAA (Stable)
INE053F07801	NCD	12/21/2015	7.28%	12/21/2030	2,057.31	[ICRA]AAA (Stable)
INE053F07835	NCD	12/21/2015	7.53%	12/21/2030	1,074.22	[ICRA]AAA (Stable)
INE053F07819	NCD	12/21/2015	7.25%	12/21/2035	294.42	[ICRA]AAA (Stable)
INE053F07843	NCD	12/21/2015	7.50%	12/21/2035	369.63	[ICRA]AAA (Stable)
INE053F07868	NCD	3/3/2016	7.04%	3/3/2026	1,050.00	[ICRA]AAA (Stable)
INE053F07876	NCD	3/22/2016	7.04%	3/22/2026	48.60	[ICRA]AAA (Stable)
INE053F07892	NCD	3/22/2016	7.29%	3/22/2026	190.71	[ICRA]AAA (Stable)
INE053F07884	NCD	3/22/2016	7.35%	3/22/2031	1,016.38	[ICRA]AAA (Stable)
INE053F07900	NCD	3/22/2016	7.64%	3/22/2031	1,194.31	[ICRA]AAA (Stable)
INE053F07983	NCD	3/21/2017	7.83%	3/21/2027	2,950.00	[ICRA]AAA (Stable)
INE053F07AA7	NCD	5/30/2017	7.49%	5/30/2027	2,200.00	[ICRA]AAA (Stable)
INE053F07AB5	NCD	6/15/2017	7.27%	6/15/2027	2,050.00	[ICRA]AAA (Stable)
INE053F07AC3	NCD	8/28/2017	7.33%	8/28/2027	1,745.00	[ICRA]AAA (Stable)
INE053F07AD1	NCD	10/31/2017	7.54%	10/31/2027	935.00	[ICRA]AAA (Stable)
INE053F07AY7	NCD	12/4/2018	8.45%	12/4/2028	3,000.00	[ICRA]AAA (Stable)
INE053F07AZ4	NCD	1/8/2019	8.40%	1/8/2029	2,845.40	[ICRA]AAA (Stable)
INE053F07BA5	NCD	2/21/2019	8.55%	2/21/2029	2,236.50	[ICRA]AAA (Stable)
INE053F07BB3	NCD	2/28/2019	8.25%	2/28/2024	2,500.00	[ICRA]AAA (Stable)
INE053F07BC1	NCD	3/13/2019	8.35%	3/13/2029	3,000.00	[ICRA]AAA (Stable)
INE053F07BD9	NCD	3/25/2019	8.30%	3/25/2029	3,000.00	[ICRA]AAA (Stable)
INE053F07BE7	NCD	3/29/2019	8.23%	3/29/2029	2,500.00	[ICRA]AAA (Stable)
INE053F07BR9	NCD	6/12/2019	7.95%	6/12/2029	3,000.00	[ICRA]AAA (Stable)
INE053F07BS7	NCD	7/1/2019	7.85%	7/1/2034	2,120.00	[ICRA]AAA (Stable)
INE053F07BT5	NCD	7/29/2019	7.54%	7/29/2034	2,455.60	[ICRA]AAA (Stable)
INE053F07BU3	NCD	8/13/2019	7.48%	8/13/2029	2,592.00	[ICRA]AAA (Stable)
INE053F07BV1	NCD	8/29/2019	7.48%	8/29/2034	2,107.00	[ICRA]AAA (Stable)
INE053F07BW9	NCD	9/9/2019	7.50%	9/9/2029	2,707.00	[ICRA]AAA (Stable)
INE053F07BX7	NCD	11/6/2019	7.55%	11/6/2029	2,454.90	[ICRA]AAA (Stable)
INE053F07BY5	NCD	12/31/2019	7.55%	4/12/2030	1,580.00	[ICRA]AAA (Stable)
INE053F07BZ2	NCD	1/21/2020	6.59%	4/14/2023	3,000.00	[ICRA]AAA (Stable)
INE053F07CA3	NCD	2/28/2020	7.08%	2/28/2030	3,000.00	[ICRA]AAA (Stable)
INE053F07CB1	NCD	3/19/2020	6.99%	3/19/2025	847.00	[ICRA]AAA (Stable)
INE053F07CC9	NCD	4/28/2020	6.19%	4/28/2023	3,190.00	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance/ Sanction	Coupon Rate/ Yield	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE053F07CD7	NCD	6/5/2020	6.90%	6/5/2035	2,565.00	[ICRA]AAA (Stable)
INE053F07CQ9	NCD	7/6/2020	6.73%	7/6/2035	3,000.00	[ICRA]AAA (Stable)
INE053F07CR7	NCD	7/30/2020	6.41%	4/11/2031	2,000.00	[ICRA]AAA (Stable)
INE053F07CS5	NCD	10/29/2020	6.85%	10/29/2040	5,991.20	[ICRA]AAA (Stable)
INE053F07CT3	NCD	12/1/2020	6.85%	12/1/2040	4,652.00	[ICRA]AAA (Stable)
INE053F07CU1	NCD	2/5/2021	5.04%	5/5/2023	3,000.00	[ICRA]AAA (Stable)
INE053F07CV9	NCD	2/25/2021	7.21%	2/25/2041	1,954.50	[ICRA]AAA (Stable)
INE053F07CW7	NCD	3/30/2021	6.80%	4/30/2041	1,375.00	[ICRA]AAA (Stable)
INE053F08098	NCD	6/4/2021	6.99%	6/4/2041	1,994.00	[ICRA]AAA (Stable)
INE053F08106	NCD	7/19/2021	6.89%	7/19/2031	2,980.90	[ICRA]AAA (Stable)
INE053F08114	NCD	7/30/2021	7.03%	7/30/2036	4,693.00	[ICRA]AAA (Stable)
INE053F08122	NCD	8/31/2021	6.92%	8/31/2031	4,000.00	[ICRA]AAA (Stable)
INE053F08155	NCD	11/24/2021	6.95%	11/24/2036	5,000.00	[ICRA]AAA (Stable)
INE053F08163	NCD	12/21/2021	6.87%	4/14/2032	1,180.00	[ICRA]AAA (Stable)
INE053F08080	LIC Series 101	10/27/2015	7.87%	10/27/2045	2,934.70	[ICRA]AAA (Stable)
INE053F08130	LIC Series 109	3/30/2016	8.02%	3/30/2046	7,433.50	[ICRA]AAA (Stable)
INE053F08148	LIC Series 110	6/22/2016	7.80%	6/22/2046	4,336.40	[ICRA]AAA (Stable)
NA	LIC Series 122^	6/27/2017	6.77%	6/27/2047	4,100.00	[ICRA]AAA (Stable)
NA	LIC Series 125^	12/22/2017	7.41%	12/22/2047	2,100.00	[ICRA]AAA (Stable)
NA	LIC Series 137^	6/18/2019	7.30%	6/18/2049	1,800.00	[ICRA]AAA (Stable)
NA	LIC Series 148^	3/31/2020	6.58%	3/31/2050	2,500.00	[ICRA]AAA (Stable)
NA	Term Loan	2/17/2020	5.90%	2/17/2030	1,500.00	[ICRA]AAA (Stable)
NA	Term Loan	9/30/2019	6.25%	9/30/2029	750.00	[ICRA]AAA (Stable)
NA	Term Loan	11/4/2019	6.18%	11/4/2029	1,600.00	[ICRA]AAA (Stable)
NA	Term Loan	12/24/2019	6.11%	12/24/2029	1,600.00	[ICRA]AAA (Stable)
NA	Term Loan	3/26/2020	6.20%	3/24/2032	5,000.00	[ICRA]AAA (Stable)
NA	Term Loan	2/17/2020	5.90%	2/17/2030	2,400.00	[ICRA]AAA (Stable)
NA	Term Loan	3/30/2020	5.90%	3/30/2030	800.00	[ICRA]AAA (Stable)
NA	Term Loan	12/26/2019	6.25%	1/3/2029	5,076.80	[ICRA]AAA (Stable)
NA	Term Loan	3/23/2020	6.25%	3/23/2030	6,222.00	[ICRA]AAA (Stable)
NA	Term Loan	7/20/2020	6.20%	12/30/2034	7,000.00	[ICRA]AAA (Stable)
NA	Term Loan	9/30/2020	5.99%	3/23/2035	2,000.00	[ICRA]AAA (Stable)
NA	Term Loan	9/30/2020	5.90%	9/30/2035	2,500.00	[ICRA]AAA (Stable)
NA	Term Loan	8/31/2020	6.15%	7/31/2035	4,000.00	[ICRA]AAA (Stable)
NA	Term Loan	8/19/2020	6.20%	7/19/2035	5,000.00	[ICRA]AAA (Stable)
NA	Term Loan	10/31/2020	6.20%	10/22/2035	5,000.00	[ICRA]AAA (Stable)
NA	Term Loan	11/27/2020	6.20%	11/27/2035	1,000.00	[ICRA]AAA (Stable)
NA	Term Loan	11/27/2020	6.20%	11/27/2035	1,000.00	[ICRA]AAA (Stable)
NA	Term Loan	12/22/2020	6.20%	11/27/2035	1,050.00	[ICRA]AAA (Stable)
NA	Term Loan	12/31/2020	5.90%	12/31/2035	3,000.00	[ICRA]AAA (Stable)
NA	Term Loan	2/15/2021	5.90%	7/27/2035	5,300.00	[ICRA]AAA (Stable)
NA	Term Loan	2/15/2021	6.20%	8/15/2035	4,000.00	[ICRA]AAA (Stable)
NA	Term Loan	2/15/2021	6.20%	8/15/2035	1,700.00	[ICRA]AAA (Stable)
NA	Term Loan	2/25/2021	6.20%	8/15/2035	1,250.00	[ICRA]AAA (Stable)
NA	Term Loan	3/12/2021	6.14%	9/12/2036	8,464.00	[ICRA]AAA (Stable)
NA	Term Loan	3/15/2021	6.20%	9/15/2035	3,500.00	[ICRA]AAA (Stable)
NA	Term Loan	3/18/2021	6.55%	9/18/2036	3,536.00	[ICRA]AAA (Stable)
NA	Term Loan	6/30/2021	5.90%	6/30/2037	750.00	[ICRA]AAA (Stable)
NA	Term Loan	7/15/2021	6.00%	9/18/2036	3,500.00	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance/ Sanction	Coupon Rate/ Yield	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term Loan	10/11/2021	6.00%	10/11/2036	1,100.00	[ICRA]AAA (Stable)
NA	Term Loan	10/16/2021	6.25%	10/16/2036	2,500.00	[ICRA]AAA (Stable)
NA	Term Loan	10/30/2021	6.25%	10/18/2036	7,000.00	[ICRA]AAA (Stable)
NA	Term Loan	12/22/2021	6.00%	12/22/2036	7,000.00	[ICRA]AAA (Stable)
NA	Term Loan	12/23/2021	5.90%	12/23/2036	500.00	[ICRA]AAA (Stable)
NA	Term Loan	12/30/2021	5.85%	12/30/2036	4,700.00	[ICRA]AAA (Stable)
NA	Term Loan	12/31/2021	5.90%	12/31/2036	2,000.00	[ICRA]AAA (Stable)
NA	Term Loan	2/18/2022	5.85%	2/18/2037	500.00	[ICRA]AAA (Stable)
NA	Term Loan	2/22/2022	5.84%	8/22/2032	2,500.00	[ICRA]AAA (Stable)
NA	Term Loan	3/23/2022	5.90%	12/23/2036	4,500.00	[ICRA]AAA (Stable)
NA	Term Loan	3/23/2022	5.90%	3/23/2037	2,550.00	[ICRA]AAA (Stable)
NA	Term Loan	3/28/2022	5.15%	6/28/2022	2,000.00	[ICRA]AAA (Stable)
NA	Term Loan	3/31/2022	5.90%	3/31/2037	800.00	[ICRA]AAA (Stable)
NA	Term Loan	3/31/2022	5.82%	9/30/2036	1,000.00	[ICRA]AAA (Stable)
Not placed	Long-term Borrowing Programme for FY2023	NA	NA	NA	66,500.00	[ICRA]AAA (Stable)
Not placed	Short-term Borrowing*	NA	NA	NA	15,000.00	[ICRA]A1+

Source: *ICRA Research; *Includes commercial paper borrowings; ^not in demat form*

Please click here to view details of lender-wise facilities rated by ICRA

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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Ref No.9629/2022-2023/CL –3934 **Date:11-01-2023**

Indian Railway Finance Corporation Limited
Room Nos. 1316 - 1349, 3rd Floor,
Hotel The Ashok, Diplomatic Enclave,
50-B, Chanakyapuri,
New Delhi – 110021.

Kind Attn: Ms. Rakhi Dua, Additional General Manager (Finance) - II

Dear Sir,

Sub: Consent for Private Placement Of 250000 Taxable Unsecured Redeemable Non-Convertible Bonds of face value of Rs.1,00,000 each in the nature of Debentures (Series 168 A) (collectively referred to as The "Bonds") for cash at par for Rs. 5000 million ("Base Issue") with option to retain oversubscription upto Rs. 20000 million an amount aggregating to Rs. 25000 million, 250000 Taxable Unsecured Redeemable Non-Convertible Bonds of face value Of Rs.1,00,000 each in the nature Of Debentures (Series 168 B) (collectively referred to as the "Bonds") for cash at par for Rs. 5000 million ("Base Issue") with Option To Retain Oversubscription Upto Rs. 20000 Million an amount aggregating to Rs. 25000 million, By Indian Railway Finance Corporation Limited ("IRFC" Or The "Issuer" Or The "Company")

This is with reference to your email dated 11-01-2023 and our subsequent discussion in the matter for the appointment of SBICAP Trustee Company Limited as Debenture Trustee for your proposed listed unsecured, tax-free/Taxable Bonds thru Private Placement Of 250000 Taxable Unsecured Redeemable Non-Convertible Bonds of face value of Rs.1,00,000 each in the nature of Debentures (Series 168 A) (collectively referred to as The "Bonds") for cash at par for Rs. 5000 million ("Base Issue") with option to retain oversubscription upto Rs. 20000 million an amount aggregating to Rs. 25000 million, 250000 Taxable Unsecured Redeemable Non-Convertible Bonds of face value Of Rs.1,00,000 each in the nature Of Debentures (Series 168 B) (collectively referred to as the "Bonds") for cash at par for Rs. 5000 million ("Base Issue") with Option To Retain Oversubscription Upto Rs. 20000 Million an amount aggregating to Rs. 25000 million,. **In this connection, we hereby give our consent to act as Debenture / Bond Trustee and confirm our acceptance to the assignment.**

We are aggregable for inclusion of our name as Trustee in the Private Placement Memorandum / Information Memorandum to be issued by the Company on private placement basis to the certain identified person in terms of the Companies Act, 2013, as required subject to following conditions: -

1. The Company shall enter into the written Debenture Trustee Agreement (DTA) for the said issue before the opening of subscription for issue debentures. The Debenture Trust Deed shall be executed by the Company within a stipulated time as mentioned under the applicable laws.

2. The Company agrees and undertakes that it shall comply with the provisions of the Companies Act, 2013 read with the rules and regulations framed thereunder and the applicable provisions of the rules and regulations framed under the Reserve Bank of India Act, till the final redemption of the NCD being issued by the Company.

3. The Company agrees and undertakes to pay to the debenture trustee so long as they hold the office of the debenture trustee, remuneration as stated in the fee consent letter dated 28th April, 2022 in addition to all the legal, travelling and other cost, charges and expenses which the debenture trustee or their officers, employees or agents may incur in relation to execution of the debenture trust deed and all other documents affecting the securities till the monies in respect of the debentures have been fully paid-off and the requisite formalities for satisfaction of charge in all respect, have been complied.

4. Any payment in respect of debentures required to be made by the debenture trustee to debenture holder at the time / post enforcement would, if required by applicable law, be subject to the prior approval of RBI for such remittance through an Authorized Dealer only. The Company / Investor / Debenture Holders shall obtain all such approvals from RBI, if required, to ensure prompt and timely payments to the said debenture holders. Such remittance shall not exceed total investment (and interest provided herein) made by the debenture holder.

5. The Company confirms that all necessary disclosures shall be made in the Private Placement Memorandum / Information Memorandum including but not limited to statutory and other regulatory disclosures. Investor should carefully read and note the contents of the Private Placement Memorandum / Information Memorandum. Each prospective investor should make its own independent assessment of the merits of the investment in NCDs and the Issuer Company. Prospective Investor should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the NCDs and should possess the appropriate resources to analyze such investment and suitability of such investment to such investor's particular circumstance. Prospective investors are required to make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt market and are able to bear the economic risk of investing in such instruments.

6. The Trustee, "ipso facto" do not have the obligations of a borrower or a Principal Debtor or a Guarantor as to the monies paid / invested by the investors for the debentures being issued by the Issuer Company.

Looking forward to a fruitful association with you and assuring you of our best professional services at all times.

With warm regards,
Yours faithfully,
For SBICAP Trustee Company Limited

ADITYA KAPIL
Digitally signed by ADITYA KAPIL
Date: 2023.01.11 18:18:37 +05'30'

(Authorised Signatory)

We accept the above terms
For **Indian Railway Finance Corporation Limited.**

Authorised Signatory
(Signature with stamp)

इंडियन रेलवे फाईनेन्स कॉरपोरेशन लिमिटेड
(भारत सरकार का उपक्रम) (सी आई एन : L65910DL1986GOI026363)
पंजीकृत कार्यालय : रूम नं. 1316 & 1349, तीसरी मंजिल, दि अशोक, डिप्लोमैटिक एन्क्लेव 50–बी, चाणक्यपुरी, नई दिल्ली–110021
दूरभाष : 011-24100385

INDIAN RAILWAY FINANCE CORPORATION LTD.

(A Government of India Enterprise) (CIN : L65910DL1986GOI026363)
Regd. Office : Room Nos. 1316 – 1349, 3rd Floor, The Ashok, Diplomatic Enclave:- 50-B, Chanakyapuri, New Delhi-110021
Phone : 011-24100385, E-mail : info@irfc.nic.in, Website : www.irfc.nic.in

No: IRFC/SE/2022-23/45 **10th November, 2022**

National Stock Exchange of India Limited Listing department, Exchange Plaza, Bandra- Kurla Complex, Bandra (E) Mumbai- 400 051 **Scrip Symbol: IRFC**	**BSE Limited** Listing Dept / Dept of Corporate Services, PJ Towers, Dalal Street, Mumbai -400 001 **Scrip Code: 543257**

Sub: Outcome of Meeting of the Board of Directors held on Thursday, 10th November 2022

Sir/ Madam,

This is to inform that pursuant to the applicable provisions of SEBI (LODR) Regulations, 2015, the Board of Directors of the Company at its meeting held on **Thursday, 10th November 2022** inter alia, considered and approved the following:

1. **Approval of the Un-audited Financial Results for the quarter and half year ended 30th September 2022**

Pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015, as amended from time to time, this is to inform that Board of Directors considered and approved the Un-audited Financial Results of the Company and other financial statements namely Cash Flow Statement for the quarter and half year ended 30th September 2022 and Balance Sheet as on that date along with Statutory Auditor's Limited Review Report thereon. The Un-audited financial results have been reviewed by the Audit Committee and approved & taken on record by the Board of Directors of the company in their respective meetings held on 10th November 2022.

The disclosure of related party transaction in terms of Regulation 23(9) of SEBI (LODR) Regulations, 2015 is enclosed herewith. Further, disclosure in accordance with Regulation 52(4) & 54 of SEBI (LODR) Regulations, 2015 and the impact of COVID-19 pandemic on the Company in terms of SEBI circular dated May 20, 2020 is mentioned in the said financial results.

2. **Declaration of Interim Dividend**

Pursuant to Regulation 30 and 43 of the SEBI (LODR) Regulations, 2015, as amended from time to time this is to inform that the Board of Directors have declared an Interim Dividend of Rs. 0.80/- per equity share of Rs 10/- each.

Further, as informed vide letter dated 4th November 2022, the "Record date" for determining eligibility of shareholders for payment of the said interim Dividend, as declared by the Board is Friday, 18th November 2022.

The dividend will be paid in the account of the shareholder(s) or the dividend warrant(s) in respect thereof will be dispatched within thirty (30) days from the date of declaration. Shareholder(s) are kindly requested to update/ submit details for TDS on dividend to Registrar and Transfer Agent of the Company at irfc@beetalfinancial.com on or before Friday, 18th November 2022.

No communication on the tax determination/deduction of tax at lower rates shall be entertained after Friday, 18th November 2022. It is further informed that in case tax on dividend is deducted at a higher rate in the absence of requisite details/ documents, refund of the excess tax paid may still be claimed by shareholders at the time of filing of income tax return. However, no claim shall lie against the Company for such taxes deducted. Further, shareholders will be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at Income Tax portal.

The meeting commenced at 5:30 P.M. and concluded at 6:40 P.M. This is submitted for your information and record.

Thanking You,
For Indian Railway Finance Corporation Limited

(Vijay Babulal Shirode)
Company Secretary & Compliance Officer

Indian Railway Finance Corporation Ltd. IRFC CIN L65910DL1986 GOI026363 New Delhi

Enclosure: As Above

आज़ादी का अमृत महोत्सव

INDIAN RAILWAY FINANCE CORPORATION LIMITED

(A Government of India Enterprise)

CIN L65910DL1986GOI026363

Registered Office: Room Nos. 1316 - 1349, 3rd Floor, The Ashok Diplomatic Enclave, 50-B, Chanakyapuri New Delhi -110021

Ph.: 011-24100385, Email: investors@irfc.co.in, Website: https://irfc.co.in

Extract of Statement of Unaudited Financial Results for the quarter and half year ended 30 September 2022

(Amounts in millions of INR, unless stated otherwise)

	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30 September 2022	30 June 2022	30 September 2021	30 September 2022	30 September 2021	31 March 2022
		(Unaudited)*	(Unaudited)*	(Unaudited)*	(Unaudited)	(Unaudited)	(Audited)
(I)	Revenue From Operations	58,098.03	56,274.36	46,899.20	1,14,372.39	92,713.37	2,02,982.68
(II)	Net Profit for the period (before Tax and Exceptional items)	17,142.80	16,615.80	15,014.81	33,758.60	30,034.32	60,901.55
(III)	Net Profit for the period before Tax (after Exceptional items)	17,142.80	16,615.80	15,014.81	33,758.60	30,034.32	60,901.55
(IV)	Net Profit for the period after Tax (after Exceptional items)	17,142.80	16,615.80	15,014.81	33,758.60	30,034.32	60,898.36
(V)	Total Comprehensive Income for the period [comprising Profit for the period after tax and Other Comprehensive Income after tax]	17,152.62	16,608.05	15,006.29	33,760.67	30,037.42	60,893.36
(VI)	Paid up Equity Share Capital (Face Value of Rs. 10/- Per Share)	1,30,685.06	1,30,685.06	1,30,685.06	1,30,685.06	1,30,685.06	1,30,685.06
(VII)	Other Equity Excluding Revaluation Reserves as per balance sheet	3,04,805.85	2,95,886.39	2,58,486.18	3,04,805.85	2,58,486.18	2,79,278.34
(VIII)	Securities Premium Account	19,008.74	19,008.74	19,008.74	19,008.74	19,008.74	19,008.74
(IX)	Net Worth	4,35,490.91	4,26,571.45	3,89,171.24	4,35,490.91	3,89,171.24	4,09,963.40
(X)	Paid up Debt Capital/Outstanding Debt	38,67,158.80	38,76,740.56	34,26,976.12	38,67,158.80	34,26,976.12	38,84,166.18
(XI)	Debt Equity Ratio	8.88	9.09	8.81	8.88	8.81	9.47
(XII)	Earning Per Share (of Rs. 10 each)						
	- Basic (Rs.)	1.31	1.27	1.15	2.58	2.30	4.66
	- Diluted (Rs.)	1.31	1.27	1.15	2.58	2.30	4.66

Note:

1. The above financial results have been reviewed by the Audit Committee and approved and taken on record by the Board of Directors at their respective meeting held on Thursday, 10th November 2022.

2. The above is an extract of the detailed format for the quarter and half year ended 30 September 2022 financial results filed with the stock exchange under Regulation 33 & Regulation 52 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The full format of the quarter and half year ended 30 September 2022 financial results is available on the website of the stock exchanges (www.bseindia.com and www.nseindia.com) and the website of the Company (https://irfc.co.in).

3. Previous periods figures have been regrouped/rearranged wherever considered necessary.

4. Shareholders holding shares in dematerialized mode are requested to update their records such as tax residential status, and permanent account number (PAN), register their email addresses, mobile numbers and other details with the relevant depositories through their depository participants. Shareholders holding shares in physical mode are requested to furnish details to the Company's Registrar and Share Transfer Agent, M/s Beetal Financial & Computer Services (P) Ltd at irfc@beetalfinancial.com

(Shelly Verma)
CMD (Addnl. Charge) and Director (Finance)
DIN: 07935630

Place: New Delhi
Date: 10th November 2022

Important Notice: Member(s) are requested to register/update their E-mail ID with company at investors@irfc.co.in/Depository participants/Company's Registrar & Share Transfer Agent at irfc@beetalfinancial.com which will be used for sending official documents through e-mail in future.

K.B.D.S. & CO. DELHI M.No. 060030 Chartered Accountants

INDIAN RAILWAY FINANCE CORPORATION LIMITED

(A Government of India Enterprise)

CIN L65910DL1986GOI026363

Registered Office: Room Nos 1316 - 1349, 3rd Floor, The Ashok Diplomatic Enclave, 50-B, Chanakyapuri New Delhi-110021

Ph.: 011-24100385, Email: investors@irfc.co.in, Website: www.irfc.co.in

Statement of standalone Unaudited Financial Results for the quarter and half year ended 30 September 2022

(Amounts in millions of INR, unless stated otherwise)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30 September 2022	30 June 2022	30 September 2021	30 September 2022	30 September 2021	31 March 2022
	(Unaudited)*	(Unaudited)*	(Unaudited)*	(Unaudited)	(Unaudited)	(Audited)
Revenue from Operations						
(i) Interest Income	17,238.03	16,985.98	16,516.05	34,224.01	33,117.46	72,946.72
(ii) Lease Income	40,860.00	39,288.38	30,383.15	80,148.38	59,595.91	1,30,035.96
(I) Total Revenue From Operations	**58,098.03**	**56,274.36**	**46,899.20**	**1,14,372.39**	**92,713.37**	**2,02,982.68**
(II) Dividend Income	-	-	0.99	-	2.46	9.96
(III) Other Income	5.90	0.30	0.21	6.20	0.62	23.33
(IV) Total Income (I + II + III)	**58,103.93**	**56,274.66**	**46,900.40**	**1,14,378.59**	**92,716.45**	**2,03,015.97**
Expenses						
(i) Finance Costs	40,585.40	39,396.38	31,571.29	79,981.78	62,306.22	1,40,747.82
(ii) Impairment on Financial Instruments	5.42	(46.61)	13.92	(41.19)	(8.76)	4.61
(iii) Employee Benefit Expense	38.15	26.22	21.66	64.37	39.66	107.48
(iv) Depreciation, Amortization and Impairment	35.07	35.05	31.05	70.12	62.06	140.25
(v) Other Expenses	-			-		
- Corporate Social Responsibility (CSR)	239.50	215.53	216.36	455.03	216.36	956.58
- Others	57.59	32.29	31.31	89.88	66.59	157.68
(V) Total Expenses	**40,961.13**	**39,658.86**	**31,885.59**	**80,619.99**	**62,682.13**	**1,42,114.42**
(VI) Profit Before Exceptional Items and Tax (IV-V)	17,142.80	16,615.80	15,014.81	33,758.60	30,034.32	60,901.55
(VII) Exceptional Items	-	-	-	-	-	-
(VIII) Profit Before Tax (VI- VII)	**17,142.80**	**16,615.80**	**15,014.81**	**33,758.60**	**30,034.32**	**60,901.55**
(IX) Tax Expense						
- Current Tax	-	-	-	-	-	-
- Deferred Tax	-	-	-	-	-	-
- Adjustment for Earlier Years	-	-	-	-	-	3.19
Total Tax Expenses	**-**	**-**	**-**	**-**	**-**	**3.19**
(X) Profit for the Period From Continuing Operations (VIII- IX)	**17,142.80**	**16,615.80**	**15,014.81**	**33,758.60**	**30,034.32**	**60,898.36**
(XI) Profit from Discontinued Operations	-	-	-	-	-	-
(XII) Tax Expense of Discontinued Operations	-	-	-	-	-	
(XIII) Profit from Discontinued Operations (After Tax) (XI-XII)	**-**	**-**	**-**	**-**	**-**	**-**
(XIV) Profit for the Period (X+XIII))	**17,142.80**	**16,615.80**	**15,014.81**	**33,758.60**	**30,034.32**	**60,898.36**
(XV) Other Comprehensive Income						
(A) (i) Items that will not be reclassified to profit or loss						
- Remeasurement of defined benefit plans	1.40	1.40	0.27	2.80	0.54	5.61
- Remeasurement of Equity Instrument	8.42	(9.15)	(8.79)	(0.73)	2.56	(10.61)
(ii) Income tax relating to items that will be reclassified to profit or loss						
- Remeasurement of defined benefit plans	-	-	-	-	-	-
- Remeasurement of Equity Instrument	-	-	-	-	-	-
Subtotal (A)	**9.82**	**(7.75)**	**(8.52)**	**2.07**	**3.10**	**(5.00)**
(B) (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Subtotal (B)	**-**	**-**	**-**	**-**	**-**	**-**
(XVI) Other Comprehensive Income (A + B)	**9.82**	**(7.75)**	**(8.52)**	**2.07**	**3.10**	**(5.00)**
(XVII) Total Comprehensive Income for the Year (XVI+XIV)	**17,152.62**	**16,608.05**	**15,006.29**	**33,760.67**	**30,037.42**	**60,893.36**
(XVIII) Paid up Equity Share Capital (Face Value of Rs. 10/- Per Share)	1,30,685.06	1,30,685.06	1,30,685.06	1,30,685.06	1,30,685.06	1,30,685.06
(XIX) Other Equity Excluding Revaluation Reserves as per balance sheet	3,04,805.85	2,95,886.39	2,58,486.18	3,04,805.85	2,58,486.18	2,79,278.34
(XX) The applicable Analytical Ratios and other disclosures are as under:						
Earnings per equity share (Face Value of Rs. 10/- per share)						
(Before Initial Public Offer)						
- Basic (Rs.)	1.31	1.27	1.15	2.58	2.30	4.66
- Diluted (Rs.)	1.31	1.27	1.15	2.58	2.30	4.66
(XXI) Additional Information						
Percentage of shares held by Government of India	86.36	86.36	86.36	86.36	86.36	86.36
Net Worth	4,35,490.91	4,26,571.45	3,89,171.24	4,35,490.91	3,89,171.24	4,09,963.40

*See Note no. 12

K. B. & CO. DELHI M.No. 060030 Chartered Accountants

भारतीय रेलवे फाइनेंस कॉरपोरेशन Indian Railway Finance Corporation आई.आर.एफ.सी IRFC सी.आई.एन. नं० CIN No

INDIAN RAILWAY FINANCE CORPORATION LIMITED

(A Government of India Enterprise)

CIN L65910DL1986GOI026363

Registered Office: Room Nos 1316 - 1349, 3rd Floor, The Ashok Diplomatic Enclave, 50-B, Chanakyapuri New Delhi-110021

Ph.: 011-24100385, Email: investors@irfc.co.in, Website: www.irfc.co.in

Standalone statement of Assets & Liabilities

(Amounts in millions of INR, unless stated otherwise)

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
ASSETS			
Financial Assets			
Cash And Cash Equivalents	87,227.84	20,709.00	1,464.92
Bank Balance Other Than Above	9,556.43	762.48	1,568.84
Derivative Financial Instruments	5,060.29	936.30	2,023.25
Receivables			
- Lease Receivables	21,97,295.71	17,39,842.85	20,06,924.99
Loans	59,331.26	68,248.05	68,248.05
Investments	96.38	117.69	100.03
Other Financial Assets	21,66,004.16	21,37,176.34	22,47,779.18
Total Financial Assets	**45,24,572.07**	**39,67,792.71**	**43,28,109.26**
Non-financial assets			
Current Tax Assets (Net)	6,277.49	9,307.70	6,373.08
Property, Plant And Equipment	133.54	111.98	138.86
Right of Use Assets	164.52	283.98	224.25
Other Intangible Assets	15.98	11.34	16.51
Other Non-Financial Assets	1,20,814.25	1,09,166.59	1,64,940.28
Total Non-Financial Assets	**1,27,405.78**	**1,18,881.59**	**1,71,692.98**
Total Assets	**46,51,977.85**	**40,86,674.30**	**44,99,802.24**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Derivative Financial Instruments	11,200.26	3,809.62	5,669.33
Payables			
- Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small	-	-	-
- Other payables			
(i) Total outstanding dues of micro enterprises and small enterprises	1.94	2.01	10.02
(ii) Total outstanding dues of creditors other than micro enterprises and small	220.86	250.82	235.69
Debt Securities	19,80,192.30	19,37,091.49	19,41,749.53
Borrowings (Other Than Debt Securities)	18,86,966.50	14,89,884.63	19,42,416.65
Lease Liabilities	174.78	290.53	233.52
Other Financial Liabilities	3,31,364.73	2,21,293.06	1,94,251.96
Total Financial Liabilities	**42,10,121.37**	**36,52,622.16**	**40,84,566.70**
Non-Financial Liabilities			
Current Tax Liabilities (Net)	-	-	-
Provisions	829.38	291.57	535.71
Deferred Tax Liabilities (Net)	-	-	-
Other Non-Financial Liabilities	5,536.19	44,589.33	4,736.43
Total Non-Financial Liabilities	**6,365.57**	**44,880.90**	**5,272.14**
Total Liabilities	**42,16,486.94**	**36,97,503.06**	**40,89,838.84**
Equity			
Equity Share Capital	1,30,685.06	1,30,685.06	1,30,685.06
Other Equity	3,04,805.85	2,58,486.18	2,79,278.34
Total Equity	**4,35,490.91**	**3,89,171.24**	**4,09,963.40**
Total Liabilities And Equity	**46,51,977.85**	**40,86,674.30**	**44,99,802.24**

K. B. D. S. & CO. DELHI M.No. 860030 Chartered Accountants

Indian Railway Finance Corporation Limited IRFC CIN No. L65910DL1986GOI026363 New Delhi

INDIAN RAILWAY FINANCE CORPORATION LIMITED

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Standalone statement for the cash flows for the half year ended 30 September 2022

(Amounts in millions of INR, unless stated otherwise)

Particulars	Half Year Ended 30 September 2022	Half Year Ended 30 September 2021	Year Ended 31 March 2022
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxes	**33,758.60**	**30,034.32**	**60,901.55**
Adjustments for:			
Remeasurement of Defined Benefit Plans	2.80	0.54	5.61
Depreciation and Amortisation (including adjustment to ROU assets)	70.12	62.06	140.25
Provision of Interest on Income Tax	-	-	-
Loss on Sale of Fixed Assets	-	0.03	0.03
Profit on Sale Of Fixed Assets	-	-	-
Discount of Commercial Paper	-	246.14	324.49
Adjustments Towards Effective Interest Rate	498.90	398.26	797.98
Interest Expense on lease liabilities	5.77	9.05	16.48
Dividend Income Received	-	(2.46)	(9.96)
Share Issue Expenses	-	-	(1.03)
Operating Profit Before Working Capital Changes	**34,336.19**	**30,747.94**	**62,175.40**
Movements in Working Capital:			
increase/(Decrease) in Payables	(22.91)	(254.78)	(261.90)
increase/(Decrease) in Provisions	293.67	0.35	244.49
increase/(Decrease) in Others Non Financial Liabilities	799.76	30,789.73	(9,063.17)
increase/(Decrease) in Other Financial Liabilities	1,28,879.61	49,562.08	(1,777.07)
Decrease/(Increase) in Receivables	(1,90,370.72)	(84,152.94)	(3,51,235.08)
Decrease/(Increase) in Loans and Advances	8,916.79	1,450.10	1,450.10
Decrease/(Increase) in Bank Balance Other Than Cash and Cash Equivalents	(7,987.59)	854.85	48.49
Decrease/(Increase) in Other Non Financial Assets	44,126.03	(40,545.98)	(96,350.29)
Decrease/(Increase) in Other Financial Assets	81,014.54	(1,65,880.62)	(2,52,311.39)
Cash Generated From Operations	**99,985.37**	**(1,77,429.27)**	**(6,47,080.42)**
Less: Direct Taxes Paid (Net of Refunds)	(95.59)	4.45	(2,957.60)
Net Cash Flow/(Used) in Operating Activities (A)	**1,00,080.96**	**(1,77,433.72)**	**(6,44,122.82)**
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property Plant & Equipments and Intangible Assets	(4.54)	(15.85)	(66.33)
Proceeds From Sale of Property Plant & Equipment	-	0.03	-
Proceeds From Realization of Pass Through Certificates / Sale of Investments	2.92	4.69	9.18
Dividend Income Received	-	2.46	9.96
Net Cash Flow/(Used) in Investing Activities (B)	**(1.62)**	**(8.67)**	**(47.19)**
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Issue of Equity Share Capital	-	-	-
Proceeds from security Premium	-	-	-
Issue of Debt Securities (Net of Redemptions)	38,362.45	1,40,322.33	1,84,834.63
Raising of Rupee Term Loans/ Foreign Currency Borrowings (Net of Repayments)	(52,614.36)	44,216.31	4,97,314.74
Issue of Commercial Paper (Net of Repayments)	-	10,705.24	(29,294.76)
Payments for lease liabilities (including interest)	(64.51)	(64.40)	(128.84)
Share Issue Expenses	-	-	-
Final Dividend Paid	-	-	-
Interim Dividend Paid	-	-	(10,062.75)
Net Cash Generated By/(Used In) Financing Activities (C)	**(14,316.42)**	**1,95,179.48**	**6,42,663.02**
Net Increase in Cash and Cash Equivalents (A+B+C)	**85,762.92**	**17,737.09**	**(1,506.99)**
Cash and Cash Equivalents at the beginning of the Period	1,464.92	2,971.91	2,971.91
Cash and Cash Equivalents at the End of the Period	**87,227.84**	**20,709.00**	**1,464.92**

K. B. D. S. & CO. DELHI M.No. 060038 Chartered Accountants

Indian Railway Finance Corporation Ltd. IRFC CIN No. L65910DL1986 GOI026363 New Delhi

NOTES:

1 These financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') - 34 'Interim Financial Reporting', notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.

2 The Company has exercised the option under section 115BAA of the Income Tax Act, 1961 with effect from financial year 2019-20 relevant to assessment year 2020-21. After exercising the option of Section 115BAA, the taxable income under the provisions of Income Tax Act, 1961 comes to nil. Further, after adoption of Section 115BAA, the Company is outside the scope and applicability of MAT provisions under Section 115JB of Income Tax Act, 1961.

3 As per Gazette notification No S.O 529 (E) dated 5th February 2018, as amended by notification no S.O. 1465 dated 2nd April 2018 issued by Ministry of Corporate Affairs, Government of India, the provisions of Ind AS 12 relating to Deferred Tax Asset/Deferred Tax Liability does not apply to the Company w.e.f. 1st April 2017, accordingly, no provision has been made for Deferred tax liabilities/Deferred tax assets.

4 The Company has completed its Initial Public Offering (IPO) of 1,78,20,69,000 equity shares of face value of Rs.10/- each at an issue price of Rs.26/- per equity share aggregating to Rs. 46,333.80 millions, consisting of fresh issue 1,18,80,46,000 equity shares aggregating to Rs. 30,889.20 millions and an offer for sale of 59,40,23,000 equity shares aggregating to Rs. 15,444.60 millions by the Government of India. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on 29th January 2021.

The utilisation of IPO proceeds is summarised as below:

Particulars / Objects of the issue	Amount Raised	Upto the date of Board Meeting approving these results	
		Utilised	Unutilised
Augmenting our equity capital base to meet our future capital	30118.76	30,118.76	-
General Corporate Purpose	500	464.02	35.98
Net Proceeds*	**30618.76**	**30,582.78**	**35.98**

* Net of Issue expense of Rs. 270.44 millions (Utilised till the date of board meeting Rs. 270.44 millions).

5 Estimation of uncertainty relating to the Global Health Pandemic COVID-I9

The outbreak of coronavirus (COVID -19) pandemic globally and in India is causing disturbance and slowdown of economic activity. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption.

The Company has evaluated the impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there is no significant impact on its financial results. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial results. The Company will continue monitoring any material changes to future economic conditions.

6. (a) The pre-lease income on financing of Railway Infrastructure projects has been accounted for at the average cost of incremental borrowing plus margin on the funds amounting to Rs. 40,356.50 millions transferred to MoR during the half year ended 30 Sep 2022 (Quarter ended 30 June 2022: Rs. 39,575.00, Half Year ended 30 Sep 2021: Rs. 1,21,125.20 millions, Year ended 31 March 2022: Rs. 3,10,987.60 millions).

(b) For computing the Lease Rental in respect of the rolling stock assets acquired and leased to the Ministry of Railways amounting to Rs. 54,128.67 millions during the quarter ended 30 Sep 2022 (Quarter ended 30 June 2022: Rs. Nil, Half year ended 30 Sep 2021: Rs. 1,47,971.62 million, Year ended 31 March 2022: Rs. 2,74,839.73 Million), the Lease Rental Rate and the Internal Rate of Return have been worked out with reference to the average cost of incremental borrowings made during the year plus the margin.

7 Pursuant to Regulation 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, for all the secured listed non-convertible debt securities and other secured borrowings issued by the company and outstanding as on 30th September 2022, 100% security cover has been maintained by way of charge on present and future rolling stock assets and/or lease receivable of the company. Accordingly, the company is maintaining as asset cover of 1x times as on 30th September 2022 in respect of secured non-convertible debt securities issued and other secured borrowings of the Company. The security cover in the prescribed format has been annexed as **Annexure-A.**

8 The additional information as required under Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as **Annexure-B.**

9 The Company's main business is to provide leasing and financing to Railway Sector in India. As such, there are no separate reportable business segments within the meaning of Indian Accounting Standard (Ind AS 108 'Operating Segments.').

10 The disclosure in respect of related party transactions for the half year period ended 30th September 2022 has been annexed as **Annexure-C**.

11 The above financial results were reviewed by the Audit Committee and approved and taken on record by the Board of Directors at their respective meeting held on 10th November 2022. These have been subjected to limited review by the statutory auditors of the Company.

12 The figures for the quarter ended 30th September 2022 and 30th September 2021 have been derived by deducting the year to date unaudited figures for the period ended 30th June 2022 and 30th June 2021 from the year to date unaudited figures for the period ended 30th September 2022 and 30th September 2021, respectively.

13 The Balance Sheet, Statement of Profit or loss, Statement of Change in Equity (SOCIE), Statement Of Cash Flow and summarized notes to accounts, Including significant accounting policies for the period ended 30th September 2022 have been annexed as **Annexure-D**.

14 **Investor complaints**

There was no investor complaint pending at the beginning as well as end of the quarter ended 30th September 2022	Equity	Bond
(a)Total bondholders complaints pending at the beginning	NIL	NIL
(b)Total Bondholders complaints received through correspondence	83	721
(c)Total Complaints received from SEBI during the period	3	2
(d)Total complaints resolved / replied during the period	86	723
(e)Total bondholders complaints pending	NIL	NIL

15 Previous periods figures have been regrouped/rearranged wherever considered necessary.

Place: New Delhi
Date: 10th November 2022

(Shelly Verma)
CMD (Addnl. Charge) and Director (Finance)
DIN: 07935630

K.G.D.S. & Co. Chartered Accountants DELHI M.No. 500038

Indian Railway Finance Corporation Ltd. भारतीय रेलवे फाइनेंस कॉर्पोरेशन लि. IRFC CIN No. L65910DL1986 GOI026363 New Delhi नई दिल्ली

KBDS & CO.
CHARTERED ACCOUNTANTS

G-4/4, First Floor, Sector-16, Rohini
(Opposite Jain Bharti Model School)
Mobile: +91-9312271440, +91-9555071440 Phone: +91-11-278825
Email: kbdsandco@gmail.com

INDEPENDENT AUDITOR'S LIMITED REVIEW REPORT ON UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBNER 2022

The Board of Directors,
Indian Railway Finance Corporation Limited,
Room No.1316-1339, 3rd Floor,
The Ashok, Diplomatic Enclave,
50-B, Chanakyapuri, New Delhi 110021

1. We have reviewed the accompanying statement of un-audited financial results of Indian Railway Finance Corporation Limited ("the company) for the quarter and half year ended 30th Sept, 2022 together with the notes thereon ("the statement''), being submitted by the Company pursuant to the requirement of regulation 33 & 52 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended ("the Listing Regulations").

2. This statement, which is the responsibility of the Company's management and approved by the Board of Directors in its meeting held on 10th Nov, 2022, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "*Interim Financial Reporting*" (*"Ind AS 34"*), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the financial statement based on our review.

3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity '', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Section 133 of Companies Act 133 as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India , has not disclosed the information required to be disclosed in terms of Clause 52 of the Listing regulations including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has been prepared in accordance with relevant prudential norms issued by the Reserve Bank of

K. B. D. S. & CO. DELHI M.No. 060030 Chartered Accountants

India in respect of income recognition, asset classification, provisioning and other related matters to the extent applicable.

5. The Company has made provision of CSR expenses on prorate basis for the half year ending September 30, 2022.

Our conclusion on the Statement is not modified in respect of above matter.

For KBDS & Co.
Chartered Accountants
Firm Registration No: 323288E

(CA Dashrath Kumar Singh)
Partner
Membership No:096587
UDIN: 22060030BCSLNK3643
Place: Delhi
Date: 10.11.2022

K. B. D. S. & CO. DELHI M.No. 060030 Chartered Accountants

Security Cover Certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Annexure A

Statement of Security Coverage Ratio

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O	Column P
Particulars	Description of Asset for which this Certificate relate	Exclusive Charge		Pari- Passu Charge			Assets not offered as Security	Elimination (amount in negative)	Debt not backed by any assets offered as security (applicable for liabilities only)	(Total C to H&J)	Related to only those items covered by this Certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder **(includes debt for which this certificate is issued & other debt with pari- passu charge**	Other assets on which there is pari- Passu charge (excluding items Covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)			Market Value for Assets charged on Exuclusive Basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=L+M+N+O)
		Book Value	Book Value	Yes/No	Book Value	Book Value		Nil					Relating to Column F		
	₹ in Million														
Assets															
Property, Plant and Equipment					-	-	133.54	-	-	133.54			-	-	-
Capital Work-in- Progress					-	-	-	-	-	-			-	-	-
Right of Use Assets					-	-	164.52	-	-	164.52			-	-	-
Goodwill					-	-	-	-	-	-			-	-	-
Intangible Assets					-	-	15.98	-	-	15.98			-	-	-
Intangible Assets under Development					-	-	-	-	-	-			-	-	-
Investments					-	-	96.38	-	-	96.38			-	-	-
Loans	Amounts pertaining to funding/ leasing to MoR			Yes	21,53,410.34	-	59,331.26	-	-	22,12,741.60			-	21,53,410.34	21,53,410.34
Trade Receivables	Lease Receivables from Rolling Stock Assets and Project Assets			Yes	21,97,295.71	-	-	-	-	21,97,295.71			-	21,97,295.71	21,97,295.71
Inventories					-	-	-	-	-	-			-		-
Cash and Cash Equivalents					-	-	87,227.84	-	-	87,227.84			-		-
Bank Balances other than Cash and Cash Equivalents					-	-	9,556.43	-	-	9,556.43			-		-
Others					-	-	1,44,745.85	-	-	1,44,745.85			-	-	-
Total					**43,50,706.05**	-	**3,01,271.80**	-	-	**46,51,977.85**			-	**43,50,706.05**	**43,50,706.05**
													-	-	-
Liabilities													-	-	-
Secured Debt Securities															
Debt securities to which Certificate pertains		Not Applicable		Yes	12,77,543.79	-	-	-	-	12,77,543.79	Not Applicable		-	12,77,543.79	12,77,543.79
Other debt sharing pari-passu charge with above debt				Yes	39,389.72	-	-	-	-	39,389.72			-	39,389.72	39,389.72
Unsecured Debt Securities															
Debt securities to which Certificate pertains				Yes	-	-	-	-	4,98,913.57	4,98,913.57			-	-	-
Other unsecured debt					-	-	-	-	2,68,320.67	2,68,320.67					
Subordinated debt					-	-	-	-	-	-			-	-	-
Borrowings													-	-	-
Secured Borrowings					14,71,670.83	-	-	-	-	14,71,670.83				14,71,670.83	14,71,670.83
Unsecured Borrowings					-	-	-	-	4,19,151.35	4,19,151.35					
Bank					-	-	-	-	-	-			-	-	-
Debt Securities					-	-	-	-	-	-			-	-	-
Others					-	-	-	-	-	-			-	-	-
Trade Payables					-	-	222.80	-	-	222.80			-	-	-
Lease Liabilities					-	-	174.78	-	-	174.78			-	-	-
Provisions					-	-	829.38	-	-	829.38			-	-	-
Others					-	-	2,40,270.05	-	-	2,40,270.05			-	-	-
Total					**27,88,604.34**	-	**2,41,497.01**	-	**11,86,385.60**	**42,16,486.94**			-	**27,88,604.34**	**27,88,604.34**
Cover on Book Value								-							
Cover on Market Value								-							
		Exclusive Security Cover Ratio	-	**Pari Passu Security Cover Ratio**	**1.56**									**Pari Passu Security Cover Ratio**	**1.56**

Notes

1. The above financial information as on 30-09-2022 has been extracted from the limited reviewed standalone books of accounts for the period ended 30-09-2022 and other relevant records of the listed entity.
2. The carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate to their fair values

K. B. D. S. & CO. DELHI M.No. 060030 Chartered Accountants

Indian Railway Finance Corporation Ltd. IRFC CIN No. L65910DL1986 GOI026363 New Delhi

ANNEXURE-B

Disclosure in compliance with Regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation,2015 for the half year ended 30th September, 2022

Si. No.	Particulars	Unit	For the Quarter ended 30 September 2022	For the Quarter ended 30 June 2022	For the Quarter ended 30 September 2021	For the Half Year ended 30 September 2022	For the Half Year ended 30 September 2021	For the Year Ended 31 March 2022
1	Debt Equity Ratio	Times	8.88	9.09	8.81	8.88	8.81	9.47
2	Total debts to total assets	Times	0.83	0.86	0.84	0.83	0.84	0.86
3	Sector specific equivalent ratios							
	Capital-to-risk weighted assets ratio	%	491.72	500.48	464.99	491.72	464.99	439.73
4	Operating Profit Margin	%	29.50	29.53	32.01	29.51	32.39	29.99
5	Net Profit Margin	%	29.50	29.53	32.01	29.51	32.39	30.00
6	Credit Ratings							
	CRISIL		AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable
	ICRA		AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable
	CARE		AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable	AAA/Stable

Note:

Debt Service Coverage Ratio, Interest Service Coverage Ratio, Current Ratio, Current Liability Ratio, Long Term Debt to Working Capital, Debtor Turnover, Inventory Turnover, and Bad Debts to Accounts Receivable Ratio is not applicable to the company.

K. B. D. S. & CO. DELHI M.No. 060080 Chartered Accountants

भारतीय रेलवे फाइनेंस कॉरपोरेशन लि० Indian Railway Finance Corporation Ltd. आई.आर.एफ.सी IRFC सी.आई.एन. नं० CIN No. L65910DL1986 GOI026363 New Delhi नई दिल्ली

Related Party Disclosures under Regulation 23(9) of SEBI (LODR) Regulations, 2015 for the half year from 1st April 2022 to 30th September 2022

Amount in millions

Annexure C

											Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.								
S. No.	Details of the party (listed entity /subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction (see Note 5)	Value of the related party transaction as approved by the audit committee (see Note 6a)	Value of transaction during the reporting period (see Note 6b)	In case monies are due to either party as a result of the transaction		In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	PAN	Name	PAN	Relationship of the counterparty with the listed entity or its subsidiary				Opening Balance	Closing Balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost (see Note 7)	Tenure	Nature (loan/ advance/intercorporate deposit/ investment	Interest Rate (%)	Tenure	Secured/ unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)
1	Indian Railway Finance Corporation Limited		Mr. Amitabh Banerjee, CMD		Key Managerial Personal	Remuneration	-	5.02	-	-	-	-	-	-	-	-	-	-
2	Indian Railway Finance Corporation Limited		Mrs. Shelly Verma , Director Finance and CFO		Key Managerial Personal	Remuneration	-	3.61	-	-	-	-	-	-	-	-	-	-
3	Indian Railway Finance Corporation Limited		Mr. Vijay Babulal Shirode , Company Secretary		Key Managerial Personal	Remuneration	-	1.29	-	-	-	-	-	-	-	-	-	-
4	Indian Railway Finance Corporation Limited		Mr. Vallabhbhai Maneklal Patel		Non- Official Independent Director	Sitting Fees	-	0.22	-	-	-	-	-	-	-	-	-	-
5	Indian Railway Finance Corporation Limited		Mrs. Sheela Pandit		Non- Official Independent Director	Sitting Fees	-	0.20	-	-	-	-	-	-	-	-	-	-
6	Indian Railway Finance Corporation Limited		Rail Vikas Nigam Ltd		Entity under control of Ministry of railways	Interest Income	-	2,543.77	-	-	-	-	-	-	-	-	-	-
7	Indian Railway Finance Corporation Limited		IRCON International Ltd.		Entity under control of Ministry of railways	Interest Income	-	291.25	-	-	-	-	-	-	-	-	-	-
8	Indian Railway Finance Corporation Limited		Ministry of Railways		Promotor	Loans & Advances Given	-	40,356.50	20,77,203.78	19,57,870.84	-	-	-	Advances Given			Unsecured	
9	Indian Railway Finance Corporation Limited		Ministry of Railways		Promotor	Lease Income	-	80,148.38	-	-	-	-	-	-	-	-	-	-
10	Indian Railway Finance Corporation Limited		Ministry of Railways		Promotor	Interest Income	-	31,018.02	-	-	-	-	-	-	-	-	-	-
11	Indian Railway Finance Corporation Limited		Ministry of Railways		Promotor	Dividend Paid	-	7,110.46	-	-	-	-	-	-	-	-	-	-
						Total (of note 6b)		**1,61,478.72**										

K.B.D.S. & CO. DELHI M.No. 060030 Chartered Accountants

Indian Railway Finance Corporation Ltd. इंडियन रेलवे फाइनेंस कॉरपोरेशन लि. आई.आर.एफ.सी IRFC सी.आई.एन. नं० CIN No. L65910DL1986 GOI026363 New Delhi नई दिल्ली

Indian Railway Finance Corporation Limited
CIN L65910DL1986GOI026363
Balance Sheet as at 30 September 2022
(All amounts in millions of INR, unless stated otherwise)

Particulars	Notes	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
ASSETS				
Financial Assets				
Cash And Cash Equivalents	3	87,227.84	20,709.00	1,464.92
Bank Balance Other Than Cash and Cash Equivalents	4	9,556.43	762.48	1,568.84
Derivative Financial Instruments	5	5,060.29	936.30	2,023.25
Receivables	6			
- Lease Receivables		21,97,295.71	17,39,842.85	20,06,924.99
Loans	7	59,331.26	68,248.05	68,248.05
Investments	8	96.38	117.69	100.03
Other Financial Assets	9	21,66,004.16	21,37,176.34	22,47,779.18
Total Financial Assets		**45,24,572.07**	**39,67,792.71**	**43,28,109.26**
Non-financial assets				
Current Tax Assets (Net)	10	6,277.49	9,307.70	6,373.08
Property, Plant And Equipment	11	133.54	111.98	138.86
Right of Use Assets	36	164.52	283.98	224.25
Other Intangible Assets	12	15.98	11.34	16.51
Other Non-Financial Assets	13	1,20,814.25	1,09,166.59	1,64,940.28
Total Non-Financial Assets		**1,27,405.78**	**1,18,881.59**	**1,71,692.98**
Total Assets		**46,51,977.85**	**40,86,674.30**	**44,99,802.24**
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
Derivative Financial Instruments	5	11,200.26	3,809.62	5,669.33
Payables	14			
- Trade payables				
(i) Total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
- Other payables				
(i) Total outstanding dues of micro enterprises and small enterprises		1.94	2.01	10.02
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		220.86	250.82	235.69
Debt Securities	15	19,80,192.30	19,37,091.49	19,41,749.53
Borrowings (Other Than Debt Securities)	16	18,86,966.50	14,89,884.63	19,42,416.65
Lease Liabilities	36	174.78	290.53	233.52
Other Financial Liabilities	17	3,31,364.73	2,21,293.06	1,94,251.96
Total Financial Liabilities		**42,10,121.37**	**36,52,622.16**	**40,84,566.70**
Non-Financial Liabilities				
Current Tax Liabilities (Net)	10	-	-	-
Provisions	18	829.38	291.57	535.71
Deferred Tax Liabilities (Net)	19	-	-	-
Other Non-Financial Liabilities	20	5,536.19	44,589.33	4,736.43
Total Non-Financial Liabilities		**6,365.57**	**44,880.90**	**5,272.14**
Total Liabilities		**42,16,486.94**	**36,97,503.06**	**40,89,838.84**
Equity				
Equity Share Capital	21	1,30,685.06	1,30,685.06	1,30,685.06
Other Equity	22	3,04,805.85	2,58,486.18	2,79,278.34
Total Equity		**4,35,490.91**	**3,89,171.24**	**4,09,963.40**
Total Liabilities And Equity		**46,51,977.85**	**40,86,674.30**	**44,99,802.24**
Significant Accounting Policies	1 & 2			

The accompanying statement of significant accounting policies and notes to the financial information are an integral part of this Balance Sheet.

K. B. D. S. & CO. DELHI M.No. 060030 Chartered Accountants

Indian Railway Finance Corporation Ltd. आई.आर.एफ.सी IRFC सी.आई.एन. CIN No. L65910DL1986 GOI026363 New Delhi नई दिल्ली

Indian Railway Finance Corporation Limited
CIN L65910DL1986GOI026363
Statement of Profit and Loss for the Half Year ended 30 September 2022
(All amounts in millions of INR, unless stated otherwise)

Particulars	Notes	Half Year Ended 30 September 2022	Half Year Ended 30 September 2021	Year Ended 31 March 2022
Revenue From Operations				
Interest Income	23	34,224.01	33,117.46	72,946.72
Lease Income	24	80,148.38	59,595.91	1,30,035.96
		1,14,372.39	**92,713.37**	**2,02,982.68**
Dividend Income		-	2.46	9.96
Other Income	25	6.20	0.62	23.33
Total Income		**1,14,378.59**	**92,716.45**	**2,03,015.97**
Expenses				
Finance Costs	26	79,981.78	62,306.22	1,40,747.82
Impairment on Financial Instruments	27	(41.19)	(8.76)	4.61
Employee Benefit Expense	28	64.37	39.66	107.48
Depreciation, Amortization and Impairment	29	70.12	62.06	140.25
Other Expenses	30	544.91	282.95	1,114.26
Total Expenses		**80,619.99**	**62,682.13**	**1,42,114.42**
Profit Before Exceptional Items and Tax		**33,758.60**	**30,034.32**	**60,901.55**
Exceptional Items		-	-	-
Profit Before Tax		**33,758.60**	**30,034.32**	**60,901.55**
Tax Expense	31			
Current Tax		-	-	-
Deferred Tax		-	-	-
Adjustment for Earlier Years		-	-	3.19
Total Tax Expenses		**-**	**-**	**3.19**
Profit for the Period from Continuing Operations		**33,758.60**	**30,034.32**	**60,898.36**
Profit from Discontinued Operations		-	-	-
Tax Expense of Discontinued Operations		-	-	-
Profit from Discontinued Operations (After Tax)		-	-	-
Profit for the Period		**33,758.60**	**30,034.32**	**60,898.36**
Other Comprehensive Income				
(A) (i) Items that will not be reclassified to profit or loss				
- Remeasurement of defined benefit plans		2.80	0.54	5.61
- Remeasurement of Equity Instrument		(0.73)	2.56	(10.61)
(ii) Income tax relating to items that will not be reclassified to profit or loss				
- Remeasurement of defined benefit plans		-	-	-
- Remeasurement of Equity Instrument		-	-	-
Subtotal (A)		**2.07**	**3.10**	**(5.00)**
(B) (i) Items that will be reclassified to profit or loss		-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-
Subtotal (B)		-	-	-
Other Comprehensive Income (A + B)		**2.07**	**3.10**	**(5.00)**
Total comprehensive income for the period (comprising profit (loss) and other comprehensive income for the period)		**33,760.67**	**30,037.42**	**60,893.36**
Earnings per equity share (for continuing operations)	32			
Basic (Rs.)		2.58	2.30	4.66
Diluted (Rs.)		2.58	2.30	4.66
Earnings per equity share (for discontinued operations)				
Basic (Rs.)		-	-	-
Diluted (Rs.)		-	-	-
Earnings per equity share (for continuing and discontinued operations)	32			
Basic (Rs.)		2.58	2.30	4.66
Diluted (Rs.)		2.58	2.30	4.66
Significant Accounting Policies	1 & 2			

The accompanying statement of significant accounting policies and notes to the financial information are an integral part of this statement of Profit and Loss.

K. B. D. S. & CO. DELHI M.No. 060030 Chartered Accountants

Indian Railway Finance Corporation Ltd. आई.आर.एफ.सी. सी.आई.एन. नं० CIN No. L65910DL1986 GOI026363 New Delhi नई दिल्ली

Indian Railway Finance Corporation Limited
CIN L65910DL1986GOI026363
Statement of cash flow for the Half Year ended 30 September 2022
(All amounts in millions of INR, unless stated otherwise)

Particulars	Half Year Ended 30 September 2022	Half Year Ended 30 September 2021	Year Ended 31 March 2022
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxes	33,758.60	30,034.32	60,901.55
Adjustments for:			
Remeasurement of Defined Benefit Plans	2.80	0.54	5.61
Depreciation and Amortisation (including adjustment to ROU assets)	70.12	62.06	140.25
Provision of Interest on Income Tax	-	-	-
Loss on Sale of Fixed Assets	-	0.03	0.03
Profit on Sale Of Fixed Assets	-	-	-
Discount of Commercial Paper	-	246.14	324.49
Adjustments Towards Effective Interest Rate	498.90	398.26	797.98
Interest Expense on lease liabilities	5.77	9.05	16.48
Dividend Income Received	-	(2.46)	(9.96)
Share Issue Expenses	-	-	(1.03)
Operating Profit Before Working Capital Changes	**34,336.19**	**30,747.94**	**62,175.40**
Movements in Working Capital:			
increase/(Decrease) in Payables	(22.91)	(254.78)	(261.90)
increase/(Decrease) in Provisions	293.67	0.35	244.49
increase/(Decrease) in Others Non Financial Liabilities	799.76	30,789.73	(9,063.17)
increase/(Decrease) in Other Financial Liabilities	1,28,879.61	49,562.08	(1,777.07)
Decrease/(Increase) in Receivables	(1,90,370.72)	(84,152.94)	(3,51,235.08)
Decrease/(Increase) in Loans and Advances	8,916.79	1,450.10	1,450.10
Decrease/(Increase) in Bank Balance Other Than Cash and Cash Equivalents	(7,987.59)	854.85	48.49
Decrease/(Increase) in Other Non Financial Assets	44,126.03	(40,545.98)	(96,350.29)
Decrease/(Increase) in Other Financial Assets	81,014.54	(1,65,880.62)	(2,52,311.39)
Cash Generated From Operations	**99,985.37**	**(1,77,429.27)**	**(6,47,080.42)**
Less: Direct Taxes Paid (Net of Refunds)	(95.59)	4.45	(2,957.60)
Net Cash Flow/(Used) in Operating Activities (A)	**1,00,080.96**	**(1,77,433.72)**	**(6,44,122.82)**
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property Plant & Equipments and Intangible Assets	(4.54)	(15.85)	(66.33)
Proceeds From Sale of Property Plant & Equipment	-	0.03	-
Proceeds From Realization of Pass Through Certificates / Sale of Investments	2.92	4.69	9.18
Dividend Income Received	-	2.46	9.96
Net Cash Flow/(Used) in Investing Activities (B)	**(1.62)**	**(8.67)**	**(47.19)**
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Issue of Equity Share Capital	-	-	-
Proceeds from security Premium	-	-	-
Issue of Debt Securities (Net of Redemptions)	38,362.45	1,40,322.33	1,84,834.63
Raising of Rupee Term Loans/ Foreign Currency Borrowings (Net of Repayments)	(52,614.36)	44,216.31	4,97,314.74
Issue of Commercial Paper (Net of Repayments)	-	10,705.24	(29,294.76)
Payments for lease liabilities (including interest)	(64.51)	(64.40)	(128.84)
Share Issue Expenses	-	-	-
Final Dividend Paid	-	-	-
Interim Dividend Paid	-	-	(10,062.75)
Net Cash Generated By/(Used In) Financing Activities (C)	**(14,316.42)**	**1,95,179.48**	**6,42,663.02**
Net Increase in Cash cnd Cash Equivalents (A+B+C)	**85,762.92**	**17,737.09**	**(1,506.99)**
Cash and Cash Equivalents at the beginning of the year	1,464.92	2,971.91	2,971.91
Cash and Cash Equivalents at the End of the Period	**87,227.84**	**20,709.00**	**1,464.92**
Components of cash and cash equivalents			
Cash on hand	-	-	-
Balances with banks			
-on current accounts	87,227.74	20,708.90	1,464.82
-Balance in RBI-PLA	0.10	0.10	0.10
Cheques in hand	-	-	-
	87,227.84	**20,709.00**	**1,464.92**

Significant Accounting Policies **1 & 2**

The accompanying statement of significant accounting policies and notes to the financial information are an integral part of this statement.

K.B.D.S. & CO. DELHI M.No. 060030 Chartered Accountants

Indian Railway Finance Corporation Ltd. IRFC CIN No. L65910DL1986 GOI026363 New Delhi

Indian Railway Finance Corporation Limited

CIN L65910DL1986GOI026363

Statement of changes in equity for the Half Year ended 30 September 2022

(All amounts in millions of INR, unless stated otherwise)

A. Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid

Particulars	Notes	Amount
Balance as at 1 April 2022		**1,30,685.06**
Changes in Equity Share Capital due to prior period errors		-
Restated Balance as at 1 April 2022	**21**	**1,30,685.06**
Changes in equity share capital during the period		-
Balance as at 30 September 2022		**1,30,685.06**
Balance as at 1 April 2021		**1,30,685.06**
Changes in Equity Share Capital due to prior period errors		-
Restated Balance as at 1 April 2021	**21**	**1,30,685.06**
Changes in equity share capital during the period		-
Balance as at 30 September 2021		**1,30,685.06**
Balance as at 1 April 2021		**1,30,685.06**
Changes in Equity Share Capital due to prior period errors		-
Restated Balance as at 1 April 2021	**21**	**1,30,685.06**
Changes in equity share capital during the period		-
Balance as at 31 March 2022		**1,30,685.06**

K. B. D. S. & CO. DELHI M.No. 060030 Chartered Accountants

Indian Railway Finance Corporation Limited
CIN L65910DL1986GOI026363
Statement of changes in equity for the Half Year ended 30 September 2022
(All amounts in millions of INR, unless stated otherwise)

B. Other Equity

Particulars	Share issue expenses	Reserve and surplus				Equity instruments through other comprehensive income	Total other equity
		General Reserve	Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	Security Premium Reserve	Retained Earnings		
Balance as at 1 April 2022	**(377.87)**	**1,74,032.28**	**32,906.28**	**19,008.74**	**53,641.86**	**67.05**	**2,79,278.34**
Changes in accounting policy/prior period Errors	-	-	-	-	-	-	-
Restated Balance as at 1 April 2022	**(377.87)**	**1,74,032.28**	**32,906.28**	**19,008.74**	**53,641.86**	**67.05**	**2,79,278.34**
Total comprehensive income for the period	-	-	-	-	33,761.40	(0.73)	**33,760.67**
Addition during the period	-	-	-	-	-	-	-
Transfer to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	-	-	6,751.72	-	(6,751.72)	-	-
Interim Dividend	-	-	-	-	(8,233.16)	-	**(8,233.16)**
Balance as at 30 September 2022	**(377.87)**	**1,74,032.28**	**39,658.00**	**19,008.74**	**72,418.38**	**66.32**	**3,04,805.85**
Balance as at 1 April 2021	**(376.84)**	**1,74,032.28**	**20,726.61**	**19,008.74**	**14,980.31**	**77.66**	**2,28,448.76**
Changes in accounting policy/prior period Errors	-	-	-	-	-	-	-
Restated Balance as at 1 April 2021	**(376.84)**	**1,74,032.28**	**20,726.61**	**19,008.74**	**14,980.31**	**77.66**	**2,28,448.76**
Total comprehensive income for the period	-	-	-	-	30,034.86	2.56	**30,037.42**
Addition during the period	-	-	-	-	-	-	-
Transfer to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	-	-	6,006.86	-	(6,006.86)	-	-
Interim Dividend	-	-	-	-	-	-	-
Balance as at 30 September 2021	**(376.84)**	**1,74,032.28**	**26,733.47**	**19,008.74**	**39,008.31**	**80.22**	**2,58,486.18**
Balance as at 1 April 2021	**(376.84)**	**1,74,032.28**	**20,726.61**	**19,008.74**	**14,980.31**	**77.66**	**2,28,448.76**
Changes in accounting policy/prior period Errors	-	-	-	-	-	-	-
Restated Balance as at 1 April 2021	**(376.84)**	**1,74,032.28**	**20,726.61**	**19,008.74**	**14,980.31**	**77.66**	**2,28,448.76**
Total comprehensive income for the period	-	-	-	-	60,903.97	(10.61)	**60,893.36**
Addition during the period	(1.03)	-	-	-	-	-	**(1.03)**
Transfer to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	-	-	12,179.67	-	(12,179.67)		-
Interim Dividend	-	-	-	-	(10,062.75)	-	**(10,062.75)**
Final Dividend	-	-	-	-	-	-	-
Balance as at 31 March 2022	**(377.87)**	**1,74,032.28**	**32,906.28**	**19,008.74**	**53,641.86**	**67.05**	**2,79,278.34**

The accompanying statement of significant accounting policies and notes to the financial information in are an integral part of this statement.

K.B.D.S. & CO. DELHI M.No. 060030 Chartered Accountants

Indian Railway Finance Corporation Ltd. IRFC CIN No. L65910DL1986 GOI026363 New Delhi

IRFC SIGNIFICANT ACCOUNTING POLICIES

Indian Railway Finance Corporation Limited
CIN U65910DL1986GOI026363
Statement of significant accounting policies

1. Background

Indian Railway Finance Corporation Ltd., referred to as "the Company" or "IRFC" was incorporated by the Government of India, Ministry of Railways, as a financing arm of Indian Railways, for the purpose of raising the necessary resources for meeting the developmental needs of Indian Railways. The Company's principal business is to borrow funds from the financial markets to finance the acquisition / creation of assets which are then leased out to the Indian Railways as finance lease. IRFC is a Schedule 'A' Public Sector Enterprise under the administrative control of the Ministry of Railways, Govt. of India. It is also registered as Systemically Important Non–Deposit taking Non Banking Financial Company (NBFC – ND-SI) and Infrastructure Finance Company (NBFC- IFC) with Reserve Bank of India (RBI).The President of India along with his nominees holds 86.36% of the equity share capital.

The registered address and principal place of business of the Company is Room Nos. 1316 - 1349, 3rd Floor, Hotel The Ashok Diplomatic Enclave, 50-B, Chanakyapuri New Delhi -110021.

2. Significant Accounting Policies

A summary of the significant accounting policies adopted in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

2.1 Statement of Compliance

The financial statements have been prepared on going concern basis following accrual system of accounting in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules 2015 and subsequent amendments thereto, read with Section 133 of the Companies Act, 2013 and other Accounting principles generally accepted in India.

2.2 Basis for preparation of financial statements

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Unless otherwise stated, all amounts are stated in Millions of Rupees.

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

K. B. D. S. & CO. DELHI M.No. 060030 Chartered Accountants

Indian Railway Finance Corporation Ltd. IRFC CIN No. L65910DL1986 GOI026363 New Delhi

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, regardless of whether that price is directly observable or estimated using another valuation technique. Fair value for measurement and/or disclosure purpose in these financial statements is determined on such basis except for, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value.

In addition, for financial reporting purposes fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs for the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 -Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 -Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3- inputs are unobservable inputs for the asset or liability.

2.3 Use of estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience & other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as under:

a) **Formulation of accounting policies**
The accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

b) **Post-employment benefit plans**
Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

c) **Provisions and contingencies**

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The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37 'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

d) Income taxes

Significant estimates are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions.

2.4 Revenue

Company's revenues arise from lease income, dividend income, interest on lease advance, loans, deposits and investments. Revenue from other income comprise miscellaneous income etc.

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Finance lease income in respect of finance leases is allocated to the accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. (Also see accounting policy on leases at 2.14).

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Pre-commencement lease-interest income is determined based on the MOU entered with Ministry of Railways and when it is probable that the economic benefits will flow to the Company and the amount can be determined reliably.

Dividend income is recognized in profit or loss only when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

2.5 Foreign Currency Transaction

Functional and presentation currency

Items included in the financial statements of entity are measured using currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is entity's functional and presentation currency.

Transactions and Balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

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Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss.

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

2.6 Employee Benefits

Defined contribution plan

A Defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions in respect of the employees into an independent fund administrated by the government/ pension fund manager and will have no legal or constructive obligation to pay further amounts after its payment of the fixed contribution. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in statement of profit and loss in the period during which services are rendered by employees.
The company has a defined contribution plan which includes pension scheme and provident fund scheme. Company's contribution towards provident fund and pension scheme for the year are recognised as an expense and charged to the statement of profit and loss.

Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The company's liability towards gratuity and post-retirement benefits such as medical benefits are in the nature of defined benefits plans.
The company's net obligation in respect of defined benefit plans is determined using the projected unit credit method, with actuarial valuations being carried out at the end of reporting period. Actuarial gain/loss on re-measurement of gratuity and other post-employment defined plans are recognised in other comprehensive income (OCI). Past service cost is recognised in the statement of Profit and Loss account in the period of a plan amendment.

Other long-term employee benefits

The company's obligation towards leave encashment and employee family benefit scheme are in the nature of other long term employee benefits. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date and employee family benefit scheme are estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.
Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the period in which such gains or losses are determined.

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Short-term employee benefits

Short term employee benefits such as salaries and wages are recognised on undiscounted basis in the statement of Profit and Loss account, on the basis of the amount paid or payable for the period during which services are rendered by the employee.

2.7 Taxation

Tax expense comprises Current Tax and Deferred Tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax is 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 tax is also recognised in other comprehensive income or directly in equity respectively.

The Company is exercising the irrevocable option as permitted by section 115BAA of the Income – tax Act, 1961 whereby by foregoing certain exemptions, deductions and allowances, the tax rate applicable to the Company is lower than the normal tax rate that would have been otherwise applicable to the Company. Henceforth, minimum alternate tax provisions of section 115JB of the Income – tax Act, 1961 are not applicable to the Company.

Deferred Tax

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The Company does not recognize deferred tax asset or deferred tax liability because as per Gazette Notification no. S.O. 529(E) dated 5th February 2018 as amended by notification no. S.O. 1465 dated 2

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April 2018 issued by Ministry of Corporate Affairs, Government of India, read with their communication no. Eoffice F.No.17/32/2017 – CL – V dated 20th March 2020, the provisions of Indian Accounting Standards 12 relating to Deferred Tax Assets (DTA) or Deferred Tax Liability (DTL) does not apply to the Company.

2.8 Property, Plant and Equipment (PPE)

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is 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.

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

De-recognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined by comparing the proceeds from disposal, if any, with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

Depreciation

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

2.9 Intangible assets

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated

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impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

De-recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains & losses on de-recognition of an item of intangible assets are determined by comparing the proceeds from disposal, if any, with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

Amortization

Software is amortized over 5 years on straight-line method.

2.10 Borrowing costs

Borrowing costs consist of interest expense calculated using the effective interest method as described in Ind AS 109 'Financial Instruments' and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction/development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of all borrowing that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset.

Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.

All other borrowing costs are recognized as an expense in the year in which they are incurred.

2.11 Cash and cash equivalents

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Cash and cash equivalents in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.12 Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance costs.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence 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. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

2.13 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

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The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are 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. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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 amortization, if no impairment loss had been recognized.

2.14 Leases

At inception of a contract, the Company assesses whether the contract is, or contains a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessor

The Company classifies each of its leases as either an operating lease or a finance lease.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. The depreciation policy for depreciable underlying assets subject to operating leases is consistent with the Company's normal depreciation policy for similar assets.

Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is

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allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Company as a lessee

At the contract commencement date, the Company recognizes right – of – use asset and a lease liability. A right – of – use asset is an asset that represents a lessee's right to use an underlying asset for the lease term. The Company has elected not to apply the aforesaid requirements to short term leases (leases which at the commencement date has a lease term of 12 months or less) and leases for which the underlying asset is of low value as described in paragraphs B3 – B9 of Ind AS 116.

A right of use asset is initially measured at cost and subsequently applies the cost mode ie less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of lease liability. Ind AS 16, Property, Plant and Equipment is applied in depreciating the right – of – use asset.

A lease liability is initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Company's incremental borrowing rate is used. Subsequently, the carrying amount of the lease liability is increased to reflect interest on lease liability; reduced to reflect the lease payments; and remeasured to reflect any reassessment or lease modifications or to reflect revised in – substance fixed lease payments.

2.15 Securitisation of Finance Lease Receivable

Lease Receivables securitised out to Special Purpose Vehicle in a securitisation transactions are de-recognised in the balance sheet when they are transferred and consideration has been received by the Company.

The resultant gain/loss arising on securitization is recognised in the Statement of Profit & Loss in the year in which transaction takes place.

Lease Receivables assigned through direct assignment route are de-recognised in the balance sheet when they are transferred and consideration has been received by the Company. Profit or loss resulting from such assignment is accounted for in the year of transaction.

2.16 Leasing of Railway Infrastructure Assets

In terms of Indian Accounting Standard 116, the inception of lease takes place at the earlier of the date of the lease agreement and the date of a commitment by the parties to the principal provisions of the lease.

The commencement of the lease term is the date from which the lessee is entitled to exercise its right to use the leased asset. It is the date of initial recognition of the lease.

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As such, in respect of Railway Infrastructure Assets, which are under construction and where the Memorandum of Understanding / terms containing the principal provisions of the lease are in effect with the Lessee, pending execution of the lease agreement, the transactions relating to the lease are:
(a) presented as "Advance against Railway Infrastructure Assets to be leased"; and thereafter
(b) transferred to "Project Infrastructure Assets under Finance Lease Arrangement" on receipt of utilization report from the lessee; and thereafter
(c) transferred to lease receivable as per Ind AS 116 on execution of lease agreement.

2.17 Dividends

Dividends and interim dividends payable to the Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

2.18 Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

2.19 Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.20 Statement of Cash Flows

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of cash flows'.

2.21 Operating Segments

The Managing Director (MD) of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments".

The Company has identified 'Leasing and Finance' as its sole reporting segment.

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2.22 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.22.1. Financial Assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

Subsequent measurement

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at Fair value through Other Comprehensive Income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange

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gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss.

Debt instrument at Fair value through profit or loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments

All equity investments in entities other than subsidiaries and joint venture companies are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. The Company has decided to classify its investments into equity shares of IRCON International Limited through FVTOCI.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (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.

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Impairment of financial assets

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

(a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and bank balance.
(b) Financial assets that are debt instruments and are measured as at FVTOCI.
(c) Lease receivables under Ind AS 116.
(d) Loan commitments which are not measured as at FVTPL.
(e) Financial guarantee contracts which are not measured as at FVTPL.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

2.22.2. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

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Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risks are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, cross currency swaps and interest rate swaps to hedge its foreign currency risks and interest rate risks of foreign currency loans. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken to statement of profit and loss. Where the derivative is designated as a hedging instrument, the accounting for subsequent changes in fair value depends on the nature of item being hedged and the type of hedge relationship designated. Where the difference is a pass through the lessee, the amount is received/ reimbursed to the lessee.

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2.23 Standards issued but not yet effective:

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. Below is a summary of such amendments:

1. Ind AS 16 Property, Plant and Equipment
   Proceeds before intended use of property, plant, and equipment.
   The amendment clarifies that an entity shall deduct from the cost of an item of property, plant, and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).

2. Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets
   Onerous Contracts – Cost of fulfilling a contract.
   The amendment explains that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

3. Ind AS 103 Business combinations
   References to the conceptual framework.
   The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.
4. Ind AS 109 Financial Instruments
   Fees included in the 10% test for de-recognition of financial liabilities.
   The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

5. Ind AS 101 First time adoption
   Subsidiary as a first-time adopter.
   Simplifies the application of Ind AS 101 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.

6. Ind AS 41 Agriculture
   Taxation in fair value measurements.
   The amendment removes the requirement in Ind AS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113, Fair Value Measurement.

These amendments have either no applicability to the Company or if applicable, the impact is either immaterial or presently being ascertained.

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Note 3: Cash and Cash Equivalents

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
Balances with banks			
- in current accounts			
- For Statutory Dues	372.29	578.00	933.90
- For Time Deposits	86,319.50	19,600.00	-
- For Other than above	535.95	530.90	530.92
Deposits with Reserve Bank of India			
- in public deposit account	0.10	0.10	0.10
Total	**87,227.84**	**20,709.00**	**1,464.92**

Note 4: Bank Balances Other Than Cash and Cash Equivalents

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
Balances with banks			
- in interest redemption accounts*	83.92	78.52	117.62
- in escrow pool account**	9,462.74	679.70	1,441.26
- in dividend payable account	9.77	4.26	9.96
Total	**9,556.43**	**762.48**	**1,568.84**

* The Company discharges its obligation towards payment of interest and redemption of bonds for which warrants are issued, by depositing the respective amounts in the designated bank accounts.

** Related to allotment of Section 54EC bonds (Bonds from domestic capital market under note No. 15) and Final Dividend declared for the Financial Year 2021-22.

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Note 5: Derivative Financial Instruments

The Company enters into derivative contracts for Currency & Interest Rate risk. Derivative transactions include forwards, interest rate swaps, cross currency swaps, etc. to hedge the liabilities. These derivative transactions are done for hedging purpose and not for trading or speculative purposes.

PART I	As at 30 September 2022			As at 30 September 2021			As at 31 March 2022		
	Notional amounts	Fair value- assets	Fair value- liabilities	Notional amounts	Fair value- assets	Fair value- liabilities	Notional amounts	Fair value- assets	Fair value- liabilities
(i) Currency Derivatives									
Spot and forwards	68,275.44	605.80	4,425.85	-	-	-	44,122.23	-	933.31
Currency swaps	33,479.12	3,282.92	6,774.41	19,063.88	572.60	3,714.81	31,072.31	**1,612.16**	4,736.02
Subtotal (A)	**1,01,754.56**	**3,888.72**	**11,200.26**	**19,063.88**	**572.60**	**3,714.81**	**75,194.54**	**1,612.16**	**5,669.33**
(ii) Interest Rate Derivatives									
Forward rate agreements and interest rate swaps	15,013.37	1,171.57	-	19,063.88	363.70	94.81	13,934.06	411.09	-
Subtotal (B)	**15,013.37**	**1,171.57**	**-**	**19,063.88**	**363.70**	**94.81**	**13,934.06**	**411.09**	**-**
Total Derivative Financial Instruments (A+B)	**1,16,767.93**	**5,060.29**	**11,200.26**	**38,127.76**	**936.30**	**3,809.62**	**89,128.60**	**2,023.25**	**5,669.33**

Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:

PART II	As at 30 September 2022			As at 30 September 2021			As at 31 March 2022		
	Notional amounts	Fair value- assets	Fair value- liabilities	Notional amounts	Fair value- assets	Fair value- liabilities	Notional amounts	Fair value- assets	Fair value- liabilities
(i) Fair Value Hedging									
Currency derivatives	1,01,754.56	3,282.92	11,200.26	19,063.88	572.60	3,714.81	75,194.54	**1,612.16**	5,669.33
Interest rate derivatives	-	-	-	-	-	-	-	-	-
Subtotal (A)	**1,01,754.56**	**3,282.92**	**11,200.26**	**19,063.88**	**572.60**	**3,714.81**	**75,194.54**	**1,612.16**	**5,669.33**
(ii) Cash Flow Hedging									
Currency derivatives	-	-	-	-	-	-	-	-	-
Interest rate derivatives	15,013.37	1,171.57	-	19,063.88	363.70	94.81	13,934.06	411.09	-
Subtotal (B)	**15,013.37**	**1,171.57**	**-**	**19,063.88**	**363.70**	**94.81**	**13,934.06**	**411.09**	**-**
Total Derivative Financial Instruments (A+B)	**1,16,767.93**	**4,454.49**	**11,200.26**	**38,127.76**	**936.30**	**3,809.62**	**89,128.60**	**2,023.25**	**5,669.33**

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Note 6 : Receivables

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
Lease Receivables*			
Rolling Stock Assets	17,77,248.22	17,25,091.43	17,83,785.25
Project Assets	4,20,047.49	14,751.42	2,23,139.74
(Unsecured, considered good due from Ministry of Railways, Government of India)			
Total	**21,97,295.71**	**17,39,842.85**	**20,06,924.99**

*No impairment loss has been recognised as the entire lease receivables are from Ministry of Railways, Government of India, a sovereign receivable as per Reserve Bank of India letter no. DNRB (PD). CO.No.1271/03.10.001/2018-19 dated 21-December-2018. (Refer note- 18)

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Note 7 : Loans

Particular	As at 30 September 2022						As at 30 September 2021						As at 31 March 2022					
	Amortised cost (A)	At Fair Value			Subtotal E= (B+C+D)	Total (A+B)	Amortised cost (A)	At Fair Value			Subtotal E= (B+C+D)	Total (A+B)	Amortised cost (A)	At Fair Value			Subtotal E= (B+C+D)	Total (A+B)
		Through Other Comprehensive Income (B)	Through Profit or Loss (C)	Designated at Fair Value Through Profit or Loss (D)				Through Other Comprehensive Income (B)	Through Profit or Loss (C)	Designated at Fair Value Through Profit or Loss (D)				Through Other Comprehensive Income (B)	Through Profit or Loss (C)	Designated at Fair Value Through Profit or Loss (D)		
Loans																		
(A) Term Loans																		
-Loan to Rail Vikas Nigam Limited	53,416.47	-	-	-	-	53,416.47	56,216.00	-	-	-	-	56,216.00	56,216.00	-	-	-	-	56,216.00
-Loan to Ircon International Limited	6,153.07	-	-	-	-	6,153.07	12,306.14	-	-	-	-	12,306.14	12,306.14	-	-	-	-	12,306.14
Total (A) -Gross	**59,569.54**	-	-	-	-	**59,569.54**	**68,522.14**	-	-	-	-	**68,522.14**	**68,522.14**	-	-	-	-	**68,522.14**
Less: Impairment loss allowance*	238.28	-	-	-	-	238.28	274.09	-	-	-	-	274.09	274.09	-	-	-	-	274.09
Total (A) - Net	**59,331.26**	-	-	-	-	**59,331.26**	**68,248.05**	-	-	-	-	**68,248.05**	**68,248.05**	-	-	-	-	**68,248.05**
(B)(i) Secured by tangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii)Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii)Covered by Bank/ Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Unsecured	59,569.54	-	-	-	-	59,569.54	68,522.14	-	-	-	-	68,522.14	68,522.14	-	-	-	-	68,522.14
Total (B)-Gross	**59,569.54**	-	-	-	-	**59,569.54**	**68,522.14**	-	-	-	-	**68,522.14**	**68,522.14**	-	-	-	-	**68,522.14**
Less: Impairment loss allowance*	238.28	-	-	-	-	238.28	274.09	-	-	-	-	274.09	274.09				-	274.09
Total (B)-Net	**59,331.26**	-	-	-	-	**59,331.26**	**68,248.05**	-	-	-	-	**68,248.05**	**68,248.05**	-	-	-	-	**68,248.05**
(C) (I) Loans in India																		
(i) Public Sector	59,569.54	-	-	-	-	59,569.54	68,522.14	-	-	-	-	68,522.14	68,522.14	-	-	-	-	68,522.14
(ii) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (C)-Gross	**59,569.54**	-	-	-	-	**59,569.54**	**68,522.14**	-	-	-	-	**68,522.14**	**68,522.14**	-	-	-	-	**68,522.14**
Less: Impairment loss allowance*	238.28	-	-	-	-	238.28	274.09	-	-	-	-	274.09	274.09	-	-	-	-	274.09
Total(C) (I)-Net	**59,331.26**	-	-	-	-	**59,331.26**	**68,248.05**	-	-	-	-	**68,248.05**	**68,248.05**	-	-	-	-	**68,248.05**
(C)(II)Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (C)(II)- Net	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total C(I)and C(II)	**59,331.26**	-	-	-	-	**59,331.26**	**68,248.05**	-	-	-	-	**68,248.05**	**68,248.05**	-	-	-	-	**68,248.05**

*The Company has computed expected credit loss as per Ind AS 109, Financial Instruments in accordance with Reserve Bank of India direction RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020 based on Reserve Bank of India circular no. RBI/2017-18/181_DNBR (PD) CC No. 092/03.10.001/2017-18 dated 31 May 2018 read with letter no. DNRB (PD) CO No. 1271/03.10.001/2018-19 dated 21 December 2018 which was earlier exempted vide notification DNBR.PD.008/03.10.119/2016-17 dated 1st September 2016 for all government NBFC company. (Refer note-18).

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Note 8 : Investments

Particulars	As at 30 September 2022						As at 30 September 2021						As at 31 March 2022					
		At Fair Value						At Fair Value						At Fair Value				
	Amortised cost (A)	Through Other Comprehensive Income (B)	Through Profit or Loss (C)	Designated at Fair Value Through Profit or Loss (D)	Subtotal E= (B+C+D)	Total (A+B)	Amortised cost (A)	Through Other Comprehensive Income (B)	Through Profit or Loss (C)	Designated at Fair Value Through Profit or Loss (D)	Subtotal E= (B+C+D)	Total (A+B)	Amortised cost (A)	Through Other Comprehensive Income (B)	Through Profit or Loss (C)	Designated at Fair Value Through Profit or Loss (D)	Subtotal E= (B+C+D)	Total (A+B)
Debt Securities*	-	-	-	-	-	-	7.43	-	-	-	-	7.43	2.93	-	-	-	-	2.93
Equity Instruments#	-	96.38	-	-	96.38	96.38	-	110.29	-	-	110.29	110.29	-	97.11	-	-	97.11	97.11
Total (A)	**-**	**96.38**	**-**	**-**	**96.38**	**96.38**	**7.43**	**110.29**	**-**	**-**	**110.29**	**117.72**	**2.93**	**97.11**	**-**	**-**	**97.11**	**100.04**
Investments Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments in India	-	96.38	-	-	96.38	96.38	7.43	110.29	-	-	110.29	117.72	2.93	97.11	-	-	97.11	100.04
Total (B)	**-**	**96.38**	**-**	**-**	**96.38**	**96.38**	**7.43**	**110.29**	**-**	**-**	**110.29**	**117.72**	**2.93**	**97.11**	**-**	**-**	**97.11**	**100.04**
Less: Allowance for Impairment '(C)	-	-	-	-	-	-	0.03	-	-	-	-	0.03	0.01	-	-	-	-	0.01
Total (A)-(C)	**-**	**96.38**	**-**	**-**	**96.38**	**96.38**	**7.40**	**110.29**	**-**	**-**	**110.29**	**117.69**	**2.92**	**97.11**	**-**	**-**	**97.11**	**100.03**

Details of Debt securities*			
Numbers of Senior Pass through Certificates of NOVO X Trust Locos	-	10	5
Fair value of Senior Pass through Certificates of NOVO X Trust Locos	-	7.43	2.93

Details of Equity Instruments#			
Numbers of Equity Shares of IRCON International Limited	24,40,000	24,40,000	24,40,000
Fair value of Equity Shares of IRCON International Limited	96.38	110.29	97.11

The Company holds nominal Equity (less than 0.26%) in IRCON International Limited. The Equity shares of IRCON International Limited were listed on National Stock Exchange with effect from 28 September 2018. The Company had elected to classify its investment in IRCON International Limited as fair value through other comprehensive income. The fair value as on 30 September 2022. 30 September 2021 and 31 March 2022 has been measured as per the quotation on National Stock Exchange (Level 1 Input).

As on 3rd April 2020, IRCON international Limited splits its one share into 5 share each by decreasing its face value to Rs. 2/- per share from Rs. 10/- per share.
As on 21st May 2021, IRCON international Limited issued bonus share in the ratio of 1:1.

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Note 9 : Other Financial Assets

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
Amount recoverable from Ministry of Railways on account of exchange rate variation / derivatives#	19,341.61	3,059.41	11,037.15
Project Infrastructure Asset under Finance Lease Arrangements-EBR-IF	14,01,022.21	14,24,332.60	15,09,946.57
Project Infrastructure Asset under Finance Lease Arrangements-EBR Special	5,56,848.63	5,01,835.32	5,40,173.59
Advance against Railway Infrastructure Assets to be leased	-	-	-
Advance Funding Against National Project	-	87,185.21	27,083.62
Interest accrued but not due on advance for railway project to be leased	1,76,197.89	1,10,362.41	1,45,867.60
Security deposits	61.06	53.88	54.57
House building advance (secured)*	9.41	2.49	2.34
Advance to employees**	6.64	2.55	6.00
Interest accrued but not due on advance to employees***	1.59	1.18	1.30
Interest accrued but not due on loans	12,285.20	10,269.02	13,621.66
Interest accrued but not due on investment	-	12.03	5.10
Interest accrued but not due on 54 EC bond application money	55.00	9.46	28.80
Interest accrued but not due on deposit	215.09	14.36	-
Amount recoverable from others	8.97	77.54	5.39
Gross Total	**21,66,053.30**	**21,37,217.46**	**22,47,833.69**
Less: Impairment on interest accrued and due on loans & deposits/ investments ****	49.14	41.12	54.51
Net Total	**21,66,004.16**	**21,37,176.34**	**22,47,779.18**

*Includes Rs. 1.79 million for 30 September 2022, Rs. 1.99 million for 30 September 2021, Rs. 1.89 million for 31 March 2022 to Key Managerial Personnel.
**Includes Rs. 0.25 million for 30 September 2022, Rs. 0.40 million for 30 September 2021, Rs. 0.33 million for 31 March 2022 to Key Managerial Personnel.
***Includes Rs. 0.37 million for 30 September 2022, Rs. 0.28 million for 30 September 2021, Rs. 0.33 million for 31 March 2022 to Key Managerial Personnel.
**** The Company has computed expected credit loss as per Ind AS 109, Financial Instruments in accordance with Reserve Bank of India direction RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020 based on Reserve Bank of India circular no. RBI/2017-18/181_DNBR (PD) CC No. 092/03.10.001/2017-18 dated 31 May 2018 read with letter no. DNRB (PD) CO No. 1271/03.10.001/2018-19 dated 21 December 2018 which was earlier exempted vide notification DNBR.PD.008/03.10.119/2016-17 dated 1st September 2016 for all government NBFC company

Amount recoverable from Ministry of Railway on account of exchange rate variation / derivatives includes amount recoverable from Ministry of Railways on account of MTM derivatives of the respective period.

Note 10 : Current Tax Assets (net)

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
TDS & advance tax	6,402.11	15,795.27	6,497.70
Less: Provision for tax (Refer note no. 31)	(124.62)	(6,487.57)	(124.62)
Total	**6,277.49**	**9,307.70**	**6,373.08**

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Note 11 : Property, Plant and Equipment

Particulars	Building	Leasehold Improvements	Office Equipment	Computer	Furniture and fixtures	Plant and equipment	Vehicles	Total
Gross block								
Balance as on 1 April 2021	**112.32**	-	**4.03**	**4.29**	**1.85**	**0.03**	**2.50**	**125.02**
Additions	-	27.33	4.52	6.47	7.75	-	1.49	47.56
Acquisitions through business combinations	-	-	-	-	-	-	-	-
Amount of change due to revaluation	-	-	-	-	-	-	-	-
Disposals	-	-	(0.05)	-	-	-	-	(0.05)
Adjustment	-	-	-	-	-	-	-	-
Balance as on 31 March 2022	**112.32**	**27.33**	**8.50**	**10.76**	**9.60**	**0.03**	**3.99**	**172.53**
Balance as on 1 April 2022	**112.32**	**27.33**	**8.50**	**10.76**	**9.60**	**0.03**	**3.99**	**172.53**
Additions	-	-	1.49	0.68	1.57	-	-	3.74
Acquisitions through business combinations	-	-	-	-	-	-	-	-
Amount of change due to revaluation	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-
Balance as on 30 September 2022	**112.32**	**27.33**	**9.99**	**11.44**	**11.17**	**0.03**	**3.99**	**176.27**
Balance as on 1 April 2021	**112.32**	-	**4.03**	**4.29**	**1.85**	**0.03**	**2.50**	**125.02**
Additions	-	-	1.25	1.58	0.48	-	1.51	4.82
Acquisitions through business combinations	-	-	-	-	-	-	-	-
Amount of change due to revaluation	-	-	-	-	-	-	-	-
Disposals	-	-	(0.05)	-	-	-	-	(0.05)
Adjustment	-	-	-	-	-	-	-	-
Balance as on 30 September 2021	**112.32**	-	**5.23**	**5.87**	**2.33**	**0.03**	**4.01**	**129.79**
Accumulated depreciation								
Balance as on 1 April 2021	**11.70**	-	**0.87**	**1.49**	**0.53**	**0.03**	**0.95**	**15.57**
Depreciation expense	3.05	10.18	1.13	2.48	0.83	-	0.45	18.12
Elimination on disposals of assets	-	-	(0.02)	-	-	-	-	(0.02)
Impairment losses or reversals thereof	-	-	-	-	-	-	-	-
Balance as on 31 March 2022	**14.75**	**10.18**	**1.98**	**3.97**	**1.36**	**0.03**	**1.40**	**33.67**
Balance as on 1 April 2022	**14.75**	**10.18**	**1.98**	**3.97**	**1.36**	**0.03**	**1.40**	**33.67**
Depreciation expense	1.52	5.10	0.58	1.23	0.40	-	0.23	**9.06**
Elimination on disposals of assets	-	-	-	-	-	-	-	-
Impairment losses or reversals thereof	-	-	-	-	-	-	-	-
Balance as on 30 September 2022	**16.27**	**15.28**	**2.56**	**5.20**	**1.76**	**0.03**	**1.63**	**42.73**
Balance as on 30 September 2022	**11.70**	-	**0.87**	**1.49**	**0.53**	**0.03**	**0.95**	**15.57**
Depreciation expense	1.52	-	0.20	0.29	0.11	-	0.14	2.26
Elimination on disposals of assets	-	-	(0.02)	-	-	-	-	(0.02)
Impairment losses or reversals thereof	-	-	-	-	-	-	-	-
Disposals	**13.22**	-	**1.05**	**1.78**	**0.64**	**0.03**	**1.09**	**17.81**
Carrying amount								
Net Block 31 March 2022	**97.57**	**17.15**	**6.52**	**6.79**	**8.24**	-	**2.59**	**138.86**
Net Block 30 September 2022	**96.05**	**12.05**	**7.43**	**6.24**	**9.41**	-	**2.36**	**133.54**
Net Block 30 September 2021	**99.10**	-	**4.18**	**4.09**	**1.69**	-	**2.92**	**111.98**

B. D. S. & CO. DELHI M.No. 060030 Chartered Accountants

भारतीय रेलवे फाइनेन्स कॉरपोरेशन लि० Indian Railway Finance Corporation Ltd. आई आर एफ सी IRFC सी.आई.एन. नं० CIN No. L65910DL1986 GOI026363 New Delhi नई दिल्ली

Indian Railway Finance Corporation Limited
CIN L65910DL1986GOI026363
Notes to financial statements as at and for the half year ended 30 September 2022
(All amounts in millions of INR, unless stated otherwise)

Note 12 : Other Intangible Assets

Particulars	Software
Gross block	
Balance as on 1 April 2021	**0.85**
Additions	18.77
Acquisitions through business combinations	-
Amount of change due to revaluation	-
Disposals	-
Adjustment	-
Balance as on 31 March 2022	**19.62**
Balance as on 1 April 2022	**19.62**
Additions	0.80
Acquisitions through business combinations	-
Amount of change due to revaluation	-
Disposals	-
Adjustment	-
Balance as on 30 September 2022	**20.42**
Balance as on 1 April 2021	0.85
Additions	11.00
Acquisitions through business combinations	-
Amount of change due to revaluation	-
Disposals	-
Adjustment	-
Balance as on 30 September 2021	**11.85**
Accumulated Amortisation	
Balance as on 1 April 2021	**0.44**
Amortisation expense	2.67
Elimination on disposals of assets	-
Impairment losses or reversals thereof	-
Balance as on 31 March 2022	**3.11**
Balance as on 1 April 2022	**3.11**
Amortisation expense	1.33
Elimination on disposals of assets	-
Impairment losses or reversals thereof	-
Balance as on 30 September 2022	**4.44**
Balance as on 1 April 2021	**0.44**
Amortisation expense	**0.07**
Elimination on disposals of assets	-
Impairment losses or reversals thereof	-
Balance as on 30 September 2021	**0.51**
Net Block 31 March 2022	**16.51**
Net Block 30 September 2022	**15.98**
Net Block 30 September 2021	**11.34**

Note 13 : Other Non-Financial Assets

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
Capital Advances			
Advance to FA & CAO, Northern Railway	25.30	25.30	25.30
Advance to RLDA	391.63	-	-
Advances other than capital advances			
Advance to others	111.05	112.67	111.05
Others			
Prepaid expenses	-	-	4.36
Tax Refund Receivables	-	30.62	-
GST recoverable	14,664.47	14,664.47	14,664.47
GST Input- Project Assets*	1,05,608.40	94,322.25	1,50,123.59
Government Dues Receivables	-	0.56	-
Leave Encashment Funded Assets (Net)	1.95	0.47	0.06
Gratuity Funded Assets (Net)	11.45	10.25	11.45
Total	**1,20,814.25**	**1,09,166.59**	**1,64,940.28**

*Includes GST inputs on rolling stock and infrastructure assets.

K. B. D. S. & CO. DELHI M.No. 060030

इंडियन रेलवे फाइनेन्स कॉरपोरेशन लि० Indian Railway Finance Corporation Ltd. आई आर एफ सी IRFC सी.आई.एन. नं० CIN No. L65910DL1986 GOI026363 New Delhi नई दिल्ली

Indian Railway Finance Corporation Limited
CIN L65910DL1986GOI026363
Notes to financial statements as at and for the half year ended 30 September 2022
(All amounts in millions of INR, unless stated otherwise)

Note 14 : Payables

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
(I) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(II) Other payables			
(i) Total outstanding dues of micro enterprises and small enterprises	1.94	2.01	10.02
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	220.86	250.82	235.69
Total	**222.80**	**252.83**	**245.71**

K. B. D. S. & CO. DELHI M.No. 060030 Chartered Accountants

इंडियन रेलवे फाइनेन्स कॉरपोरेशन लि० Indian Railway Finance Corporation Ltd. आई आर एफ सी IRFC सी.आई.एन. नं० CIN No. L65910DL1986 GOID026363 New Delhi नई दिल्ली

Indian Railway Finance Corporation Limited
CIN L65910DL1986GOI026363
Notes to financial statements as at and for the half year ended 30 September 2022
(All amounts in millions of INR, unless stated otherwise)

Note 15 : Debt Securities

Particular	As at 30 September 2022				As at 30 September 2021				As at 31 March 2022			
	At Amortised cost	At Fair Value Through Profit or Loss	Designated at Fair Value Through Profit or Loss	Total	At Amortised cost	At Fair Value Through Profit or Loss	Designated at Fair Value Through Profit or Loss	Total	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Others												
Bonds from domestic capital market	17,13,091.67	-	-	**17,13,091.67**	**16,91,958.44**	-	-	**16,91,958.44**	16,94,491.39	-	-	**16,94,491.39**
Bonds from overseas capital market	2,67,100.63	-	-	**2,67,100.63**	**2,05,211.40**	-	-	**2,05,211.40**	2,47,258.14	-	-	**2,47,258.14**
Commercial Paper	-	-	-	-	**39,921.65**	-	-	**39,921.65**	-	-	-	-
Total	**19,80,192.30**	-	-	**19,80,192.30**	**19,37,091.49**	-	-	**19,37,091.49**	**19,41,749.53**	-	-	**19,41,749.53**
Debt securities in India	17,13,091.67	-	-	17,13,091.67	17,31,880.09	-	-	17,31,880.09	16,94,491.39	-	-	16,94,491.39
Debt securities outside India	2,67,100.63	-	-	2,67,100.63	2,05,211.40	-	-	2,05,211.40	2,47,258.14	-	-	2,47,258.14
Total	**19,80,192.30**	-	-	**19,80,192.30**	**19,37,091.49**	-	-	**19,37,091.49**	**19,41,749.53**	-	-	**19,41,749.53**

The borrowings have been utilised for the specific purpose for which the same has been drawn.

The Ministry of Corporate Affairs has notified the Companies (Share Capital and Debentures) Amendments Rules, 2019 on 16th August, 2019 which exempts NBFC listed companies registered with Reserve Bank of India u/s 45-IA of the RBI Act, 1934 from creation of Debenture Redemption reserve.

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इंडियन रेलवे फाइनेन्स कॉरपोरेशन लि० Indian Railway Finance Corporation Ltd. आई आर एफ सी IRFC सी.आई.एन. नं० CIN No. L65910DL1986 GOI026363 New Delhi नई दिल्ली

Indian Railway Finance Corporation Limited

Secured bonds from domestic capital market

The secured bonds issued in the domestic capital market are secured by first pari passu charge on the present/ future rolling stock assets/ lease receivables of the Company. Maturity profile and rate of interest of the bonds issued in the domestic capital market and amount outstanding as on various dates is as set out below:

S.No	Series	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
1	157th series 6.80% Sec Red Non Cum Taxable bonds	6.80%	Annual	Bullet Repayment	30-Apr-41	13,750.00	13,750.00	13,750.00
2	156th series 7.21% sec Red Non-Cum Taxable Bonds	7.21%	Annual	Bullet Repayment	25-Feb-41	19,545.00	19,545.00	19,545.00
3	154 series 6.85% Secured Non-Cum Taxable	6.85%	Annual	Bullet Repayment	01-Dec-40	46,520.00	46,520.00	46,520.00
4	153 series 6.85% Taxable Bonds	6.85%	Annual	Bullet Repayment	29-Oct-40	59,912.00	59,912.00	59,912.00
5	104th 'A' Series Tax Free Bonds Public Issue	7.5%/7.25%	Annual	Bullet Repayment	21-Dec-35	3,696.34	3,696.34	3,696.34
6	104th Series Tax Free Bonds Public Issue	7.25%	Annual	Bullet Repayment	21-Dec-35	2,944.16	2,944.16	2,944.16
7	151th Series Taxable Non-Cum. Bonds	6.73%	Annual	Bullet Repayment	06-Jul-35	30,000.00	30,000.00	30,000.00
8	150 Series Taxable Non-Cum. Bonds	6.90%	Annual	Bullet Repayment	05-Jun-35	25,650.00	25,650.00	25,650.00
9	71st "E" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-35	2,200.00	2,200.00	2,200.00
10	70th "E" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	04-May-35	150.00	150.00	150.00
11	141th Taxable Non-Cum. Bonds	7.48%	Annual	Bullet Repayment	29-Aug-34	21,070.00	21,070.00	21,070.00
12	139th Taxable Non-Cum. Bonds	7.54%	Annual	Bullet Repayment	29-Jul-34	24,556.00	24,556.00	24,556.00
13	138th Taxable Non-Cum. Bonds	7.85%	Annual	Bullet Repayment	01-Jul-34	21,200.00	21,200.00	21,200.00
14	71st "D" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-34	2,200.00	2,200.00	2,200.00
15	70th "D" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	04-May-34	150.00	150.00	150.00
16	71st "C" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-33	2,200.00	2,200.00	2,200.00
17	70th "C" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	04-May-33	150.00	150.00	150.00
18	71st "B" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-32	2,200.00	2,200.00	2,200.00
19	70th "B" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	04-May-32	150.00	150.00	150.00
20	71st "A" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-31	2,200.00	2,200.00	2,200.00
21	76th "B" Taxable Non-Cum. Bonds	9.47%	Semi Annual	Bullet Repayment	10-May-31	9,950.00	9,950.00	9,950.00
22	70th "A" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	04-May-31	150.00	150.00	150.00
23	152nd Series Taxable Non-Cum. Bonds	6.41%	Annual	Bullet Repayment	11-Apr-31	20,000.00	20,000.00	20,000.00
24	108th 'A' Series Tax Free Bonds Public Issue	7.64%/7.35%	Annual	Bullet Repayment	22-Mar-31	11,943.13	11,943.13	11,943.13
25	108th Series Tax Free Bonds Public Issue	7.35%	Annual	Bullet Repayment	22-Mar-31	10,163.76	10,163.76	10,163.76
26	103rd 'A' Series Tax Free Bonds Public Issue	7.53%/7.28%	Annual	Bullet Repayment	21-Dec-30	10,742.17	10,742.17	10,742.17
27	103rd Series Tax Free Bonds Public Issue	7.28%	Annual	Bullet Repayment	21-Dec-30	20,573.10	20,573.10	20,573.10
28	70th "AA" Taxable Non-Cum. Bonds	8.79%	Semi Annual	Bullet Repayment	04-May-30	14,100.00	14,100.00	14,100.00
29	144th Series Taxable Bonds (ETF)	7.55%	Annual	Bullet Repayment	12-Apr-30	15,800.00	15,800.00	15,800.00
30	146th Series Taxable Bonds	7.08%	Annual	Bullet Repayment	28-Feb-30	30,000.00	30,000.00	30,000.00
31	67th "B" Taxable Non-Cum. Bonds	8.80%	Semi Annual	Bullet Repayment	03-Feb-30	3,850.00	3,850.00	3,850.00
32	143rd Taxable Non-Cum. Bonds	7.55%	Annual	Bullet Repayment	06-Nov-29	24,549.00	24,549.00	24,549.00
33	142th Taxable Non-Cum. Bonds	7.50%	Annual	Bullet Repayment	09-Sep-29	27,070.00	27,070.00	27,070.00
34	140th Taxable Non-Cum. Bonds	7.48%	Annual	Bullet Repayment	13-Aug-29	25,920.00	25,920.00	25,920.00
35	136th Series Taxable Bonds	7.95%	Annual	Bullet Repayment	12-Jun-29	30,000.00	30,000.00	30,000.00
36	135 Series Taxable Bonds	8.23%	Annual	Bullet Repayment	29-Mar-29	25,000.00	25,000.00	25,000.00
37	96th Series Tax Free Bonds Public Issue	8.63%	Annual	Bullet Repayment	26-Mar-29	9,479.13	9,479.13	9,479.13
38	96th A Series Tax Free Bonds Public Issue	8.63%/8.88%	Annual	Bullet Repayment	26-Mar-29	4,364.14	4,364.14	4,364.14
39	134 Series Taxable Bonds	8.30%	Annual	Bullet Repayment	25-Mar-29	30,000.00	30,000.00	30,000.00
40	133 Series Taxable Bonds	8.35%	Annual	Bullet Repayment	13-Mar-29	30,000.00	30,000.00	30,000.00
41	1315t Series Taxable Bonds	8.55%	Annual	Bullet Repayment	21-Feb-29	22,365.00	22,365.00	22,365.00
42	92nd Series Tax Free Bonds Public Issue	8.40%	Annual	Bullet Repayment	18-Feb-29	10,901.87	10,901.87	10,901.87
43	92nd A Series Tax Free Bonds Public Issue	8.40%/8.65%	Annual	Bullet Repayment	18-Feb-29	6,883.59	6,883.59	6,883.59
44	94th A Series Tax Free Non-Cum Bonds	8.55%	Annual	Bullet Repayment	12-Feb-29	130.00	130.00	130.00
45	93rd A Series Tax Free Non-Cum Bonds	8.55%	Annual	Bullet Repayment	10-Feb-29	16,500.00	16,500.00	16,500.00
46	130Th Series Taxable Bonds	8.40%	Annual	Bullet Repayment	08-Jan-29	28,454.00	28,454.00	28,454.00
47	129th Series Taxable Bonds	8.45%	Annual	Bullet Repayment	04-Dec-28	30,000.00	30,000.00	30,000.00
48	90th A Series Tax Free Non-Cum Bonds	8.48%	Annual	Bullet Repayment	27-Nov-28	550.00	550.00	550.00
49	89th A Series Tax Free Non-Cum Bonds	8.48%	Annual	Bullet Repayment	21-Nov-28	7,380.00	7,380.00	7,380.00
50	87th 'A' Series (Non-Retail), Tax Free Bonds Public Issue	7.04%	Annual	Bullet Repayment	23-Mar-28	**2,240.81**	2,227.99	2,237.71
51	87th 'A' Series (Retail), Tax Free Bonds Public Issue	7.54%	Annual	Bullet Repayment	23-Mar-28	**398.03**	410.85	401.13
52	86th 'A' Series (Non-Retail), Tax Free Bonds Public Issue	7.34%	Annual	Bullet Repayment	19-Feb-28	**23,350.16**	23,239.89	23,301.34
53	86th 'A' Series (Retail), Tax Free Bonds Public Issue	7.84%	Annual	Bullet Repayment	19-Feb-28	**2,238.95**	2,349.21	2,287.77
54	83rd 'A' Tax Free Non-Cum. Bonds	7.39%	Annual	Bullet Repayment	06-Dec-27	950.00	950.00	950.00
55	82nd 'A' Tax Free Non-Cum. Bonds	7.38%	Annual	Bullet Repayment	30-Nov-27	300.00	300.00	300.00
56	81st 'A' Tax Free Non-Cum. Bonds	7.38%	Annual	Bullet Repayment	26-Nov-27	667.00	667.00	667.00
57	124th Series Taxable Non-Cum Bonds	7.54%	Annual	Bullet Repayment	31-Oct-27	9,350.00	9,350.00	9,350.00
58	123rd Series Taxable Non-Cum Bonds	7.33%	Annual	Bullet Repayment	28-Aug-27	17,450.00	17,450.00	17,450.00
59	121st Taxable Non Cum - Bonds	7.27%	Annual	Bullet Repayment	15-Jun-27	20,500.00	20,500.00	20,500.00
60	54th "B" Taxable Non-Cum. Bonds	10.04%	Semi Annual	Bullet Repayment	07-Jun-27	3,200.00	3,200.00	3,200.00

V. K. S. & CO. DELHI M.No. 060030 Chartered Accountants

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61	120th Taxable Non Cum - Bonds	7.49%	Annual	Bullet Repayment	30-May-27	22,000.00	22,000.00	22,000.00
62	118th Taxable Non Cum - Bonds	7.83%	Annual	Bullet Repayment	21-Mar-27	29,500.00	29,500.00	29,500.00
63	80th 'A' Series (Non-Retail), Tax Free Bonds Public Issue	8.10%	Annual	Bullet Repayment	23-Feb-27	**28,039.39**	27,889.45	27,971.49
64	80th 'A' Series (Retail), Tax Free Bonds Public Issue	8.30%	Annual	Bullet Repayment	23-Feb-27	**2,917.13**	3,067.07	2,985.03
65	53rd "C" Taxable Non-Cum. Bonds	8.75%	Semi Annual	Bullet Repayment	29-Nov-26	4,100.00	4,100.00	4,100.00
66	79th "A" Tax Free Non-Cum. Bonds	7.77%	Annual	Bullet Repayment	08-Nov-26	1,915.10	1,915.10	1,915.10
67	76th "A" Taxable Non-Cum. Bonds	9.33%	Semi Annual	Bullet Repayment	10-May-26	2,550.00	2,550.00	2,550.00
68	75th Taxable Non-Cum. Bonds	9.09%	Semi Annual	Bullet Repayment	31-Mar-26	1,500.00	1,500.00	1,500.00
69	74th Taxable Non-Cum. Bonds	9.09%	Semi Annual	Bullet Repayment	29-Mar-26	10,760.00	10,760.00	10,760.00
70	107th 'A' Series Tax Free Bonds Public Issue	7.29%/7.04%	Annual	Bullet Repayment	22-Mar-26	1,907.14	1,907.14	1,907.14
71	107th Series Tax Free Bonds Public Issue	7.04%	Annual	Bullet Repayment	22-Mar-26	485.97	485.97	485.97
72	106th Series Tax Free Bonds	7.04%	Annual	Bullet Repayment	03-Mar-26	10,500.00	10,500.00	10,500.00
73	102nd 'A' Series Tax Free Bonds Public Issue	7.32%/7.07%	Annual	Bullet Repayment	21-Dec-25	3,689.49	3,689.49	3,689.49
74	102nd Series Tax Free Bonds Public Issue	7.07%	Annual	Bullet Repayment	21-Dec-25	3,674.74	3,674.74	3,674.74
75	100th Series Tax Free Non-Cum Bonds	7.15%	Annual	Bullet Repayment	21-Aug-25	3,290.00	3,290.00	3,290.00
76	99th Series Tax Free Non-Cum Bonds	7.19%	Annual	Bullet Repayment	31-Jul-25	11,390.00	11,390.00	11,390.00
77	147th Series Taxable Bonds	6.99%	Annual	Bullet Repayment	19-Mar-25	8,470.00	8,470.00	8,470.00
78	69th Taxable Non-Cum. Bonds	8.95%	Semi Annual	Bullet Repayment	10-Mar-25	6,000.00	6,000.00	6,000.00
79	67th "A" Taxable Non-Cum. Bonds	8.65%	Semi Annual	Bullet Repayment	03-Feb-25	2,000.00	2,000.00	2,000.00
80	65th "O" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-24	600.00	600.00	600.00
81	95th Series Tax Free Bonds Public Issue	8.19%	Annual	Bullet Repayment	26-Mar-24	2,311.52	2,311.52	2,311.52
82	95th A Series Tax Free Bonds Public Issue	8.44%/8.19%	Annual	Bullet Repayment	26-Mar-24	1,297.38	1,297.38	1,297.38
83	132 Series Taxable Bonds	8.25%	Annual	Bullet Repayment	28-Feb-24	25,000.00	25,000.00	25,000.00
84	91st Series Tax Free Bonds Public Issue	8.23%	Annual	Bullet Repayment	18-Feb-24	17,783.21	17,783.21	17,783.21
85	91st A Series Tax Free Bonds Public Issue	8.48%/8.23%	Annual	Bullet Repayment	18-Feb-24	5,262.55	5,262.55	5,262.55
86	63rd "B" Taxable Non-Cum. Bonds	8.65%	Semi Annual	Bullet Repayment	15-Jan-24	3,150.00	3,150.00	3,150.00
87	62nd "B" Taxable Non-Cum. Bonds	8.50%	Semi Annual	Bullet Repayment	26-Dec-23	2,850.00	2,850.00	2,850.00
88	90th Series Tax Free Non-Cum Bonds	8.35%	Annual	Bullet Repayment	27-Nov-23	570.00	570.00	570.00
89	89th Series Tax Free Non-Cum Bonds	8.35%	Annual	Bullet Repayment	21-Nov-23	4,870.00	4,870.00	4,870.00
90	61st "A" Taxable Non-Cum. Bonds	10.70%	Semi Annual	Bullet Repayment	11-Sep-23	6,150.00	6,150.00	6,150.00
91	155th series 5.04% Secured Bonds	5.04%	Annual	Bullet Repayment	05-May-23	30,000.00	30,000.00	30,000.00
92	149 Series Taxable Non-Cum. Bonds	6.19%	Annual	Bullet Repayment	28-Apr-23	31,900.00	31,900.00	31,900.00
93	65th "N" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-23	600.00	600.00	600.00
94	145th Series Taxable Bonds	6.59%	Annual	Bullet Repayment	14-Apr-23	30,000.00	30,000.00	30,000.00
95	88th Taxable Non-Cum. Bonds	8.83%	Annual	Bullet Repayment	25-Mar-23	11,000.00	11,000.00	11,000.00
96	87th Series (Non-Retail), Tax Free Bonds Public Issue	6.88%	Annual	Bullet Repayment	23-Mar-23	**1,386.11**	1,377.09	1,382.42
97	87th Series (Retail), Tax Free Bonds Public Issue	7.38%	Annual	Bullet Repayment	23-Mar-23	**265.60**	274.61	269.29
98	86th Series (Non-Retail), Tax Free Bonds Public Issue	7.18%	Annual	Bullet Repayment	19-Feb-23	**26,739.04**	26,686.78	26,717.90
99	86th Series (Retail), Tax Free Bonds Public Issue	7.68%	Annual	Bullet Repayment	19-Feb-23	**1,405.77**	1,458.03	1,426.90
100	85th Tax Free Non-Cum. Bonds	7.19%	Annual	Bullet Repayment	14-Dec-22	950.00	950.00	950.00
101	84th Tax Free Non-Cum. Bonds	7.22%	Annual	Bullet Repayment	07-Dec-22	4,999.00	4,999.00	4,999.00
102	83rd Tax Free Non-Cum. Bonds	7.22%	Annual	Bullet Repayment	06-Dec-22	300.00	300.00	300.00
103	82nd Tax Free Non-Cum. Bonds	7.22%	Annual	Bullet Repayment	30-Nov-22	410.00	410.00	410.00
104	81st Tax Free Non-Cum. Bonds	7.21%	Annual	Bullet Repayment	26-Nov-22	2,560.00	2,560.00	2,560.00
105	58th "A" Taxable Non-Cum. Bonds	9.20%	Semi Annual	Bullet Repayment	29-Oct-22	5,000.00	5,000.00	5,000.00
106	57th Taxable Non-Cum. Bonds	9.66%	Semi Annual	Redeemable on 28.09.2022, being the due date for the last instalment	28-Sep-22	-	2,000.00	2,000.00
107	54th "A" Taxable Non-Cum. Bonds	9.95%	Semi Annual	Bullet Repayment	07-Jun-22	-	1,500.00	1,500.00
108	55th "O" Taxable Non-Cum. Bonds	9.86%	Semi Annual	Bullet Repayment	07-Jun-22	-	330.00	330.00
109	65th "M" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-22	-	600.00	600.00
110	80th Series (Non-Retail) Tax Free Bonds Public Issue	8.00%	Annual	Bullet Repayment	23-Feb-22	-	28,424.69	-
111	80th Series (Retail) Tax Free Bonds Public Issue	8.15%	Annual	Bullet Repayment	23-Feb-22	-	3,307.69	-
112	53rd "B" Taxable Non-Cum. Bonds	8.68%	Semi Annual	Bullet Repayment	29-Nov-21	-	2,250.00	-
113	114th Taxable Non Cum - Bonds	6.70%	Annual	Bullet Repayment	24-Nov-21	-	20,000.00	-
114	113th Taxable Non Cum - Bonds	7.24%	Annual	Bullet Repayment	08-Nov-21	-	6,500.00	-
115	79th Tax Free Non-Cum. Bonds	7.55%	Annual	Bullet Repayment	08-Nov-21	-	5,396.00	-
	Total					**12,09,956.48**	**12,80,264.84**	**12,14,386.47**

K. B. D. S. & CO. DELHI M.No. 060030 Chartered Accountants

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54 EC Bonds Secured in markets

The 54 EC bonds issued in the domestic capital market are secured by first pari passu charge on the present/ future rolling stock assets/ lease receivables of the Company. Maturity Profile and Rate of Interest of the 54EC secured bonds issued in the domestic capital market and amount outstanding as on various dates is as set out below:-

S.No	Description	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
1	54 EC, Sep 2022 Bond Series	5.00%	Annual	Bullet Repayment	30-Sep-27	1,189.47	-	-
2	54 EC, Aug 2022 Bond Series	5.00%	Annual	Bullet Repayment	30-Aug-27	840.60	-	-
3	54 EC, July 2022 Bond Series	5.00%	Annual	Bullet Repayment	30-Jul-27	1,671.01	-	-
4	54 EC, Jun 2022 Bond Series	5.00%	Annual	Bullet Repayment	30-Jun-27	1,352.31	-	-
5	54 EC, May 2022 Bond Series	5.00%	Annual	Bullet Repayment	31-May-27	1,258.97	-	-
6	54 EC, Apr 2022 Bond Series	5.00%	Annual	Bullet Repayment	30-Apr-27	1,205.18	-	-
7	54 EC, Mar 2022 Bond Series	5.00%	Annual	Bullet Repayment	31-Mar-27	2,088.60	-	2,088.60
8	54 EC, Feb 2022 Bond Series	5.00%	Annual	Bullet Repayment	28-Feb-27	945.57	-	943.20
9	54 EC, Jan 2022 Bond Series	5.00%	Annual	Bullet Repayment	31-Jan-27	926.35	-	926.35
10	54 EC, Dec 2021 Bond Series	5.00%	Annual	Bullet Repayment	31-Dec-26	1,122.29	-	1,122.29
11	54 EC, Nov 2021 Bond Series	5.00%	Annual	Bullet Repayment	30-Nov-26	645.61	-	645.61
12	54 EC, Oct 2021 Bond Series	5.00%	Annual	Bullet Repayment	31-Oct-26	832.21	-	832.21
13	54 EC, Sep 2021 Bond Series	5.00%	Annual	Bullet Repayment	30-Sep-26	1,203.22	1,203.22	1,203.22
14	54 EC, Aug 2021 Bond Series	5.00%	Annual	Bullet Repayment	31-Aug-26	887.12	887.12	887.12
15	54 EC, July 2021 Bond Series	5.00%	Annual	Bullet Repayment	31-Jul-26	1,050.55	1,050.55	1,050.55
16	54 EC, Jun 2021 Bond Series	5.00%	Annual	Bullet Repayment	30-Jun-26	838.14	838.14	838.14
17	54 EC, May 2021 Bond Series	5.00%	Annual	Bullet Repayment	31-May-26	507.06	507.06	507.06
18	54 EC, Apr 2021 Bond Series	5.00%	Annual	Bullet Repayment	30-Apr-26	565.74	565.74	565.74
19	54 EC, Mar 2021 Bond Series	5.00%	Annual	Bullet Repayment	31-Mar-26	2,098.79	2,098.79	2,098.79
20	54 EC, Feb 2021 Bond Series	5.00%	Annual	Bullet Repayment	28-Feb-26	822.50	822.50	822.50
21	54 EC, Jan 2021 Bond Series	5.00%	Annual	Bullet Repayment	31-Jan-26	629.66	629.66	629.66
22	54 EC, Dec 2020 Bond Series	5.00%	Annual	Bullet Repayment	31-Dec-25	685.27	685.27	685.27
23	54 EC, Nov 2020 Bond Series	5.00%	Annual	Bullet Repayment	30-Nov-25	412.82	412.82	412.82
24	54 EC, Oct 2020 Bond Series	5.00%	Annual	Bullet Repayment	31-Oct-25	458.81	458.81	458.81
25	54 EC, Sep 2020 Bond Series	5.00%	Annual	Bullet Repayment	30-Sep-25	529.70	529.70	529.70
26	54 EC, Aug 2020 Bond Series	5.00%	Annual	Bullet Repayment	31-Aug-25	343.87	343.87	343.87
27	54 EC, July 2020 Bond Series	5.75%	Annual	Bullet Repayment	31-Jul-25	774.33	774.33	774.33
28	54 EC, Jun 2020 Bond Series	5.75%	Annual	Bullet Repayment	30-Jun-25	1,160.16	1,160.16	1,160.16
29	54 EC, May 2020 Bond Series	5.75%	Annual	Bullet Repayment	31-May-25	378.92	378.92	378.92
30	54 EC, Apr 2020 Bond Series	5.75%	Annual	Bullet Repayment	30-Apr-25	131.17	131.17	131.17
31	54 EC, Mar 2020 Bond Series	5.75%	Annual	Bullet Repayment	31-Mar-25	1,429.69	1,429.69	1,429.69
32	54 EC, Feb 2020 Bond Series	5.75%	Annual	Bullet Repayment	28-Feb-25	881.04	881.04	881.04
33	54 EC, Jan 2020 Bond Series	5.75%	Annual	Bullet Repayment	31-Jan-25	823.75	823.75	823.75
34	54 EC, Dec 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-Dec-24	926.28	926.28	926.28
35	54 EC, Nov 2019 Bond Series	5.75%	Annual	Bullet Repayment	30-Nov-24	711.59	711.59	711.59
36	54 EC, Oct 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-Oct-24	669.18	669.18	669.18
37	54 EC, Sep 2019 Bond Series	5.75%	Annual	Bullet Repayment	30-Sep-24	543.41	543.41	543.41
38	54 EC, Aug 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-Aug-24	571.15	571.15	571.15
39	54 EC, July 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-Jul-24	633.99	633.99	633.99
40	54 EC, June 2019 Bond Series	5.75%	Annual	Bullet Repayment	30-Jun-24	596.14	596.14	596.14
41	54 EC, May 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-May-24	436.60	436.60	436.60
42	54 EC, Apr 2019 Bond Series	5.75%	Annual	Bullet Repayment	30-Apr-24	249.71	249.71	249.71
43	54EC Bond Mar 2019 Series	5.75%	Annual	Bullet Repayment	31-Mar-24	692.68	692.68	692.68
44	54EC Bond Feb 2019 Series	5.75%	Annual	Bullet Repayment	29-Feb-24	145.31	145.31	145.31
45	54EC Bond Jan 2019 Series	5.75%	Annual	Bullet Repayment	31-Jan-24	133.35	133.35	133.35
46	54 EC, Dec 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-Dec-23	135.12	135.12	135.12
47	54 EC, Nov 2018 Bond Series	5.75%	Annual	Bullet Repayment	30-Nov-23	98.69	98.69	98.69
48	54 EC, Oct 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-Oct-23	116.94	116.94	116.94
49	54 EC, Sep 2018 Bond Series	5.75%	Annual	Bullet Repayment	30-Sep-23	71.01	71.01	71.01
50	54 EC, Aug 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-Aug-23	81.17	81.17	81.17
51	54 EC, July 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-Jul-23	137.02	137.02	137.02
52	54 EC, June 2018 Bond Series	5.75%	Annual	Bullet Repayment	30-Jun-23	127.56	127.56	127.56
53	54 EC, May 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-May-23	83.58	83.58	83.58
54	54 EC, Apr 2018 Bond Series	5.75%	Annual	Bullet Repayment	30-Apr-23	54.52	54.52	54.52
	Total					**37,905.48**	**23,827.31**	**30,385.57**

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Unsecured bonds from domestic capital market

The Unsecured bonds issued in the domestic capital market and outstanding as on various dates is as set out below:-

S.No	Series	Interest rate*	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
1	148th Series Taxable Bonds*	6.58% p.a.	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 October 2030	31-Mar-50	25,000.00	25,000.00	25,000.00
2	137th Series Taxable Bonds*	7.30% p.a.	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 April 2030	18-Jun-49	18,000.00	18,000.00	18,000.00
3	125th Series Taxable Bonds*	7.41% p.a.	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 April 2028	22-Dec-47	21,000.00	21,000.00	21,000.00
4	122nd Series Taxable Bonds*	6.77% p.a.	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 April 2028	27-Jun-47	56,446.00	41,000.00	41,000.00
5	110th Series Taxable Bonds*	7.80% p.a.	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 April 2027	22-Jun-46	43,364.00	43,364.00	43,364.00
6	109th Series Taxable Bonds*	8.02% p.a.	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 October 2026	30-Mar-46	74,335.00	74,335.00	74,335.00
7	101st Series Taxable Bonds*	7.87% p.a.	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 April 2026	27-Oct-45	29,347.00	29,347.00	29,347.00
8	158th Series Taxable Bonds	6.99% p.a.	Annual	Bullet Repayment	04-Jun-2041	19,940.00	19,940.00	19,940.00
9	162nd Series Taxable Bonds	6.95% P.a	Annual	Bullet Repayment	24-Nov-2036	50,000.00	-	50,000.00
10	160th Series Taxable Bonds	7.03% P.a	Annual	Bullet Repayment	30-Jul-2036	46,930.00	46,930.00	46,930.00
11	163rd Series Taxable Bonds	6.87% P.a	Annual	Bullet Repayment	14-Apr-2032	11,800.00	-	11,800.00
12	161st Series Taxable Bonds	6.92% P.a	Annual	Bullet Repayment	31-Aug-2031	40,000.00	40,000.00	40,000.00
13	159th Series Taxable Bonds	6.89% P.a	Annual	Bullet Repayment	19-Jul-2031	29,809.00	29,809.00	29,809.00
	Total					**4,65,971.00**	**3,88,725.00**	**4,50,525.00**

*Fixed Interest rate for 10 years. The interest rate would be reset at the end of each subsequent 10th year to the then prevailing benchmark 10 Year G-Sec Yield.

Reconciliation

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
Secured Bonds from Domestic Capital Market	12,09,956.48	12,80,264.84	12,14,386.47
54EC Bonds Secured in Market	37,905.48	23,827.31	30,385.57
Unsecured Bonds from Domestic Capital Market	4,65,971.00	3,88,725.00	4,50,525.00
Bonds in Domestic Market as per IGAAP	**17,13,832.96**	**16,92,817.15**	**16,95,297.04**
Less: Unamortised transaction cost	(741.29)	(858.71)	(805.65)
Bonds in Domestic Market as per Ind AS	**17,13,091.67**	**16,91,958.44**	**16,94,491.39**

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Unsecured bonds from overseas capital market								
The Unsecured bonds issued from overseas capital market and outstanding as on various dates is as set out below:-								
S.No	Series	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
1	REG-S/144A BONDS USD 300M 3.95% GMTM-2050	3.95% P.a	Semi Annual	Bullet Repayment	13-Feb-50	24,621.00	22,410.00	22,851.00
2	REG-S/144A GREEN BONDS USD 500M	3.57% p.a.	Semi Annual	Bullet Repayment	21-Jan-32	41,035.00	-	38,085.00
3	REG-S/144A BONDS USD 750 MILLION UNDER GMTN	2.80% p.a	Semi Annual	Bullet Repayment	10-Feb-31	61,552.50	56,025.00	57,127.50
4	REG-S/144A BONDS USD 700M 3.249% GMTM-2030	3.249% P.a	Semi Annual	Bullet Repayment	13-Feb-30	57,449.00	52,290.00	53,319.00
5	Reg-S Bonds Green Bond 1st Series (USD 500 Million)	3.835% p.a	Semi Annual	Bullet Repayment	13-Dec-27	41,035.00	37,350.00	38,085.00
6	Reg S Bonds USD 500M-EMTN	3.73% p.a	Semi Annual	Bullet Repayment	29-Mar-24	41,035.00	37,350.00	38,085.00
Total Overseas bonds as per IGAAP						**2,66,727.50**	**2,05,425.00**	**2,47,552.50**
Less: Unamortised transaction cost						(232.67)	(213.60)	(248.63)
Less: Fair value hedge adjustment- recoverable from Ministry of Railways						605.80	-	(45.73)
Total Overseas bonds as per IND AS						**2,67,100.63**	**2,05,211.40**	**2,47,258.14**

Commercial Paper (Unsecured)						
Details of Commercial Paper outstanding as on various dates is as set out below:						
S.No	Particulars	Discount Rate	Date of Maturity of Bond	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
1	Commercial Paper Series XXI	3.43%	22-Oct-21	-	40,000.00	-
Less: Unexpired discount				-	(78.35)	-
Total				**-**	**39,921.65**	**-**

Total Indian Bonds	17,13,091.67	16,91,958.44	16,94,491.39
Total Overseas Bonds	2,67,100.63	2,05,211.40	2,47,258.14
Commercial Paper	-	39,921.65	-
Total Debt Borrowings	**19,80,192.30**	**19,37,091.49**	**19,41,749.53**

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इंडियन रेलवे फाइनेंस कॉरपोरेशन लि. Indian Railway Finance Corporation Ltd. आई आर एफ सी IRFC सी.आई.एन. नं० CIN No. L65910DL1986 GOI026363 New Delhi नई दिल्ली

Indian Railway Finance Corporation Limited
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Notes to financial statements as at and for the half year ended 30 September 2022
(All amounts in millions of INR, unless stated otherwise)

Note 16: Borrowings (Other than Debt Securities)

Particular	As at 30 September 2022				As at 30 September 2021				As at 31 March 2022			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Term Loans												
Secured Loans												
(i) From Banks (Indian)	12,65,578.68	-	-	**12,65,578.68**	**9,39,858.68**	-	-	**9,39,858.68**	12,81,444.40	-	-	**12,81,444.40**
(II) From Bank (Foreign)	17,952.64	-	-	**17,952.64**	**16,424.34**	-	-	**16,424.34**	16,645.27	-	-	**16,645.27**
(ii) From Other*	1,75,000.00	-	-	**1,75,000.00**	**1,75,000.00**	-	-	**1,75,000.00**	1,75,000.00	-	-	**1,75,000.00**
Unsecured Loans												
(i) From Banks (Indian)	31,925.00	-	-	**31,925.00**	**37,120.00**	-	-	**37,120.00**	59,067.38	-	-	**59,067.38**
(ii) From Banks (Foreign)	3,86,510.18	-	-	**3,86,510.18**	**3,21,481.61**	-	-	**3,21,481.61**	4,00,259.60	-	-	**4,00,259.60**
(ii) From Other*	10,000.00			**10,000.00**	-	-	-	-	10,000.00	-	-	**10,000.00**
Total (A)	**18,86,966.50**	-	-	**18,86,966.50**	**14,89,884.63**	-	-	**14,89,884.63**	**19,42,416.65**	-	-	**19,42,416.65**
Borrowings in India	14,82,503.68	-	-	14,82,503.68	11,51,978.68	-	-	11,51,978.68	15,25,511.78	-	-	15,25,511.78
Borrowings outside India	4,04,462.82	-	-	4,04,462.82	3,37,905.95	-	-	3,37,905.95	4,16,904.87	-	-	4,16,904.87
Total (B) to tally with (A)	**18,86,966.50**	-	-	**18,86,966.50**	**14,89,884.63**	-	-	**14,89,884.63**	**19,42,416.65**	-	-	**19,42,416.65**

* These loans are from National Small Saving Fund and India Infrastructure Finance Company Limited.

The borrowings have been utilised for the specific purpose for which the same has been drawn.

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Indian Railway Finance Corporation Limited

Secured Rupee Term Loan

Rupee Term Loans availed from banks are secured by first paripassu charge on the present/future rolling stock assets/ lease receivables of the Company. Terms of repayment of secured term loans and amount outstanding as on various dates is as set out below :-

S.No	Description	Interest Type	Terms of Repayment	Date of Maturity of Loan	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
1	Deutsche Bank TL-2	3M T-Bill (5.06%+1.24%)	One Bullet payment on maturity of loan	28-Jun-29	20,000.00	-	-
2	PNB-VIII	Repo Rate	9 Equal Annual instalments of Rs. 800 Million each commencing from 31 March 2028. 10th and final instalment (Residual) of Rs. 800 Millions	31-Mar-28	8,000.00	-	7,999.99
3	Bank of Baroda-V	Overnight MCLR	18 Equal Half Yearly instalments of Rs. 1944.44 Million each commencing from 15 January 2028	15-Jan-28	35,000.00	35,000.00	35,000.00
4	Canara Bank VII	Repo Rate	9 equal annual instalments of Rs. 4,700 million commencing from 30 December 2027. 10th and final instalment (Residual) of Rs.4700 Millions	30-Dec-27	47,000.00	-	46,999.93
5	Central bank of India	Repo Rate+	20 equal half yearly instalments of Rs. 100 Crores. From 5.5 Years	28-Dec-27	15,000.00	-	-
6	Canara Bank VI- Tranch (i), (ii) & (iii)	Repo Rate + Spread	9 Equal Annual instalments of Rs. 7000 million commencing from 8 November 2027.10th and final instalment (Residual) of Rs.7000 Millions	08-Nov-27	70,000.00	-	69,999.89
7	Union bank of India II	T-BILL + Spread	Sanctioned Amount: Rs. 35,000 Million Initial Drawdown: Rs. 25,500 Million 20 Equal Half Yearly instalments of Rs. 1275 Million each commencing from 23 September 2027	23-Sep-27	25,500.00	-	25,500.00
8	Bank of Baroda-IV	Overnight MCLR	17 Half yearly equal instalments of Rs.6,667 million commencing from 12th September 2027. 18th and final instalment (Residual) of Rs.6661 Millions	12-Sep-27	1,20,000.00	1,20,000.00	1,20,000.00
9	HDFC TL-VIII	Repo Rate	20 Equal Half Yearly instalments of Rs. 1250 Million each commencing from 22 August 2027	22-Aug-27	25,000.00	-	25,000.00
10	J & K BANK	Repo Rate + Spread	20 Equal Half Yearly instalments of Rs. 250 Million each commencing from 18 August 2027	18-Aug-27	5,000.00	-	5,000.00
11	UCO Bank I Tranch (i) & (ii)	Repo Rate + Spread	20 Equal Half Yearly instalments of Rs.1000 Million each commencing from 30 June 2027	30-Jun-27	20,000.00	-	20,000.00
12	PNB-VII	3Y G-Sec + Spread	9 Equal Yearly instalments of Rs.750 Million each commencing from 30th June 2027. 10th and final instalment (Residual) of Rs.750 Millions	30-Jun-27	7,500.00	7,500.00	7,499.98
13	Union bank of India I Tranch (i), (ii) & (iii)	3M T-BILL + Spread	Sanctioned Amount: Rs. 50,000 Million 1st Drawdown: Rs. 5,000 Million on 23 Dec 2021 2nd Drawdown: Rs. 10,000 Million on 22 Feb 2022 Last Drawdown: Rs. 35,000 Million on 23 March 2022 19 Equal Half Yearly instalments of Rs. 2500 Million each commencing from 23 June 2027. 20th and last instalment (Residual) of Rs. 2500 million	23-Jun-27	50,000.00	-	49,999.19
14	HDFC TL-VII	3M T-Bill + Spread	20 Equal Half Yearly instalments of Rs. 1250 Million each commencing from 16 April 2027	16-Apr-27	25,000.00	-	25,000.00
15	State Bank Of India VI Tranch (i) & (ii)	3M T-BILL + Spread	19 Equal Half Yearly instalments of Rs. 3500 Million each commencing from 15 April 2027. 20th and final instalment (Residual) of Rs.3500 Millions	15-Apr-27	70,000.00	-	69,999.88
16	Bank of India-(IV)	Repo Rate + Spread	19 Equal Half Yearly instalments of Rs. 550 Million each commencing from 11 April 2027. 20th and last instalment (Residual) of Rs. 550 Million	11-Apr-27	11,000.00	-	10,998.18
17	Canara Bank**	1M MCLR	Sanctioned Amount: Rs. 50,000 Million with 10 Equal yearly instalments of Rs. 5,000 Million each commencing 31 March 2027 Initial Drawdown: Rs. 20,000 Million Undrawn Amount: Rs. 30,000 Million	31-Mar-27	-	20,000.00	-
18	Deutsche Bank TL-1	3M T-Bill	Bullet Repayment	28-Mar-27	20,000.00	-	20,000.00
19	Punjab National Bank-VI	3Y G-Sec + Spread	9 Equal yearly instalments of Rs.3,000 Millions commencing from 31st December 2026. 10th and last instalment (Residual) of Rs. 3000 Million	31-Dec-26	30,000.00	30,000.00	29,999.39
20	Punjab National Bank (V)	3Y G-Sec + Spread	9 Equal Yearly instalments of Rs.2,500 Million each commencing from 30th September 2026. 10th and last instalment (Residual) of Rs. 2500 Million	30-Sep-26	25,000.00	25,000.00	24,999.92
21	ICICI Bank TL-V	3M T-BILL + Spread	20 Equal Half Yearly instalments of Rs.1750 Million each commencing from 15th September 2026	15-Sep-26	35,000.00	35,000.00	35,000.00
22	Bank of India TL-I	Repo Rate + Spread	19 Half yearly equal instalments of Rs.1,500 million commencing from 27th July 2026. 20th and last instalment (Residual) of Rs. 1500 Million	27-Jul-26	30,000.00	30,000.00	29,995.02
23	Bank of India TL-II	Repo Rate + Spread	19 Half yearly equal instalments of Rs.1,150 million commencing from 27th July 2026. 20th and last instalment (Residual) of Rs. 1,150 Million	27-Jul-26	23,000.00	23,000.00	22,996.19

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24	ICICI Bank TL-III & (IV)	3M T-BILL + Spread	20 Equal Half Yearly instalments of Rs.5000 Million each commencing from 27th May 2026	27-May-26	1,00,000.00	1,00,000.00	1,00,000.00
25	ICICI Bank TL-II	3M T-BILL + Spread	20 Equal Half Yearly instalments of Rs.2500 Million each commencing from 22nd April 2026	22-Apr-26	50,000.00	50,000.00	50,000.00
26	HDFC Bank LTD (VI)-T II	Repo Rate +	20 Half yearly equal instalments of Rs. 182.50 million commencing from 30th March 2026	30-Mar-26	3,650.00	3,650.00	3,650.00
27	HDFC Bank LTD (VI)-T I	Repo Rate +	20 Half yearly equal instalments of Rs. 817.50 million commencing from 11th March 2026	11-Mar-26	16,350.00	16,350.00	16,350.00
28	Indian Overseas Bank	Repo Rate+	Repayable in 20 Equal half yearly Instalments after the moratorium period of 5.5 Years from the date of disbursment	28-Feb-26	20,000.00	-	-
29	Axis Bank	Repo Rate +	19 Equal Half Yearly instalments of Rs.2,000 Million each commencing from 28 February 2026 and last instalment (Residual) of Rs. 1,999.79 Million	28-Feb-26	-	40,000.00	39,999.79
30	ICICI Bank TL-I	3M T-BILL + Spread	20 Equal Half Yearly instalments of Rs.2,500 Million each commencing from 19th February 2026	19-Feb-26	50,000.00	50,000.00	50,000.00
31	HDFC-V-II	Repo Rate +	16 Equal Half Yearly instalments of Rs.1,125 Millions commencing from 30th December 2024	30-Dec-24	18,000.00	18,000.00	18,000.00
32	HDFC-V-I	Repo Rate +	16 Equal Half Yearly instalments of Rs.3,250 Millions commencing from 30th December 2024	30-Dec-24	52,000.00	52,000.00	52,000.00
33	HDFC-IV	Repo Rate +	16 Equal Half Yearly instalments of Rs. 3,125 Millions commencing from 24th September 2024	24-Sep-24	50,000.00	50,000.00	50,000.00
34	Oriental bank of commerce	3Y G-Sec + Spread	Total no. of Half Yearly Instalments : 14 13 Equal Half Yearly instalments of Rs. 1,071.40 Millions commencing from 17th August 2023 14th Half Yearly instalment (Residual) of Rs. 1,071.80 Millions	17-Aug-23	15,000.00	15,000.00	14,990.54
35	HDFC-I	3M T-BILL + Spread	14 Equal Half Yearly instalments of Rs. 500 Million each commencing from 30 March 2023	30-Mar-23	7,000.00	8,000.00	7,500.00
36	Punjab National Bank(IV)	3Y G-Sec + Spread	7 Equal yearly instalments of Rs. 1,000 Millions commencing from 30th March 2023. 8th and final instalment (Residual) of Rs.1000 Millions	30-Mar-23	8,000.00	9,000.00	7,999.85
37	Punjab National Bank(III)	3Y G-Sec + Spread	7 Equal yearly instalments of Rs. 3,000 Millions commencing from 17th February 2023. 8th and last instalment (Residual) of Rs. 3000 Million	17-Feb-23	24,000.00	27,000.00	23,999.64
38	State Bank of India (III)*	Linked to MCLR	Sanctioned Amount: Rs. 90,000 Million with 20 Equal Half Yearly instalments of Rs. 4,500 Million each commencing 3 July 2019 Initial Drawdown: Rs. 80,000 Million Final Drawdown: Rs. 10,000 Million on 26.12.2019 Balance Instalments: 10 Equal Half Yearly instalments Rs. 4500 Million commencing from 3rd January 2023. 11th Half Yearly instalment (Residual) of Rs.1,257.78 millions.	03-Jan-23	46,257.78	55,257.78	50,756.68
39	HDFC-III	3M T-BILL + Spread	15 Equal Half Yearly instalments of Rs. 1,000 Million each commencing from 24 December 2022	24-Dec-22	15,000.00	17,000.00	16,000.00
40	HDFC-II	3M T-BILL + Spread	15 Equal Half Yearly instalments of Rs. 1,000 Million each commencing from 4 November 2022	04-Nov-22	15,000.00	17,000.00	16,000.00
41	State bank of India (V) Tranch I & II*	Linked to MCLR	14 Equal half yearly instalments of Rs. 3,890 Millions commencing from 15th October 2022. 15th and last instalment (Residual) of Rs. 3860.90 Million	15-Oct-22	58,320.90	66,100.90	62,210.34
	Total				**12,65,578.68**	**9,19,858.68**	**12,61,444.40**

* As per the supreme court order, the interest amount paid during the moratorium period has been adjusted against the principal.

** Prepaid on 11th November 2021

Note-1 Date of Maturity indicates the date of payment of next instalment.

Secured Rupee Term Loan

Terms of repayment of the Secured Rupee Term Loans from banks and amount outstanding as on various dates is as set out below:-

S.No	Description	Interest rate	Interest Type	Terms of Repayment	Date of Maturity of Loan	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
1	State Bank of India Tranch (i)	3.79%	Fixed Rate	Bullet Repayment	28-Apr-22	-	-	8,200.00
2	State Bank of India Tranch (ii)	3.99%	Fixed Rate	Bullet Repayment	28-Apr-22	-	-	11,800.00
3	State Bank of India	3.79%	Fixed Rate	Monthly interest Payment on 1st day of every month	28-Jan-22	-	20,000.00	-
	Total					-	**20,000.00**	**20,000.00**

Note-1 Date of Maturity indicates the date of payment of next instalment.

Secured foreign currency term loan

Foreign Currency Loan are secured by first paripassu charge on the present/ future rolling stock assets/ lease receivables of the Company. Terms of Repayment of the foreign currency term loan and amount outstanding as on various dates is as set out below:-

S.No	Description	Interest rate	Interest Payment Frequency	Terms of Repayment	Date of Maturity of Loan	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
1	SBI USD 2BN-II MAR'21-7 YRS	6M USD LIBOR+1.30% pa	Semi Annual	Bullet Repayment	24-Mar-28	18,055.40	16,434.00	16,757.40
2	Bank of India	6M USD LIBOR+1.25%	Semi Annual	Semi Annual	30-Apr-21	-	112.05	-
	Total as per IGAAP					**18,055.40**	**16,546.05**	**16,757.40**
	Unamortised transaction cost					(102.76)	(121.71)	(112.13)
	Secured Foreign Currency Term Loan as per Ind AS					**17,952.64**	**16,424.34**	**16,645.27**

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Secured rupee term loan from Others								
Rupee term loan from National Small Saving fund is secured by the first pari passu charge on the present/ future rolling stock assets/ lease receivables of the Company. Terms of repayment and the amount outstanding as on various dates is as set out below:-								
S.No	Description	Interest rate (p.a.)	Interest payment frequency	Terms of Repayment	Date of Maturity of Loan	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
1	National Small Saving Fund (NSSF)-II	8.11%	Semi Annual	Bullet Repayment	07-Feb-29	75,000.00	75,000.00	75,000.00
2	National Small Saving Fund (NSSF)-I	8.01%	Semi Annual	Bullet Repayment	28-Mar-28	1,00,000.00	1,00,000.00	1,00,000.00
	Total					1,75,000.00	1,75,000.00	1,75,000.00

Note-1 Date of Maturity indicates the date of payment of next instalment.

Unsecured Rupee Term Loan								
Terms of repayment of the Unsecured Rupee Term Loans from banks and amount outstanding as on various dates is as set out below:-								
S.No	Description	Interest rate	Interest Type	Terms of Repayment	Date of Maturity of Loan	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
1	IndusInd Bank Tranch (ii)	5.65%	Fixed Rate	Bullet Repayment	29-Oct-22	2,000.00	-	-
2	IndusInd Bank Tranch (iii)	5.75%	Fixed Rate	Bullet Repayment	29-Oct-22	4,900.00	-	-
3	Union Bank Tranch (ii)	5.15%	Fixed Rate	Bullet Repayment	28-Oct-22	4,585.00	-	-
4	IndusInd Bank Tranch (i)	5.65%	Fixed Rate	Bullet Repayment	28-Oct-22	1,100.00	-	-
5	Karnataka Bank	5.75%	Fixed Rate	Bullet Repayment	27-Oct-22	7,500.00	-	-
6	Union Bank Tranch (i)	4.98%	Fixed Rate	Bullet Repayment	04-Oct-22	1,630.00	-	-
7	Karnataka Bank	3.98%	Linked to 3 Month T Bill	Bullet Repayment	26-Jun-22	-	-	7,500.00
8	Union Bank Tranch (i)	4.00%	3M T-Bill	Bullet Repayment	26-Jun-22	-	-	8,699.03
9	IDBI Bank Tranch (ii)	4.00%	Fixed Rate	Bullet Repayment	05-May-22	-	-	3,000.00
10	HDFC Bank Tranch (ii)	4.00%	Linked to 2M T-Bill Rate with bi monthly reset. Benchmark to be taken on T-1 basis	Bullet Repayment	03-May-22	-	-	2,500.00
11	HDFC Bank Tranch (i)	4.00%	Linked to 2M T-Bill Rate with bi monthly reset. Benchmark to be taken on T-1 basis	Bullet Repayment	02-May-22	-	-	5,770.00
12	IndusInd Bank	4.00%	Linked to 1M T-Bill	Bullet Repayment	30-Apr-22	-	-	3,000.00
13	ICICI Bank Ltd Tranch (ii)	4.00%	Linked to REPO Rate	Bullet Repayment	29-Apr-22	-	-	1,200.00
14	ICICI Bank Ltd Tranch (i)	4.00%	Linked to REPO Rate	Bullet Repayment	28-Apr-22	-	-	5,900.00
15	IDBI Bank Tranch (i)	4.00%	Fixed Rate	Bullet Repayment	28-Apr-22	-	-	1,999.99
16	RBL Bank	3.99%	Linked to 14 Days MIBOR	Bullet Repayment	13-Apr-22	-	-	4,700.00
17	Union Bank Tranch (iv)	3.79%	Linked to 3Month T Bill	Bullet Repayment	13-Apr-22	-	-	1,369.84
18	Union Bank Tranch (iii)	3.79%	Linked to 3Month T Bill	Bullet Repayment	12-Apr-22	-	-	12,998.56
19	Union Bank Tranch (ii)	3.79%	Linked to 3Month T Bill	Bullet Repayment	08-Apr-22	-	-	429.96
20	RBL Bank	3.79%	Fixed Rate	Monthly interest Payment on 1st day of every month	01-Jan-22	-	3,000.00	-
21	IndusInd Bank	3.79%	Fixed Rate	Monthly interest Payment on 1st day of every month	29-Dec-21	-	5,000.00	-
22	Karnataka Bank	3.79%	Fixed Rate	Monthly interest Payment on 1st day of every month	29-Dec-21	-	7,500.00	-
23	Union Bank of India	3.78%	Fixed Rate	Monthly interest Payment on 1st day of every month	29-Dec-21	-	8,700.00	-
	Total					21,715.00	24,200.00	59,067.38

Note-1 Date of Maturity indicates the date of payment of next instalment.

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Note 17 : Other Financial Liabilities

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
Amount payable to Ministry of Railways-Leased Assets	1,55,765.57	1,13,872.16	31,350.88
Amount payable to Ministry of Railways -Project Assets	59,461.87	-	57,136.98
Amount payable to Ministry of Railways	2,15,227.44	1,13,872.16	88,487.86
Interest accrued but not due	1,07,858.69	1,07,337.92	1,05,636.33
Liability for matured and unclaimed bonds and interest accrued thereon	83.92	78.52	117.62
Liability for unclaimed dividend	9.77	4.26	9.96
Security Deposits	0.50	-	0.19
Dividend payable	8,184.41	-	-
Earnest money deposit	-	0.20	-
Total	**3,31,364.73**	**2,21,293.06**	**1,94,251.96**

Note 18 : Provisions

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
Provision for employee benefits	16.91	17.53	16.99
Provision for corporate social responsibility	812.47	274.04	518.72
Total	**829.38**	**291.57**	**535.71**
Provision on asset as per Reserve Bank of India norms presented as a reduction being impairment loss allowance from			
- Note 7 - Loans	238.28	274.09	274.09
- Note 8 - Investments	-	0.03	0.01
- Note 9 - Other financial assets	49.14	41.12	54.51
Total	**287.42**	**315.24**	**328.61**

Note 19 : Deferred Tax Liabilities (net)

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
Deferred tax liability (net) (Refer accounting policy Note no. 2.7)	-	-	-
Less: Adjusted in retained earnings due to change in accounting policy			-
Total	-	-	-

Note 20 : Other Non-Financial Liabilities

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
Statutory dues	5,110.36	-	3,592.19
GST Payable under RCM*	-	44,105.92	-
Tax deducted at source payable-Income Tax	333.07	272.14	763.56
Tax deducted at source payable-GST	92.76	211.27	380.68
Total	**5,536.19**	**44,589.33**	**4,736.43**

* On account of Project Infrastructure Asset under Finance Lease Arrangements-EBR Special

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Note 21: Share Capital

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
Authorised Share Capital			
No. of shares	25,00,00,00,000	25,00,00,00,000	25,00,00,00,000
Par value per share (Rs.)	10	10	10
Amount (in millions)	**2,50,000**	**2,50,000**	**2,50,000**

The authorised share capital of the company was enhanced from Rs. 150,000 millions comprising 15,000 millions share of Rs. 10 each to Rs. 250,000 millions comprising 25,000 millions share of Rs. 10 each in the annual general meeting held on 30th September 2020.

Issued, Subscribed and Fully Paid-Up			
No of Shares	13,06,85,06,000	13,06,85,06,000	13,06,85,06,000
Issued during the period	-	-	-
Total no of shares	13,06,85,06,000	13,06,85,06,000	13,06,85,06,000
Par value per share (Rs.)	10	10	10
Amount (in millions)	**1,30,685.06**	**1,30,685.06**	**1,30,685.06**

(i) Reconciliation of the number of shares outstanding is set out below

Particulars	As at 30 September 2022		As at 30 September 2021		As at 31 March 2022	
	Number of shares	Amount (in millions)	Number of shares	Amount (in millions)	Number of shares	Amount (in millions)
Shares outstanding at the beginning of the period	13,06,85,06,000	1,30,685.06	13,06,85,06,000	1,30,685.06	13,06,85,06,000	1,30,685.06
Shares issued during the period	-	-	-	-	-	-
Shares outstanding at the end of the period	**13,06,85,06,000**	**1,30,685.06**	**13,06,85,06,000**	**1,30,685.06**	**13,06,85,06,000**	**1,30,685.06**

(ii) The Company has only one class of equity shares having face value of Rs 10 each and the holder of the equity share is entitled to one vote per share. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.

(iii) Details of shares held by shareholders holding more than 5% of shares:

Particulars	As at 30 September 2022		As at 30 September 2021		As at 31 March 2022	
	Number of shares	% Holding	Number of shares	% Holding	Number of shares	% Holding
The President of India (acting through Ministry of Railways)	11,28,64,37,000	86.36%	11,28,64,37,000	86.36%	11,28,64,37,000	86.36%

(iv) Details of shares held by Promoters :

Name of the Promoter	As at 30 September 2022			As at 30 September 2021			As at 31 March 2022		
	Number of shares	% Holding	% Change During the Year	Number of shares	% Holding	% Change During the Year	Number of shares	% Holding	% Change During the Year
The President of India (acting through Ministry of Railways)	11,28,64,37,000	86.36%	-	11,28,64,37,000	86.36%	-	11,28,64,37,000	86.36%	-

(v) The company has not, for a period of 5 years immediately preceding the balance sheet date:- issued equity share without payment being received in cash.
- issued equity share by way of bonus share.
- bought back any of its share.

(vi) The company has no equity share reserve for issue under options/contracts

(vii) The Company has completed its Initial Public Offering (IPO) of 1,78,20,69,000 equity shares of face value of Rs.10/- each at an issue price of Rs.26/- per equity share aggregating to Rs. 46,333.79 millions, consisting of fresh issue 1,18,80,46,000 equity shares aggregating to Rs. 30,889.20 millions and an offer for sale of 59,40,23,000 equity shares aggregating to Rs. 15,444.60 millions by the Government of India. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on 29th January 2020.

The utilisation of IPO proceeds is summarised as below:

Particulars	Upto the date of Board Meeting approving these results		
	Amount Raised	Utilised	Unutilised
Augmenting our equity capital base to meet our future capital requirement arising out of growth in our business	30,118.76	30,118.76	-
General Corporate Purpose	500.00	464.02	35.98
Net Proceeds*	**30,618.76**	**30,582.78**	**35.98**

* Net of Issue expense of Rs. 270.44 millions (Utilised till the date of board meeting Rs. 270.44 millions).

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Note 22 : Other Equity

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
Share issue expenses	(377.87)	(376.84)	(377.87)
Securities Premium Reserve-Equity	19,008.74	19,008.74	19,008.74
Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	39,658.00	26,733.47	32,906.28
General reserve	1,74,032.28	1,74,032.28	1,74,032.28
Retained earnings	72,418.38	39,008.31	53,641.86
Equity instruments through other comprehensive income	66.32	80.22	67.05
Total	**3,04,805.85**	**2,58,486.18**	**2,79,278.34**

Note 22.1: Share Issue Expenses

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
Balance at the beginning of the period	(377.87)	(376.84)	(376.84)
Changes in accounting policy/prior period Errors	-	-	-
Restated balance at the beginning of the period	(377.87)	(376.84)	(376.84)
Addition during the period*	-	-	(1.03)
Closing balance at the end of the period	**(377.87)**	**(376.84)**	**(377.87)**

*Share issue expenses includes stamp duty fees and listing fees for the amount of Rs. 123.84 millions (As at 30 September 2021: 123.84 Million and as at 31 March 2021: 123.84 Million) and 254.03 millions (As at 30 September 2021: 253.00 millions and as at 31 March 2022: 254.03 millions), respectively.

Note 22.2: Securities Premium Reserve-Equity

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
Balance at the beginning of the period	19,008.74	19,008.74	19,008.74
Changes in accounting policy/prior period Errors	-	-	-
Restated balance at the beginning of the period	**19,008.74**	**19,008.74**	**19,008.74**
Addition during the period	-	-	-
Closing balance at the end of the period	**19,008.74**	**19,008.74**	**19,008.74**

Securities Premium Reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purpose such as issuance of bonus shares, writing off the preliminary expenses in accordance with the provisions of section 52 the Companies Act, 2013.

Note 22.3: Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
Balance at the beginning of the period	32,906.28	20,726.61	20,726.61
Changes in accounting policy/prior period Errors	-	-	-
Restated balance at the beginning of the period	**32,906.28**	**20,726.61**	**20,726.61**
Addition during the period	6,751.72	6,006.86	12,179.67
Closing balance at the end of the period	**39,658.00**	**26,733.47**	**32,906.28**

Note 22.4: General Reserve

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
Balance at the beginning of the period	1,74,032.28	1,74,032.28	1,74,032.28
Changes in accounting policy/prior period Errors	-	-	-
Restated balance at the beginning of the period	**1,74,032.28**	**1,74,032.28**	**1,74,032.28**
Addition during the period	-	-	-
Closing balance at the end of the period	**1,74,032.28**	**1,74,032.28**	**1,74,032.28**

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of other equity to another and is not an item of other comprehensive income.

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Note 22.5: Retained Earnings

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
Balance at the beginning of the period	53,641.86	14,980.31	14,980.31
Changes in accounting policy/prior period errors	-		-
Restated balance at the beginning of the period	**53,641.86**	**14,980.31**	**14,980.31**
Profit for the year	33,761.40	30,034.86	60,903.97
Transfer to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	(6,751.72)	(6,006.86)	(12,179.67)
Final Dividend	(8,233.16)	-	-
Interim Dividend	-	-	(10,062.75)
Dividend tax	-	-	-
Closing balance at the end of the period	**72,418.38**	**39,008.31**	**53,641.86**

Retained earnings represent the amount of accumulated earnings of the Company.

Note 22.6: Equity instruments Through Other Comprehensive Income

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
Balance at the beginning of the period	67.05	77.66	77.66
Changes in accounting policy/prior period errors	-	-	-
Restated balance at the beginning of the period	67.05	77.66	77.66
Total comprehensive income for the period	(0.73)	2.56	(10.61)
Closing balance at the end of the period	**66.32**	**80.22**	**67.05**

The change in fair value of equity instrument as at FVTOCI excluding dividends, are recognized in the OCI.

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Note 23 : Interest Income

Particulars	Half Year Ended 30 September 2022	Half Year Ended 30 September 2021	Year Ended 31 March 2022
On financial assets measured at amortised cost :			
- Interest on loans	2,835.02	3,039.41	6,392.05
- Interest income from deposits	344.74	114.91	144.88
- Interest income from investments	0.02	0.92	1.31
- Pre commencement lease - Interest Income	31,018.02	29,952.76	66,373.60
- Interest income on application money	26.21	9.46	34.88
Total	**34,224.01**	**33,117.46**	**72,946.72**

Note 24 : Lease Income

Particulars	Half Year Ended 30 September 2022	Half Year Ended 30 September 2021	Year Ended 31 March 2022
Lease income			
Rolling Stock	62,317.70	59,179.70	1,18,284.63
Project Assets	17,830.68	416.21	11,751.33
Total	**80,148.38**	**59,595.91**	**1,30,035.96**

Note 25 : Other Income

Particulars	Half Year Ended 30 September 2022	Half Year Ended 30 September 2021	Year Ended 31 March 2022
Interest Income on security deposit given towards lease	0.59	0.60	1.18
Miscellaneous income	5.61	0.02	22.15
Total	**6.20**	**0.62**	**23.33**

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Note 26: Finance Cost

Particulars	Half Year Ended 30 September 2022	Half Year Ended 30 September 2021	Year Ended 31 March 2022
On financial liabilities measured at amortised cost :			
Interest on debt securities	69,408.10	66,082.22	1,34,526.82
Interest on borrowings	56,120.07	39,637.71	85,640.07
Discount on commercial paper	-	246.14	324.49
Interest on delayed payments to Ministry of Railways	548.11	114.88	796.22
Interest to Income Tax Authorities	-	-	-
Interest Expenses Accrued on Lease Liabilities	5.77	9.05	16.48
Other borrowing cost	113.28	127.30	168.26
Sub-Total	**1,26,195.33**	**1,06,217.30**	**2,21,472.34**
Less: Borrowing costs capitalized on Railway Infrastructure Assets	46,213.55	43,911.08	80,724.52
Total	**79,981.78**	**62,306.22**	**1,40,747.82**

Note 27: Impairment on Financial Instruments Measured at Amortised Cost

Particulars	Half Year Ended 30 September 2022	Half Year Ended 30 September 2021	Year Ended 31 March 2022
Loans & Interest accrued thereon	(41.19)	(8.76)	4.61
Total	**(41.19)**	**(8.76)**	**4.61**

* The Company being a government owned NBFC, hitherto exempt, is subject to provisioning norms vide Reserve Bank of India circular no. RBI/2017-18/181_DNBR (PD) CC. No. 092/03.10.001/2017-18 dated 31 May 2018. Income Recognition and Asset Classification (IRAC) norms to be complied by 31 March 2019. However, RBI had vide letter no DNRB (PD). CO.No.1271/03.10.001/2018-19 dated 21 December 2018 had exempted the Company from the aforesaid requirements to the extent of its direct exposure on the sovereign. Therefore the company had not applied impairment requirements to its exposure with MOR. The computation of impairment is as under:

Particulars	Half Year Ended 30 September 2022	Half Year Ended 30 September 2021	Year Ended 31 March 2022
Loan to IRCON International Limited	6,153.07	12,306.14	12,306.14
Loan to Rail Vikas Nigam Limited	53,416.47	56,216.00	56,216.00
Debt Securities	-	7.43	2.93
Interest accrued on above	12,285.20	10,281.05	13,626.76
Total	**71,854.74**	**78,810.62**	**82,151.83**
Provision @ 0.4%	287.42	315.24	328.61
Less: ECL already created	328.61	324.00	324.00
Change in impairment	**(41.19)**	**(8.76)**	**4.61**

The Company apart from the above is of the view that no further impairment is required as per expected credit loss model prescribed in IND AS 109, Financial Instruments as Ircon International Limited and Rail Vikas Nigam Limited, both, are under the Ministry of Railways, Government of India and the Company do not expect any concern in the repayment of aforesaid loans.

Note 28 : Employee Benefit Expense

Particulars	Half Year Ended 30 September 2022	Half Year Ended 30 September 2021	Year Ended 31 March 2022
Salaries and wages	53.08	31.31	84.31
Contribution to provident and others funds	10.50	7.54	22.10
Staff welfare expenses	0.79	0.81	1.07
Total	**64.37**	**39.66**	**107.48**

Note 29: Depreciation, Amortisation and Impairment

Particulars	Half Year Ended 30 September 2022	Half Year Ended 30 September 2021	Year Ended 31 March 2022
Depreciation on property, plant and equipment	9.06	2.26	18.12
Depreciation on ROU Assets	59.73	59.73	119.46
Amortisation of intangible assets	1.33	0.07	2.67
Total	**70.12**	**62.06**	**140.25**

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Note 30 : Other Expenses

Particulars	Half Year Ended 30 September 2022	Half Year Ended 30 September 2021	Year Ended 31 March 2022
Fee & subscription	1.03	0.99	2.14
Travelling	3.34	0.16	2.55
Rent	1.80	14.07	3.94
Printing & stationery	0.80	0.88	2.13
Director's fees, allowances and expenses	0.42	0.37	3.73
Transport hire charges	3.23	1.86	6.45
Insurance	2.65	4.64	5.30
Manpower Services	14.17	13.77	28.34
Legal & professional charge	8.28	10.25	16.57
Loss on sale of fixed assets	-	0.03	0.03
Payment to auditors	1.50	1.71	3.63
Property tax	-	0.28	0.28
Office maintenance charges	4.00	2.80	6.30
Office equipment maintenance	2.43	5.37	4.85
Advertisement & publicity	24.16	4.03	25.39
Sponsorship/Donation	0.21	-	1.63
Newspaper, books and periodicals	0.09	0.15	0.28
Electricity charges	0.93	1.15	2.11
Exchange rate variation	(0.10)	0.14	0.15
Miscellaneous expenses	20.94	3.94	41.88
Corporate social responsibility expenses	455.03	216.36	956.58
Total	**544.91**	**282.95**	**1,114.26**

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Note 31: Income Taxes

Particulars	Half Year Ended 30 September 2022	Half Year Ended 30 September 2021	Year Ended 31 March 2022
Income Taxes Recognised in Profit and Loss			
Current Tax			
In respect of the current period	-	-	-
Adjustments for prior periods	-	-	3.19
	-		3.19
Deferred Tax			
In respect of the current period	-	-	-
	-		3.19
Total Income Tax Expense Recognised in the Current Period	-	-	3.19

The Company has decided to exercise the option permitted under section 115BAA of the Income Tax Act, 1961. After exercising the option of Section 115BAA, the taxable income under the provisions of Income Tax Act, 1961 comes to nil. Further after adoption of Section 115BAA, the Company is outside the scope and applicability of MAT provisions under Section 115JB of Income Tax Act, 1961. Hence, no provision for tax has been made in the financial statements.

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Half Year Ended 30 September 2022	Half Year Ended 30 September 2021	Year Ended 31 March 2022
Profit before tax	**33,758.60**	**30,034.32**	**60,901.55**
Tax rate	0.25	0.25	25.168%
Tax thereon	8,496.36	7,559.04	15,327.70
Tax impact on account of unabsorbed depreciation as per computation under normal provisions of the Income tax Act, 1961 under the head 'Profit and Gains of Business'	(8,496.36)	(7,559.04)	(15,327.70)
Minimum alternate tax on book profits as per section 115JB(1) of Income Tax Act, 1961 (see note 1 below)	-	-	-
Proportionate minimum alternate tax on accretion to other equity on date of transition to Ind-AS as per Section 115JB (2C) of the Income Tax Act, 1961 (see note 2 below)	-	-	-
Tax on items recognised in other comprehensive income	-	-	-
Tax on adjustment for earlier years on finalization of assessments by the assessing authorities	-	-	-
Total tax expense	-	-	-

Note -1

Particulars	Half Year Ended 30 September 2022	Half Year Ended 30 September 2021	Year Ended 31 March 2022
Profit for the period as per Ind AS			
Less: Ind AS adjustments			
Total (A)			
Add:-			
Expenses u/s 14A of Income Tax Act	As the Company has opted for section 115BAA of the Income - tax Act, 1961, the MAT provisions of section 115JB of the Income - tax Act, 1961 are no longer applicable to the Company	As the Company has opted for section 115BAA of the Income - tax Act, 1961, the MAT provisions of section 115JB of the Income - tax Act, 1961 are no longer applicable to the Company	As the Company has opted for section 115BAA of the Income - tax Act, 1961, the MAT provisions of section 115JB of the Income - tax Act, 1961 are no longer applicable to the Company
Interest u/s 234 B & C			
Provision for post retirement employee benefits			
Standard asset provision			
Total (B)			
Total (A+B)			
Less:-			
Dividend income			
Total (C)			
Book Profit((A+B)-C)			
Tax rate			
Tax thereon			

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Note -2

Particulars	Half Year Ended 30 September 2022	Half Year Ended 30 September 2021	Year Ended 31 March 2022
Other equity as per Ind AS on date of conversion i.e., 01 April 2018	-	-	-
Adjustment on account of fair value change in the value of investments measured at FVTOCI	-	-	-
Total	-	-	-
Other equity as per AS on date of conversion i.e., 01 April 2018	-	-	-
Difference	-	-	-
Tax rate	-	-	-
Tax thereon	-	-	-
Proportionate amount of tax payable during the period ended	-	-	-

Income Tax Recognised in Other Comprehensive Income

Particulars	Half Year Ended 30 September 2022	Half Year Ended 30 September 2021	Year Ended 31 March 2022
Remeasurement of defined benefit obligation	-	-	-
Total Income Tax Recognised in Other Comprehensive Income	-	-	-

Note 32: Earning Per Share

Particulars	Half Year Ended 30 September 2022	Half Year Ended 30 September 2021	Year Ended 31 March 2022
Net Profit	33,758.60	30,034.32	60,898.36
Weighted average number of equity shares outstanding			
Opening balance at the beginning of the period	13,06,85,06,000.00	13,06,85,06,000.00	13,06,85,06,000
Issued during the period	-	-	-
Brought back during the period	-	-	-
Add: Number of potential equity shares on account of receipt of share application money pending allotment	-	-	-
Weighted average number of equity shares [including diluted equity share] outstanding at the end of the period	13,06,85,06,000.00	13,06,85,06,000.00	13,06,85,06,000
Earning per share- Basic [Face value of Rs. 10/- per share]	2.58	2.30	4.66
Earning per share- Diluted [Face value of Rs. 10/- per share]	2.58	2.30	4.66

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Note No. 33 Disbursement

Particulars	Disbursement for the Half Year
Rolling Stocks*	44,000.00
EBR_IF Projects	40,356.50
RVNL I	-
	84,356.50

Note No. 34 Contingent Liability

Particulars	As at 30 September 2022	As at 30 September 2021	As at 31 March 2022
a. Claims against the Company not acknowledged as debt – Claims by bondholders in the consumer / civil courts	0.23	4.22	4.22

b. Claims against the Company not acknowledge as debt – relating to service matter pending in Hon'ble Supreme Court - amount not ascertainable.

c. The procurement/acquisition of assets leased out by the Company to the Indian Railways is done by Ministry of Railways (MOR), Government of India. As per the lease agreements entered into between the Company and MOR, the Sales Tax/ VAT liability, if any, on procurement/acquisition and leasing is recoverable from MOR. Since, there is no sales tax/ VAT demand and the amount is unascertainable, no provision is considered necessary.

d. Director-General of GST Intelligence (DGGI), Chennai Zonal unit has served a show cause notice dated 16-4-2019 on the company alleging contravention of the provision of sec 67,68 and 70 of the Finance Act, 1994 by the company and as to why service tax of Rs26,537.65 million along with interest and penalty be not demanded from the company. The company has submitted reply against the Show Cause notice stating that there is no contravention of the provision of any of the above-stated section of the Finance Act, 1994. Against the reply given by the company, vide letter dt 21-10-20, Commissioner, CGST, Delhi East, seeking comments given by the DGGI, Chennai Zonal unit and the company filed the counter comments to the department and the company is not liable to pay the tax. However, if any liability arises that would be recoverable from the Ministry of Railways, Government of India. "

e. The disputed demand of tax including interest thereon for the AY 2015-16 was Rs. 9.48 million. Against the said demand, the Company has filed a rectification application u/s 154. Based on the decisions of the Appellate Authority in similar matters and interpretation of relevant provisions, the Company is confident that the demands will be either deleted or substantially reduced, and accordingly, no provision is considered necessary. However, the said demand of Rs.9.48 million has been adjusted by the department, out of the refund to IRFC for the AY 2016-17.

f. The income tax assessment of the Company has been completed up to the AY 2019-20. During the year, an intimation u/s 143(1) for FY 2018-19 was received from the CPC . In the said intimation, TDS credit has been short granted by Rs.1502.46 million despite it appearing in Form 26AS. Further, the book profit has been increased by Rs.1,462.42 million without any reason and a demand of additional tax and interest thereon has been raised. The demand of Rs.2,043.26 million has been adjusted against the refund claimed for AY 2020-21.
Against the said demand issued by the CPC u/s 143 (1), an appeal was filed at CIT (A) on 28 January 2022 for consideration of TDS credit and removal of additional demand, and also rectification application u/s 154 was filed on 1 February 2022 for consideration of TDS credit. Pending disposal of the appeal, management is of the view that no provision is required.

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Note No. 35 Liquidity Risk Management

Particulars	0-1 year	1-3 years	3-5 years	5+ years	Total	Recognition of borrowings at unamortised cost using effective interest rate method	Fair value hedge adjustment-recoverable from Ministry of Railways	Carrying Amount Balance Sheet amount as per IND AS
30 September 2022								
Trade Payables-Other Payables	222.80	-	-	-	222.80	-	-	**222.80**
-Lease Liabilities	130.23	28.95	5.84	9.76	174.78	-	-	**174.78**
Other Financial Liabilities	**3,22,176.14**	**9,188.59**	-	-	**3,31,364.73**	-	-	**3,31,364.73**
-Interest accrued but not due	98,670.10	9,188.59		-	1,07,858.69	-	-	1,07,858.69
-Amount payable to Ministry of Railways	2,15,227.44	-	-	-	2,15,227.44	-	-	2,15,227.44
-Dividend Payable	8,184.41	-	-	-	8,184.41	-	-	8,184.41
-Liability for unclaimed dividend	9.77	-	-	-	9.77	-	-	9.77
-Security Deposits	0.50	-	-	-	0.50	-	-	0.50
Liability for matured and unclaimed bonds and interest accrued thereon	83.92	-	-	-	83.92	-	-	83.92
Debt Securities	**1,54,220.40**	**1,48,992.37**	**1,95,928.66**	**14,81,419.03**	**19,80,560.46**	**(973.96)**	**605.80**	**19,80,192.30**
-Bonds in Domestic Market	1,54,220.40	1,07,957.37	1,95,928.66	12,55,726.53	17,13,832.96	(741.29)	-	17,13,091.67
-Bonds in Overseas Market	-	41,035.00	-	2,25,692.50	2,66,727.50	(232.67)	605.80	2,67,100.63
Borrowing (Other than Debt Securities)	**58,776.40**	**73,970.60**	**2,05,931.96**	**15,62,053.17**	**19,00,732.13**	**(5,848.28)**	**(7,917.35)**	**18,86,966.50**
Borrowings in India	58,776.40	73,970.60	1,87,093.16	11,62,663.52	14,82,503.68	-	-	14,82,503.68
Borrowings outside India	-	-	18,838.80	3,99,389.65	4,18,228.45	(5,848.28)	(7,917.35)	4,04,462.82

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36 Company as a Lessee

The Company has lease contracts for office premises. The Company has recognised Right of Use Asset and Lease Liability for all the leases. Refer to Note 2.14 significant accounting policy on leases.

The escalation clause includes escalations generally ranging from 7% to 10%. Lease term includes the renewal term wherever the lessee has the option to renew the lease as it is reasonably certain for the lessee to exercise the option. However, the Company is not reasonably certain to exercise the termination option after the expiry of the lock in period. There are no restrictions imposed by lease arrangements.

Set out below are the carrying amounts of right of use assets recognised during and movement during the year

Office Premises	**As at 30th September 2022**	**As at 30th September 2021**	**As at 31st March 2022**
Closing Net Carrying Balance	164.52	283.98	224.25
Movement during the period			
Opening Net Carrying Value	224.25	343.71	343.71
Additions	-	-	-
Deletions	-	-	-
Depreciation	59.73	59.73	119.46
Impairment/Adjustment	-	-	-
Closing Net Carrying Balance	**164.52**	**283.98**	**224.25**

Set out below are the carrying amounts of lease liabilities and movement during the year.

Particulars	**As at 30th September 2022**	**As at 30th September 2021**	**As at 31st March 2022**
Closing Net Carrying Balance	174.78	290.53	233.52
Movement during the period			
Opening Net Carrying Value	233.52	345.88	345.88
Additions	-	-	-
Deletions	-	-	-
Accretion of Interest	5.77	9.05	16.48
Payments	64.51	64.40	128.84
Closing Net Carrying Balance	**174.78**	**290.53**	**233.52**

Cash Flows

Particulars	**As at 30th September 2022**	**As at 30th September 2021**	**As at 31st March 2022**
Total Cash Outflow of Lease	64.51	64.40	128.84

Amount Recognised in statement of Profit & Loss

Particulars	**As at 30th September 2022**	**As at 30th September 2021**	**As at 31st March 2022**
Depreciation Expenses			
Depreciation	59.73	59.73	119.46
Finance Cost			
Interest Expenses on lease liabilities	5.77	9.05	16.48

Current and non-current lease liabilities

Particulars	**As at 30th September 2022**	**As at 30th September 2021**	**As at 31st March 2022**
Current	130.23	115.74	122.05
Non Current	44.55	174.79	111.47
	174.78	**290.53**	**233.52**

Maturity Profile of Company's future lease liabilities based on contractual undiscounted payments

Particulars	**As at 30th September 2022**	**As at 30th September 2021**	**As at 31st March 2022**
Less than 12 Months	136.41	128.95	131.85
1 to 3 Years	31.28	164.45	98.68
3 to 5 years	7.46	6.78	7.11
> 5 years	10.49	14.41	12.50
	185.64	**314.59**	**250.14**

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Azadi Ka Amrit Mahotsav

INDIAN RAILWAY FINANCE CORPORATION

Resourceful
Committed
Sustainable

35th Annual Report 2021-22

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Forward looking statement

Some information in this report may contain forward-looking statements. We have based these forward looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forward looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward looking statements and assumed facts or bases almost always vary from actual results, and the differences between the results implied by the forward looking statements and assumed facts or bases and actual results can be material, depending on the circumstances.

Key highlights FY 21-22

28.87%

Y-o-Y growth in revenue

15.32%

Y-o-Y growth in AUM

₹20,17,94.23 Mn

EBIDTA

₹60,898.36 Mn

PAT

₹4,09,963.40 Mn

Net worth

CRISIL AAA (Stable)
ICRA AAA (Stable)
CARE AAA

Ratings

Indian Railways has always been instrumental in driving economic growth, social progress and national integration by bringing people and places closer. At IRFC, we have played a strategic role in the expansion of Indian Railways network, funding the capital expenditure at competitive rates.

Our funding sources continue to be diversified, with the cost of borrowing among the lowest in the industry, supported by high long-term credit ratings by esteemed national and international credit rating agencies. Over the years, we have evolved a sustainable business model, characterised by low-risk, low-cost and high operational efficiency.

Our commitment is to channelise our resources prudently for the development of the railway sector over the long term. Despite pandemic-induced challenges in the operating environment, we have been able to achieve high performance benchmarks in FY 2021-22 in almost all aspects of our business, with surging net worth & profiitability.

Our exciting journey continues with unwavering focus on resourcefulness, commitment and sustainability.

Corporate Information

Board of Directors

Shri Amitabh Banerjee
Chairman & Managing Director

Ms. Shelly Verma
Director (Finance)

Shri Baldeo Purushartha
Government Nominee Director

Shri Bhaskar Choradia
Government Nominee Director

Shri Vallabhbhai Maneklal Patel
Non- Official /Independent Director

Smt. Sheela Pandit
Non- Official /Independent Director

Chief Vigilance Officer

Shri Sanjeev Jain

Company Secretary & Compliance Officer

Shri Vijay Babulal Shirode

Registered Office

Room Nos. 1316 – 1349, 3rd Floor,
The Ashok, Diplomatic Enclave,
50-B, Chanakyapuri, New Delhi 110021

Corporate Identification Number

L65910DL1986GOI026363

Equity Shares listed on

National Stock Exchange of India Limited

BSE Limited

Scrip Code

National Stock Exchange of
India Limited – IRFC

BSE – 543257

ISIN

INE053F01010

Depositories

National Securities Depository Limited

Central Depository Services (India) Limited

Statutory Auditors

M/s KBDS & Co.
Chartered Accountants

Secretarial Auditors

M/s Navneet K Arora & Co LLP
Company Secretaries

Internal Auditors

M/s Raj Har Gopal & Co.
Chartered Accountants

Bankers

Union Bank of India
State Bank of India
ICICI Bank

Registrar & Transfer Agents

Equity Shares

M/s. Beetal Financial &
Computer Services (P) Ltd.
3rd Floor 99 Madangir,
Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir,
New Delhi- 110062
Email id: irfc@beetalfinancial.com
Ph. No : 91-11-2996 1281-83
Website: www.beetalfinancial.com

Bonds

M/s KFin Technologies Private Limited
Selenium Tower B, Plot Nos. 31 & 32,
Financial District Nanakramguda,
Serilingampally Mandal,
Hyderabad – 500032 India

Ph. No. : +91 040 6716 1598
Toll Free No: 1800-345-4001
Email id: brahma.k@kfintech.com
Website: www.kfintech.com

Website

https://irfc.co.in/

Email ID

investors@irfc.co.in

Profile of Board of Directors

Shri Amitabh Banerjee
Chairman & Managing Director
DIN: 03315975

Ms. Shelly Verma
Director (Finance)
DIN: 07935630

Shri Baldeo Purushartha
Government Nominee Director
DIN: 07570116

Shri Bhaskar Choradia
Government Nominee Director
DIN: 08975719

Shri Vallabhbhai Maneklal Patel
Non-Official / Independent Director
DIN: 07713055

Smt. Sheela Pandit
Non-Official / Independent Director
DIN: 09403193

Profile of Board of Directors

Shri Amitabh Banerjee

Chairman & Managing Director
DIN: 03315975

Shri Amitabh Banerjee was appointed as Managing Director on the IRFC Board on 12th October, 2019. He took over the charge of Chairman & Managing Director on the IRFC Board on 21st May, 2020. He belongs to the IRAS Cadre of 1988 Civil Service Exam Batch. He has a Masters in Commerce and is a Fellow Member of the Institute of Cost Accountants of India (ICWAI). He was a rank holder (13th position in All India Merit List) in the All India Senior School Certificate Examination (10+2). He was a recipient of National Talent Search Scholarship (NTS) for 5 years (1980 – 1985).

Prior to joining the post of Managing Director / IRFC, he has been working in the capacity of Director Finance, Konkan Railway Corporation Limited (KRCL) since October 2013. Prior to that, he worked in the capacity of Director Finance in Hindustan Paper Corporation Limited (HPC) for 3 years (September 2010 to October 2013). He also worked in the capacity of General Manager (Finance) in Delhi Metro Rail Corporation Limited (DMRC) for more than 5 years, handling inter-alia International financing (IDA Loan from JICA), Compilation and Finalization of Accounts and Preparation of Budgetary Estimates. He was the nominated representative of DMRC in the world body of various mid-sized metros, christened 'NOVA'. It was a consortium of 15 prominent Metro Rail Companies in the world.

He has held several portfolios in the Finance Department of Ministry of Railways since 1989 through 2003, handling major projects like Gauge Conversion, Laying of New Lines, Track Doubling, Construction of Railway Bridges, etc. He has also worked in the capacity of Director in the Office of Comptroller and Auditor General of India for about 2 years (2003 to 2005) as a representative of Ministry of Railways in an Autonomous Body – "Government Accounting Standards Advisory Board" – under the aegis of CAG, involved in the formulation of Accounting Standards for Central Government and State Governments.

Ms. Shelly Verma

Director (Finance)
DIN: 07935630

Ms. Shelly Verma is the Director (Finance) and Chief Financial Officer of our Company. She holds a Bachelor's degree in Commerce from Shri Ram College of Commerce, Delhi University and is also a fellow member of the Institute of Chartered Accountants of India. She has more than 30 years' experience in Power Sector Financing. Prior to her appointment to the Board of our Company, She has served in various capacities, including, most recently, as Executive Director (Finance) with the Power Finance Corporation Limited.

Shri Baldeo Purushartha

Government Nominee Director
DIN: 07570116

Shri Baldeo Purushartha has been inducted to the IRFC Board on 3rd June, 2020. He Joined the Indian Administrative Service (IAS) in 2002. Before joining as Joint Secretary, Department of Economic Affairs, Ministry of Finance, Government of India, he served as Secretary, Lokpal and Divisional Commissioner, Jalandhar, Punjab. He also served in various field and secretariat positions in the Government of Punjab and Government of India. Among the posts, he held the post of Private Secretary to Union Minister of State (Independent Charge) in the Ministry of Housing and Urban Affairs; Director, Industries and Commerce Department, Punjab; Director, Technical Education and Industrial Training, Punjab, Commissioner, NRI, Punjab and Special Secretary, Expenditure, Punjab.

He represents the Government of India on the Board of ONGC Videsh Ltd., Indian Railway Stations Development Corporation Ltd, National Investment and Infrastructure Fund Trustee Limited and National Land Monetization Corporation.

Shri Baldeo Purushartha holds a Post Graduate degree in History from University of Delhi.

Shri Bhaskar Choradia

Government Nominee Director
DIN: 08975719

Shri Bhaskar Choradia, nominated as part-time Government Director on the Board of Indian Railway Finance Corporation is an Indian Railway Accounts Service officer, holds the charge of Executive Director Finance (Budget) in Railway Board w.e.f.28.10.2020. Earlier to this assignment, he has worked as the Director for Government eMarketplace,Government of India (GOI) since September 2017 on deputation under Central Staffing Scheme. He has headed the marketing, capacity-building and customer relationships for this marquee initiative of GOI. He was instrumental in setting up the human resource and finance verticals of the newly incorporated GeM SPV.

He graduated with a Bachelor of Engineering in Mechanical engineering from the Indian Institute of Technology, Roorkee, India (Erstwhile University of Roorkee) in 1996 and joined the Government of India in 2000.

In his career as a Railway Officer he has the experience of working in various capacities in Accounts and Finance Departments of zonal

railways i.e. West Central Railway, Southern and Northern Railways and in Railway Board. He has worked in Railway Divisions, Workshops and on Headquarters. While in Railway Board he has worked in the Budget Directorate dealing with the preparation and presentation of the Railway Budget and its execution. As Director in Stores Finance in Railway Board he was involved in preparation of Rolling Stock Programme, M&P Programme for Indian Railways.

He has also attended various training programmes on Management, Public Administration, Tendering, Public Policy etc in India and abroad at Institutes like RSC/ Vadodara, NIFM/Faridabad, University of California, Berkeley/USA etc.

Shri Vallabhbhai Maneklal Patel

Non-Official / Independent Director
DIN: 07713055

Shri Vallabhbhai Maneklal Patel holds a Bachelor's Degree of Commerce (B. Com) from Gujarat University. He has been associated with Shri Ganesh Ginning & Pressing Factory since 1998 and having a vast experience in managing the affairs of the organization and knowledge of industry. He also represents on various forums like FICCI, Cotton Ginning and Pressing Association etc. He has also been the Vice Chairman of Kadi Nagrik Sahakari Bank Limited from year 2002 to 2005. Further, he is also a Member of Advisory Board of The Kalupur Commercial Cooperative Bank Limited, Gandhinagar. He is also engaged into various educational and Philanthropic activities and is Chairman of Sarva Vidyalaya Kelvani Mandal. Presently, he is also President of Kadi Sarva Vishwavidyalaya, Gandhinagar, Chairman of Kava Patidar Kelvani Uttejak Mandal and a Director of Sarva Vidyalaya Innovation Foundation a Section 8 Company.

Smt. Sheela Pandit

Non-Official / Independent Director
DIN: 09403193

Smt. Sheela Pandit has done Master's in Business Administration in Human Resource (MBA), also holds Bachelor's degree of Arts (History) and Bachelor's Degree of Education (B.ED). She possesses specialization in the field of Management.

Further, she has also been into the teaching profession and worked in various institutes such as Sunrise Convent School, Vishakahapatnam; ZB Zakaria English High School, Maharashtra; Ishan International School, Patna and Kendriya Vidyalaya, Danapur. She is a social activist and active in social and philanthropic activities.

Shri Sanjeev Jain
Chief Vigilance Officer

Shri Vijay Babulal Shirode
Company Secretary &
Compliance Officer

Chairman's message

We have consistently exhibited robust financial performance on the back of raising funds at competitive rates. This has helped us to keep our cost of borrowings low. Strategic relationship with the Ministry of Railways enables us to maintain a low risk profile.

Dear Shareholders,

Financial Year 2021-22 had remained one of the most challenging years since the inception of Company on account of the impact of the Covid, Ukraine war, inflation concerns, resurging cases of Covid in China and fragile recovery of economy from the impact of Covid. Even though the financial sector remained under tremendous stress due to pandemic situation and volatility in the market arising from global macro issues, the Company continued to exhibit excellent performance which was primarily attributed to its strategic relationship with MOR, strong financials and its dedicated workforce. I want to express my gratitude

to the frontline workers who have worked dedicatedly for our wellbeing and also offer condolences to all those who lost their loved ones.

Economic Overview

When the world was on the cusp of returning to normalcy post the third wave of the pandemic, the escalation of the geopolitical crisis, hit the world economy hard. The consequential spike in commodity prices impacted growth prospects by pushing up the already high inflation.

However, even in this backdrop, there are enough reasons to be optimistic. Notwithstanding the challenges, India's strong economic fundamentals are helping the country overcome the long-term impact of the crisis. India's GDP has grown by 8.7% in FY 2022 after contracting 6.6% during the previous fiscal.

Indian Railways Sector

The Indian Railways has demonstrated exemplary performance over the last two years despite operational challenges. It has been able to provide a cost effective and hassle-free mode of transportation for millions of people while ensuring continuous movement of goods across the country.

The Government of India's commitment to strengthen the country's railway infrastructure is reflected through various initiatives undertaken to boost the sector such as a 16.9% increase in allocation in the Union Budget 2022-23 to the tune of ₹ 1,40,367.13 crore. Additionally, the development of 400 new 'Vande Bharat' trains and 100 freight terminals over the next three years under the PM Gati Shakti project will provide the much needed impetus to the sector. With the sector experiencing dynamic growth with world-class advancements in both freight and passenger transportation, it is poised to emerge as an engine of economic growth of the country.

In the changing infrastructure landscape of the country, the Indian Railways in particular, we, at IRFC are determined to contribute to India's resolve in developing and expanding the infrastructure sector with a special focus on the Railways. To substantiate this, I would also like to make mention about our funding target of ₹ 66,500 crore in FY 2022- 23 from the Ministry of Railways which will be mobilised from domestic as well as overseas financial market.

Operational Highlights

We have consistently exhibited robust financial performance on the back of raising funds at competitive rates. This has helped us keep our cost of borrowings low. Strategic relationship with the Ministry of Railways enables us to maintain a low risk profile. The FY2021-22 has been another year of strong financials. The total disbursement for FY 2021-22 was ₹ 60,683.41 Crores comprising of ₹ 28,100 Crore for funding of Rolling Stock, ₹ 31,883.41 Crore for financing of Railway Projects under EBR-IF and ₹ 700 Crores to meet the debt financing requirements of RVNL. The cumulative funding to Railway Sector has crossed ₹ 5.04 lakh crore mark. Assets Under Management stood at ₹ 4,15,238 crore.

I am pleased to report that your Company has been ranked 96th in Fortune India 500 list of companies based on financials of fiscal 2020-21.

Borrowings during the year include Taxable Bonds worth ₹ 19,847.90 crore (Previous year ₹ 21,537.70 crore), External Commercial Borrowings (ECB) of ₹ 12,004.17 crore (previous year ₹ 29,586.95 Crore) at exchange rate prevailing on the draw down date, Rupee Term Loans of ₹ 42,900 crore (previous year ₹ 52,401.75 Crore) and 54EC bonds of ₹ 1,161.01 crore (previous year ₹ 842.60 crore). The weighted average cost of the pool of borrowings made by Company during the year 2021-22 worked out to 6.42% (semi-annual) as against 6.51% (semi-Annual) during the previous year 2020-21.

Revenue from operations of Company has increased by ₹ 45,280.47 million from ₹ 1,57,702.21 million in 2020-21 to

₹ 2,02,982.68 million in 2021-22, showing a growth of 28.71 %. Profit before Tax (PBT) of Company for the year ended 31st March 2022 was ₹ 60,901.55 million as compared to ₹ 44,161.31 million for the previous year, registering a growth of 37.91%.

During the year, the Company constantly diversified its borrowing portfolio to meet the target of borrowings mandated by MoR at the most competitive rates and terms. In its endeavor towards diversification of borrowing portfolio, Company raised funds to the extent of USD 500 Million through Green Bonds at a fixed coupon of 3.57% semi-annual rate. Company also raised JPY loan equivalent to USD 1.10 bn/INR 8,274.23 Cr comprising of two tranches of USD 700 mn and USD 400 mn having tenor of 10 years and 7 years respectively through Green Loan (Offshore loan).

Your Company based on its performance vis-à-vis the targets set out in the MOU for the year 2020-21, was awarded 'Excellent' rating from the Department of Public Enterprises.

The Company continued to maintain high level of employee productivity and efficiency as reflected in its low overhead to turnover ratio of less than 0.13%.

As on 31st March 2022, 86.36% of the paid-up equity share capital of the Company comprising of 11,28,64,37,000 Equity Shares of ₹ 10/- each were held by President of India acting through administrative ministry i.e., Ministry of Railways (MoR). The balance 13.64% of paid-up equity share capital was held by public. Based on market capitalization of Company, it is in the list of top 500 listed companies as on 31st March 2022.

Company had declared the Interim Dividend @ 7.70% i.e., ₹ 0.77/- per equity share having face value of ₹ 10/- each for F.Y. 2021-22 and has also recommended a Final Dividend @ 6.30% i.e., ₹ 0.63/- per equity share, subject to approval of the shareholders at the ensuing Annual General Meeting, thus the total dividend for the financial year 2021-22 would amount to ₹ 1.40/- per equity share of ₹ 10/- each.

Company considers good corporate governance practices a sine qua non for sustainable business that aims at generating long term value for its shareholders and all other stakeholders. Accordingly, it has been laying increasing emphasis upon development of best corporate governance practices amongst Central Public Sector Enterprises (CPSEs). Pursuant to the DPE Guidelines on Corporate Governance, quarterly compliance report is being submitted to the Ministry of Railways, through DPE, within the stipulated time. Further, the Report containing Annual Score (consolidated score of four quarters) was also submitted to DPE within the prescribed timeline.

During the financial year 2021-22, the Company was required to spend under Corporate Social Responsibility (CSR) ₹ 70.06 crore, against which, the Company has disbursed a sum of ₹ 45.02 crore, including, ₹ 38.91 crore contribution to PM CARES Fund, ₹ 3 crore to Clean Ganga Fund, ₹ 2 crore to Swacch Bharat Kosh, ₹ 99.96 lakh contribution towards Armed Forces Flag Day Fund (AFFDF), ₹ 0.1128 crore towards ongoing project of skill training of 500 persons with disabilities and the balance amount of ₹ 25.04 crore would be disbursed on receipt of bills/ claims from the implementing agencies in future.

Your Company has also become the first Central Public Sector Enterprise (CPSE) to list USD 500 million green offshore bonds exclusively at NSE-IFSC and India INX in the GIFT City, Gandhinagar.

I am pleased to report that your Company has been ranked 96th in Fortune India 500 list of companies based on financials of fiscal 2020-21. Your Company has also become the first Central Public Sector Enterprise (CPSE) to list our USD 500 million green offshore bonds exclusively at NSE-IFSC and India INX in the GIFT City, Gandhinagar.

Road Ahead

For the year 2022-23, the annual funding target for IRFC has been fixed at ₹ 66,500 crore which includes ₹ 31,000 crore for funding of Rolling Stock assets and funding of Railway projects to the extent of ₹ 35,500 crore.

As to move towards the new fiscal, in addition to funding the Indian railways, Company is looking forward to diversify into non-railway projects with a backward or a forward linkage with the Indian Railways. For this, Company is broadening its mandate and boosting capacity. Additionally, Company is also looking forward to add the World Bank, New Development Bank, National Bank for Financing Infrastructure and Development (NBFID) and a number of other European banks to Company's list of borrowers.

With India's transforming railway landscape and evolving infrastructure, I consider ourselves to be fortunate that Company is well positioned to seize the emerging opportunities. I am confident that Company will be able to achieve strategic goals while delivering sustained and compelling results in the future.

Company has posted highest ever Profit After Tax of Rs. 6,090 Crore.

I express my gratitude to customers, shareholders, suppliers, employees, lending institutions, stakeholders and the Government of India for reposing their confidence and trust in the Company. The Company looks forward to their continued support for sustaining its excellent performance levels.

Regards,

Sd/-
(Shri Amitabh Banerjee)
Chairman & Managing Director
DIN: 03315975

About us

Indian Railway Finance Corporation (NBFC-ND-IFC by RBI) is a schedule-'A' Miniratna CPSE under the administrative control of Ministry of Railways (MoR)

Since inception in 1986, IRFC has been mobilising funds from domestic and international markets for Indian Railways. IRFC is continually broadening its borrowing portfolio in order to appropriately support Indian Railways' year after year.

With more than 3 decades of experience, IRFC has made a huge contribution in the development and growth of Indian Railways and Railway entities including Rail Vikas Nigam Limited (RVNL) and IRCON.

VISION

To be the pivotal and premier Financial Services Company for the development of Rail Transport Sector while maintaining its symbiotic relationship with the Ministry of Railways.

MISSION

To make IRFC one of the leading Financial Service Companies in the country, for raising funds from the capital market at competitive cost for augmenting railway plan finances, duly ensuring that the Corporation makes optimum profits from its operations.

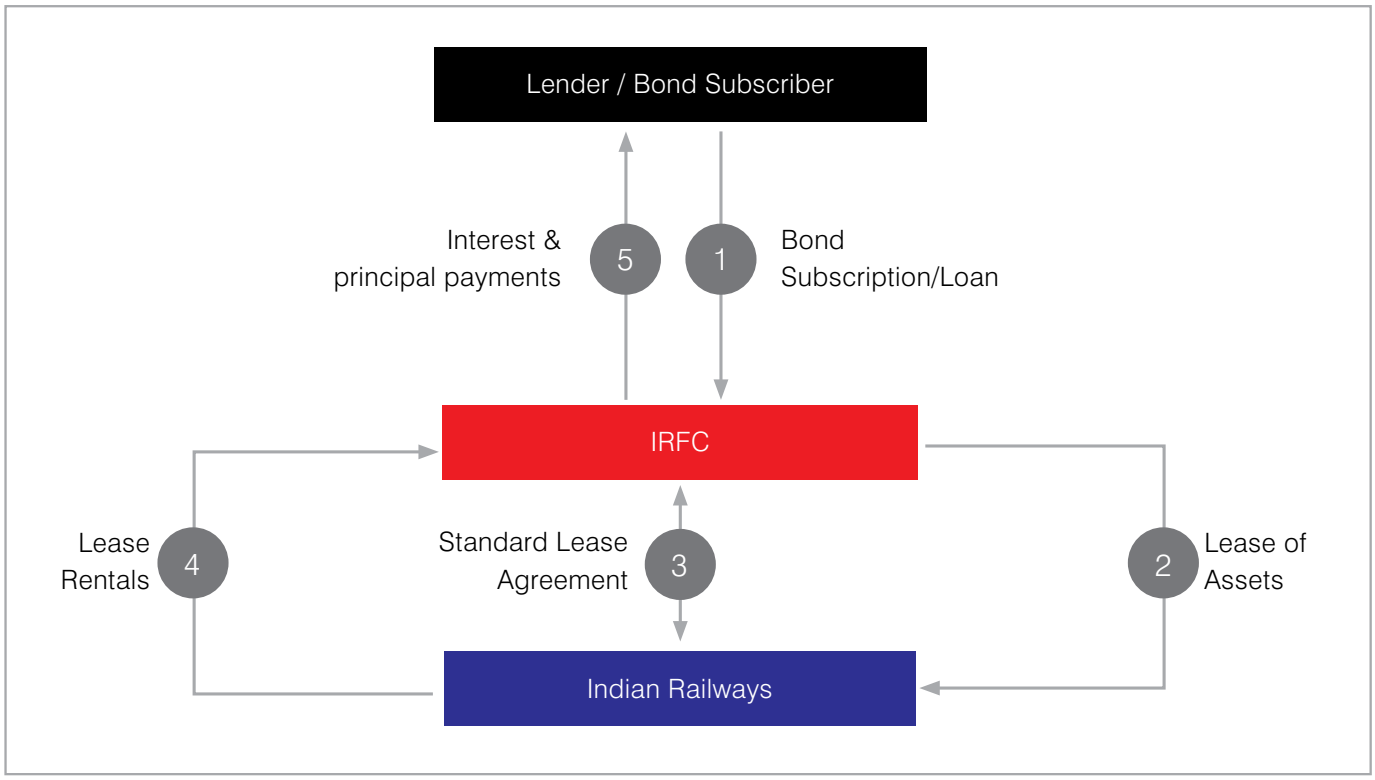
Business overview

IRFC a statutory body under the Ministry of Railways plays a significant role in funding the Indian Railways -"the national operator of railway system". Our main business is to finance the acquisition of rolling stock assets, leasing of railway infrastructure assets, and lending to other entities under the MoR.

Our Leasing Operations

IRFC uses a leasing approach to fund Indian Railways' Rolling stock and project assets. The normal lease term is 30 years, with a primary component of 15 years and a secondary component of 15 years. During the primary lease period, the principal component and interest are recovered as part of the lease. Secondary lease period assets are normally transferred to the MoR for a nominal sum at the conclusion of the lease. We have a cost-plus leasing agreement with the Ministry of Railways, which ensures consistent growth in our income and profitability. MoR pays half-yearly lease rentals in advance, which include both principal repayment and interest.

Financing of Rolling Stock/ Project Assets



Our Lending Operations

We lend funds to MoR and other Railway Entities in order to fuel their growth plan. We have provided loans to Rail Vikas Nigam Limited (RVNL) and IRCON.

Our Borrowing Operations

We raise funds through various sources at lowest feasible market rate. Our source of funds include taxable and tax-free bonds issuances, term loans from banks and financial institutions, commercial papers, external commercial borrowings and asset securitization. Due to our strong credit ratings, we get funds at significantly low cost.

Borrowing Profile for FY 2021-22

₹ 1,98,479 Mn
Taxable Bonds

₹ 4,29,000 Mn
Rupee Term Loans

₹ 1,20,041.70 Mn
External Commercial Borrowing

₹ 11,610.1 Mn
54 EC Bonds

GREEN BORROWINGS

IRFC raised funds to the extent of **USD 500 Mn** through **Green Bonds** at a fixed coupon of **3.57% Per annuum payable semi annually**. IRFC has become the **first CPSE** in the country to list its offshore bonds exclusively at Indian stock exchanges established in the GIFT City, Gandhinagar.

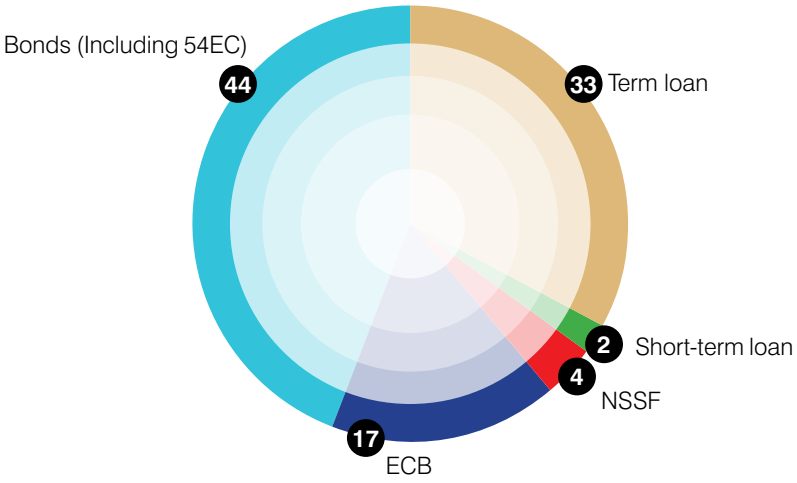
IRFC raised **Green/JPY Loan** equivalent to **USD 1.10 Bn/INR 8,274.23 Cr** comprising of two tranches of **USD 700 Mn** and **USD 400 Mn** having tenor of 10 years and 7 years respectively through **Green Loan (Offshore loan)**

Strategic priorities

Maintaining competitive cost of borrowings

At IRFC, we focus on getting borrowings at minimum cost which in turn enables us to provide funds to Indian Railways at competitive rate. We raise funds from various sources including term loans and bonds from domestic and international market. We raise funds at low cost as we have strong credit ratings and strategic relationship with the MoR.

Borrowing mix as on 31st March, 2022 (%)



Prudent financial management

Our robust business model and optimum funding mix enables us to maitain healthy balance sheet and liquidity position. Additionally, our cost plus stratgicapproach enables us to register sustained growth in income year on year and maintain profitability.

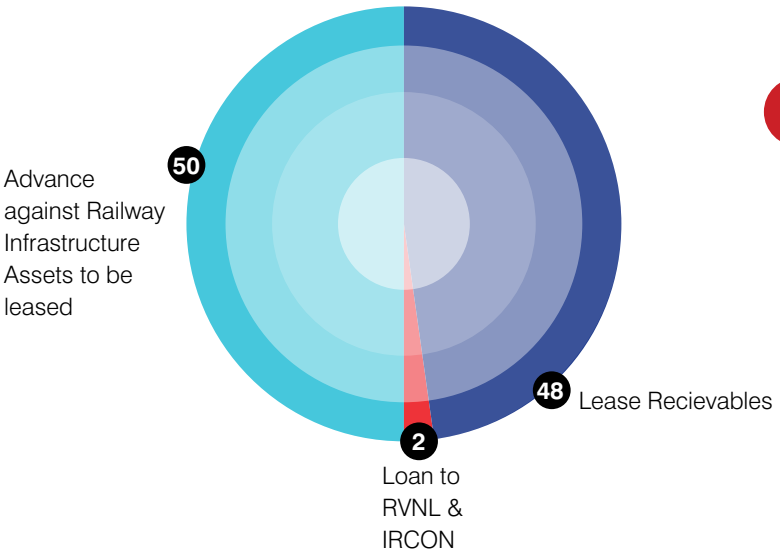
Diversifying Borrowing Portfolio

Since inception, we have focused on diversifying our borrowing portfolio by including different financial instruments at cost competitive rates and pioneering newer markets and investors. Different financial instruments such as green bonds / loans forms a part of our borrowing portfolio. We are also eyeing on opportunities on getting funds from sovereign wealth funds and pension funds as well as multilateral agencies such as the World Bank and the Asian Development Bank. Diverse source of funding and issuance of varied financial instrument enable us to raise and offer funds at lowest possible cost.

Asset-liability management

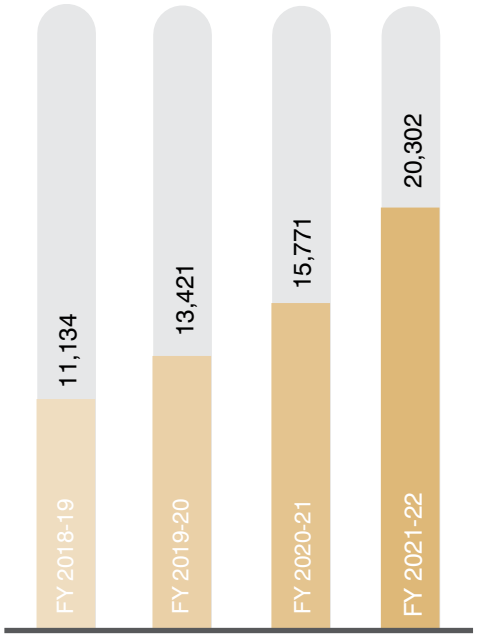
We have formed an asset-liability management framework that enable us to minimise the risks associated with liquidity and interest rate. We undertake periodic analysis of long-term liquidity profile of assets, liabilities, receipts and debt-service obligations. This enables us to take timely decision regarding the time, volume and maturity profile of borrowings and a creation of a mix of assets and liabilities in terms of tenure and interest rate (fixed or floating). We also emphasis on maintaining a sharp focus on locating funding sources with long term repayment schedules and matching them with the lease terms of Rolling Stock Assets and Project Assets that we fund.

AUM break-up (%)

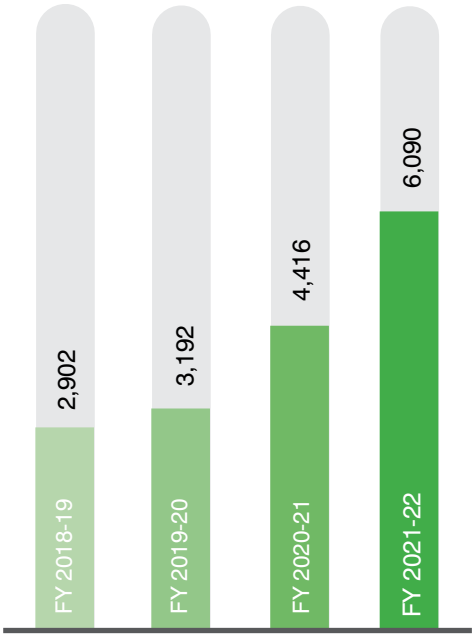


Financial highlights

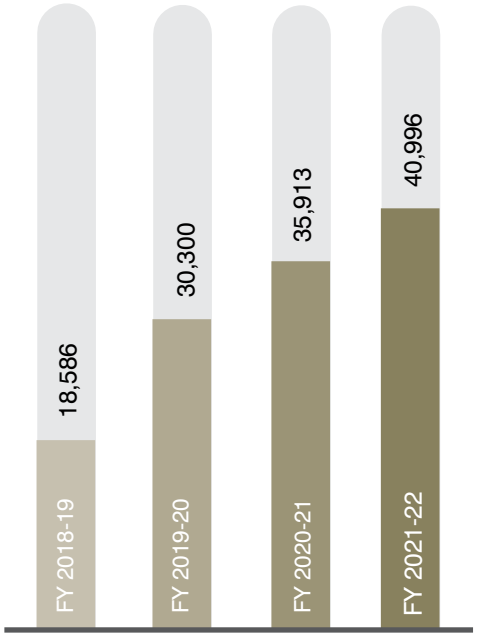
Total Income
(₹ In Crore)



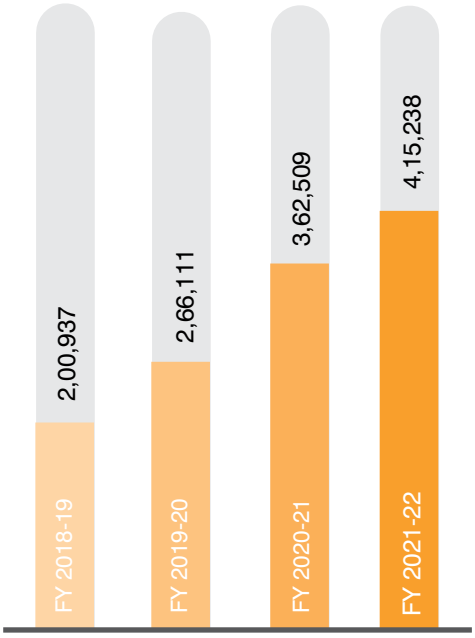
PAT
(₹ In Crore)



Net Worth
(₹ In Crore)

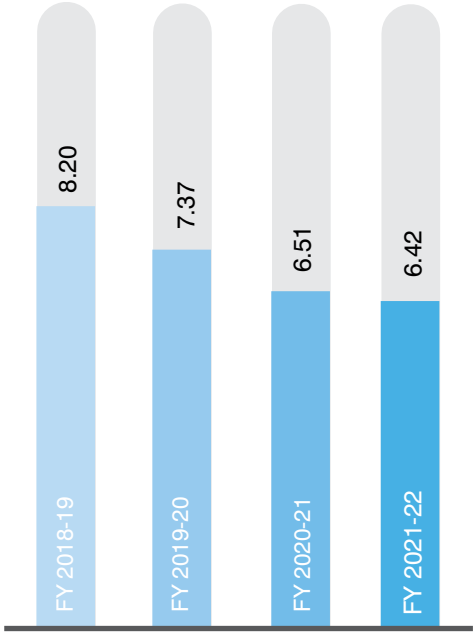


AUM
(₹ In Crore)



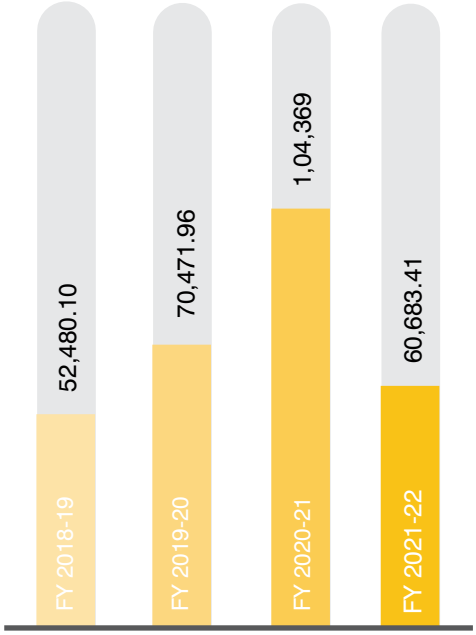
Weighted average cost of borrowing

(%)



Funds provided to MOR

(₹ In Crore)



Corporate social responsibility

We aim to empower and aid underserved sections of society, as well as address their needs and problems. Our efforts are focused on making a positive impact on communities, and we seek to achieve this through our corporate social responsibility activities. We collaborate with government agencies and other organisations to impact people's lives in tangible ways.

₹ 70.06 Crore
Required Spending in FY 21-22

₹ 70.06 Crore
Total Approved Projects

₹ 45.02 Crore
Disbursed in FY 21-22

₹ 38.91 Crore
Contribution to PM Cares Fund

₹ 3 Crore
Clean Ganga Fund

₹ 2 Crore
Swach Bharat Kosh

₹ 0.996 Crore
Contribution towards Armed Forces Flag Day Fund (AFFDF)

₹ 0.1128 Crore
Skill training of 500 persons with disabilities

₹ 25.04 Crore
Disbursement will be made on receipt of bills /claims from the implementing agencies in future

CSR - Handing over of Computer Navigation System

CSR - Handing over of Ambulance

CSR - Flagging off Ambulance

CSR - Inauguration of Computer Navigation System

Indian Railway Finance Corporation of India Limited
(A Government of India Enterprise)
CIN: L65910DL1986GOI026363
Regd. Office: Room Nos 1316 - 1349, 3rd Floor, The Ashok, Diplomatic Enclave, 50-B, Chanakyapuri, South West, New Delhi - 110021
Phone No.: 011-24100385
Website: https://irfc.co.in/, **Email Id:** investors@irfc.co.in

NOTICE

Notice is hereby given that the **Thirty Fifth Annual General Meeting (35th AGM) of Indian Railway Finance Corporation Limited (IRFC)** will be held on **Friday, 23rd September, 2022 at 3.00 p.m. (IST)** through Video Conferencing/Other Audio-Visual Means (VC/OAVM) at registered office of the Company at Room Nos. 1316 - 1349, 3rd Floor, The Ashok, Diplomatic Enclave, 50-B, Chanakyapuri, New Delhi – 110021 to transact the following businesses: -

ORDINARY BUSINESS

Item No. 1

To receive, consider, approve and adopt the audited financial statements of the Company for the financial year ended 31st March, 2022, along with the Reports of the Board of Directors and Auditors thereon and Comments of the Comptroller and Auditor General of India (CAG) by passing the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended on 31st, March, 2022 together with the Board's Report and the Auditors' Report thereon and Comments of the Comptroller and Auditor General of India, be and are hereby received, considered and adopted."

Item No. 2

Confirmation of payment of interim dividend and declaration of final dividend on equity shares by passing the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the interim dividend @ 7.7% i.e., ₹ 0.77/- per share on 1306,85,06,000 Equity Shares of ₹10/- each fully paid up, paid to the shareholders for the financial year 2021-22, as per the resolution passed by the Board of Directors at their meeting held on 1st November, 2021 be and is hereby noted and confirmed.

RESOLVED FURTHER THAT in terms of the recommendation of the Board of Directors of the Company at their meeting held on 20th May 2022, the approval of the Members of the Company be and is hereby accorded for payment of final dividend @ 6.3% (i.e., ₹ 0.63/- per share) on 1306,85,60,000 Equity Shares of ₹ 10/- each fully paid up for the financial year ended 31st March 2022."

Item No. 3

Re-appointment of Ms. Shelly Verma as a Director (Finance) by passing the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Ms. Shelly Verma (DIN: 07935630), who retires by rotation and being eligible, be and is hereby re-appointed as a Director (Finance) of the Company."

SPECIAL BUSINESS

Item No. 4

Appointment of Shri Vallabhbhai Maneklal Patel (DIN: 07713055) as Non- Official / Independent Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution(s) as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149,152, and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), Companies (Appointment and Qualification of Directors) Rules, 2014, relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company, Shri Vallabhbhai Maneklal Patel (DIN: 07713055) was appointed as an Additional Director (Non-Official/Independent Director) of the Company as per Ministry of Railways (MoR) order no. 2019/PL/57/22 dated 9th November 2021 with effect from 10th November, 2021, holds office upto the date of ensuing Annual General Meeting under Section 161 of the Act and who has submitted a declaration that he meets criteria of Independence as provided under the Act and the Listing Regulations be and is hereby appointed as Non- Official/ Independent Director of the Company, as per MoR order dated 9th November, 2021, not liable to retire by rotation.

RESOLVED FURTHER THAT any Director or Company Secretary be and is hereby authorized to sign and file required e-forms with Registrar of Companies, NCT of Delhi & Haryana, Ministry of Corporate Affairs and to do all acts, deeds, matters and things may be deemed necessary, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

Item No. 5

Appointment of Smt. Sheela Pandit (DIN: 09403193) as Non-Official/Independent Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution(s) as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149,152, and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), Companies (Appointment and Qualification of Directors) Rules, 2014, relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company, Smt. Sheela Pandit (DIN: 09403193) was appointed as an Additional Director (Non- Official/ Independent Director) of the Company as per Ministry of Railways (MoR) order no. 2019/PL/57/22 dated 9th November 2021 with effect from 22nd November, 2021, holds office upto the date of ensuing Annual General Meeting under Section 161 of the Act and who has submitted a declaration that she meets criteria of Independence as provided under the Act and the Listing Regulations be and is hereby appointed as Non-Official/ Independent Director of the Company, as per MoR order dated 9th November, 2021, not liable to retire by rotation.

RESOLVED FURTHER THAT any Director or Company Secretary be and is hereby authorized to sign and file required e-forms with Registrar of Companies, NCT of Delhi & Haryana, Ministry of Corporate Affairs and to do all acts, deeds, matters and things may be deemed necessary, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

By order of the Board of Directors

Sd/-
(**Vijay Babulal Shirode**)
Company Secretary

Place: New Delhi
Date: 11th August, 2022

NOTES: -

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts concerning the business under Item Nos. 4 & 5 of the accompanying Notice, is annexed hereto.

2. Pursuant to Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021 dated 8th April 2020, 13th April 2020, 5th May, 2020, 13 th January, 2021, 8 th December, 2021 and 14th December, 2021 followed by Circular No. 2/2022 dated 5th May, 2022 issued by the Ministry of Corporate Affairs (hereinafter collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars the 35th AGM of the Company is being conducted through VC/OAVM Facility, without physical presence of members at a common venue. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM The deemed venue for the 35th AGM shall be the Registered Office of the Company.

3. Pursuant to the provisions of the Companies Act, 2013 ("Act") a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since the 35th AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with.

   Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members such as the President of India or the Governor of a State or body corporate may be appointed for the purpose of casting vote through remote e-Voting prior to the AGM, participation in the 35th AGM through VC/OAVM Facility and for electronic voting during the AGM.

4. Attendance of the Members participating in the 35th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. In line with the MCA Circulars and SEBI Circular referred above, the Notice of the 35th AGM along with Annual Report is being sent by e-mail to all members, whose e-mail IDs are registered with the Company. However, the Shareholders of the Company may request physical copy of the Notice and Annual Report from the Company by sending a request at investors@irfc.co.in, in case they wish to obtain the same. The said documents are available on the website of the Company at https://irfc.co.in/ and on the website of National Stock Exchange of India Limited at www.nseindia.com and BSE Limited at www.bseindia.com and also on the website of Central Depository Securities Limited ("CDSL") at www.evotingindia.com.

   The Company had published advertisements in newspapers to encourage shareholders, holding shares in physical and electronic form, to register/update their email IDs for receiving the Annual Report for the financial year 2021-22.

   Those shareholders who have still not been able to update their e-mail IDs, may follow the below process for registration of e-mail IDs with the Company:

   - In case shares are held in Demat mode, please send an e-mail to irfc@beetalfinancial.com or investors@irfc.co.in quoting DP ID Client ID (16-digit DP ID + Client ID or 16-digit beneficiary ID), Name of holder(s), scanned copy of client master list/demat account statement, PAN Card and Aadhaar Card.

   - In case shares are held in physical mode, please send an e-mail to irfc@beetalfinancial.com or investors@irfc.co.in quoting Folio No., Name, scanned copy of Share certificate (front & back), PAN Card and Aadhaar Card.

6. All Members of the Company including Institutional/ Corporate Investors are encouraged to attend the AGM and vote on items to be transacted at the AGM. All Institutional / Corporate shareholders (i.e., other than individuals, HUF, NRI, etc.) are requested to send a certified copy of the Board or governing body resolution / authorization letter authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-Voting. The said resolution/ authorization shall be sent to the Scrutinizer through e-mail at csdelhi84@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com.

7. The Company has fixed **Friday, 16th September, 2022** as the Cut-off date for determining the eligibility to vote in respect of items of business to be transacted at the 35th AGM.

   Any person holding shares in physical form and non-individual shareholders who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and is holding shares as on the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if he / she is already registered with CDSL for remote e-voting, then he / she can use his / her existing user ID and password for casting the vote. Any shareholder who disposes off his

shareholding such that he/she is not a member as on the cut-off date should treat this Notice for information purposes only.

The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

8. The Register of Members and Share Transfer Books of the Company will remain closed from **Monday, 19th September, 2022** to **Thursday, 22nd September, 2022** (both days inclusive).

9. M/s Akhil Rohatgi & Company, Company Secretaries, New Delhi has been appointed as the Scrutinizer to scrutinize the votes cast through e-voting by the shareholders in respect of items of business to be transacted at the 35th AGM, in a fair and transparent manner.

10. The Company's Registrar and Transfer Agents for its share registry work (Physical and Electronic) is **M/s. Beetal Financial & Computer Services (P) Ltd.** (herein after referred to as "R &TA"). All documents, transfers, dematerialization requests and other communications in relation thereto should be addressed directly to the Company's Registrar & Share Transfer Agents, at the address mentioned below:

    M/s. Beetal Financial & Computer Services (P) Ltd.
    (Unit: Indian Railway Finance Corporation Limited)
    Beetal House, 3rd Floor, 99 Madangir,
    Behind local Shopping Centre,
    Near Dada Harsukhdas Mandir,
    New Delhi- 110062
    Phone- 91-11-2996 1281-83
    Fax- 91-11-2996 1284
    Email: irfc@beetalfinancial.com
    Website: www.beetalfinancial.com

11. In compliance with provisions of MCA Circulars and SEBI Circular referred above, Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings issued by ICSI, the Company is offering e-voting facility to the shareholders to enable them to cast their votes electronically on the items mentioned in the Notice. Those Shareholders who do not opt to cast their vote through remote e-voting, may cast their vote through electronic voting system during the AGM.

    CDSL will be providing facility for remote e-voting, participation in the 35th AGM through VC/OAVM and voting during the 35th AGM through electronic voting system. The remote e-voting period begins on **Tuesday, 20th September, 2022 at 9:00 AM (IST)** and ends on **Thursday, 22nd September, 2022 at 5:00 PM (IST)**. The remote e-voting module shall be disabled by CDSL for voting thereafter.

    Members may join the 35th AGM through VC/OAVM, which shall be kept open for the Members from Friday, 23rd September, 2022 i.e., 15 minutes before the scheduled start time and the Company may close the window for joining the VC/OAVM facility 15 minutes after the scheduled start time on date of AGM.

    Please refer to detailed instructions for remote e-voting, attending the 35th AGM through VC/OAVM and electronic voting during the AGM as mentioned in point No 27. of Notes. The facility of participation at AGM through VC/OAVM will be made available for 1000 members on first come first serve basis.

12. In pursuance of Article 114 of the Articles of Association of the Company read with Section 123 of the Companies Act, 2013 and Companies (Declaration and Payment of Dividend) Rules, 2014, as amended from time to time, Board of Directors, in their meeting held on 01st November 2021, had declared the Interim Dividend @ 7.7% i.e., ₹ 0.77/- per equity share having face value of ₹ 10/- each for F.Y. 2021-22, which was paid on 23rd November 2021. Members who have not received/encashed their dividend warrants within its validity period may write to the Company at its Registered Office or to the R&TA of the Company, for revalidating the warrants or payment in lieu of such warrants in the form of demand draft or direct credit to bank by furnishing documents to RTA Agent at their email id: irfc@beetalfinancial.com.

    Further, the final dividend, as recommended by the Board of Directors, if approved at the AGM, payment of such dividend, subject to deduction of tax at source, will be made within 30 days of the AGM as under:

    i. Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as at the end of business hours on **Friday, 16th September, 2022**.

    ii. Members in respect of shares held in physical form (after giving effect to valid transmission or transposition requests lodged with the Company, if any) as at the end of business hours on **Friday, 16th September, 2022**.

    Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the shareholders w.e.f. April 1, 2020, and the Company will be required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In order to enable compliance with TDS requirements in respect of dividends declared by the Company in future, members are requested to submit Form 15G/15H on annual basis and update details about their Residential Status, PAN, Category

as per the IT Act with their Depository Participants or in case of shares held in physical form, with the Company / R&TA, so that tax at source, if any as per applicable rates and residential status, may be deducted in respect of dividend payments made by the Company in future. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits.

13. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form who have not done so are requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA.

14. As directed by SEBI, Members are requested to:

    I. Intimate to the DP, changes if any, in their registered addresses and/or changes in their bank account details, if the shares are held in dematerialized form.

    II. Intimate to the Company's RTA, changes if any, in their registered addresses, in their bank account details, if the shares are held in physical form (share certificates).

    III. Consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.

15. As SEBI has made usage of electronic payment modes for making cash payments to the investors mandatory, therefore members are advised to submit their National Electronic Clearing System (NECS)/National Electronic Fund Transfer (NEFT)/ Direct Credit mandates or changes therein, to enable the Company to make payment of dividend by means of NECS/ NEFT/ Direct Credit/Warrants. Shareholders holding shares in physical form may send the NECS/NEFT/ Direct Credit to R&TA at the address i.e., M/s. Beetal Financial & Computer Services (P) Ltd. Beetal House, 3rd Floor, 99 Madangir, Behind local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi- 110062 and to their email id: irfc@beetalfinancial.com. Shareholders holding shares in electronic form may send the NECS/NEFT/Direct Credit Mandate Form directly to their Depository Participant (DP). Those who have already furnished the NECS/NEFT/ Direct Credit Mandate Form to the Company / R&TA / DP with complete details need not send it again.

16. Members who have not received/encashed their dividend warrants within its validity period may write to the Company at its Registered Office or to the R&TA of the Company, for revalidating the warrants or payment in lieu of such warrants in the form of demand draft or direct credit to bank by furnishing documents to RTA Agent at their email id irfc@beetalfinancial.com.

17. Members are requested to note that, dividends if not encashed for a consecutive period of seven (7) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

18. Pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, the brief resume of Ms. Shelly Verma (DIN: 07935630), Director Finance retiring by rotation and seeking re-appointment under aforesaid Item No. 3; and Shri Vallabhbhai Maneklal Patel (DIN: 07713055) & Smt. Sheela Pandit (DIN: 09403193) Non-official/Independent Director seeking appointment under Item No. 4 & 5 respectively, in accordance with applicable provisions of the Articles of Association of the Company, is annexed hereto and forms part of this Notice.

19. Pursuant to Section 143(5) of the Act, the Auditors of a Government Company shall be appointed or re-appointed by the Comptroller and Auditor General of India (C&AG) and in terms of Sub-section (1) of Section 142 of the Act, their remuneration has to be fixed by the Company in the meeting or in such manner as the Company in General Meeting may determine. The Members of your Company in its 33rd meeting held on 30th September, 2020 had authorised the Board of Directors to fix remuneration of Statutory Auditors. Accordingly, the Board of Directors fix the remuneration of the Statutory Auditors every year.

20. SEBI encourages all shareholders to hold their shares in dematerialized form as this eliminates the possibility of damage/loss of physical share certificate(s) & cases of forgery and facilitates the ease and convenience of paperless trading of shares.

    Further, no stamp duty is payable on transfer of shares held in Demat form. It is also pertinent to mention that as per Regulation 40 of SEBI Listing Regulations, as amended, request for effecting transfer, transmission and transposition of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, we request you to convert your shareholdings from physical form to demat form at the earliest, in existing demat account or new demat account to be opened with

any Depository Participant (DP). Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4 introduced by SEBI.

21. SEBI vide its Circular dated 3rd November, 2021, has reiterated that it is mandatory for all holders of physical securities to furnish their PAN as well as KYC to the RTA (Registrar and Share Transfer Agent) of the Company in respect of all concerned Folios and the Folios wherein even any one of the PAN, Address with PIN Code, Email address, Mobile Number, Bank Account details, Specimen Signature and Nomination by holders of physical securities are not available on or after April 01, 2023, shall be frozen by the RTA. SEBI has introduced Form ISR-1 alongwith other relevant forms to lodge any request for registering PAN, KYC details or any change/ updation thereof.

    In terms of the aforesaid SEBI Circular, effective from 1st January 2022, any service requests concerning transmission, transposition, sub-division, consolidation of shares or any other related matter or complaints received from the member, are not processed by RTA till the aforesaid details/ documents are provided to RTA.

22. Members who hold shares in electronic mode are requested to send all correspondence concerning transmission, transposition, sub-division, consolidation of shares or any other related matter and/or change in address or bank account, to their respective Depository Participants.

23. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.

    The Interim Dividend declared for the financial year 2020-21 would be due for transfer to IEPF on 14th April, 2028 and Interim Dividend declared for the financial year 2021-22 would be due for transfer to IEPF on 05th January, 2029. Members, who have not claimed the Unpaid Interim Dividend so far, are requested to make their claim to the Company's Registrar & Transfer Agents (R & T Agents).

    Pursuant to the provisions of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the requisite details of unpaid and unclaimed amounts lying with the Company has been uploaded on Company's website (https://irfc.co.in/).

    Members may please note that in the event of transfer of such shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF authorities by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF- 5.

24. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to write to the R&TA of the Company at irfc@beetalfinancial.com in Form SH-13 as prescribed in the Companies (Share Capital and Debentures) Rules, 2014. In case of shares held in dematerialized form, the nomination form has to be lodged directly with the respective DP.

25. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding maintained under Section 170 of the Companies Act, 2013, Register of contracts and arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice, will be available for inspection through electronic mode, without any fee, by the members from the date of circulation of this Notice, up to the date of AGM i.e., Friday, 23rd September, 2022. Members desiring for inspection of said documents are requested to send an e-mail to the Company at investors@irfc.co.in.

26. Members desirous of getting any information on any item(s) of business of this meeting are requested to send an e-mail mentioning their name, demat account number/folio number, email id, mobile number to investors@irfc.co.in at least seven days prior to the date of the AGM and the same will be replied by the Company suitably.

27. The Instructions for remote e-voting, attending the 35th AGM through VC/OAVM and electronic voting during the AGM are as under:

    (A) THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

    i. The voting period begins on Tuesday, 20th September, 2022 at 9:00 AM (IST) and ends on Thursday, 22nd September, 2022 at 5:00 PM (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

    ii. The Members who have cast their vote by remote e-Voting prior to the AGM may attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote on such resolution again.

    iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to

its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

iv. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their Demat Accounts with Depository Participants or Direct registration with Depositories. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/ EasiRegistration. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on "Shareholders" module.
3. Now enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) Facility for Non – Individual Shareholders and Custodians –Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at csdelhi84@gmail.com and to the Company at the email address viz; investors@irfc.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

(B) INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@irfc.co.in. These queries will be replied by the company suitably by email. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

28. Process for those Shareholders whose email addresses are not registered with the Depositories for obtaining Login Credentials for e-voting for the resolutions proposed in this notice:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to RTA email id at irfc@beetalfinancial.com
2. For Demat shareholders - please provide Demat account details (CDSL-16-digit beneficiary ID or NSDL-16-digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to RTA email id at irfc@beetalfinancial.com.

29. The Scrutinizer shall, after the conclusion of the electronic voting during the AGM, assess the votes cast at the meeting through electronic voting system, thereafter unblock the votes cast through remote e-voting and make a consolidated Scrutinizer's Report not later than 48 hours of conclusion of AGM and submit the same to the Chairman of the Meeting. or a person authorised by him in writing, who shall countersign the same.

30. The results of the voting indicating the number of votes cast in favour or against each of the Resolution(s), invalid votes and whether the Resolution(s) have been carried out or not, together with the Scrutinizer's Report, will be uploaded on the website of the Company (https://irfc.co.in/) and on CDSL website (www.evotingindia.com) and will also be submitted to BSE Limited and National Stock Exchange of India Limited within the prescribed time. Further, the Resolution(s), if passed by requisite majority, shall be deemed to be passed on the date of 35th AGM.

Annexure to the Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4 & 5

Ministry of Railways vide its Order No. 2019/PL/57/22 dated 09th November 2021 has conveyed that the President of India has approved the appointment of Shri Vallabhbhai Maneklal Patel, and Smt. Sheela Pandit, as Non-Official/Independent Directors on the Board of Indian Railway Finance corporation Limited (IRFC) for a period of three years with immediate effect or until further orders, whichever is the earliest.

Further, as per the provision of SEBI (LODR) Regulations, 2015 the appointment, re-appointment or removal of an independent director of a listed entity, shall be subject to the approval of shareholders by way of a special resolution.

Accordingly, approval of the members is required by way of special resolution for the appointment of Shri Vallabhbhai Maneklal Patel (DIN: 07713055), and Smt. Sheela Pandit (DIN: 09403193), as Non-Official/Independent Directors on the Board, who have been appointed as Additional Directors w.e.f. November 10, 2021 and November 22, 2021 respectively, as per MoR order dated 9th November, 2021, not liable to retire by rotation.

Shri Vallabhbhai Maneklal Patel, and Smt. Sheela Pandit have given a declaration that they meet the criteria of Independence as provided in Section149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Brief profile of Shri Vallabhbhai Maneklal Patel, and Smt. Sheela Pandit pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given as Annexure to this Notice.

In view of above, the Board of Directors of the Company ("Board"), proposes to seek approval of the Members of the Company for appointment of Shri Vallabhbhai Maneklal Patel (DIN: 07713055), and Smt. Sheela Pandit (DIN: 09403193), as Non-official/Independent Directors on the Board, as set out in Item No. 4 & 5 of this Notice.

Except Shri. Vallabhbhai Maneklal Patel and Smt. Sheela Pandit being the proposed appointees, none of the Directors or Key Managerial Personnel or their relatives do not have any concern or interest, financial or otherwise, in passing of the said Resolution, except to the extent of their shareholding in the Company.

By order of the Board of Directors

Sd/-
(Vijay Babulal Shirode)
Company Secretary

Place: New Delhi
Date: 11th August, 2022

Annexure to the Notice

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36(3) OF THE SEBI LISTING REGULATIONS AND SECRETARIAL STANDARDS ON GENERAL MEETINGS]

Name of Director	Ms. Shelly Verma	Shri Vallabhbhai Maneklal Patel	Smt. Sheela Pandit
DIN	07935630	07713055	09403193
Date of Birth/Age	13th April, 1965	6th January, 1969	4th May, 1985
Date of Appointment	1st September, 2020	10th November, 2021	22nd November, 2021
Qualifications	Bachelor's degree in Commerce from the University of Delhi and is also a fellow member of the Institute of Chartered Accountants of India (ICAI).	Bachelor's degree of Commerce from Gujarat University	Master's in Business Administration in Human Resource (MBA) and Bachelor's degree of Arts (History) & Bachelor's Degree of Education (B. ED)
Expertise in specific Functional areas	She has more than 30 years' experience in Power Sector Financing. Prior to her appointment to IRFC Board, she has served in various capacities, including, most recently, as Executive Director (Finance) with the Power Finance Corporation Limited.	Associated with Shri Ganesh Ginning & Pressing Factory since 1998 and having a vast experience in managing the affairs of the organization and knowledge of industry. He represents on various forums like FICCI, Cotton Ginning and Pressing Association etc. Also engaged into various educational and Philanthropic activities and acting as Chairman and Secretary of Sarva Vidyalaya Kelvani Mandal. Presently, acting as President of Kadi Sarva Vishwavidyalaya, Gandhinagar, Chairman of Kava Patidar Kelvani Uttejak Mandal and a Director of Sarva Vidyalaya Innovation Foundation a Section 8 Company. He has also been the Vice Chairman of Kadi Nagrik Sahakari Bank Limited from year 2002 to 2005. Member of Advisory Board of the Kalupur Commercial Cooperative Bank Limited, Gandhinagar.	She possesses specialization in the field of Management. Further, she has also been into the teaching profession and worked in various institutes such as Sunrise Convent School, Vishakahapatnam; ZB Zakaria English High School, Maharashtra; Ishan International School, Patna and Kendraliya Vidyalaya, Danapur. She is a social activist and active in social and philanthropic activities.
Directorship held in other Companies	Nil	Sarva Vidyalaya Innovation Foundation	Nil
Membership/ Chairmanship of Committees across all Public Companies other than IRFC	Nil	Nil	Nil
Relationships between Directors inter-se	There is no inter-se relationship with any other Director of the Company.	There is no inter-se relationship with any other Director of the Company.	There is no inter-se relationship with any other Director of the Company.
Number of equity shares held in the Company	Nil	Nil	Nil

For details regarding the number of meetings of the Board/Committees attended by the above Director during the year and remuneration drawn/sitting fees received, please refer to the Boards' Report and the Corporate Governance Report forming part of the Annual Report.

Directors' Report

Dear Shareholders,

Your directors have the pleasure in presenting the 35th Annual Report of the Company along with the Audited Financial Statements, Auditor's Report and review of the Accounts by the Comptroller & Auditor General of India for the financial year ended 31st March 2022.

1. Financial Highlights

The highlights of financial performance of your Company for the year ended 31st March 2022 in comparison to the year ended 31st March 2021 are summarized below:

(₹ In Million)

Particulars		Year ended 31-03-2022	Year ended 31-03-2021
I.	Revenue from operations	2,02,982.68	1,57,702.21
II.	Dividend Income	9.96	2.51
III.	Other income	23.33	3.90
IV.	Total Revenue (I+II+III)	2,03,015.97	1,57,708.62
V.	Expenses		
	Finance costs	1,40,747.82	1,12,370.53
	Impairment on financial instruments	4.61	27.15
	Employee benefit expense	107.48	78.47
	Depreciation and amortization expense	140.25	44.32
	Other expenses	1,114.26	1,026.84
	Total Expenses	1,42,114.42	1,13,547.31
VI.	Profit before tax (IV-V)	60,901.55	44,161.31
VII.	Tax expense:		
	(1) Current tax		-
	(2) Adjustment for Earlier Years	3.19	-
	(3) Deferred tax		-
	Total Taxes	3.19	-
VIII.	Profit (Loss) for the current Year from continuing operations (VI-VII)	60,898.36	44,161.31
IX.	Other Comprehensive Income	(5.00)	14.76

Revenue from operations of your Company has increased by ₹ 45,280.47 million from ₹ 1,57,702.21 million in 2020- 21 to ₹ 2,02,982.68 million in 2021-22 , showing a growth of 28.71 %.

Profit before Tax (PBT) of your Company for the year ended 31st March 2022 was ₹ 60,901.55 million as compared to ₹ 44,161.31 million for the previous year, registering a growth of 37.91%.

Company has not made any provision for tax in its books pursuant to its decision to exercise the option of lower tax rate permitted u/s 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated 20th September, 2019. The Company's taxable income was nil and it did not have to pay Minimum Alternate Tax (MAT) with reference to its Book Profit. MAT payable u/s 115 JB was outside the ambit of the Section 115 BAA. Thus, on adoption of Section 115 BAA of the Income Tax Act, 1961, the Company was outside the scope and applicability of MAT provisions and there was a zero-tax liability in the financial year 2021-22.

Profit After Tax for the year ending 31st March 2022 was ₹ 60,898.36 million as compared to ₹ 44,161.31 million for the previous year, registering a healthy growth of 37.90%.

2. Dividend & Reserves

2.1 Dividend

Your Company seeks to strike a judicious balance between the return to the shareholders and retaining a reasonable portion of the profit to maintain a healthy financial leverage with a view to supporting and sustaining future borrowings and growth.

Board of Directors, in their meeting held on 01st November 2021, had declared the Interim Dividend @ 7.7% i.e., ₹ 0.77/- per equity share having face value of ₹ 10/- each for F.Y. 2021- 22, which was paid on 23rd November 2021.

Further, the Board of Directors in its meeting held on 20th May 2022 has also recommended a Final Dividend @ 6.3% i.e., ₹ 0.63/- per equity share having face value of ₹ 10/- each, which is subject to approval of the shareholders at the ensuing Annual General Meeting. If approved, the total dividend for the financial year 2021-22 would amount to ₹ 1.4/- per equity share of ₹ 10/- each. The total dividend pay-out for the financial year 2021-22, including the proposed Final Dividend, would amount to ₹ 1,829.60 crore.

As per regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), the top 500 listed companies shall formulate a Dividend Distribution Policy. Accordingly, the policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retained profits earned by the Company. The policy is also available on the Company's website https://irfc.co.in/wp-content/uploads/2022/05/Dividend-Distribution-Policy.pdf

The unclaimed interim dividend amount for the FY 2020-21 as on 31st March 2022 was ₹ 5.92 million and unclaimed interim dividend amount for the FY 2021-22 as on 31st March 2022 was ₹ 4.04 million.

Further, Members are requested to note that, dividends if not encashed for a consecutive period of seven (7) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

Details of Unpaid/Unclaimed Dividend is available on Company's website at https://irfc.co.in/investors-2/

2.2 Reserves

As per Section 45 – IC of the RBI Act, 1934, all NBFCs are required to create a Reserve equivalent to 20% of the net profit before payment of dividend. RBI granted exemption to Government NBFCs from compliance of provisions of Section 45 – IC of the RBI Act, 1934. However, the exemption has been withdrawn by RBI w.e.f. 31st May 2018. Accordingly, 20% of the net profit of the Company amounting to ₹ 12,179.67 Million had been transferred to Reserve Fund u/s Section 45 – IC of RBI Act, 1934.

Out of the remaining amount of profit, the sum of ₹ 38,661.55 Mn has been kept in Retained Earnings after meeting a sum ₹ 10,062.75 Mn towards Interim Dividend for FY 2021-22.

3. Share Capital

As on 31st March 2022, the Authorized Share Capital of the Company was ₹ 25,000 crore, consisting of 25,000,000,000 crore Equity Shares of ₹ 10/- each. The Issued and Paid-Up Share Capital of the Company was ₹ 13,068.506 crore, consisting of 13,068,506,000 Equity Shares of ₹ 10/- each.

As on 31st March 2022, 86.36% of the paid-up equity share capital of the Company comprising of 11,28,64,37,000 Equity Shares of ₹ 10/- each were held by President of India acting through administrative ministry i.e., Ministry of Railways (MoR). The balance 13.64% of paid-up equity share capital was held by public. During the period under review there is no change in authorized and paid-up share capital of the Company.

Based on market capitalization of Company, it is in the list of top 500 listed companies as on 31st March 2022.

4. Independent Evaluators' Assessment

4.1. Credit Ratings

4.1.1 Domestic: During the financial year 2021-22, the Company's long-term domestic borrowing programme was awarded the highest credit rating of "CRISIL AAA/Stable", "[ICRA] AAA (Stable)" and "CARE AAA [Triple A]" by CRISIL, ICRA and CARE respectively. The Company also got its short-term borrowing programme rated, obtaining the highest rating of ''CRISIL A1+'', ''[ICRA] A1+'', and "CARE A1+ [A One Plus]" by CRISIL, ICRA and CARE.

4.1.2 International: During the financial year 2021-22, three international credit rating agencies – Standard & Poor's, Fitch and Moody's – have awarded "BBB- with Stable Outlook", "BBB- with Negative Outlook" and "Baa3 with Stable Outlook" ratings respectively to your Company. Besides, the Company obtained an issuer specific credit rating of "BBB+ with Stable Outlook" from the Japanese Credit Rating Agency. Each of the four credit ratings is equivalent to India's sovereign rating and is of investment grade.

4.2. Memorandum of Understanding (MOU) with Ministry of Railways, Government of India

The Company enters Memorandum of Understanding (MoU) with Ministry of Railways (MoR) every year wherein Company is evaluated on various financial and non-financial parameters. Based on its performance, the Company has been rated 'Excellent' by the Department of Public Enterprises (DPE) with a score of 91.24 (Excellent) for the year 2020-21.

The company has executed MoU for Financial Year 2021-22 with MoR on 19th January, 2022. In respect of parameters relating to Loans Disbursed to Total Funds Available, Company has achieved 99.91%, there were no Overdue loans to Total Loans and NPA to Total Loans. Further, Cost of raising funds through Bonds as compared to similarly rated CPSEs/ entities is 15 bps lower as compared to Reuters benchmark.

5. Market Borrowings during 2021-22

During the year, Company was assigned a target of ₹ 65,258 crores comprising of ₹ 30,300 Crore for funding of Rolling Stock, ₹ 34,258 Crore for financing of Railway Projects under EBR-IF and ₹ 700 Crores to meet the debt financing requirements of RVNL. The total disbursement for FY 2021-22 was ₹ 60,683.41 Crores comprising of ₹ 28,100 Crore for funding of Rolling Stock, ₹ 31,883.41 Crore for financing of Railway Projects under EBR-IF and ₹ 700 Crores to meet the debt financing requirements of RVNL. The cumulative funding to Railway Sector has crossed ₹ 5.04 lakh crore mark.

Borrowings during the year include Taxable Bonds worth ₹ 19,847.90 crore (Previous year 27,727.70 crore), External Commercial Borrowings (ECB) of ₹ 12,004.17 crore (previous year ₹ 29,586.95 Crore) at exchange rate prevailing on the draw down date, Rupee Term Loans of ₹ 42,900 crore (previous year ₹ 52,401.75 Crore) and 54EC bonds of ₹ 1,161.01 crore (previous year ₹ 842.60 crore). The weighted average cost of the pool of borrowings made by Company during the year 2021-22 worked out to 6.42% (semi-annual) as against 6.51% (semi-Annual) during the previous year 2020-21.

The Company was able to achieve this feat through constant monitoring of the markets, proper timing of its borrowings and appropriate selection of instruments.

During the year, the Company constantly diversified its borrowing portfolio to meet the target of borrowings mandated by MoR at the most competitive rates and terms. In its endeavor towards diversification of its borrowing portfolio following transactions in regard to the ECB borrowings were undertaken: -

- Green Bonds: Funds to the extent of USD 500 Million, at a fixed coupon of 3.57% per annum payable semiannually. ₹ 3,729.935 Cr under IRFC's USD 7 bn GMTN programme. IRFC has become the first CPSE in the country to list its offshore bonds exclusively at stock exchanges established in the GIFT City, Gandhinagar.
- Green Loan (Offshore loan): In regard to offshore loan, IRFC raised JPY loan equivalent to USD 1.10 bn/INR 8,274.23 Cr comprising of two tranches of USD 700 mn and USD 400 mn having tenor of 10 years and 7 years respectively.

Company had received approval of Ministry of Finance for issue of 54EC Capital Gain Bonds in October 2017, since then, Company is making all endeavors to increase its market share in 54EC Bond market. In 2021-22, Company mobilized around ₹ 1,161.01 crore through 54EC Bond.

6. Redemption of Bonds / Repayment of Loans

During the year, the Company repaid Bonds amounting to ₹ 10,715.84 crore (and External Commercial Borrowings (ECB) of ₹ 22.41 crore. The Company also redeemed long term loans from Banks of ₹ 4,582 crore and Commercial Paper with face value of ₹ 2,900 crore during the year.

The Company continues to maintain its impeccable track record of servicing its debt in time and there has not been a single instance of default during the year.

7. Internal Financial Control Systems & their adequacy

The details are given in Management Discussion and Analysis.

8. RBI Prudential Norms

Your Company is registered as a Systemically Important Non-Deposit Taking Non- Banking Finance Company with the Reserve Bank of India. Being a Government NBFC, your Company was exempted from the prudential norms prescribed by Reserve Bank of India for NBFC-ND-SI, as contained in the Master Directions issued vide Notification No. DNBR.008/CGM(CDS)-2015, dated 27th March, 2015.

However, the exemption was withdrawn by Reserve Bank of India from 31st May, 2018. However, the Company has obtained exemption from Reserve Bank of India from the asset classification, income recognition, credit concentration and provisioning norms on the direct exposure to Ministry of Railways, Govt. of India vide RBI letter dated 21st December, 2018 . The Company has also obtained relaxation in respect of lending limit applicable to Railway CPSEs from 20% of its owned funds to 100% of its owned funds. As such, the Company has complied with the applicable prudential norms.

Liquidity Coverage Ratio (LCR) Exemption:

RBI vide circular dated 4.11.2019 issued the guidelines covering liquidity risk management for NBFCs, wherein RBI introduced Liquidity Coverage Ratio (LCR) applicable on all non- deposits taking NBFCs with asset size of more than ₹ 5,000 crore. The guidelines aim to maintain a liquidity buffer in terms of LCR by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for next 30 days. As per the guideline, LCR is represented by stock of High- Quality Liquid Assets (HQLA) divided by Total Net Cash Outflows (stressed outflow less stressed inflows) over the next 30 calendar days. HQLAs are defined by RBI as the liquid assets that can be readily sold or immediately convertible into cash at little / no loss of value or can be used as collateral to obtain funds in stress situations.

The company has got an exemption from RBI from applicability of Liquidity Coverage Ratio (LCR) norms.

9. Lease Arrangement with the Ministry of Railways (2021-22)

As you are aware, the financial relationship of the Company with the Ministry of Railways is based on a Financial Lease arrangement which is regulated by a standard lease agreement. In respect of the incremental rolling stock assets acquired during 2021-22 through IRFC funding, lease rentals have been fixed at ₹ 52.5935 per thousand per half (PTPH) year over a primary lease tenor of 15 years. The cost (IRR) to Ministry of Railways is 7.02% p.a. payable semi-annually as compared to 7.11% last year, down by 9 bps.

During the current year, Company has executed the Lease Agreement for the first time for Project Assets funded during FY 2015-16 (EBR-IF) and FY 2018-19 (National Projects) after completion of moratorium period.

10. Resource Mobilization for 2022-23

For the year 2022-23, the annual funding target for IRFC has been fixed at ₹ 66,500 crore which includes ₹ 31,000 crore for funding of Rolling Stock assets and funding of Railway projects to the extent of ₹ 35,500 crore.

The Company is confident of meeting the challenge and hopeful to raise the required amount during the year through a judicious mix of Bonds, Loans and External Commercial Borrowings, etc., at the most competitive rates and terms.

11. Management Discussion and Analysis and Company's Outlook for the future

Management Discussion and Analysis, forming part of the Directors' Report given at **ANNEXURE I**.

12. Impact of Global Health Pandemic COVID-19

The outbreak of coronavirus (COVID -19) pandemic globally and in India is causing disturbance and slowdown of economic activity. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption.

The Company has evaluated the impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there is no significant impact on its financial results. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial results. The Company will continue monitoring any material changes to future economic conditions.

13. Report on Corporate Governance

The Government considers good corporate governance practices a sine qua non for sustainable business that aims at generating long term value for its shareholders and all other stakeholders. Accordingly, it has been laying increasing emphasis upon development of best corporate governance practices amongst Central Public Sector Enterprises (CPSEs). In pursuance of this philosophy, your Company continues to comply with the 'Guidelines on Corporate Governance for Central Public Sector Enterprises' issued by Government of India, Department of Public Enterprises (DPE). Your Company's Equity as well as Non-Convertible Debt Securities are listed on the stock exchanges and Company has complied with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March 2022, the Board of Directors comprised of Six (6) Directors, with two Executive Directors, Two Non-Executive Directors (Govt. Nominees) and Two Non- Official/ Independent Directors. The Company is not having the prescribed number of Independent Directors in compliance of the Regulation 17 (1) (a) of SEBI (LODR) Regulations 2015, specifying the composition of Board of Directors. The power to appoint Directors vests with Government of India through Ministry of Railways (MoR) and Company has no role to play in it. The Company has already requested MoR for appointment of requisite number of Independent Directors. Report on Corporate Governance is enclosed as **ANNEXURE- II** forming part of this report.

14. Business Responsibility Report

The Business Responsibility Report, as stipulated under Regulation 34 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is given in **ANNEXURE-III** and forms part of this Report.

15. Corporate Social Responsibility

Activities relating to Corporate Social Responsibility (CSR) have become an integral part of Company's operations.

In terms of Section 135 of the Companies Act, 2013 (the Act), read with Schedule VII thereof and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a CSR Committee (the Committee) comprising of Chairman & Managing Director, Director Finance, and Independent Director. Under the Act, the Company is required to spend at least two percent of the average of its net profits of the immediately three preceding financial years on CSR activities. The Department of Public Enterprises (DPE) has also issued guidelines in this regard which, inter alia, require the Central Public Sector Enterprises (CPSEs) to frame a 'CSR and Sustainability Policy'.

The 'CSR and Sustainability Policy' of the Company is in place and the same has also been hosted on its website. The Company, like in the past, has undertaken activities for Sustainable Development and CSR, details of which, are given hereunder: -

During the financial year 2021-22, the Company was required to spend ₹ 70.06 crore, being 2% of its average net profits of the last three financial years, against which, the Company approved total 24 projects with total outlay of ₹ 70.06 crore, against which, the Company has disbursed a sum of ₹ 45.02 crore, including ₹ 38.91 crore contribution to PM CARES Fund, ₹ 3 crore to Clean Ganga Fund, ₹ 2 crore to Swacch Bharat Kosh, ₹ 0.996 crore contribution towards Armed Forces Flag Day Fund (AFFDF) Rs 0.1128 crore towards ongoing project of skill training of 500 persons with disabilities and the balance amount of ₹ 25.04 crore would be disbursed on receipt of bills/claims from the implementing agencies in future. CSR Unspent amount of ₹ 25.04 crore relating to the ongoing projects of the financial year 2021-22, has since been transferred to the 'CSR Unspent Account' maintained with Scheduled Bank in terms of section 135(6) of the Companies Act, 2013. The Company is committed to promoting Health and Nutrition as the theme for focused intervention as mandated by Department of Public Enterprises for the Financial Year 2021-22.

CSR Activities proposed for the FY 2022-23

For the financial year 2022-23, the Company would be required to spend about ₹ 91.31 crore. The details of all the projects / activities would be provided in the next Annual Report.

The details of CSR activities for the financial year 2021-22 as required under the Companies Act are given in the **ANNEXURE – IV**.

16. Directors' Responsibility Statement

As required under Section 134(3)(c) of the Companies Act, 2013, it is confirmed that:

a) In the preparation of the annual accounts for the year ended 31st March 2022, the applicable Indian Accounting Standards have been followed and there are no material departures;

b) such accounting policies have been re-drafted taking into account the Ind-AS, judgments and estimates made are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;

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

d) the Annual accounts have been prepared on 'going concern' basis.

e) The laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.

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

17. Human Resource Management

The details are given in Management Discussion and Analysis.

18. Auditors

M/s KBDS & Company, Chartered Accountants, have been appointed as Statutory Auditors by Comptroller & Auditor General of India to audit the accounts of the Company for the financial year 2021-22.

The Comptroller & Auditor General of India has undertaken supplementary audit on accounts of the Company for the year ended 31st March 2022. The comments of C&AG have been received and management reply thereto is placed as Annexure to Comments of C&AG in the Annual Report for the year 2021-22.

Secretarial Audit for the financial year 2021-22 under Section 204 of the Act has been conducted by M/s Navneet K Arora & Co LLP, Company Secretaries.

19. Other Disclosures under the applicable provisions of the Companies Act, 2013

19.1 Number of Meetings of the Board

The details of number of meetings of the Board are given in Corporate Governance Report which is enclosed as **ANNEXURE-II**.

19.2 Certificate of Independence by Independent Director

Independent Directors, have given a declaration that they meet the criteria of Independence, as laid down under Section 149 (6) of the Act, SEBI (LODR) Regulations, 2015 and DPE Guidelines on Corporate Governance for CPSEs.

19.3 Material changes, if any, that may affect financial position of the Company

There are no material changes which will affect financial position of the Company.

19.4 Internal financial control systems and their adequacy

The details are given in Management Discussion and Analysis.

19.5 Audit Committee

The details pertaining to Audit Committee are included in the Corporate Governance Report, which is enclosed as **ANNEXURE-II**.

19.6 Secretarial Auditors' Report

M/s Navneet K Arora & Co LLP, Company Secretaries was appointed as the Secretarial Auditors of the Company for the FY 2021-22 by the Board of Directors of the Company. Secretarial Audit Report is placed at **ANNEXURE V**.

19.7 Certificate on Corporate Governance

M/s Navneet K Arora & Co LLP, Company Secretaries in Practice has issued certificate on Corporate Governance, placed at **ANNEXURE VI**.

19.8 Risk Management

The details are given in Management Discussion and Analysis.

19.9 Particulars of loans, guarantees and investments

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

19.10 Transactions with related parties

The particulars of the transactions with related parties have been disclosed in the financial statements.

19.11 Significant and Material Orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company

There are no significant and/or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

19.12 Disclosure under Foreign Exchange Management Act, 1999

The Company is in compliance with the relevant provisions of the Foreign Exchange Management Act, 1999 pertaining to external commercial borrowing and derivatives.

19.13 Extract of Annual Return

As provided under Section 92(3) of the Act, the extract of Annual Return is given in **ANNEXURE-VII** in the prescribed Form MGT-9, which forms part of this report.

19.14 Code of Business Conduct-Declaration by the Chairman & Managing Director (CEO)

Declaration by CEO on compliance of the "Code of Business Conduct and Ethics for Board Members and Senior Management" for the year 2021-22 is placed at **ANNEXURE VIII**.

19.15 CEO/CFO Certification

As required by Regulation 17 (8) of the SEBI (LODR) Regulations, 2015, the Compliance Certificate as specified in Part B of Schedule II of the said Regulation duly signed by Shri Amitabh Banerjee, Chairman & Managing Director (CEO) and Ms. Shelly Verma, Director Finance (CFO) was placed before the Board of Directors in their Meeting held on 20th May 2022. The same is enclosed as **ANNEXURE-IX.**

19.16 Particulars of Employees receiving high remuneration & other particulars of employees

Since IRFC is a Government Company, provisions of Section 197 are not applicable to it. Hence, the details have not been given.

19.17 Deposits from public

As in the past, the Company has not accepted any fixed deposits during the period under review.

19.18 Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Pursuant to the Provision of Section 134(3)(m) of the Companies Act, 2013, in respect of Conservation of Energy and Technology absorption, following steps have been taken by your Company: -

To save power, the Company now purchases LED / LCD monitors while replacing the old monitors. Employees are encouraged to keep their gadgets in power saving mode, wherever possible. The Company now replaces its old electrical items, gadgets, etc. with power efficient units. The internal lightning of office by energy- efficient LED lights has helped to conserve electricity.

19.19 Foreign exchange earnings & outgo

Your Company has put in place Risk Management policy to manage risks associated with foreign currency borrowings. The Company enters into hedging transactions to cover exchange rate and interest rate risk through various instruments like forwards, options and swaps. Details of Foreign exchange earnings & outgo have been given in the Notes.

19.20 Expenditure on R&D

This is not applicable, as IRFC is engaged only in financing activities.

19.21 Reporting of Frauds by Auditors

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143(12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, the details of which need to be mentioned in the Board's Report.

19.22 Change in nature of Business

There was no change in the nature of business of the Company during the financial year 2021-22.

19.23 The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies

There are no Subsidiaries, joint ventures, or associate companies during the year 2021-22.

19.24 The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year

There was no application made nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) against the Company.

20. Compliance of MSME Guidelines

Your Company has in place, a Manual for Procurement of Goods, Services and Works, which provides guidelines to expedite decision making process by way of consolidating, simplifying and streamlining the various steps to be followed in the process of award of contracts from the procurement of goods, works & services as well as during its implementation on the ground.

The procurement from MSMEs complies to Public Procurement Policy during the financial year 2021-22 as placed below:

(₹ In Million)

1	Total annual procurement	127.77
2	Target %age of annual procurement	31.94
3	Total value of goods and services procured from MSEs (including MSEs owned by SC/ST entrepreneurs)	45.05
4	Total value of goods and services procured from only MSEs owned by SC/ST entrepreneurs	----
5	% age of procurement from MSEs (including MSEs owned by SC/ ST entrepreneurs) out of total procurement	35.26%
6	% age of procurement from only MSEs owned by SC/ ST entrepreneurs out of total procurement	---
7	% age of procurement from Women MSEs	4.95%

21. Vigilance Activities

Ministry of Railways have nominated a part time Chief Vigilance Officer (CVO). The CVO carries out internal scrutiny of the activities on random basis to ensure compliance with the laid down CVC guidelines and procedures. During the vigilance awareness week in 2021-22, preventive vigilance workshops were conducted for the benefit of employees of IRFC. These workshops inter-alia covers contract

management, provision of CDA Rules, compliances of rules and policies, deliberations of case studies etc., such workshops have ensured that best ethical practices are followed in the organization.

During the year 2017-18, one complaint was received by the CVC with allegations of misconduct for which investigations have been carried out and memorandum of charge has been issued.

22. Official Language

The official language implementation committee of the Company meets every quarter to monitor and review the progress made for achieving the targets fixed in Annual Program issued by the official language department Ministry of Home Affairs, Government of India. Effective measures were taken to bring out progressively higher use of Hindi in day-to-day working of the Company. Hindi workshops / trainings are regularly organized and for these employees are sponsored for the trainings/workshops.

Hindi week / Pakhwada was observed in your Company from 13th September 2021 to 17th September, 2021 to motivate the employees for the progressive use of Hindi in their day- to-day work. Several competitions / programmes were organized to encourage the employees to work in Hindi and create a conducive atmosphere. The participants were accordingly awarded. Further, cash award was also given to employees making most extensive use of Hindi in their day to day official work under the Government scheme.

The official website of your Company exists in fully bilingual form and contains all information of interest to its stakeholders.

23. Presidential Directive

Company has not received any Presidential Directive during the year.

24. Right to Information Act, 2005

The Government of India's instructions on Right to Information Act, 2005 is being complied with. All relevant information has been hosted on the Company's website.

25. Women Employees

Your Company provides equal growth opportunities for the women in line with Govt. of India philosophy on the subject. Being a lean organization, where Company has 37 employees, women representation has grown across hierarchical levels. Thus, Women constituted 21.62% of its total workforce as on 31st March 2022. As per Govt. of India directives and guidelines from time-to-time, IRFC ensures the welfare of women employees.

26. Information under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has an internal complaints committee (ICC) to examine the case related to Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The complaints received by the committee are being dealt in line with the provisions in the Act. During the FY 2021-22, no complaint has been reported.

27. Board of Directors and Key Managerial Personnel

Being a Government Company, the power to appoint Directors on the Board of the Company is vested with the President of India acting through the Ministry of Railways (MoR), Government of India. The remuneration of Directors and employees of the Company is fixed as per the extant Guidelines issued by Department of Public Enterprises (DPE), from time to time. The sitting fee paid to Non- Official/ Independent Directors for attending the meetings of Board and Committees thereof, are within the limits prescribed under the Companies Act, 2013. The Government Nominee Director is not entitled to receive any remuneration or sitting fee from the Company, as per the norms of Government of India. Details of remuneration and sitting fees paid to Directors are appearing in the 'Report on Corporate Governance' annexed to this Report.

Pursuant to Section 203 of the Companies Act, 2013, the Board of Directors of the Company has designated the Chairman and Managing Director (CMD) as CEO, Director (Finance) as CFO, and Company Secretary as Key Managerial Personnel (KMPs) of the Company. The role of CEO is being performed by CMD and the role of CFO is performed by Director (Finance) of the Company.

During the financial year 2021-22, following changes have taken place in the composition of the Board of Directors.

1. Shri Vallabhbhai Maneklal Patel has been appointed as Non- Official/ Independent Director through Resolution by Circulation w.e.f 10th November 2021 vide Ministry of Railways, Government of India's order No. 2019/ PL/57/22 dated 9th November 2021.

2. Smt. Sheela Pandit has been appointed as Non- Official/ Independent Director through Resolution by Circulation w.e.f 22nd November 2021 vide Ministry of Railways, Government of India's order No. 2019/PL/57/22 dated 9th November 2021.

3. Shri Ashok Kumar Singhal ceased to be Independent Director of the Company with effect from 20th July 2021 due to completion of his tenure.

Board of Directors place on record appreciation of the services rendered and contributions made by Shri Ashok Kumar Singhal, Independent Director of the Company during his tenure.

In accordance with the provisions of the Companies Act, 2013 and Article 91 (iv) of the Articles of Association of the Company, Ms. Shelly Verma (DIN: 07935630), Director Finance shall retire by rotation at the ensuing 35th Annual General Meeting of the Company and being eligible, offers herself for re-appointment. The Board of Directors recommends her re-appointment. Brief resume and other particulars of Ms. Shelly Verma is annexed to the Notice of AGM.

28. Evaluation of Board of Directors / Independent Directors

As per the statutory provisions, a listed company is required to disclose in its Board's Report, a statement indicating the manner in which formal annual evaluation of the performance of the Board, its committees and individual Directors has been made and the criteria for performance evaluation of its Independent Directors, as laid down by the Nomination & Remuneration Committee.

However, the Ministry of Corporate Affairs vide its notification dated June 5, 2015, has, inter-alia, exempted Government companies from the above requirement, in case the Directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the company, as per its own evaluation methodology. Further, MCA vide notification dated July 5, 2017, also prescribed that the provisions relating to review of performance of Independent Directors and evaluation mechanism prescribed in Schedule IV of the Companies Act, 2013, is not applicable to Government companies.

Accordingly, being a Government company, IRFC is, inter-alia, exempted in terms of the above notifications, as the evaluation of performance of all members of the Board of the Company is being done by the administrative ministry i.e., the Ministry of Railways and/or by the Department of Public Enterprises (DPE).

29. Acknowledgements

Your Company is grateful to the Ministry of Railways, Ministry of Finance, Ministry of Corporate Affairs, Public Enterprises Selection Board, Department of Public Enterprises, National Informatics Centre, other Departments of the Government, Securities and Exchange Board of India and the Reserve Bank of India, for their co-operation, assistance, active and timely support, and guidance rendered from time to time. The Company is also thankful to all its Shareholders, Bondholders, Banks, Financial Institutions, Arrangers, Registrar and Transfer Agents, Bond Holders Trustees, National Stock Exchange of India Limited, BSE Limited, Life Insurance Corporation of India and other stakeholders for reposing their confidence and trust in the Company. The Company looks forward to their continued support for sustaining its excellent performance levels. The Company expresses gratitude to the Comptroller & Auditor General of India, the Statutory Auditors, Secretarial Auditors and the Internal Auditors for their valuable support and guidance.

The Board of Directors express their deep appreciation in recognition of the valuable contribution made by the Company's small team of officers and employees, which has enabled the Company to successfully meet the funding targets set by the Ministry of Railways, while consolidating its position as one of the most vibrant public financial institutions in the country.

For and on behalf of Board of Directors

Sd/-
(Amitabh Banerjee)
Chairman & Managing Director
DIN: 03351975

Place: New Delhi
Date: 10th August, 2022

ANNEXURE – I

Management Discussion and Analysis

Indian Economic Overview

In a globally uncertain climate, India has remained consistent in its recovery owing to macro factors that have shielded the economy from global pressures. According to the National Statistical Office's second advance estimates, the Indian economy has grown at an annual rate of 8.9% in FY22 (NSO), compared to a contraction of 6.6% in 2020-21.[1]

Inflation experienced a steady increase in the second half of 2021-22, consumer price inflation (CPI) surpassed the top band of the Reserve Bank of India's (RBI) comfort zone rising to 6% in January 2022 and 6.1% in February.[1] Inflation in wholesale prices reached a decadal high of 12.96 percent. High food and energy prices, geopolitical crises, Covid lockdowns, and supply chain disruptions all contribute to escalating inflation.

The agricultural sector experienced the least impact of the disruptions caused by the pandemic. It has grown by 3.9% in FY22. The manufacturing sector growth is pegged at 12.5% in FY22 after contracting by 7.2% in FY21.

During the pandemic, the services industry, particularly those that need extensive contact, has been hit the worst. After decreasing by 8.4% in 2020-21, the industry is expected to increase at an annual pace of 8.2%. Travel, trade, and hotels have yet to return to pre-pandemic levels, whereas finance, real estate, and government administration have already surpassed pre-pandemic levels.

Outlook

India experienced repeated COVID infections during the year under review, resulting in massive loss of life and livelihood. Growing vaccination coverage, RBI's stable and accommodating monetary policy, and the Government of India's fiscal support all helped to mitigate the impact to a large extent.

Real GDP of India is expected to grow at 7.2% in 2022-23. CPI inflation is projected at 6.7% in 2022-23. The sharp spike in inflation projection is mainly due to the economic disruptions caused by the geopolitical tensions.[2]

Industry Scenario

Indian Railways Industry[3]

Indian Railways with its 4th largest network in the world, carries an unmatched multitude of passengers and cargo from one part of the country to the other without ever stopping. Now, Indian Railways is moving forward with a vision to become a more efficient system, to be able to keep pace with the growth and compliment the economic development of the nation.

Indian Railways has reformed to adopt technology, fast tracked creation of infrastructure and enabled a faster and enhanced freight movement to meet the aspirations of the people of India. Over and above, the top-most focus continues to be on safety of trains and passengers.IR is targeting to achieve 5 MT+ per day freight loading along with running of the passenger trains.

IR aims to create a world class infrastructure at a sustainable cost, built with the latest technologies. Apart from infrastructure, induction of better and technology efficient rolling stock will continue with the same momentum. In keeping with the Prime Minister's vision of 'Make in India' major systems of the train have been designed and built in India. In addition to two Vande Bharat trains running between New Delhi-Varanasi and New Delhi-Katra, further, 75 Vande Bharat trains have been planned to be run by August, 2023. IR is also planning to acquire/ manufacture 400 new generation energy efficient Vande Bharat trains with better energy efficiency and passenger riding experience.

Indian Railways surpassed all the previous records and achieved the highest ever loading of 1418.1 MT in 2021-22, despite COVID setback in first quarter. Month by month there was incremental traffic loading, which resulted in 15% higher loading over previous year. This momentum is still continuing and IR has achieved the highest ever loadings in respective month for successive 19 months, reaching the highest ever loading for any month in March, 2022 at 139.2 MT.

In order to boost investment from industry in development of additional terminals for handling rail cargos, a new 'Gati Shakti Multi-Modal Cargo Terminal (GCT)' policy was launched on 15 December, 2021. It has been targeted to set up 100GCTs within the next three financial years i.e.2022-23, 2023-24 and 2024-25.

To strengthen export services, export container trains with transit assurance were notified and started from 15 August, 2021 which are running as Freight Express' trains including via DFCCIL line.

Post COVID, passenger trains have been gradually restored and the number of passengers have reached to the previous COVID level. In 2021-22, IR carried 3,542.76 million passengers and as a result the Originating Passenger Revenue in passenger segment also increased to Rs. 39,104.41 cr as compared to 15,248.62 cr in 2020-21. Modern trains are being expanded all over the network. As a part of Swachh Bharat Mission, fitment of bio-toilets on all Mainline passenger coaching stock has been completed.

Indian Railways has been consistently trying to improve the illumination levels at various stations. Illumination levels have been improved at 1327 stations. Free Wi-Fi at 6100 stations and 853 stations have been provided with CCTV based Surveillance System over IR.

In order to further the mission and mandate of Digital India, Indian Railways is proliferating Point of Sale (POS) machines across various customer facing domains and more than 14,000 POS machines are being utilised for accepting digital payments over Indian Railways.

IR has focused on capacity expansion, faster execution of projects, adoption of modern project monitoring systems and process reforms, to create an infrastructure which starts giving return immediately upon commissioning. Also, under the National Infrastructure Pipeline (NIP), the allocation to IR primarily being used for building capacity on the network, to cater to the growing demand for rail transportation. Railway share in NIP is about Rs. 13 lakh cr which is about 12% of the total NIP- 684 Railway projects costing 17.0 lakh cr are part of NIP.

Indian Railways is focused towards achieving new heights in the year 2022-23. Freight loading target is kept at 1700 MT. Total receipts of IR are kept at Rs. 2,40,000 cr at a CAGR of around 11.5% over 2019-20.

The annual Capex on the railway has substantially increased and the highest ever allocation of Rs. 2.46 lakh cr has been made for 2022-23. The thrust of Annual Plan 2022-23 is on infrastructure development, throughput enhancement, development of terminal facilities, augmentation of speed of trains, signalling systems, improvement of customer amenities, safety works of road over/ under bridges etc.

Company Overview

Indian Railway Finance Corporation (IRFC) was set up on 12th December 1986 as the dedicated funding arm of the Indian Railways for mobilizing funds from domestic as well as overseas Capital Markets. IRFC is a Miniratna I and Schedule 'A' Public Sector Enterprise under the administrative control of the Ministry of Railways, Govt. of India. It is also registered as Systemically Important Non–Deposit taking Non-Banking Financial Company (NBFC – ND-SI) and Infrastructure Finance Company (NBFC- IFC) with Reserve Bank of India (RBI). IRFC has played a significant role in its more than 35 years of existence in supporting the expansion of the Indian Railways and related entities by financing a significant proportion of its annual plan outlay.

The main objective of the company is to meet the predominant portion of 'Extra Budgetary Resources' (EBR) requirement of the Indian Railways through market borrowings at the most competitive rates and terms. Its aim is to be one of the leading Financial Service Companies in the country, for raising funds from the capital market at competitive cost for augmenting railway plan finances, duly ensuring that the Corporation makes optimum profits from its operations. The Company's principal business therefore is to borrow funds from the financial markets to finance the acquisition / creation of assets which are then leased out to the Indian Railways. IRFC's constant endeavour has been to diversify its borrowing portfolio in terms of instruments, markets and investors which has led to the Company meeting the targeted borrowings year after year, through issue of both taxable and tax-free bonds, term loan from banks/financial institutions besides offshore borrowings, at competitive market rate.

Human Resources

Company understands that Human Capital is essential. At IRFC we believe in a strong value system and best practices to enhance and improve our capabilities and achieve our organizational objectives.

As on 31st March 2022 total Manpower of the Company stood at 37. To infuse fresh Manpower in the existing Manpower pool of the Company, 5 Executives and 3 Non-Executive were included in the Company during FY-2021-22 through Direct and Campus Recruitment. Women constituted 21.62% of its total workforce as on 31st March, 2022.

Effective grievance redressal processes are also structured to keep the trust, respect and confidence of our team intact. Company has put in place effective Human Resource acquisition and maintenance function, which is benchmarked with best corporate practices to meet the organizational need.

Company implements all directives and guidelines with regard to reservation policy issued by Govt. of India. Liaison Officer has been appointed to look into the matter of reservations and also the welfare and safeguard of SCs/STs/OBCs/ PwBD/

[1] https://mospi.gov.in/documents/213904/416359/PRESS%20NOTE%20SAE%2028-02-2022M1646051035697.pdf/f0035128-6098-8329-3e7b-6d7df22e8b2d

[2] https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR3336416D60D22514022BC8C197A992D837C.PDF

[3] Indian Railways/Vol. 66 No. 2/May 2022

EWS employees. Liaison Officer also ensures that there is no discrimination on the basis of Cast, Religion and disabilities amongst the employees. IRFC being a Lean Organization has adopted "Open Door Policy" and every employee has been given sufficient opportunity to meet and discuss his / her problem or grievance with the Management. SC/ST constituted 20% of its total workforce as on 31st March, 2022.

In order to enhance the skills, capabilities and knowledge of employees, a well-defined Training and Development Policy for below board level executives and non-executives is in place. Employee training and development is an essential element of the Company's strategy. During the year 2021-22, the Company imparted training to 32 of its employees to various training programmes and workshops including inhouse trainings. These initiatives enabled the Company to achieve 109 training man-days/872 Hrs.

Company's Board of Directors consist of professionals with vast experience and high level of expertise in their respective field and industry. It will be endeavour of the Company that the whole time Directors and Non-Executive Directors attend training programmes in order to keep themselves abreast with the latest development in the area of finance, accounts etc. During the FY 2021-22 Non-Executive Directors have been imparted training for 70 Hrs. cumulatively.

IRFC is an equal opportunity employer. Company provides equal growth opportunities for the women in line with Govt. of India philosophy on the subject. Being a lean organization, where Company has 37 employees, women representation has gone across hierarchical levels. Thus, Women constituted 21.62% of its total workforce as on 31st March, 2022. As per Govt. of India directives and guidelines from time-to-time, IRFC ensures the welfare of women employees.

Operational Highlights

During the year, Company was assigned a target of ₹ 65,258 crores comprising of ₹ 30,300 Crore for funding of Rolling Stock, ₹ 34,258 Crore for financing of Railway Projects under EBR-IF and ₹ 700 Crores to meet the debt financing requirements of RVNL. The total disbursement for FY 2021-22 was ₹ 60,683.41 Crores comprising of ₹ 28,100 Crore for funding of Rolling Stock, ₹ 31,883.41 Crore for financing of Railway Projects under EBR-IF and ₹ 700 Crores to meet the debt financing requirements of RVNL. The cumulative funding to Railway Sector has crossed ₹ 5.04 lakh crore mark.

Borrowings during the year include Taxable Bonds worth ₹ 19,847.90 crore (Previous year ₹ 27,727.70 crore), External Commercial Borrowings (ECB) of ₹ 12,004.17 crore (previous year ₹ 29,586.95 Crore) at exchange rate prevailing on the draw down date, Rupee Term Loans of ₹ 42,900 crore (previous year ₹ 52,401.75 Crore) and 54EC bonds of ₹ 1,161.01 crore (previous year ₹ 842.60 crore). The weighted average cost of the pool of borrowings made by Company during the year 2021-22 worked out to 6.42% (semi-annual) as against 6.51% (semi-Annual) during the previous year 2020-21.

The Company was able to achieve this feat through constant monitoring of the markets, proper timing of its borrowings and appropriate selection of instruments.

During the year, the Company constantly diversified its borrowing portfolio to meet the target of borrowings mandated by MoR at the most competitive rates and terms. In its endeavor towards diversification of its borrowing portfolio following transactions in regard to the ECB borrowings were undertaken:-

- Green Bonds: Funds to the extent of USD 500 Million, at a fixed coupon of 3.57% per annum payable semiannually. ₹ 3,729.935 Cr under IRFC's USD 7 bn GMTN programme. IRFC has become the first CPSE in the country to list its offshore bonds exclusively at stock exchanges established in the GIFT City, Gandhinagar.
- Green Loan (Offshore loan): In regard to offshore loan, IRFC raised Green / JPY loan equivalent to USD 1.10 bn/ INR 8,274.23 Cr comprising of two tranches of USD 700 mn and USD 400 mn having tenor of 10 years and 7 years respectively.

Company had received approval of Ministry of Finance for issue of 54EC Capital Gain Bonds in October 2017, since then, Company is making all endeavors to increase its market share in 54EC Bond market. In 2021-22, Company mobilized around ₹ 1,161.01 crore through 54EC Bond.

Revenue from operations of Company has increased by ₹ 4,528.05 crore from ₹ 15,770.22 crore in 2020-21 to ₹ 20,298.27 crore in 2021-22, showing a growth of 28.71%.

Profit before Tax (PBT) of Company for the year ended 31st March 2022 was ₹ 6,090.16 crore as compared to ₹ 4,416.13 crore for the previous year, registering a growth of 37.91%.

Company has not made any provision for tax in its books pursuant to its decision to exercise the option of lower tax rate permitted u/s 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated 20th September, 2019. The Company's taxable income was nil and it did not have to pay Minimum Alternate Tax (MAT) with reference to its Book Profit. MAT payable u/s 115 JB was outside the ambit of the Section 115 BAA. Thus, on adoption of Section 115 BAA of the Income Tax Act, 1961, the Company was outside the scope and applicability of MAT provisions and there was a zero-tax liability in the financial year 2021-22.

Profit After Tax for the year ending 31st March 2022 was ₹ 6,089.84 crore as compared to ₹ 4,416.13 crore for the previous year, registering a healthy growth of 37.90%.

Financial Highlights

(Figures in ₹ crores)

Particulars	FY 2021-22	FY 2020-21	YoY Change (in %)
Revenue from Operations	20,298.27	15,770.22	28.71%
EBITDA	20,179.42	15,660.33	28.86%
PBT	6,090.16	4,416.13	37.91%
PAT	6,089.84	4,416.13	37.90%
Net Worth	40,996.34	35,913.38	14.15%

Key Ratios

The details of key financial ratios applicable and specific to the Company are given below:

Particulars	FY 2021-22	FY 2020-21
Debt Equity Ratio (in times)	9.47	9.00
Operating Profit Margin (in %)	29.99	28.00
EBITDA Margin (in %)	99.41	99.28
PAT Margin (in %)	30.00	28.04
Return on Net Worth (in %)	14.86	12.30

Management Outlook

Your Directors take pleasure in sharing with you their perception that business of the Company stands on a sound platform and is running well. The robust business model involving strong and mutually beneficial relationship with MoR has become its unique forte. The business of the Company with the Ministry has grown considerably. The cumulative funding to Railway Sector has crossed ₹ 5.04 lakh crore mark. Assets Under Management at the end of financial year ended 31st March, 2022 are ₹ 4,15,237.68 crores.

Being the dedicated market borrowing arm of the Ministry of Railways, your Company constantly strives to raise funds from the financial market at the most competitive rates and terms.

India needs to spend about USD 1.4 Tn under National Infrastructure Pipeline (NIP) by FY25 to reach the target GDP of USD 5 Tn. Accordingly, spending on infrastructure has been one of the focus areas of the Government of India in the recent past. National master plan under PM Gatishakti lays the foundation of the overall infrastructure in the country and provides an integrated and holistic path to the economy. The ₹ 100 trillion project is aimed at easier inter-connectivity between road, rail, air and waterways to reduce travel time and enhance industrial productivity. IRFC being premier financial Institution having NIL NPA and ability to mobilize large quantum of fund at competitive rate in short duration both from domestic and offshore market and continue to support India's infra sector in a big way which will provide adequate push to spur Economic development and Growth of the Indian Economy.

Indian Railways is working on a mission mode to become the largest Green Railways in the world, and is moving to become a 'net zero emitter' before 2030. It is planning to do so through investing in massive electrification, development of freight corridors, energy-efficient and carbon friendly technologies, harness potential of Solar energy etc. to reduce its carbon footprint. In FY 2021-22, IRFC has raised $ 1.6 Billion under Green Financing Framework from off-shore market. In the past also, IRFC has raised resources from off-shore market through issuance of Green Bonds. Accordingly, IRFC will continue to help MoR to support Governments commitments such as Paris Agreement on Climate Change and UN Sustainable Development Goals, via raising of resources under green framework.

Risk Management

Effective risk management is central to ensuring a robust and healthy finance for the Company. While in risk management, credit risk is accorded high priority amongst various risk mitigation efforts of a business, this is virtually non-existent in the case of Company, in as much as, an overwhelming segment of its assets is in the form of lease receivables from the Ministry of Railways, carrying low risk. The Company's selective forays into other areas in the form of loans to Rail Vikas Nigam Limited and IRCON International Limited are suitably ringfenced, as the same has either the cash flows originating from the Ministry of Railways or there is a repayment assurance by Ministry of Railways.

Ordinarily, a company carrying out its business with predominantly single client, might be viewed as being faced with a business risk. However, in the case of Company, the single client is the owner, who also happens to be the sovereign itself. Funding provided by IRFC has been at a competitive cost which is considered attractive by the Ministry. With strong indications of an even larger role being expected by the Ministry from IRFC in its efforts at augmenting rail infrastructure in the country, directors consider the Company is comfortably placed in the matter of Business Risk.

Given the carefully drafted provisions in the Lease Agreement signed by IRFC with MoR every year, there is a very good matching of the interest rate sensitivity profile of its assets and liabilities. In the circumstances, exposure of the Company to Interest Rate Risk is low.

The cash flows of Company are highly predictable, shielding it largely against liquidity related issues even in a volatile market. Besides, with the quality of credit, Company commanding a high level of reputation amongst investors, both domestic and international. The Risk Management Committee and Asset Liability Management Committee (ALCO) actively monitors the Liquidity Risk. The Liquidity Risk in the case of IRFC is perceived at a low level.

Although the foreign exchange fluctuation risk is pass through to MoR, still Company has consistently been adopting prudent, efficient and cost-effective risk management strategies to cover Exchange Rate Variation risk on its overseas borrowings. The Company strives to eliminate at opportune time the exchange rate variation risk in respect of principal repayments. Timing is important in such hedging transactions. The Company recognizes the fact that contracting a hedge at a time subsequent to the drawdown does not expose it to any undue risk because of longer maturities. The Risk Management Committee regularly monitors the Foreign Exchange Exposure. In accordance with the policy, the Company has hedged part of its foreign currency exposure thereby mitigating the exchange rate fluctuation risk to that extent.

Some of the outstanding foreign currency borrowings of the Company with tenor longer than five years are either having bullet repayment or amortised repayment in half-yearly instalments. As a result of amortized repayments, the risk gets significantly mitigated by virtue of repayments taking place progressively at different points of time. Keeping in view the volatility in the foreign exchange markets, the Company has been taking recourse to selective hedging of the ECBs outstanding both on principal and interest amount. With a view to effectively supplementing its in-house expertise on the matter, Company usually resorts to external expert advice from reputed professional consultants, while taking hedging decisions.

In compliance with the RBI Guidelines, Board-approved Risk Management Policy is in place. The Company also has constituted Risk Management Committee which comprises Chairman & Managing Director, Director Finance and Independent Director. Further, as per the extant RBI circular number RBI/2018-19/184 DNBR (PD) CC. No. 099/03.10.001/2018-19 dated 16-05-2019 regarding appointment of a Chief Risk officer (CRO) by all the NBFC s has been complied with and a CRO has been appointed with effect from 1st July, 2021.

The proceedings of meetings of the Risk Management Committee were regularly placed in the meetings the Board of Directors.

The Company has also constituted a sub-committee of Risk Management Committee namely Forex Risk Management Committee to assess and mitigate the foreign exchange fluctuation risk and interest rate risk in External Commercial Borrowings. Minutes of the meetings of the Sub-committee along with the action taken are placed before the Risk Management Committee.

For effective monitoring, control and mitigation of financial risk arising due to mismatch in the Asset Liability position, the Company has formed an Asset Liability Management Committee (ALCO) comprising Chairman & Managing Director, Director (Finance) and Senior Level Officers. The ALCO generates various reports as prescribed by RBI for monitoring the liquidity and interest rate risks and place the same before the Risk Management Committee from time to time.

The Company has also constituted a sub-committee of Risk Management Committee namely IT and Operational Risk Management Committee to assess and mitigate operational and IT risks for the corporation. Minutes of the meetings of the Sub-committee along with the action taken are placed before the Risk Management Committee.

Internal Controls and its advocacy

The Company has in place, adequate internal control systems commensurate with the nature and volume of its business. Efficient maintenance of accounts is facilitated by the executives and employees of the Company. Thereafter, the same is audited periodically by the Internal Auditors. The function of Internal Audit has been assigned to a reputed firm of Chartered Accountants. The scope of internal audit is well defined and is very exhaustive to take care of all crucial functions and business of the Company. Based on their report, steps are taken at regular intervals to further strengthen the existing systems and procedures. Their significant observations are discussed in the Audit Committee Meetings regularly. The Statutory Auditors of the Company are appointed by Comptroller and Auditor General (C&AG) of India, and the appointment is rotated periodically. Besides, the accounts of the Company are subject to supplementary audit by the office of C&AG, as required under the Companies Act. The C&AG also conducts propriety audit of the Company. The Company has implemented Accounts Manual and Internal Audit Manual from financial year 2016-17. The Company has also implemented Manual for Procurement of Goods, Services and Works and HR Manual. The Company has also implemented a policy for temporary placement of surplus funds with the Banks in order to strengthen its cash management system.

RBI vide its notification dated Feb 3, 2021 has mandated Risk-Based Internal Audit (RBIA) framework for the specified entities including all non-deposit taking NBFCs with asset size of ₹ 5,000 crore and above and this framework was to be implemented by March 31, 2022. The RBIA policy has been formulated and approved by the Board of Directors.

Besides, as mandated under Companies Act, 2013, the Statutory Auditors have certified as part of their Audit Report, the effectiveness of Internal Financial Control over financial reporting.

ANNEXURE – II

Report on Corporate Governance

This report is prepared in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Companies Act, 2013 and Guidelines on Corporate Governance issued by Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India. The Report contains details of Corporate Governance systems and processes at Indian Railway Finance Corporation Limited (IRFC).

Corporate Governance is the application of best management practices, compliance of laws & adherence of ethical standards to achieve the Company's objective of enhancing stakeholders' value and discharge of social responsibility.

IRFC is in compliance with relevant provisions contained in the SEBI (LODR) Regulations, 2015 and Guidelines on Corporate Governance for Central Public Sector Enterprises (hereinafter referred to as Government Guidelines), issued by Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India. The Company is also complying with the Circular, to the extent applicable, dated 1st July, 2015 issued by Reserve Bank of India under their Master Circular – "Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015". In this connection, relevant details are furnished below: -

1. Company's Philosophy on the Code of Governance

Corporate Governance is about maintaining valuable relationship and trust with all stakeholders with the commitment to maximise their value. Our commitment towards following good Corporate Governance practices is based upon transparency, fairness, conscience, teamwork, professionalism and accountability. This paves the way for following the best standards and building confidence among our stakeholders, which is necessary to achieve our objectives.

Company looks upon Corporate Governance as an enterprise-wide endeavour targeted at value creation in the form of striking optimum balance between the profit it earns for its Shareholders and the spread it charges from Ministry of Railways on the cost of funds transferred to them. This is sought to be achieved by conducting the business in a professional manner, using a combination of delegation and accountability amongst key executives in the Company; focussed attention and transparency in operations of the Company; skill upgrades through need-based training, etc.; and high level of investor / lender satisfaction through timely debt servicing and grievance settlement.

To foster best Corporate Governance practices, the Company has formulated a "Code of Business Conduct and Ethics for its Board Members and Senior Management" which seeks to bring high level of ethics and transparency in managing its business affairs. The same has also been hosted on the website of the Company (https://irfc.co.in/).

2. Board of Directors

The Board of Directors of IRFC comprises of eminent persons having requisite qualifications, experience and expertise, to manage the business of the Company in an efficient and effective manner. The Board oversees fulfilment of corporate objectives by providing leadership and guidance.

IRFC is a Government Company within the meaning of Section 2 (45) of the Companies Act, 2013 as the President of India acting through its administrative Ministry i.e. Ministry of Railway's (MoR) which holds 86.36% of the total paid-up share capital of the Company as on March 31, 2022 and as per Articles of Association of the Company, the power to appoint Directors vests with the President of India. Further, in terms of Articles of Association of the Company, the number of Directors of the Company shall not be less than three and not more than fifteen.

2.1 Composition of the Board

SEBI (LODR) Regulations, 2015, stipulates that the Composition of Board of Directors of the company shall have an optimum combination of executive and non-executive directors with at least one-woman director and not less than fifty percent of the Board of Directors comprising of non-executive directors.

As at the end of financial year 31st March, 2022, there are 6 (Six) Directors on the Board of the Company. Besides Chairman & Managing Director and Director Finance, Two Non-Official/ Independent Director(s) and Two Government Nominee Director(s), are also in position. As provided in the Articles of Association of IRFC, the appointment of Directors and payment of their remuneration are determined by the President of India.

None of the Directors of the Company is related to each other and are independent of the Management.

The number of independent directors during the financial year 2021-22 were insufficient as compared to the number of independent directors required to be on the Board as per SEBI (LODR) Regulations, 2015, as the power to appoint the Directors on the Board as per Articles of Association of the Company vests with the President of India acting through Administrative Ministry i.e. Ministry of Railways (MoR). Thus the Company from to time has requested Ministry of Railways (MOR) to appoint requisite number of Independent Directors on the Board of the Company in order to comply with SEBI (LODR), Regulations 2015 and DPE Guidelines.

The details of Board of Directors as on 31st March, 2022 are as follows: -

Details of Directors		Name	Date of Appointment on the Board
Category (Functional/Official/ Non-official)	**Designation**		
1. Whole Time Directors	Chairman & Managing Director	Shri Amitabh Banerjee	12.10.2019
	Director Finance	Ms. Shelly Verma	01.09.2020
2. Govt. Nominee Directors	Govt. Nominee Director	Shri Baldeo Purushartha	03.06.2020
	Govt. Nominee Director	Shri Bhaskar Choradia	27.11.2020
3. Non-official Part-time Directors	Non-official Part-time Director (Independent Director)	Shri Vallabhbhai Maneklal Patel	10.11.2021
	Non-official Part-time Director (Independent Director)	Smt. Sheela Pandit	22.11.2021

2.2 The details of composition of the Board as on 31st March 2022, including changes therein that took place during the financial year 2021-22 and details of Directorships and Committee positions held by the Directors in other companies and attendance at the Meetings of the Board of Directors held in FY 2021-22 are given below:

Name of the Directors	Meeting held during respective tenure of Directors	No. of Board Meetings attended	% of Attendance of Board Meeting	Attendance at the last AGM (held on 29.09.2021)	No. of Directorship held on 31.03.2022 in other Companies	No. of other Companies in which Membership or Chairmanship of Committee held on 31.03.2022*		Directorship held in other Listed Companies & Category as on 31.03.2022	
						Chairmanship	Membership	Name of Companies	Name of Directorship
Whole Time Directors									
Shri Amitabh Banerjee Chairman & Managing Director/ IRFC From 12.10.2019**	8	8	100%	Yes	None	None	None	None	None
Ms. Shelly Verma Director Finance / IRFC From 01.09.2020	8	8	100%	Yes	None	None	None	None	None
Non-Executive Directors (Government Nominees)									
Shri Baldeo Purushartha Government Nominee Director From 03.06.2020	8	7	87.5%	No	3	None	None	None	None
Shri Bhaskar Choradia Government Nominee Director From 27.11.2020	8	8	100%	Yes	None	None	None	None	None

Name of the Directors	Meeting held during respective tenure of Directors	No. of Board Meetings attended	% of Attendance of Board Meeting	Attendance at the last AGM (held on 29.09.2021)	No. of Directorship held on 31.03.2022 in other Companies	No. of other Companies in which Membership or Chairmanship of Committee held on 31.03.2022*		Directorship held in other Listed Companies & Category as on 31.03.2022	
						Chairmanship	Membership	Name of Companies	Name of Directorship
Independent Directors									
Shri Ashok Kumar Singhal Independent Director From 20.07.2018 to 20.07.2021	4	4	100%	NA	None	None	None	None	None
Shri Vallabhbhai Maneklal Patel Independent Director From 10.11.2021	2	2	100%	NA	1	None	None	None	None
Smt. Sheela Pandit Independent Director From 22.11.2021	2	2	100%	NA	None	None	None	None	None

* This includes chairmanship/membership of Audit Committee and Stakeholders Relationship Committee. No Director of the Company is a member in more than ten (10) Committees or acts as Chairperson of more than five (5) Committees across all companies in which he/she is a director.

** Took Over the charge of Chairman & Managing Director on 21st May, 2020 vide Ministry of Railway (MoR) order No.2018/PL/47/2 dated 21.05.2020.

2.3 Meetings of Board of Directors

The Board of Directors has been holding its meetings regularly. 8 (Eight) such meetings were held on 6th May, 2021, 19th May, 2021, 29th June, 2021, 19th July, 2021, 13th August, 2021, 1st November, 2021, 10th February, 2021 and 30th March, 2022.

2.4 No director of the Company is inter-se related to any other director on the Board.

2.5 As on 31st March, 2022, the Director's shareholding is Nil.

2.6 Familiarization programme for Independent Directors

The details of familiarization programmes imparted to Independent Directors are displayed on the Company's website. The details are hosted at https://irfc.co.in/investors-2/.

2.7 A chart or matrix setting out the skills / expertise / competencies identified of the board and name of directors having such skills/ expertise / competencies as required in the context of its business (es) and sector(s) for an efficient functioning

IRFC, being a Govt. Company within the meaning of Section 2(45) of the Companies Act, 2013 the power to appoint functional / Official Part-time Directors / non-Official Part-time Directors (Independent Directors) vests with the Government of India. Thus, skills / expertise / competencies of an incumbent are within the purview of Govt. of India.

2.8 All the Independent Directors in the meeting of the Board of Directors of the Company gave a declaration that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and DPE's Guidelines on Corporate Governance for CPSEs. The Board of Directors in the said meeting confirmed that the Independent Directors of the Company fulfil the conditions specified in Companies Act, 2013, SEBI (LODR) Regulations, 2015 and DPE's Guidelines on Corporate Governance for CPSEs and are independent of the management. No Independent Director has resigned during the FY 2021-22.

In the opinion of the Board, the Independent Director possess the requisite expertise and experience and are the persons of high integrity and repute. The Independent Directors have registered themselves in Independent Directors Databank with IICA and shall take the online proficiency test and within the prescribed period.

Further, Shri Vallabhbhai Maneklal Patel appointed as Non-Official / Independent Director w.e.f 10th November, 2021 vide Ministry of Railways, Government of India's order No. 2019/PL/57/22 dated 9th November 2021 and Smt. Sheela Pandit appointed as Non-Official

/ Independent Director w.e.f. 22nd November, 2021 vide Ministry of Railways, Government of India's order No. 2019/PL/57/22 dated 9th November 2021. Both the Independent Directors have submitted their declaration of independence to the Board of Directors.

Separate Meeting of Independent Directors

The Separate Meeting of Independent Directors for the FY 2021-22 was held on 31st January, 2022 in terms of SEBI (LODR) Regulations, 2015, Schedule IV of Companies Act, 2013 and as per the Guidelines issued by DPE on Roles & Responsibilities of Non-Official Directors (Independent Directors) of CPSEs. All the Independent Directors attended the said Meeting.

Directors and Officers insurance

The Company has undertaken Directors and Officers insurance ('D and O insurance') for all its Directors, including independent directors, for a quantum and risks as determined by the Board of Directors of the Company.

2.9 Information placed before the Board

Information placed before the Board of Directors from time to time broadly includes items specified in the Companies Act, SEBI Regulations, Government Guidelines and any other information considered relevant and useful in facilitating meaningful and focused deliberations on issues concerning the Company and taking decisions in an informed and efficient manner. Additionally, Directors on the Board are free to seek and access all information pertaining to the business of the Company, as and when required. In case of urgency, resolutions are passed by circulation, which are noted by the Board in their next Meeting. Minutes of the Meetings of the Committee(s) constituted by the Board are also placed in their next Meeting (of the Board) for their information and noting.

3. Audit Committee

The Company has constituted Audit Committee in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (LODR) Regulations, 2015 and the Government Guidelines.

As on 31st March, 2022, the Audit Committee comprised of the following Directors:

Sr. No.	Name of Director	Nature	Status
(i)	Shri Vallabhbhai Maneklal Patel	Independent Director	Chairman
(ii)	Smt. Sheela Pandit	Independent Director	Member
(iii)	Shri Amitabh Banerjee	Chairman & Managing Director	Member

Company Secretary acts as Secretary to the Audit Committee.

During the financial year 2021-22, Five (5) Meetings of the Committee were held on 29th June, 2021, 13th August, 2021, 1st November, 2021, 10th February, 2022 and 30th March, 2022.

Participation of the Members in these Meetings is outlined below: -

Sr. No.	Name of the Member of the Audit Committee	Number of Meetings held during their tenure	Number of Meetings attended
1.	Shri Ashok Kumar Singhal Non-Official / Independent Director	1	1
2.	Shri. Amitabh Banerjee Chairman & Managing Director	5	5
3.	Shri Baldeo Purushartha Government Nominee Director	3	3
4.	Shri Bhaskar Choradia Government Nominee Director	2	2

Sr. No.	Name of the Member of the Audit Committee	Number of Meetings held during their tenure	Number of Meetings attended
5.	Shri Vallabhbhai Maneklal Patel Non-Official / Independent Director	2	2
6.	Smt. Sheela Pandit Non-Official / Independent Director	2	2

Notes:-

- Shri Ashok Kumar Singhal ceased to be Non-Official/ Independent Director of the Company w.e.f 20th July, 2021 due to completion of his tenure.
- Shri Baldeo Purushartha and Shri Bhaskar Choradia ceased to be member(s) of the Committee w.e.f 24th November, 2021.
- Shri Vallabhbhai Maneklal Patel and Smt. Sheela Pandit appointed as member(s) of the committee w.e.f 24th November, 2021.

Terms of Reference of the Audit Committee specified by the Board are in conformity with the requirements of Section 177 of the Companies Act, 2013 read with Regulation 18 and part C of schedule II of SEBI (LODR) Regulations, 2015. The terms of reference are as follows: -

A. The role of the audit committee shall include the following:

1. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. taking on record the appointment of auditors of the Company by the Comptroller and Auditor General of India, recommendation for remuneration, terms of appointment of auditors of the Company based on the order of Comptroller and Auditor General of India and to review the follow-up action taken on the audit observations of the C&AG audit;

3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

   (b) changes, if any, in accounting policies and practices and reasons for the same;

   (c) major accounting entries involving estimates based on the exercise of judgment by management;

   (d). significant adjustments made in the financial statements arising out of audit findings;

   (e). compliance with listing and other legal requirements relating to financial statements;

   (f). disclosure of any related party transactions;

   (g). modified opinion(s) in the draft audit report;

5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;

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

7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

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

9. scrutiny of inter-corporate loans and investments;

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

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

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

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

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

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

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

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

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

19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as specified by the Board from time to time;

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

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

B. The audit committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;

2. management letters / letters of internal control weaknesses issued by the statutory auditors;

3. internal audit reports relating to internal control weaknesses;

4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;

5. statement of deviations:

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

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

4. Nomination & Remuneration Committee

The Company is a Central Public Sector Undertaking and accordingly the appointment of Chairman & Managing Director, other Directors and fixation of their remuneration are decided by the President of India in terms of the Articles of Association of the Company. However, the Company has constituted a Nomination and Remuneration Committee pursuant to the provisions of the Companies Act, 2013, DPE's Guidelines on Corporate Governance for CPSEs, SEBI (LODR) Regulations, 2015 and RBI's Corporate Governance norms.

As on 31st March, 2022, the Nomination & Remuneration Committee comprised of the following Directors:

Sr. No.	Name of Director	Nature	Status
(i)	Shri Vallabhbhai Maneklal Patel	Independent Director	Chairman
(ii)	Smt. Sheela Pandit	Independent Director	Member
(iii)	Shri Baldeo Purushartha	Goverment Nominee Director	Member

Company Secretary acts as Secretary to the Committee.

During financial year 2021-22, Two (2) Meetings of the Committee were held on 16th July, 2021 and 9th February, 2022. Participation of the Members in these Meetings is outlined below: -

Sr. No.	Name of the Member of the Nomination & Remuneration Committee	Number of Meetings held during their tenure	Number of Meetings attended
1.	Shri Ashok Kumar Singhal Non-Official / Independent Director	1	1
2.	Shri Bhaskar Choradia Government Nominee Director	1	1
3.	Shri Baldeo Purushartha Government Nominee Director	2	1
4.	Shri Vallabhbhai Maneklal Patel Non-Official / Independent Director	1	1
5.	Smt. Sheela Pandit Non-Official / Independent Director	1	1

Notes:-

- Shri Ashok Kumar Singhal ceased to be Non-Official/ Independent Director of the Company w.e.f 20th July, 2021 due to completion of his tenure.
- Shri Bhaskar Choradia ceased to be member of the Committee w.e.f 24th November, 2021.
- Shri Vallabhbhai Maneklal Patel and Smt. Sheela Pandit appointed as member(s) of the Committee w.e.f 24th November, 2021.

The Role and Terms of Reference of the Nomination and Remuneration Committee are as provided under the relevant provisions of Companies Act, DPE's Guidelines on Corporate Governance for CPSEs, SEBI (LODR) Regulations, 2015 and RBI's Corporate Governance norms.

Performance Evaluation of Directors

The requirement of performance evaluation of directors under Section 178(2) of the Companies Act, 2013 has been done away with for Government Companies vide Ministry of Corporate Affairs' (MCA) Notification dated 5th June, 2015. Further, MCA vide its notification dated 05th July, 2017 has made an amendment in the Schedule IV of the Act, whereby it has exempted Government Companies from complying with the requirement of performance evaluation by the Independent Director of non-independent directors and chairman and performance evaluation of the independent directors by the Board, if the concerned departments or ministries have specified these requirements. In this regard, the Department of Public Enterprises (DPE) has also laid down a mechanism for performance appraisal of all Functional Directors. DPE has also initiated evaluation of Independent Directors.

5. Stakeholder's Relationship Committee

In accordance with Section 178(5) of the Companies Act, 2013 read with Regulation 20 of SEBI (LODR) Regulations, 2015, the Company has constituted Stakeholders Relationship Committee.

As on 31st March 2022, the Stakeholders' Relationship Committee comprised of the following Directors:

Sr. No.	Name of Director	Nature	Status
(i)	Smt. Sheela Pandit	Independent Director	Chairperson
(ii)	Shri Amitabh Banerjee	Chairman & Managing Director	Member
(iii)	Ms. Shelly Verma	Director Finance	Member

Company Secretary acts as Secretary to the Committee.

During financial year 2021-22, One Meeting of the Committee was held on 29th June, 2021. Participation of the Members is outlined below: -

Sr. No.	Name of the Member of the Stakeholders' Relationship Committee	Number of Meetings held during their tenure	Number of Meetings attended
1.	Shri Ashok Kumar Singhal Non- Official / Independent Director	1	1
2.	Shri Amitabh Banerjee Chairman & Managing Director	1	1
3.	Ms. Shelly Verma Director Finance	1	1

Notes:-

- Shri Ashok Kumar Singhal ceased to be Non-Official/ Independent Director of the Company w.e.f 20th July, 2021 due to completion of his tenure.

Name and Designation of Compliance Officer

Shri Vijay Babulal Shirode, Company Secretary acts as Compliance officer of the Company.

Investor Complaints

Information on investor complaints for the year ended 31st March, 2022, is as follows:

Sr. No.	Particulars	Equity	Bonds
1	Complaints pending at the beginning	Nil	Nil
2	Complaints received through correspondence	1028	1577
3	Complaints received from the SEBI during the period	34	2
4	Complaints resolved / replied during the period	1062	1579
5	Complaints pending at the end	Nil	Nil

5A. Risk Management Committee

As per requirement of SEBI (LODR) Regulations, 2015, Risk Management Committee has been constituted to monitor and review the risk management plan of the Company and to make recommendations to the Board of Directors for taking up various risk management activities.

As on 31st March, 2022, the Risk Management Committee comprised of the following directors:

Sr. No.	Name of Director	Nature	Status
(i)	Shri Amitabh Banerjee	Chairman & Managing Director	Chairman
(ii)	Shri Vallabhbhai Maneklal Patel	Independent Director	Member
(iii)	Ms. Shelly Verma	Director Finance	Member

During the financial year 2021-22, Four(4) Meeting were held on 28th June, 2021, 25th August, 2021, 24th December, 2021 and 29th March, 2022 Participation of the Members is outlined below: -

Sr. No.	Name of the Member of the Risk Management Committee	Number of Meetings held during their tenure	Number of Meetings attended
1.	Shri Amitabh Banerjee Chairman & Managing Director	4	4
2.	Shri Ashok Kumar Singhal Non-Official/Independent Director	1	1
3.	Ms. Shelly Verma Director Finance	4	4

Sr. No.	Name of the Member of the Risk Management Committee	Number of Meetings held during their tenure	Number of Meetings attended
4.	Shri Bhaskar Choradia Government Nominee Director	1	1
5.	Shri Vallabhbhai Maneklal Patel Non- Official/Independent Director	2	2

Notes:-

- Shri Ashok Kumar Singhal ceased to be Non-Official/ Independent Director of the Company w.e.f 20th July, 2021 due to completion of his tenure.
- Shri Bhaskar Choradia ceased to be member of the Committee w.e.f 24th November, 2021.
- Shri Vallabhbhai Maneklal Patel appointed as member of the committee w.e.f 24th November, 2021.

The Role and Terms of Reference of the Risk Management Committee as follows :

- To formulate a detailed risk management policy which shall include:
    - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
    - Measures for risk mitigation including systems and processes for internal control of identified risks.
    - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors."

5B. CSR Committee

In accordance with provisions of Section 135 of the Companies Act, 2013, read with the Government Guidelines, the Company has constituted CSR Committee.

As on 31st March, 2022, the CSR Committee comprised of the following Directors:

Sr. No.	Name of Director	Nature	Status
(i)	Shri Amitabh Banerjee	Chairman & Managing Director	Chairman
(ii)	Shri Vallabhbhai Maneklal Patel	Independent Director	Member
(iii)	Ms. Shelly Verma	Director Finance	Member

Company Secretary acts as Secretary of the Committee.

During the financial year 2021-22, Five (5) Meetings of the Committee were held on 6th May, 2021, 19th July, 2021, 1st November, 2021, 9th February, 2022 and 29th March, 2022. Participation of the Members in these Meetings is outlined below: -

Sr. No.	Name of the Member of the CSR Committee	Number of Meetings held during their tenure	Number of Meetings attended
1.	Shri Amitabh Banerjee Chairman & Managing Director	5	5
2.	Ms. Shelly Verma, Director Finance	5	5
3.	Shri Ashok Kumar Singhal Non- Official / Independent Director	2	2
4.	Shri Baldeo Purushartha Government Nominee Director	1	0
5.	Shri Vallabhbhai Maneklal Patel Non- Official / Independent Director	2	2

Notes:-

- Shri Ashok Kumar Singhal ceased to be Non-Official/ Independent Director of IRFC w.e.f 20th July, 2021 due to completion of his tenure.
- Shri Baldeo Purushartha ceased to be member of the CSR Committee w.e.f 24th November, 2021.
- Shri Vallabhbhai Maneklal Patel appointed as member of the CSR committee w.e.f 24th November, 2021.

5C. IT Strategy Committee

In compliance with the Reserve Bank of India's Master Direction for Information Technology Framework for NBFCs, the Board of Directors of the Company constituted the IT Strategy Committee. The primary roles and responsibilities of the IT strategy committee as mentioned in the RBI's Master directive is as follows: -

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- Ascertaining that the management has implemented processes and practices that ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources.

As on 31st March, 2022, the IT Strategy Committee comprised of the following:

Sr. No.	Name of Member of the IT Strategy Committee	Nature	Status
(i)	Smt. Sheela Pandit	Independent Director	Chairperson
(ii)	Shri Sunil Kumar Goel	Group General Manager (Finance)*	Member
(iii)	Shri Ajay Swami	General Manager (Finance III)**	Member
(iv)	Shri Amarendra Sahoo	Joint General Manger (IT)***	Member Conveyor

* Group General Manager (Finance) is designated as Chief Information Officer (CIO)

**General Manager (Finance III) is designated as Chief Information Security Officer (CISO)

*** Joint General Manger (IT) is designated as Chief Technology Officer (CTO)

During the financial year 2021-22, Three (3) Meetings of the Committee were held on 17th June, 2021, 10th December, 2021 and 3rd February, 2022. Participation of the Members in these Meetings is outlined below:

Sr. No.	Name of the Member of the IT Strategy Committee	Number of Meetings held during their tenure	Number of Meetings attended
1.	Shri Ashok Kumar Singhal Non- Official / Independent Director	1	1
2.	Smt. Sheela Pandit Non- Official / Independent Director	2	2
3.	Shri Sunil Kumar Goel Group General Manager (Finance)	2	2
4.	Shri Amarendra Sahoo Joint General Manger (IT)	3	3
5.	Shri Ajay Swami General Manager (Finance III)	1	1

Notes:-

- Shri Ashok Kumar Singhal ceased to be Non-Official/ Independent Director of IRFC w.e.f 20th July, 2021 due to completion of his tenure.
- Smt. Sheela Pandit Non-Official Independent Director appointed as member of the committee w.e.f 24th November, 2021.
- Shri Sunil Kumar Goel appointed as member of the committee w.e.f 1st November, 2021
- Shri Ajay Swami appointed as member of the committee w.e.f 30th March, 2022

6. Remuneration of Directors

IRFC, being a Government Company, the appointment, tenure and remuneration of Directors is decided by the President of India. Remuneration paid to Chairman & Managing Director and Functional Directors during the Financial Year 2021-22 were as per terms and conditions of their appointment. Independent Directors are paid only sitting fee per Board / Committee meeting attended in accordance with the provisions of Companies Act, 2013.

Remuneration paid to Key Managerial Personnel (KMPs)

Remuneration is paid by the Company during FY 2021-22 to its Key Managerial Personnel (KMPs)as follows: -

(₹ in Mn)

Sr. No.	Name & Designation	Salary & Allowances	Performance Linked Incentive	Perquisites	Leave Encashment	CPF Contribution	Pension Fund Contribution	Total
1	Shri Amitabh Banerjee, Chairman & Managing Director	5.26	2.98	0.05	1.06	0.49	0.41	10.25
2	Ms. Shelly Verma, Director Finance	5.13	1.01	0.08	-	0.41	-	6.63
3	Shri Vijay Babulal Shirode, Company Secretary	1.82	0.39	0.16	0.10	0.15	0.12	2.74

Notes:-

- Performance Linked Incentive is paid in line with the guidelines issued in this regard by DPE.
- Leave Encashment of ₹ 0.58 Mn and Pension Fund Contribution of ₹ 0.29 Mn of Ms. Shelly Verma has been remitted to her former employer.
- Perquisites does not include Non-taxable Medical Reimbursements and employer's contribution to Gratuity based on actuarial valuation.
- Pension contribution was deposited in NPS account. Hence, the Employer Pension Contribution is part of salary u/s 17(1) of the Income Tax Act, 1961 in Form 16.
- The Company has not given any stock options. Further, the appointment of Directors and terms of appointment including remuneration, notice period, severance fees etc., if any, are decided by the President of India.

Remuneration of Non-Executive Directors

The Non-Executive Directors are paid sitting fees of ₹ 40,000/- for attending each meeting of the Board of Directors and ₹ 25,000/- for attending each meeting of the Committee(s) thereof, which is well within the limits prescribed under the Companies Act, 2013 and Rules made thereunder. During the financial year 2021-22, the details of remuneration paid to Non-Executive Directors towards sitting fees (excluding GST), were as under: -

(₹ in Mn)

Sr. No.	Name of Non - Executive Director	Sitting Fees		Total
		Board Meeting	Committee Meeting	
1	Shri Baldeo Purushartha Government Nominee Director	-	-	-
2	Shri Bhaskar Choradia Government Nominee Director	-	-	-
3	Shri Ashok Kumar Singhal Non-Official / Independent Director	0.16	0.18	0.34
4	Shri Vallabhbhai Maneklal Patel Non-Official / Independent Director	0.08	0.20	0.28
5	Smt. Sheela Pandit Non-Official / Independent Director	0.08	0.15	0.23
	Total			**0.85**

Notes:-

- The Government Nominee Director(s) are not entitled to any remuneration or sitting fees from the Company, as per the norms of the Government of India.
- Shri Ashok Kumar Singhal ceased to be Non official/ Independent Director of IRFC w.e.f. 20th July, 2021 due to completion of his tenure.
- Shri Vallabhbhai Maneklal Patel appointed as Non-Official / Independent Director w.e.f. 10th November, 2021.
- Smt. Sheela Pandit appointed as Non-Official / Independent Director w.e.f. 22nd November, 2021.

Apart from the above, the Non-Executive Directors do not have any material pecuniary relationship or transaction with the Company, except to the extent of payment / reimbursement towards air tickets, hotel accommodation, hiring of vehicle, out-of-pocket expenses, local conveyance etc., if applicable, in respect of attending meetings of the Board or Committees thereof.

7. General Body Meetings

Details of venue and timing of last three Annual General Meetings (AGM) are as under: -

AGM No.	Financial Year	AGM Date	Venue	Time	Whether any special resolution passed
34	2020-21	29th September, 2021	Room Nos. 1316 - 1349, 3rd Floor, The Ashok, Diplomatic Enclave, 50-B, Chanakyapuri, New Delhi – 110021 through Video Conferencing	3:00 P.M.	Two Special Resolutions were passed: • Increase in borrowing Powers of the Board of Directors of IRFC in terms of Section 180(1)(c) of the Companies Act, 2013 • Increase in ceiling for creation of charge in terms of Section 180(1)(a) of the Companies Act, 2013.
33	2019-20	30th September, 2020	UG –Floor, East Tower, NBCC Place, Bhisham Pitamah Marg, Lodhi Road , Pragati Vihar, New Delhi-110003	3:00 P.M.	Three Special Resolutions were passed: • Alteration of certain Articles of Association of the Company • Increase in Authorized Share Capital • Initial Public Offer (IPO) of Equity Shares by IRFC
32	2018-19	26th September, 2019	Committee Room (237), 2nd Floor, Rail Bhawan, New Delhi.	5.30 P.M.	Three Special Resolutions were passed: • Initial Public Offering (IPO) • Borrowing Powers of the Board of Directors of IRFC • Creation of Charge

Extra -Ordinary General Meeting

No Extra -Ordinary General Meeting was held during the financial year ended on 31st March, 2022.

Postal Ballot

During the year under review, no resolution was passed through postal ballot. However, if required, the same shall be passed in compliance of provisions of Companies Act, 2013, Listing Regulations or any other applicable laws.

8. Means of Communication

Company communicates with its shareholders through its Investors Call, Annual Report, General Meetings, disclosures through its website and Publication of Audited/Unaudited Financial Results in newspapers. Information, latest updates and announcements regarding the Company can be accessed at the company's website: https://irfc.co.in/ includes the following:

- Annual Report;
- Financial Information;
- Shareholding Pattern;
- Corporate Governance Reports;
- Investors Presentations and Transcripts of conference calls/analyst meets;
- Intimations to Stock Exchanges from time to time;
- Debenture Trustee details;
- Annual Return;
- Investor Contact details;
- MoU's;
- Independent Directors Familiarization Programme;

Company also communicates with its institutional shareholders through a combination of analysts briefing, individual discussions and also participation in investor conferences from time to time. Financial Results are discussed by way of conference calls, regularly after the closure of each quarter.

Information Memorandum in respect of issuance of the bonds of the Company has been hosted on the website of National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). Annual Accounts of the Company are also available on the website of the Company.

Website of the Company hosts all important information for investors and stakeholders.

9. General Shareholder Information

i) Annual General Meeting:

The 35th Annual General Meeting of the Shareholders will be held through video conferencing / other audio-visual means on the following day, date and time: -

Day, Date & Time
Friday, 23rd September, 2022 At 3.00 PM (IST)

Details regarding participation in the said meeting and other relevant information are appearing in the Notice of the 35th Annual General Meeting of the Company forming part of this Annual Report

ii) Financial Year

Financial year of the Company spans the period 1st April to 31st March of the following year.

iii) Payment of Dividend

The Company paid an interim dividend of ₹ 0.77/- per share (i.e., @ 7.7 % on the paid-up equity share capital of ₹ 10/- each) declared on 1st November, 2021. Further, the Board of Directors has recommended final dividend of ₹ 0.63/- per share (i.e., @ 6.3% on the on the paid-up equity share capital of ₹ 10/- each) subject to shareholders approval at the forthcoming AGM. Payment will be effected after 30 days of date of Annual General Meeting. Member(s) are requested to register/update their E-mail ID with company at investors@irfc.co.in/ Depository participants/Company's Registrar & Share Transfer Agent at irfc@beetalfinancial.com which will be used for sending official documents through e-mail in future.

Pursuant to SEBI (LODR) Regulations, 2015, the company has formulated a "Dividend Distribution Policy" and the same is available on Company's website at https://irfc.co.in/investors-2/

Unpaid/Unclaimed Dividend

The unclaimed balance amount of interim dividend for the FY 2020-21 as on 31st March, 2022 was ₹ 5.92 million and interim dividend for the FY 2021-22 as on 31st March, 2022 was ₹ 4.04 million.

Further, Members are requested to note that, dividends if not encashed for a consecutive period of seven (7) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

Details of Unpaid/Unclaimed Dividend is available on Company's website.

iv) Listing on Stock Exchange

IRFC equity shares are listed on the following Stock Exchanges:

National Stock Exchange of India Limited	**BSE Limited**
Listing department, Exchange Plaza,	Listing Dept / Dept of Corporate Services,
Bandra- Kurla Complex, Bandra (E)	PJ Towers, Dalal Street,
Mumbai- 400 051	Mumbai -400 001
Scrip Symbol: IRFC	**Scrip Code:** 543257
Stock Code: ISIN – INE053F01010	

Listing fees for the year 2021-22 has been paid to the stock exchanges.

v) Market Price Data

Month	NSE		BSE	
	High	Low	High	Low
April 2021	23.20	20.80	23.15	20.75
May 2021	24.25	20.90	24.30	20.90
June 2021	26.45	23.45	26.45	23.40
July 2021	25.00	22.85	25.00	22.80
August 2021	24.25	22.55	24.25	22.50
September 2021	23.15	22.25	23.15	22.25
October 2021	26.40	22.75	26.35	22.75
November 2021	26.00	22.70	26.00	22.65
December 2021	23.90	22.40	23.95	22.40
January 2022	24.35	22.50	24.30	22.50
February 2022	23.60	20.90	23.60	20.90
March 2022	23.20	21.05	23.20	21.05

vi) Stock Exchange Index

Month	NSE NIFTY		BSE SENSEX	
	High	Low	High	Low
April 2021	15044.35	14151.40	50375.77	47204.50
May 2021	15606.35	14416.25	52013.22	48028.07
June 2021	15915.65	15450.90	53126.73	51450.58
July 2021	15962.25	15513.45	53290.81	51802.73
August 2021	17153.50	15834.65	57625.26	52804.08
September 2021	17947.65	17055.05	60412.32	57263.90
October 2021	18604.45	17452.90	62245.43	58551.14
November 2021	18210.15	16782.40	61036.56	56382.93
December 2021	17639.50	16410.20	59203.37	55132.68
January 2022	18350.95	16836.80	61475.15	56409.63
February 2022	17794.60	16203.25	59618.51	54383.20
March 2022	17559.80	15671.45	58890.92	52260.82

vii) The Securities of the Company has not been suspended from trading.

viii) Registrar and Transfer Agents:

EQUITY SHARES	BONDS
M/s. Beetal Financial & Computer Services (P) Ltd. 3rd Floor 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir,New Delhi- 110062 Email id: irfc@beetalfinancial.com Ph. No : 91-11-2996 1281-83 Website: www.beetalfinancial.com	M/s. KFin Technologies Private Limited Selenium Tower B, Plot Nos. 31 & 32, Financial District Nanakramguda Serilingampally Mandal, Hyderabad – 500032, India Email id: brahma.k@kfintech.com P : +91 040 6716 1598, Toll Free No: 1800-345-4001 Website: www.kfintech.com

ix) Share Transfer System

As per Regulation 40 of SEBI (LODR) Regulations, 2015 as amended, securities of listed companies can be transferred only in dematerialized form. Further, the transmission or transposition of securities held in physical or dematerialized form shall be effected only in dematerialized form.

Pursuant to SEBI (LODR) Regulations, 2015 certificate on yearly basis confirming due compliance of shares transfer formalities by the Company from a Practicing Company Secretary have been submitted to Stock Exchanges within stipulated time.

x) Distribution of shareholding

Distribution of shareholding as on 31st March, 2022 is as follows: -

Sr. No.	Amount	No. of shareholders	% of shareholders	No. of shares	% of shares
1	1-500	3,36,239	21.78	62,70,467	0.05
2	501-1000	1,45,791	9.44	1,30,08,189	0.10
3	1001-2000	1,21,377	7.86	1,99,38,910	0.15
4	2001-3000	65,245	4.23	1,71,02,503	0.13
5	3001-4000	37,663	2.44	1,39,02,788	0.11
6	4001-5000	63,636	4.12	3,09,18,713	0.24
7	5001-10000	6,27,466	40.65	39,79,44,686	3.05
8	10001 & Above	1,46,272	9.48	12,56,94,19,744	96.18
Total		**15,43,689**	**100**	**13,06,85,06,000**	**100**

Shareholding pattern as on 31st March, 2022 is as follows: -

Category	Total No. of shares	% to Equity
Promoters	11,28,64,37,000	86.36
Resident Individual	1,10,02,64,700	8.42
Mutual Fund	26,30,58,227	2.01
QIB Insurance Company Registered With IRDA	15,19,78,616	1.16
FPI Category I Body Corporate	14,67,49,498	1.12
Body Corporate	4,38,23,191	0.34
H U F	3,37,54,876	0.26
NRI Repatriable	2,01,33,530	0.15
NRI Non Repatriable	71,66,156	0.05
Clearing Member	46,58,633	0.04
Body Corporate LLP	29,47,297	0.02
Body Corporate Client Collateral Account	24,60,121	0.02
Trusts	22,88,313	0.02
Body Corporate Margin Trading	21,27,726	0.02
Mutual Fund Custodian Mutual Fund	4,88,216	0.00
Body Corporate Broker	1,22,456	0.00
FPI Category II Individual	12,782	0.00
Resident Individual Margin Trading Account	10,950	0.00
Body Corporate Co-Operative Body	8,000	0.00
Individual Association of Persons AOP	4,144	0.00
NRI DR	4,000	0.00
Body Corporate NBFC	3,437	0.00
Foreign National	3,055	0.00
Resident Individual DR	576	0.00
Trusts Other Employee Benefit Trust old Schem	500	0.00
Total	**13,06,85,06,000**	**100**

Particulars	No. of Shares	% to total Capital Issued
NSDL	12,38,08,58,516	94.74%
CDSL	68,76,45,859	5.26%
Physical	1625	0.00%
Total	**13,06,85,06,000**	**100**

xii) Outstanding GDR and ADR Warrants or any convertible instruments, conversion date and likely impact on equity

No GDR and ADR Warrants/Convertible Instruments have been issued by the Company.

xiii) Commodity price risk or foreign exchange risk and hedging activities

Your Company has put in place Risk Management policy to manage risks associated with foreign currency borrowings. The Company enters into hedging transactions to cover exchange rate and interest rate risk through various instruments like forwards, options and swaps.

xiv) Location of IRFC Plants

IRFC has no plants as it is into the business of Lease & Project Financing.

xv) Address for correspondence: -

Registered Office
Indian Railway Finance Corporation Limited
Room Nos 1316 – 1349, 3rd Floor, The Ashok,
Diplomatic Enclave, 50-B, Chanakyapuri,
New Delhi -110021
CIN - L65910DL1986GOI026363

Company Secretary
Vijay Babulal Shirode
Tel: +91 11 24100385
Email: investors@irfc.co.in

xvi) Credit Rating

Domestic:

During the financial year 2021-22, the Company's long-term domestic borrowing programme was awarded the highest credit rating of "CRISIL AAA/Stable", "[ICRA] AAA (Stable)" and "CARE AAA [Triple A]" by CRISIL, ICRA and CARE respectively. The Company also got its short-term borrowing programme rated, obtaining the highest rating of ''CRISIL A1+'', ''[ICRA] A1+'', and "CARE A1+ [A One Plus]" by CRISIL, ICRA and CARE.

International:

During the financial year 2021-22, three international credit rating agencies – Standard & Poor's, Fitch and Moody's – have awarded "BBB- with Stable Outlook", "BBB- with Negative Outlook" and "Baa3 with Stable Outlook" ratings respectively to your Company. Besides, the Company obtained an issuer specific credit rating of "BBB+ with Stable Outlook" from Japanese Credit Rating Agency. Each of the four credit ratings is equivalent to India's sovereign rating, and is of investment grade.

(xvii) Reconciliation of Share Capital Audit

The Reconciliation of Share Capital Audit is conducted by a Company Secretary in practice, who issues quarterly report on the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited ("Depositories") and the total issued capital and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with Depositories) and that the requests for dematerialization of shares are processed by the R&T Agent within stipulated period and uploaded with the concerned depositories.

10. Disclosures

i) The Company has not entered into any materially significant related party transaction that may have any potential conflict with the interest of the Company. Further, the Company did not enter into any significant related party transactions with board members where they had personal interest. Further, the transactions with Ministry of Railways and / or its entities are in the ordinary course of business and at arm's length.

ii) Details of non-compliance, penalties structure imposed by stock exchange or any statutory authority or any matter related to capital markets, during last three years:

There has been no instance of non-compliance of any statutory regulation or Government guidelines, nor there has been any penalties or strictures imposed on the Company on any matter related to the capital market and guidelines issued by Government except as disclosed in the Secretarial Audit Report.

iii) Whistle Blower Policy: - In line with extant best practices and also under Section 177 of the Companies Act, 2013 read with the relevant Rules and SEBI (LODR) Regulations, 2015, the Company has framed a Whistle Blower Policy, and the same has been communicated to all employees of the Company. For convenience of all stakeholders, the said policy has also been hosted on the website of the Company. No personnel of the Company have been denied access to the Audit Committee in the context of action under the Policy. IRFC has a Whistle- Blower Policy & has been hosted on the website of the Company at https://irfc.co.in/wp-content/uploads/2022/05/Whistle-Blower-Policy.pdf

iv) The Company does not have any Subsidiary.

v) Pursuant to SEBI (LODR) Regulations, 2015, the company has formulated a "Related Party Transaction Policy" and the same is available at https://irfc.co.in/wp-content/uploads/2022/05/Related-Party-Transactions-Policy.pdf

vi) Certificate pursuant to Regulation 34 (3) and Schedule V Para C clause (10) (i) of SEBI (LODR) Regulations, 2015 has been obtained from Company Secretary in Practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. Certificate is enclosed as **Annexure A** forming part of this report.

vii) The Detail of fees paid to the Statutory Auditors by IRFC during FY 2021-22 have been disclosed in the Financial Statements.

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

Sr. No.	Particulars	No. of Complaints
1	Number of Complaints filed during FY 2021-22	Nil
2	Number of Complaints disposed of during FY 2021-22	Nil
3	Number of Complaints pending as on end of the FY 2021-22	Nil

ix) No items of expenditure have been debited in books of accounts, which are not for the purpose of the business. Further, there was no expense which is of personal nature and incurred for the Board of Directors and / or Top Management.

x) During the year, the Administrative and Office expenses remained below 0.20% of the turnover. Last year, the same was 0.11%.

xi) Auditors of the Company have audited and accorded an unqualified certification to its accounts for the year ended 31st March, 2022.

xii) The Company has complied with the requirements of the SEBI (LODR) Regulations, 2015, and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises, Government of India except as disclosed in Secretarial Audit Report. The Secretarial Audit Report is enclosed as ANNEXURE-V.

xiii) The Financial Statements for the financial year 2021-22 have been prepared as per the Indian Accounting Standards as notified under Section 133 of the Companies Act, 2013.

xiv) Pursuant to the DPE Guidelines on Corporate Governance, quarterly compliance report is being submitted to the Ministry of Railway, through DPE, within the stipulated time. Further, the Report containing Annual Score (consolidated score of four quarters) was also submitted to DPE within the prescribed timeline.

11. Discretionary Requirements

Your Company has broadly complied with all the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises, Government of India. Information on adoption / non-adoption of the non-mandatory requirements is given at **Annexure B** of this Report.

12. The Compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) Regulations, 2015 have been made to the extent compliances are within the ambit of the Company.

13. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Navneet K Arora & Co LLP, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the FY 2021-22 from the auditor is annexed as **ANNEXURE-V**.

The Secretarial Auditor had observed that the Company was not having adequate number of independent Directors during the year. Independent directors in the Company are appointed by President of India, through Ministry of Railways, Government of India. The Company has requested Ministry of Railways, Government of India for appointment of requisite number of independent directors on its Board.

14. Compliance Certificate on Corporate Governance

As required under the Government Guidelines, the Secretarial Auditor of the Company have issued a certificate regarding compliance of conditions of Corporate Governance by the Company, which is annexed to this Report as **ANNEXURE - VI**.

Company has appointed Shri. Vijay Babulal Shirode, Jt.GM (Law) & Company Secretary as the Compliance Officer of the Company.

15. Code Of Conduct

The Code of Business Conduct and Ethics for the Board Members and Senior Management is a comprehensive code applicable to all Directors and Members of Senior Management of your Company. It is in alignment with Company's vision and values to achieve the Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company. A copy of the Code has been made available on the website of the Company i.e. https://irfc.co.in/wp-content/uploads/2022/05/Code-of-business-conduct-ethics.pdf

Based on the affirmation received from Board Members and Senior Management Personnel, declaration regarding compliance of Code of Conduct made by the Chairman & Managing Director is enclosed at **ANNEXURE-VIII**.

16. Details of Demat Suspense Account

The details of shares in the Demat Suspense account as on 31st March, 2022 is as follows:

Description	No. of Cases	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 1st April, 2021	12	6900
Less: Number of shareholders to whom shares were transferred from suspense account during the year 2021-22	12	6900
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. 31st March, 2022	Nil	Nil

17. Code Of Internal Procedures and Conduct for Prohibition of Insider Trading

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as amended from time to time, IRFC Board has laid down "The Code Of Internal Procedures and Conduct For Prohibition of Insider Trading In Dealing With The Securities of Indian Railway Finance Corporation Limited" with an aim that 'Designated Persons' shall not derive any benefit or assist others to derive any benefit from the access to and possession of Unpublished Price Sensitive Information about the Company which is not in the public domain and thus constitutes insider information. Company Secretary has been designated as Compliance Officer for this Code. The said Code is available on the website of the Company i.e. https://irfc.co.in/wp-content/uploads/2022/05/Insider-Trading-Policy-New.pdf

18. Training of Board Members

All Non-Executive Directors are apprised of the Company's business, nature and broad methodology of operations, and other important matters by the whole- time Directors of the Board from time to time. The Company's Board of Directors consists of professionals with vast experience and high level of expertise in their respective fields and industry. Their professional status gives them adequate exposure to the latest trends in the financial markets & the economy, as also emerging position of relevant legislation. It shall be endeavour of the Company that the Whole-time Directors attend training programmes in order to keep themselves abreast with the latest developments in the areas of finance, accounts, etc.

19. Publication of Audited/Unaudited Financial Results

The Audited/Unaudited Financial Results were published in newspaper(s) as under:

Half year ended 30.09.2021 (Unaudited)	02.11.2021
Year ended 31.03.2022 (Audited)	21.05.2022

20. Trustees of the Bonds

The Trustees appointed for the Bonds issued by the Company are as under: -

1.	SBI CAP Trustee Co. Limited Ministry Bhavan, 4th Floor 122, Dinshaw Vachha Road Churchgate, Mumbai – 400 020	For the Bonds issued under 81st Series and onwards
2.	Indian Bank 254-260, Shanmugam Salai Chennai – 600 014	For the Bonds issued under 46th "EE" Series to 80th 'A' Series

Annexure A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
INDIAN RAILWAY FINANCE CORPORATION LIMITED
Registered Office: Room No 1316-1349, 3rd Floor
Hotel The Ashok Diplomatic Enclave,
50-B, Chanakyapuri, New Delhi-110021

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **INDIAN RAILWAY FINANCE CORPORATION LIMITED** having CIN: L65910DL1986GOI026363 and having its registered office at Room No 1316-1349, 3rd Floor Hotel The Ashok Diplomatic Enclave, 50-B, Chanakyapuri, New Delhi-110021(hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its directors / officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on, **31st March, 2022** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Board/ Ministry of Corporate Affairs or any such statutory authority..

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Amitabh Banerjee	03315975	12/10/2019
2.	Mr. Baldeo Purushartha	07570116	03/06/2020
3.	Ms. Shelly Verma	07935630	01/09/2020
4.	Mr. Bhaskar Choradia	08975719	27/11/2020
5.	Mr. Vallabhbhai Maneklal Patel	07713055	10/11/2021
6.	Mrs. Sheela Pandit	09403193	22/11/2021

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

For **Navneet K Arora & Co LLP**
Company Secretaries

Sd/-
CS Navneet Arora
Managing Partner
FCS: 3214, COP: 3005
ICSI Unique Firm Regn Code : P2009DE061500
UDIN: F003214D000376719

Place : New Delhi
Date : 24th May, 2022

Annexure B

Non-Mandatory Requirements

The status of non-mandatory requirements pertaining to Corporate Governance Section of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:

1. **The Board:** The Company is headed by an executive Chairman.
2. **Shareholder Rights:** The quarterly financial results of the Company are published in leading newspapers as mentioned under the heading "Publication of Audited/Unaudited Financial Results" of the Corporate Governance report and also displayed on the website of the Company.
3. **Modified opinion(s) in audit report:** The Statutory Auditors have issued unmodified opinion on the standalone financial statements of the Company for the year ended 31st March, 2022.
4. **Reporting of Internal Auditor:** The Internal auditors of the company are invited to the Meetings of the Audit Committee and regularly interact with the members of the Audit committee.

ANNEXURE-III

Business Responsibility Report

Section A: General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	L65910DL1986GOI026363
2.	Name of the Company	Indian Railway Finance Corporation Limited
3.	Registered address	Room Nos. 1316 - 1349, 3rd Floor, The Ashok, Diplomatic Enclave, 50-B, Chanakyapuri New Delhi-110021
4.	Website	https://irfc.co.in/
5.	E-mail Id	investors@irfc.co.in
6.	Financial year reported	2021-22
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Systemically Important Non–Deposit taking Non-Banking Financial Company (NBFC – ND-SI) and Infrastructure Finance Company (NBFC- IFC) with Reserve Bank of India (RBI)
8.	Key products / services that the Company manufactures / provides (as in balance sheet)	The Company's principal business is to borrow funds from the financial markets to finance the acquisition / creation of assets which are then leased out to the Indian Railways, Lease Income & Interest income.
9.	Total number of locations where business activity is undertaken by the Company	1 (One)
10.	(a) Number of International Locations	None
	(b) Number of National Locations	1(One)
	Markets served by the Company - Local/State/National/ International	IRFC serves the Indian markets, and its business extends throughout the country. For resource mobilization purpose, the Company also taps international capital markets besides domestic markets.

Section B: Financial Details of the Company (as on 31st March 2022)

1.	Paid-up Capital	₹ 1,30,68,50,60,000
2.	Total Turnover	₹ 20,298.27 crore
3.	Total Profit After Taxes	₹ 6,089.84 crore
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax	Company was required to spend ₹ 70.06 crore, being 2% of its average net profits of the last three financial years, against which the Company approved total 24 projects with total outlay of ₹ 70.06 crore, against which Company has disbursed a sum of ₹ 45.02 crore. Balance amount of ₹ 25.04 crores will be disbursed on receipt of claims / bills.
5.	List of activities in which expenditure in 4 above has been incurred.	The major areas on which projects has been approved includes Enviornment Sustainbility, promoting health care and education besides contribution to PM CARES Fund, Swacch Bharat Kosh and Clean Ganga Fund and List of activities approved is provided in ANNEXURE – IV.

Section C: Other Details

1.	Does the Company have any subsidiary Company/ Companies?	No
2.	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).	No
3.	Do any other entity /entities (e.g., suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities?	No

Section D: BR Information

1. Details of Director responsible for BR / BR Head

Sr. No.	Particulars	Details
1.	Name	Shri Amitabh Banerjee
2.	Designation	Chairman & Managing Director
3.	DIN	03315975
4.	Telephone number	011-24100380
5.	E-mail id	cmd@irfc.co.in

2. Principle-wise (as per NVGs) BR Policy / policies

Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with SEBI Circular dated November 4, 2015, provides that Top 1000 listed companies shall formulate a structured Business Responsibility Report based on the following nine principles, describing the initiatives taken by them from an environmental, social and governance perspective: -

Principle 1 (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability. **[Ethics, Transparency & Accountability]**
Principle 2 (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle. **[Sustainability in Life-Cycle of Product]**
Principle 3 (P3)	Businesses should promote the well-being of all employees. **[Employee Well-Being]**
Principle 4 (P4)	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized. **[Stakeholder Engagement]**
Principle 5 (P5)	Businesses should respect and promote human rights. **[Promotion of Human Rights]**
Principle 6 (P6)	Businesses should respect, protect and make efforts to restore the environment. **[Environmental Protection]**
Principle 7 (P7)	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner. **[Responsible Public Policy Advocacy]**
Principle 8 (P8)	Businesses should support inclusive growth and equitable development. **[Inclusive Growth and Equitable Development]**
Principle 9 (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner. **[Customer Value]**

2(a) Details of compliance (Reply in Y/N)

Sr. No.	Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for the Principle?	Y	Y*	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y*	Y	Y	Y	-	-	Y	Y
3.	Does the policy confirm to any national/international standards? If yes, specify?	Y	Y	Y	Y	Y	-	-	Y	Y
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	-	-	Y	Y
5.	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	-	-	Y	Y
6.	Indicate the link for the policy to be viewed online?	**	**	**	**	**	-	-	**	**
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	-	-	Y	Y
8.	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	-	-	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	-	-	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	-	-	Y	Y

Note:(*) IRFC being NBFC, this principle has limited applicability.

(**) The relevant explanation/information/links are mentioned in the **ANNEXURE to BRR**.

2(b)	If answer to the question at Sl. No. (a) against any principle, is 'No', please explain why.	Not Applicable.
3.	**Governance related to BR**	
	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the performance of the Company.	The BR activities of the Company are overseen by Functional Director(s) and the Board also reviews the Business Responsibility Report as part of Directors' Report on annual Basis.
	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The current BRR Report shall form part of Annual Report of the Company for FY 2021-22 and shall be available on company's website: https://irfc.co.in/

Section E: Principle-wise performance

Principle 1 - Ethics, Transparency & Accountability

1.	Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group / Joint Ventures Suppliers / Contractors / NGOs / Others?	Indian Railway Finance Corporation (IRFC) was set up on 12th December, 1986 as the dedicated financing arm of the Indian Railways for mobilizing funds from domestic as well as overseas Capital Markets. 1. Code of Business Conduct & Ethics, which captures the behavioral and ethical standards to be followed by the Board Members and Senior Management Personnel of the Company also, sets forth an obligation to strive continuously to bring about integrity and transparency in all spheres of the activities & Work unstintingly for eradication of corruption in all spheres of life. 2. Whistleblower Policy for Directors and Employees to report their genuine concerns or grievances about unethical behavior, actual or suspected fraud or to detect and report any improper activity within the Company. 3. KYC & Prevention of Money Laundering Policy which sets out the fair and transparent practices to be followed by the Company in its lending operations, as prescribed under RBI norms. 4. Manual for Procurement of Goods, Services and works which lays down the procedures to be followed for procurement of goods and services in a fair and transparent manner and also in compliance with the Guidelines of Central Vigilance Commission (CVC). 5. Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions, which prescribes adequate procedures and disclosures to be made before entering into related party transactions. 6. Prevention of Documents and Archival Policy of the Corporation in the matter of Preservation of Documents / Records Retention and also subject to the provisions of other laws viz., Right to Information Act, 2005, The Public Records Act, 1993 etc as applicable. 7. Prohibition of Insider Trading, which lay down the disclosure by Promoter, Key Managerial Personnel and Director of the Company about their holdings as well as dealings in the Company. 8. Policy of Materiality disclosure of events to the stock exchanges for determination of materiality of events or information for disclosure. 9. Identification of group Companies, Material creditors and material to define the materiality policy for identification of (i) outstanding litigation involving Indian Railway Finance Corporation Limited (the “Company”) and its Directors; (ii) the Group Companies, and (iii) material creditors of the Company (together, the “Policy”). 10. Nomination and Remuneration policy which covers a whole gamut of HR functions such as the recruitment, promotion, training and development. 11. Corporate Social Responsibility and Sustainability Policy to support Sustainable Development programs of the Government to save the mother earth and for healthy living of future generations of mankind. 12. Board Diversity Policy is required to devise a policy for having diversity on the board of directors. 13. Dividend Distribution Policy is to formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	The total number of complaints received during the year 2021-22 were 2,641 out of which 1,579 are bond related complaints and 1,062 complaints are related to Equity, which were resolved and no complaints were pending at the end of the year.

Principle 2 - Sustainability in Life-Cycle of Product

1.	List up to 3 of your products or services whose design has incorporated social or environ- mental concerns, risks and/or opportunities.	The primary objective of IRFC is to meet the predominant portion of 'Extra Budgetary Resources' (EBR) requirement of the Indian Railways through market borrowings at the most competitive rates and terms. The Company's principal business therefore is to borrow funds from the financial markets to finance the acquisition / creation of assets which are then leased out to the Indian Railways. Further, the CSR & Sustainability Policy of the Company is available at https://irfc.co.in/wp-content/uploads/2022/05/CSR-Policy.pdf
2.	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product. i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	from domestic as well as overseas Capital Markets. Not Applicable Not Applicable
3.	Does the Company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also provide details thereof, in about 50 words or so.	Not Applicable
4.	Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	Not applicable as the Company, is a Financial Institution and not in manufacturing of products. We are also following the Government of India's directives, issued from time to time, in respect of reservation for MSME (Micro, Small & Medium Enterprises) in procurements.
5.	Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? Also provide details thereof, in about 50 words or so.	Not applicable as the Company, is a Financial Institution and not in manufacturing of products.

Principle 3 - Employee Well-Being

1.	Please indicate the total number of employees	As on 31st March 2022 there were 37 employees in IRFC.
2.	Please indicate the total number of employees hired on temporary/ contractual/casual basis	There were 63 employees hired on contractual basis in IRFC as on 31st March 2022.
3.	Please indicate the number of permanent women employees	As on 31st March 2022, there were 8 permanent women employees on the rolls of the company.
4.	Please indicate the number of permanent employees with disabilities	Nil
5.	Do you have an employee association that is recognized by management?	No
6.	What percentage of your permanent employees is members of this recognized employee association?	Nil
7.	Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	Nil
8.	What percentage of your undermentioned employees were given safety & skill upgradation training in last year?	Nil

Principle 4 - Stakeholder Engagement

1.	Has the company mapped its internal and external stakeholders? Yes/No.	Yes
2.	Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?	All socially & economically disadvantage groups of the society like SC/ ST/OBC/EWC/PwBD & Minorities are identified as disadvantaged, vulnerable & marginalized stakeholders.
3.	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.	All Government of India directives are followed for engagement at various levels of career progression for all reserved category employees (SC/ST/ OBC/PWBD) & Minorities. Various infrastructure arrangements were made for benefits of PWBD persons. Liaison Officers are in place to look after the welfare of the employees in the ambit of these categories. It is ensured that a person of reserved category of appropriate level is nominated as member in various selection and promotion committees to look into the interest of the employees of reserved categories.

Principle 5 - Promotion of Human Rights

1.	Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/ Contractors/ NGOs/Others?	IRFC does not have any specific policy on human rights. However, it is embedded in company's various HR policies and practices.
2.	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	The Company did not receive any complaint in the area of human rights violations from any of its stakeholders. The total number of complaints received during the year 2021-22 were 2,641 out of which 1,579 are bond related complaints and 1,062 complaints are related to Equity, which were resolved, and no complaints were pending at the end of the year.

Principle 6 - Environmental Protection

1.	Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/others?	The policy is embedded in company's various policies and practices and covers the Company as a whole.
2.	Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.	IRFC is socially conscious organization and fully endorses the nine principles of Global Compact enunciated by the United Nations Organization (UNO) which encompass area of human rights, environment protection and labour rights. These principles of Global Compact are embedded in various organizational policies of the Company thereby facilitating their implementation in a natural way. IRFC consistently strives towards meeting the expectation of the society through proper planning and decision making that will help in achieving a real and lasting reduction of social and economic disparities as well as protecting the environment. IRFC continues to support activities that aim at improving the quality of life of both present and future generations and at the same time safeguarding the capacity of the earth to support life in all its diversity.
3.	Does the Company identify and assess potential environmental risks? Y/N	Not applicable as the Company, is a Financial Institution and not in manufacturing of products.
4.	Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?	Not applicable as the Company, is a Financial Institution and not in manufacturing of products.
5.	Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Not applicable as the Company, is a Financial Institution and not in manufacturing of products.
6.	Are the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Not applicable as the Company, is a Financial Institution and not in manufacturing of products.
7.	Number of show cause/legal notices received from CPCB/ SPCB which are pending (i.e., not resolved to satisfaction) as on end of financial year.	Not applicable as the Company, is a Financial Institution and not in manufacturing of products.

Principle 7 - Responsible Public Policy Advocacy

1.	Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with.	No
2.	Have you advocated/ lobbied through above associations for the advancement or improvement of public good? If yes, specify the broad areas.	Not Applicable

Principle 8 - Inclusive Growth and Equitable Development

1.	Does the Company have specified programme/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.	IRFC has a CSR and Sustainability policy in place. The aim of the policy is to ensure that the Company becomes a socially responsible corporate entity committed to improving the quality of life of the society at large and contribute to inclusive growth and equitable development in society through education, capacity building measures, empowerment of the marginalised and underprivileged sections/communities. As a socially responsible corporate entity, IRFC endeavours to: • Take up CSR activities in line with the DPE theme "Health & Nutrition" to develop health infrastructure of the country and make best health technologies available to marginalized people of the societies. • Take up activities to support 'Differently abled persons' by providing aid and appliances and skill development training which helps them in enhancement of their livelihood and connect them to main stream of the nation. • Take up issues which are of foremost concern in the national development, like environment protection, sanitation, women empowerment and education, etc. • Company has contributed ₹ 38.91 crore to PM CARES Fund during the reporting period.
2.	Are the programmes/ projects undertaken through in-house team/own foundation/ external NGO/ government structures/ any other organization?	Being small manpower organization, mostly, CSR projects undertaken under CSR & Sustainable Development policy are through implementing agencies being Govt./Semi Govt./ other Implementing Agencies eligible as per applicable CSR provisions.
3.	Have you done any impact assessment of your initiative?	Projects/Programmes sanctioned with expenditure of ₹ 1 crore or more, shall be subject to mandatory Impact Assessment Study conducted by Independent external agencies. However, the Company reserves the right to conduct Impact Assessment Study of any project irrespective of its value. Impact Assessment is being done by the Implementing agencies wherever applicable.
4.	What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?	During the year 2021-22, IRFC undertook various Community Development projects in the field of sanitation, skill development and education, environment and health sector under CSR initiatives of the Company. IRFC's contribution in terms of amount sanctioned and disbursed are as given below: (₹ in Cr)

Nature of Activities	Sanctioned	Disbursement
Sanitation/Waste Management/ Drinking Water	5.33	3
Skill Development and Education	4.43	1.11
Solar Application Environment/ Tree Plantation/ Health Sector	60.30	40.91
Others (Impact Studies, Admin. Overheads, Saubhagya, Arrah and Sitamarhi district village Dev. programmes & restoration of Kedarnath & its surrounding areas)	Nil	Nil
Total	**70.06**	**45.02**

5.	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Implementing Agencies are under obligation to complete the project as per the proposal and duration agreed in the MoU. Implementing agencies submit status report of the project from time to time on monthly/Quarterly/yearly basis. The Implementing agency is also required to submit the project completion report along with the Photographs and videos. Further, the implementing agencies are required to submit the utilization certificate duly signed by a Chartered Accountant in Practice. Project(s) with outlay exceeding of ₹ 1 (one) crore are subject to the Impact Assessment Study.

Principle 9 - Customer Value

1.	What percentage of customer complaints/ consumer cases are pending as on the end of financial year.	The total number of complaints received during the year 2021-22 were 2,641 out of which 1,579 are bond related complaints and 1,062 complaints are related to Equity, which were resolved, and no complaints were pending at the end of the year.
2.	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/NA/Remarks	Not Applicable
3.	Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.	Nil
4.	Did your Company carry out any consumer survey/ consumer satisfaction trends?	Not Applicable

ANNEXURE to BRR

P1	**Ethics, Transparency & Accountability**	
	IRFC conducts its business activities with utmost importance to ethics, transparency and accountability. The Company has various policies and codes in place defining its Ethics and Governance framework, which are in full conformity with the laws applicable to the Company. The said framework includes, and is not limited to, the following policies and codes approved by the Board of Directors of the Company:-	
	Name of the Policy	**Weblink**
	Board Diversity Policy	https://irfc.co.in/wp-content/uploads/2022/05/Board-Diversity-Policy.pdf
	Codes of Business Conducts and Ethics	https://irfc.co.in/wp-content/uploads/2022/05/Code-of-business-conduct-ethics.pdf
	Nomination and Remuneration Policy	https://irfc.co.in/wp-content/uploads/2022/05/Nomination-Remuneration-Policy.pdf
	Identification of group Companies, material Creditors and material litigation Policy	https://irfc.co.in/wp-content/uploads/2022/05/Identification-of-group-companies-material-creditors-and-material-litigations-Policy.pdf
	Policy of Material Disclosure of Events	https://irfc.co.in/wp-content/uploads/2022/05/Policy-on-Material-Disclosure-of-Events.pdf
	Prohibition of Insider Trading Policy	https://irfc.co.in/wp-content/uploads/2022/05/Insider-Trading-Policy-New.pdf
	Prevention of Documents and Archival Policy	https://irfc.co.in/wp-content/uploads/2022/05/Preservation-of-Documents-and-Archival-Policy.pdf
	Related Party Transaction Policy	https://irfc.co.in/wp-content/uploads/2022/05/Related-Party-Transactions-Policy.pdf
	Whistle Blower Policy	https://irfc.co.in/wp-content/uploads/2022/05/Whistle-Blower-Policy.pdf
	Dividend Distribution Policy	https://irfc.co.in/wp-content/uploads/2022/05/Dividend-Distribution-Policy.pdf
	KYC Prevention and Money Laundering Policy	https://irfc.co.in/wp-content/uploads/2022/05/Know-Your-Customer-KYC-and-Prevention-of-Money-Laundering-Activities-PMLA.pdf
	Corporate Social Responsibility and Sustainability Policy	https://irfc.co.in/wp-content/uploads/2022/05/CSR-Policy.pdf.
	In addition to the above, there are other policies and rules, which are internal documents of the Company and are accessible only to employees of the organization.	

P2	**Sustainability in Life-Cycle of Product**
	The Company is a NBFC and dedicated financing arm of the Indian Railways for mobilizing funds from domestic as well as overseas Capital Markets. The Company's operations are available at https://irfc.co.in/leasing/, https://irfc.co.in/lending/and https://irfc.co.in/borrowing/
	Further, the Corporate Social Responsibility and Sustainability Policy of the Company is available at https://irfc.co.in/wp-content/uploads/2022/05/CSR-Policy.pdf
P3	**Employee Well-Being**
	The Company has adopted various employee-oriented policies in line with the general laws and regulations and sound ethical practices. Such policies are normally approved by the Board of Directors. They are accessible only to the employees of the Company.
P4	**Stakeholder Engagement**
	The Company respects the interest of all its stakeholders, including those who are disadvantaged, vulnerable & marginalized. The Company works towards inclusive growth through its CSR & Sustainability Policy approved by the Board of Directors. The Corporate Social Responsibility and Sustainability Policy of the Company is available at https://irfc.co.in/wp-content/uploads/2022/05/CSR-Policy.pdf
P5	**Promotion of Human Rights**
	IRFC strives to safeguard and uphold human rights in all ways possible. The Company has a Code of Business Conduct & Ethics, which captures the behavioral and ethical standards to be followed by the Board Members and Senior Management Personnel of the Company also, sets forth an obligation to strive continuously to bring about integrity and transparency in all spheres of the activities & Work unstintingly for eradication of corruption in all spheres of life.
	The Code is approved by the Board of Directors. All Directors & Senior Management members affirm compliance to the same annually. The said Code is available at https://irfc.co.in/wp-content/uploads/2022/05/Code-of-business-conduct-ethics.pdf

P6	**Environmental Protection** IRFC is socially conscious organization and fully endorses the nine principles of Global Compact enunciated by the United Nations Organization (UNO) which encompass area of human rights, environment protection and labour rights. These principles of Global Compact are embedded in various organizational policies of the Company thereby facilitating their implementation in a natural way. IRFC consistently strives towards meeting the expectation of the society through proper planning and decision making that will help in achieving a real and lasting reduction of social and economic disparities as well as protecting the environment. IRFC continues to support activities that aim at improving the quality of life of both present and future generations and at the same time safeguarding the capacity of the earth to support life in all its diversity.
P7	**Responsible Public Policy Advocacy** IRFC plays an active and responsible role in matters concerning public & regulatory policy. Senior officials of the Company are involved from time to time in implementation of various Government Programmes and initiatives.
P8	**Inclusive Growth and Equitable Development** IRFC has various policies to support inclusive growth and equitable development of all its stakeholders. The Company has a Manual for Procurement of Goods, Service and Works. In addition to that, IRFC has a Board-approved CSR & Sustainability Policy, which guides CSR initiatives of the Company, many of which are directed towards inclusive growth and equitable development. IRFC's Corporate Social Responsibility and Sustainability Policy of the Company is available at https://irfc.co.in/wp-content/uploads/2018/11/CSR-Policy.pdf
P9	**Customer Value** As per RBI norms, IRFC has a Board-approved 'KYC & Prevention of Money Laundering Policy' which sets out the fair and transparent practices to be followed by the Company in its lending operations, as prescribed under RBI norms. IRFC's KYC & Prevention of Money Laundering Policy is available at https://irfc.co.in/wp-content/uploads/2022/05/Know-Your-Customer-KYC-and-Prevention-of-Money-Laundering-Activities-PMLA.pdf

ANNEXURE – IV

Annual Report on CSR activities for the year 2021-22

1. Brief outline on CSR Policy of the Company

IRFC strive to remain a responsible corporate entity aware of its responsibilities to all the stakeholders as a part of its Corporate Social Responsibility and Sustainability Policy (CSR & Sustainability Policy). It also supports Sustainable Development programmes of the Government to save the mother earth and for healthy living of future generations of mankind. It also contributes towards inclusive growth and equitable development in the society, through empowerment of the marginalized underprivileged sections.

The IRFC has formulated its CSR Policy in compliance with all applicable laws, rules and regulations and guidelines issued by Department of Public Enterprises (DPE). While selecting the CSR Activities under the CSR schemes of the Company, the IRFC follows its Board approved policy and comply with the provisions of the Companies Act 2013, CSR Rules made thereunder. The Policy has also prescribed the format for submitting the CSR proposals to the company for its consideration. GM Committee has been constituted for the evaluation of the received proposals in terms of the CSR Policy and the applicable laws. GM Committee scrutinizes the proposals, place the shortlisted proposals before the CSR Committee for its recommendation to Board and approved by the Board of Directors based on the CSR committee recommendation.

IRFC executes MoUs with the Implementing agencies for the implementation of the CSR Projects and finalize the terms as approved by the Board. Implementing agencies are bound to submit the periodic reports, and the project completion report on completion of the project. The implementing agencies are also asked to submit the impact assessment report if required.

Considering the lean manpower, the Company endeavor to take up short term Sustainability CSR activities which can be completed within a Financial Year. Wherever possible, it also contributes to large projects by sharing a part of pool of resources with other Railway PSUs / Central PSUs for greater environmental social and economic impact subject to Rules and Regulations of the Companies Act, 2013 and other applicable statues, guidelines, if any.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Amitabh Banerjee	Chairman / Chairman & Managing Director	5	5
2.	Ms. Shelly Verma	Member/ Director Finance	5	5
3.	Shri Ashok Kumar Singhal*	Member/ Independent Director	2	2
4.	Shri Baldeo Purushartha**	Member/ Government Nominee Director	1	0
5.	Shri Vallabhbhai Maneklal Patel***	Member / Independent Director	2	2

*Shri. Ashok Kumar Singhal ceased to be Non-Official / Independent Director of IRFC w.e.f 20th July, 2021 due to completion of his tenure.

**Shri. Baldeo Purushartha ceased to member of the committee w.e.f 24th November, 2021.

***Shri. Vallabhbhai Maneklal Patel Non-Official / Independent Director appointed as member of the committee w.e.f 24th November, 2021.

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

web-link for the Composition of CSR committee	https://irfc.co.in/investors-2/
web-link for the CSR Policy	https://irfc.co.in/wp-content/uploads/2022/05/CSR-Policy.pdf
Web-link for the CSR projects	http://irfc.co.in/csr-initiatives/

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

CSR Projects for the financial year 2021-22 are approved by the Board of Directors and provided in this report at Point 8 (B) & (C). Project(s) subject to Impact Assessment is required to be done after the expiry of atleast one year. Accordingly, Impact Assessment for the projects approved in the financial year 2021-22, shall be done after the expiry of atleast one year after the completion of the respective project. IRFC has not conducted any Impact Assessment during 2021-22. Wherever desired, IRFC asks the Implementing agency to conduct the Impact Assessment and submit the report to IRFC.

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

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set- off for the financial year, if any (in ₹)
1	2019-20	NIL	NIL
2	2020-21	NIL	NIL
Total		**NIL**	**NIL**

6. Average net profit of the company as per section 135(5): ₹ 3,502.82 Crore applicable for CSR allocation for 2021-22.

7.

(a)	Two percent of average net profit of the company as per section 135(5	₹ 70.06 Crore
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	NIL
(c)	Amount required to be set-off for the financial year, if any	NIL
(d)	Total CSR obligation for the financial year (7a+7b- 7c)	₹ 70.06 Crore

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

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
45,01,79,435/-	25,04,20,565/-	29.04.2022	NA	NA	NA

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

1)	2)	3)	4)	5)		6)	7)	8)	9)	10)	11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	Air Purifier for Northern Railway Central Hospital	(i)	Yes	Delhi	Delhi	Nine Months	50,00,000	0.00	50,00,000	No	Northern Railway Central Hospital	NA

1)	2)	3)	4)	5)		6)	7)	8)	9)	10)	11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
2.	Construction of green corridor on the emanating routes at a length of 2 KM under important stations of Delhi area	(iv)	Yes	Delhi	New Delhi	Six Months	2,40,00,000	0.00	2,40,00,000	No	Northern Railway	NA
3.	Medical equipment in existing Charitable Hospital at Rural Mayapur, Nadia	(i)	No	West Bengal	Nadia	Six Months	3,05,00,000	0.00	3,05,00,000	No	International Society for Krishna Consciousness	CSR00005241
4.	Medical equipments to equip a modern EYE OT & OPD of Pranavananda Eye Clinic at Village-Wazirpur, Sector-92, Dist. Gurugram, Haryana	(i)	No	Haryana	Gurugram	Six Months	1,25,78,000	0.00	1,25,78,000	No	Bharat Sevashram	CSR00000812
5.	Skill training of 500 persons with Disabilities (Divyangjan)	(ii)	No	Jharkhand Chhattisgarh Madhya Pradesh Uttarakhand Maharasthra	Gumla Giridih Dantewada Rudrapur Udham singh Nagar Chhattarpur Osmanabad Tuljapur Omerga Jalgaon Chalisgaon Jamner	11 Months	1,12,75,000	11,27,500	1,01,47,500	No	National Handicapped Finance and Development Corporation	CSR00002343
6.	1. Intra and post-operative laser set and 2.Intra operative UG green dye system for laparoscopic and open surgery to NRCH	(i)	Yes	Delhi	Delhi	6 months	2,30,50,000	0.00	2,30,50,000	No	Northern Railway Central Hospital	NA
7.	3D Kit upgrade of the existing OPG Unit to convert it to A 3D cone beam CT Scan (3D CBCT) Machine to Dr. Babasaheb Ambedkar Memorial Hospital Byculla Mumbai	(i)	No	Maharashtra	Mumbai	6 months	46,26,000	0.00	46,26,000	No	Dr. Babasaheb Ambedkar Memorial Hospital FA & CAO Central Railway	CSR00016002
8.	Medical Equipments to enhance the eye care facilities at TLM Hospital	(i)	No	Maharashtra.	Amravati	Six Months	36,52,000	0.00	36,52,000	No	The Leprosy Mission Trust India	CSR00001796
9.	200 Cleft Surgeries of children born with facial deformities in Aspirational Districts	(i)	No	Jharkhand Assam Odisha Madhya Pradesh	Aspirational Districts	12 months	90,00,000	0.00	90,00,000	No	Mission Smile	CSR00001959
10.	Implementation of STEM Education & Bridging Digital Divide in Government Schools in Aspirational Districts in WB and Odisha	(ii)	No	West Bengal Odisha	Aspirational Districts	12 months	94,00,000	0.00	94,00,000	No	Deenabandhu Trust	CSR00001837

1)	2)	3)	4)	5)		6)	7)	8)	9)	10)	11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
11.	Contribution towards Central Welfare Fund	(vi)	No	NA	NA	12 months	99,96,000	0.00	99,96,000	No	Central Welfare Fund CRPF	CSR00013274
12.	Support to 200 Ekal Vidyalayas in Aspirational Districts	(ii)	No	Himachal Pradesh	Chamba	12 months	44,00,000	0.00	44,00,000	No	Bharat Lok Shiksha Parishad	CSR00000667
13.	Medical Equipment Echocardiography machines and requisite training in echocardiography in Government hospitals in Delhi	(i)	Yes	Delhi	Delhi	12 months	54,00,000	0.00	54,00,000	No	Child Heart Foundation	CSR00001384
14.	Distribution of Aids & Appliances to the Divyangjans in Aspirational District	(i)	No	PAN India	Aspirational Districts	12 months	3,00,00,000	0.00	3,00,00,000	No	Artificial Limbs Manufacturing Corporation of India (ALIMCO)	CSR00000532
15.	Training for power sector job role as Distribution Lineman and Assistant technician: street Light Installation & maintenance in Aspirational Districts	(ii)	No	Uttrakhand Rajasthan	Haridwar Udham Singh Nagar, sirohi, Karauli	8 months	92,03,400	0.00	92,03,400	No	Manav Vikas Sanstha	CSR00001276
16.	Installation of Sanitary Pad Vending Machine and Hand Sanitization (Auto) machines in Govt or aided schools of Aspirational District Haridwar and remote areas of pauri, Tehri, and Almora Districts	(i)	No	Uttrakhand	Haridwar Pauri, Tehri, Almora	6 months	18,33,000	0.00	18,33,000	NO	Uttarakhand Manav Seva Samiti, Delhi	CSR00021595
17.	Medical Equipment's 4K Ultra HD complete endoscopy system for arthroscopy and endoscopic spine surgeries at Bharat Ratna Dr. Babasaheb Ambedkar Memorial Hospital, Byculla, Mumbai of C.Rly	(i)	No	Maharashtra	Mumbai	6 months	1,11,88,210	0.00	1,11,88,210	No	Dr. Babasaheb Ambedkar Memorial Hospital FA & CAO Central Railway	CSR00016002
18.	Medical Equipment's in Shri Sai Institute Of Medical Sciences Hospital & Research Centre, Manipur	(i)	No	Manipur	Bishnupur	6 Months	56,46,455	0.00	56,46,455	No	D-Cacus-Education Centre, DCEC	CSR00004860
19.	Medical Equipments in GCS Medical College, Hospital, and Research Centre	(i)	No	Gujarat	Ahmedabad	6 months	2,00,00,000	0.00	2,00,00,000	No	Gujarat Cancer Society (GCS)	CSR00000688
20.	Kadi Taluka Public Charitable Trust Bhagyoday Multispecialty Hospital Kadi for providing financial assistance for procuring Medical Equipment	(i)	No	Gujarat	Mehsana	6 months	2,08,00,000	0.00	2,08,00,000	No	Kadi Taluka Public Charitable Trust	CSR00015465
	TOTAL						**25,15,48,065/-**	**11,27,500/-**	**25,04,20,565/-**			

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

1)	2)	3)	4)	5)		9)	10)	11)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration number
1.	Contribution to Swacch Bharat Kosh	(i)	NA	NA	NA	2,00,00,000	Yes	NA	NA
2.	Contribution PM CARES	(viii)	NA	NA	NA	38,90,55,935	Yes	NA	NA
3.	Contribution to Clean Ganga	(iv)	NA	NA	NA	3,00,00,000	Yes	NA	NA
4.	Contribution towards Armed Forces Flag Day Fund (AFFDF)	(ii)	NA	NA	NA	99,96,000	Yes	NA	NA
TOTAL						**44,90,51,935/-**			

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 45,01,79,435/-

(g) Excess amount for set off, if any: Nil

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	70,06,00,000/-
(ii)	Total amount spent for the Financial Year	45,01,79,435/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

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

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2018-19	NA	NA	NA	NA	NA	NA
2.	2019-20	NA	NA	NA	NA	NA	NA
3.	2020-21	19,77,09,606/-	83,49,388/-	NA	NA	NA	18,93,60,218/-
TOTAL		**19,77,09,606/-**	**83,49,388/-**	**NA**	**NA**	**NA**	**18,93,60,218/-**

*CSR Unspent amount of ₹ 19,77,09,606/- relating to the ongoing projects of the financial years 2020-21, transferred to the 'CSR Unspent Account' maintained with Scheduled Bank in terms of section 135(6) of the Companies Act, 2013. Out of which ₹ 83,49,388/- was spent in the reporting year.

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
1.	CSR-9/ NBCFDC/2018-19	Skill Training through National Backward Classes Finance & Development Corporation	2018-19	9 Month Extendable up to Maximum 3 Years.	3,00,00,000/-	46,80,620/-	2,75,17,005/-	Completed
2.	CSR-2/ ALIMCO/2018-19	Distribution of Aid and appliances- ALIMCO	2018-19	180 Days Extendable up to Maximum 3 years.	3,00,00,000/-	96,31,092/-	2,96,86,431/-	Completed
3.	CSR-11&12/ CEL/2018-19	Solar Powered Street Lightning System and Home Lighting system at Government School, community centre & health care	2018-19	8-12 Weeks Extendable up to Maximum 3 years.	9,00,00,000/-	3,56,85,495/-	9,00,00,000/-	Completed
4.	CSR-1/ Sulabh/2018-19	Construction of Public toilets in Ghazipur UP	2018-19	9 Month Extendable up to Maximum 3 Years.	1,54,15,400/-	77,07,700/-	1,54,15,400/-	Completed
5.	CSR-7/Cotton Corp/2018-19	Providing hand held Kapas plucker machine in a phased manner to cotton farmers	2018-19	6 Month Extendable up to Maximum 3 Years.	2,00,00,000	19,50,622/-	1,99,50,622/-	Completed
6.	CSR-4/ NHFDC/2018-19	Conducting the skill training of persons with Disablities (Divyangjan)	2018-19	6 Month Extendable up to Maximum 3 Years.	1,00,00,000/-	39,93,898/-	49,92,372/-	Completed
7.	CSR-8/Bharat Lok/2018-19	Support to 100 Ekal Vidyalayas through Bharat Lok Siksha Parishad	2018-19	1 year Extendable up to Maximum 3 Years.	22,00,000/-	1,20,347/-	21,00,347/-	Completed
8.	CSR/Central Hospital/ 2020-21	02(Two) advanced fully-equipped life supporting ambulances for Central Hospital, Southern Eastern Railway, Kolkata	2020-21	6 Month Extendable up to up to Maximum 3 Years.	72,18,818/-	57,45,600/-	57,45,600/-	Ongoing
9.	CSR-6/Covid Vaccination/ 2020-21	Cold chain storage equipment to Delhi (state) to support COVID-19 vaccination programme (DF)	2020-21	As per requirement of Department of Public Enterprises (DPE)	48,01,788/-	26,03,788/-	26,03,788/-	Completed
TOTAL					**20,96,36,006/-**	**7,21,19,162/-**	**19,80,11,565/-**	

Note: 1. The amount spent for the ongoing project pertaining to FY 2020-21 (Sr. No 8.& 9.) has been made form CSR unspent A/c of the Company.
2. An amount of ₹ 19,80,26,741/- transferred to PM CARES against unspent amount for the financial year 2017-18.

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.: NIL

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NIL

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

Sd/-
(Shri Amitabh Banerjee)
Chairman and Managing Director
and Chairman of CSR Committee
DIN: 03315975

Annexure V

Secretarial Audit Report

[For the Financial Year ended on 31st March, 2022]

[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,
Indian Railway Finance Corporation Limited
Registered Office: Room No 1316-1349, 3rd Floor
Hotel The Ashok Diplomatic Enclave,
50-B, Chanakyapuri, New Delhi - 110021

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by the **Indian Railway Finance Corporation Limited (CIN NO-L65910DL1986GOI026363)** (hereinafter called the Company). 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 books, papers, minute books, forms and returns filed and other records or registers maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on 31st March 2022 according to the provisions of:

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

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

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

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

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

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

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

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

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [Not applicable on the Company during the audit period]

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Shares Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; The Company was not engaged in the activities relating to Registrar to a Issue and was also not acting as Share Transfer Agent, Hence the aforesaid Regulations were not applicable to the Company during the audit period;

(g) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; [Not applicable on the Company during the audit period];

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [Not applicable on the Company during the audit period];

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; [Not applicable on the Company during the audit period]

(vi) Other labour, environment and specific applicable Acts / Laws to the Company for which Secretarial Audit was conducted as an overview audit and was generally based/ relied upon the

documents provided to us and Management Confirmation Certificate provided by the Management of the Company & other audit report and certificates given by other professionals, the company has complied with the following Acts / Laws applicable to the Company during the audit period:

a) Reserve Bank of India Act read with Non-Banking Financial Companies (Reserve Bank) Directions 2016 issued by Reserve Bank of India as amended till date;

b) The DPE Guidelines (to the extent as applicable);

c) Labour and Social Security Laws (to the extent as applicable);

d) Indian Stamp Act 1899;

e) Right to Information Act 2005.

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

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

ii) Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 in respect of listing of Shares & Bonds with BSE Ltd and National Stock Exchange of India Limited.

We have not examined the applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to the following observation:

i) The number of Independent Directors on the Board was less than half of the total strength of Board as required under SEBI (LODR) Regulations, 2015 and the DPE guidelines for which company has regularly written to its administrative ministry i.e., Ministry of Railways for appointment of appropriate number of Independent Directors on the board.

ii) The Company has not complied with the provision of regulation 17, 18, 19, 20, 21 & 23 as required under the SEBI (LODR) Regulations, 2015 regarding composition of Board including failure to appoint Independent Women Director and quorum of meetings, Composition of Audit Committee, Composition of Nomination and Remuneration Committee, Composition of Stakeholder Relationship Committee, Composition of Risk Management Committee and disclosure of Related Party Transactions.

The Company has explained that:

a. During the year 2021-22 the composition of Board including failure to appoint Independent woman director and quorum of meetings was not in compliance as per SEBI (LODR) Regulations, 2015 due to non-availability of requisite number of Independent Directors. Company / IRFC being a Government Company, the power to appoint Directors vests with the President of India through administrative ministry i.e., Ministry of Railways (MoR) and Company has no control in the appointment of Directors on its Board. The Company has been requesting and following up with its administrative ministry i.e., Ministry of Railways (MoR) for appointment of requisite number of independent Directors on its Board.

b. During the year 2021-22 the composition of Audit Committee and Nomination and Remuneration Committee was not in compliance as per SEBI (LODR) Regulations, 2015 till 23rd November 2021 due to non-availability of requisite number of independent directors. Further, the Stakeholders & Relationship Committee and Risk Management Committee was also not in compliance from 20th July 2021 to 23rd November 2021 as per SEBI (LODR) Regulations, 2015 due to non-availability of requisite number of independent directors. Further, two (2) Independent Directors (including one women independent director) were appointed by the Ministry of Railways (MoR) on 9th November, 2021 for a period of three years and the same has been duly intimated to the stock exchanges and accordingly the committees of Board were reconstituted w.e.f 24th November, 2021.

c. Company has made the necessary disclosure for the year ended 31st March 2021 in notes to accounts on page Nos. 189 & 190 in the Annual Report of the Company and submitted to the exchanges. Further, disclosure for the half year ended 30th September, 2021 has been submitted by the listed entity on 14th January, 2022 to the stock exchanges. Company has requested to stock exchanges to consider the submission of disclosure of Related Party Transactions as on the date of filing of financial results.

We further report that:

1) Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors but the company did not have requisite number of Independent Director on the Board during the period under review as stated above. The changes, if any, in the composition of the Board that took place during the period under review were carried out in compliance with the provisions of the Act.

2) Adequate notice is given to all Directors to schedule the Board and Committee Meetings as per the statutory provisions, and agenda and detailed notes on agenda which were sent at shorter notice were taken up after obtaining the requisite permission of the Chairman and with the consent of the majority of the Directors / Committee Members present in the meeting respectively in compliance of clause 1.3.7 of the Secretarial Standard -1 of ICSI and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

3) All decisions at Board and/or Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or respective Committee of the Board, as the case may be.

4) The Company has obtained requisite approval, permission, confirmation from Registrar of Companies, NCT of Delhi & Haryana, Securities & Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, Debenture Trustee and other regulated bodies in respect of various private placement of Secured, Redeemable, Non-Convertible, Taxable Bonds & Capital Gain Bonds in the nature of Debentures and has duly complied with the applicable provisions of the laws, rules and guidelines.

5) There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act 2013, Depositories Act and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

6) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.

We further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with other applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no instances of:

a) Public / Right / Preferential Issue of Shares / Sweat Equity;

b) Buy-back of Securities;

c) Merger / Amalgamation / Reconstruction etc. and

d) Foreign Technical Collaborations.

For **Navneet K Arora & Co LLP**
Company Secretaries

Sd/-
CS Navneet Arora
Managing Partner
FCS: 3214, COP: 3005
ICSI Firm Unique Identification Code: P2009DE061500
UDIN: F003214D000376422

Place: New Delhi
Date: 24th May, 2022

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

Annexure - "A"

To,
The Members,
Indian Railway Financial Corporation Limited
Registered Office: Room No 1316-1349, 3rd Floor
Hotel The Ashok Diplomatic Enclave,
50-B, Chanakyapuri, New Delhi - 110021

Our report of even date is to be read along with this letter as under:

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

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

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

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

5) The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.

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

For **Navneet K Arora & Co LLP**
Company Secretaries

Sd/-
CS Navneet Arora
Managing Partner
FCS: 3214, COP: 3005
Firm Unique Identification No: P2009DE061500
UDIN: F003214D000376422

Place: New Delhi
Date: 24th May, 2022

Annexure VI

Auditors' Certificate on Compliance of Conditions of Corporate Governance

To,
The Members of
Indian Railway Finance Corporation Limited
CIN: L65910DL1986GOI026363
Registered Office: Room No 1316-1349, 3rd Floor
Hotel The Ashok Diplomatic Enclave,
50-B, Chanakyapuri,
New Delhi - 110021

We have examined the compliance of conditions of Corporate Governance by Indian Railway Finance Corporation Limited (IRFC/ Company) for the year ended March 31, 2022, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations-2015") and Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 issued by Department of Public Enterprise (DPE Guidelines).

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination has been limited to review of procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause and guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and DPE Guidelines, except provision of regulation 17, 18, 19, 20, 21 & 23(9) as required under the SEBI (LODR) Regulations, 2015 and DPE Guidelines regarding composition of Board including failure to appoint Independent woman director and quorum of meetings, Composition of Audit Committee, Composition of Nomination and remuneration committee, Composition of Stakeholder Relationship Committee, Composition of Risk Management Committee and disclosure of Related Party Transactions.

Company has explained that IRFC / Company being a Government Company, all the Directors are appointed by President of India, acting through administrative ministry, i.e., Ministry of Railways and this is beyond the control of the Company. Further, Company has made necessary disclosures to stock exchanges and requested to consider the disclosure of related party transaction as on the date of submission of financial results.

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

For **Navneet K Arora & Co LLP**
Company Secretaries

Sd/-
CS Navneet Arora
Managing Partner
FCS: 3214, COP: 3005
ICSI Unique Firm Regn. Code No: P2009DE061500
UDIN No: F003214D000376653

Place: New Delhi
Date: 24th May, 2022

Annexure VII

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
for the financial year ended 31st March 2022

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i) CIN	L65910DL1986GOI026363
ii) Registration Date	12th December, 1986
iii) Name of the Company	Indian Railway Finance Corporation Limited
iv) Category / Sub-Category of the Company	Infrastructure Finance Company
v) Address of the Registered office and contact details	Indian Railway Finance Corporation Ltd. Room Nos. 1316 - 1349, 3rd Floor, The Ashok, Diplomatic Enclave, 50-B, Chanakyapuri, New Delhi – 110 021 Contact No(s) – 011 – 24100385 Website – https://irfc.co.in/ Email – investors@irfc.co.in
vi) Whether listed company (Yes / No)	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Beetal Financial and Computer Services Private limited 3rd Floor 99 Madangir, Behind Local Shopping Centre Near Dada Harsukhdas Mandir New Delhi- 110062 Contact No(s) – 011 –29961281 Website –www.beetalfinancial.com Email – irfc@beetalfinancial.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated: -

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1.	Lease Income	64910	64.06%
2.	Interest Income	64910	35.94%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
	NIL				

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding:

Category Code	Category of Shareholder	No. of shares held at the beginning of the year i.e., 01.04.2021				No. of shares held at the end of the year i.e., 31.03.2022				% Change during the year
		Demat	Physical	Total	Total % of shares	Demat	Physical	Total	Total % of shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	PROMOTER AND PROMOTER GROUP									
(1)	Indian	-	-	-	-	-	-	-	-	-
(a)	Individual	-	-	-	-	-	-	-	-	-
(b)	Huf	-	-	-	-	-	-	-	-	-
(c)	Central Govt /state Govt/ President Of India President Of India Acting Through The MoR	11286437000	-	11286437000	86.36	11286437000	-	11286437000	86.36	Nil
(d)	Financial Inst/banks	-	-	-	-	-	-	-	-	-
(e)	Any other	-	-	-	-	-	-	-	-	-
	Other - Body Corporate	-	-	-	-	-	-	-	-	-
	Sub – Total A(1)	**11286437000**	**-**	**11286437000**	**86.36**	**11286437000**	**-**	**11286437000**	**86.36**	**Nil**
(2)	Foreign	-	-	-	-	-	-	-	-	-
(a)	Individual(nri/ Foriegn Individual)	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
(e)	Any Other	-	-	-	-	-	-	-	-	-
	Sub - Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total A=A(1)+A(2)	**11286437000**	**-**	**11286437000**	**86.36**	**11286437000**	**-**	**11286437000**	**86.36**	**Nil**
(B)	PUBLIC SHAREHOLDING									
(1)	Institutions									
(a)	Mutual Funds	394018521	-	394018521	3.02	263546443	-	263546443	2.02	(1.00)
	Hdfc Trustee Company Limited-hdfc Flexi Cap Fund	191062702	-	191062702	1.45	215454394	-	215454394	1.65	0.2
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investros	188358849	-	188358849	1.44	146762280	-	146762280	1.12	(0.32)
(f)	Financial Inst/banks	4897220	-	4897220	0.04	-	-	-	-	(0.04)
(g)	Insurance Companies	153837512	-	153837512	1.18	151978616	-	151978616	1.16	(0.02)
(h)	Provident Funds/ Pension Fund	-	-	-	-	-	-	-	-	-
(i)	Any other	-	-	-	-	-	-	-	-	-
	Sub-total (B)(1)	**741112102**	**-**	**741112102**	**5.68**	**562287339**	**-**	**562287339**	**4.30**	**(1.38)**
(2)	Central Govt /state Govt/ President Of India	6900	-	6900	0.00	-	-	-	-	-
	Sub-total (B)(2)	**6900**	**-**	**6900**	**0.00**	**-**	**-**	**-**	**-**	**-**
(3)	Non-institutions	-	-	-	-					
(a)	(i) Individual-Holding Nom. Val. upto ₹ 1 lakhs	758097730	25	758097755	5.80	821619893	1625	821621518	6.29	0.49

Category Code	Category of Shareholder	No. of shares held at the beginning of the year i.e., 01.04.2021				No. of shares held at the end of the year i.e., 31.03.2022				% Change during the year
		Demat	Physical	Total	Total % of shares	Demat	Physical	Total	Total % of shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
	(ii) Individual-Holding Nom. Val. greater then ₹ 1 lakhs	156966014	-	156966014	1.20	278658852	-	278658852	2.13	0.93
(b)	Nbfc Registered with RBI	-	-	-	-	-	-	-	-	-
(c)	Employees Trust	-	-	-	-	500	-	500	0.00	0.00
(d)	Overseas Depository Holding DRs	-	-	-	-	-	-	-	-	-
(e)	Any Other									
	Other - Body Corp	37670445	-	37670445	0.29	51492228	-	51492228	0.39	0.10
	Other - Trusts	3630432	-	3630432	0.03	2288313	-	2288313	0.02	(0.10)
	Other - Clearing Member	14180375	-	14180375	0.11	4658633	-	4658633	0.04	(0.07)
	Other - N R I - Non - Repatriable	4512037	-	4512037	0.03	7173211	-	7173211	0.05	0.02
	Other - N R I - Repatriable	13918164	-	13918164	0.11	20133530	-	20133530	0.15	0.04
	Other - Individual HUF	31209919	-	31209919	0.24	33754876	-	33754876	0.26	0.02
	Other - QIB	20764857	-	20764857	0.16	-	-	-	-	(0.16)
	Sub-total (B)(3)	**1040949998**	**-**	**1040949998**	**7.97**	**1219780036**	**1625**	**1219781661**	**9.33**	**1.36**
	Total Public Shareholding	**1782069000**	**-**	**1782069000**	**13. 64**	**1782067375**	**1625**	**1782069000**	**13.64**	**-**
(C)	**Shares held by custodians,**	**-**	**-**	**-**	**-**		**-**			**-**
	GRAND TOTAL (A+B+C) :	**13068506000**	**-**	**13068506000**	**100**	**13068504375**	**1625**	**13068506000**	**100**	**-**

ii) Shareholding of Promoters:

Sr. No.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the share-holding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	President of India through Ministry of Railways	11286437000	86.36	Nil	11286437000	86.36	Nil	Nil
	Total	**11286437000**	**86.36**	**Nil**	**11286437000**	**86.36**	**Nil**	**Nil**

iii) Change in Promoters' Shareholding (please specify, if there is no change):

Sr. No.	Promoter	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	President of India through Ministry of Railways				
	At the beginning of the year	11286437000	86.36	11286437000	86.36
	Date wise increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.	NIL			
	At the end of the year	11286437000	86.36	11286437000	86.36

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	**HDFC TRUSTEE COMPANY LIMITED-HDFC FLEXI CAP FUND**	191062702	1.462	-	-
	Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.				
	Increase - 16/04/2021	8250000	0.0631	199312702	1.5251
	Increase - 23/04/2021	9407704	0.0720	208720406	1.5971
	Increase - 30/04/2021	4000000	0.0306	212720406	1.6277
	Increase - 07/05/2021	2000000	0.0153	214720406	1.6430
	Decrease - 21/05/2021	(1970000)	(0.0151)	212750406	1.6280
	Increase - 28/05/2021	2397262	0.0183	215147668	1.6463
	Decrease - 11/06/2021	(500000)	(0.0038)	214647668	1.6425
	Decrease - 18/06/2021	(1500000)	(0.0115)	213147668	1.6310
	Decrease - 25/06/2021	(6000000)	(0.0459)	207147668	1.5851
	Decrease - 30/06/2021	(500000)	(0.0038)	206647668	1.5813
	Decrease - 09/07/2021	(755805)	(0.0058)	205891863	1.5755
	Decrease - 16/07/2021	(1000000	(0.0077)	204891863	1.5678
	Decrease - 13/08/2021	(437469)	(0.0033)	204454394	1.5645
	Increase - 17/09/2021	2000000	0.0153	206454394	1.5798
	Increase - 24/09/2021	10000000	0.0765	216454394	1.6563
	Decrease - 10/12/2021	(1000000)	(0.0077)	215454394	1.6487
	Shareholding at the end of the year			215454394	1.6487
2.	**LIFE INSURANCE CORPORATION OF INDIA**	114200185	0.8739	-	-
	Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.				
	Shareholding at the end of the year			114200185	0.8739
3.	**TATA AIG GENERAL INSURANCE COMPANY LIMITED**	21136134	0.1617	-	-
	Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.				
	Increase - 09/07/2021	1056797	0.0081	22192931	0.1698
	Increase - 16/07/2021	1879598	0.0144	24072529	0.1842
	Increase - 23/07/2021	250000	0.0019	24322529	0.1861
	Increase - 27/08/2021	879205	0.0067	25201734	0.1928
	Increase - 03/09/2021	61356	0.0005	25263090	0.1933
	Increase - 24/09/2021	1980000	0.0152	27243090	0.2085
	Increase - 05/11/2021	440000	0.0034	27683090	0.2118
	Increase - 10/12/2021	793558	0.0061	28476648	0.2179
	Increase - 17/12/2021	660000	0.0051	29136648	0.2230
	Increase - 24/12/2021	3849729	0.0295	32986377	0.2524
	Increase - 31/12/2021	700000	0.0054	33686377	0.2578
	Increase - 11/03/2022	154149	0.0012	33840526	0.2589
	Shareholding at the end of the year			33840526	0.2589

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
4.	**L AND T MUTUAL FUND TRUSTEE LTD-L AND T MID CAP FUND**	Nil	-	-	-
	Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.				
	Increase - 12/11/2021	13302600	0.1018	13302600	0.1018
	Increase - 26/11/2021	4749005	0.0363	18051605	0.1381
	Increase - 03/12/2021	11276347	0.0863	29327952	0.2244
	Increase - 10/12/2021	1925014	0.0147	31252966	0.2391
	Shareholding at the end of the year			31252966	0.2391
5.	**VALUEQUEST INDIA MOAT FUND LIMITED**	Nil	-	-	-
	Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.				
	Increase - 06/08/2021	4400000	0.0337	4400000	0.0337
	Increase - 13/08/2021	7795000	0.0596	12195000	0.0933
	Increase - 20/08/2021	4460000	0.0341	16655000	0.1274
	Increase - 27/08/2021	1670000	0.0128	18325000	0.1402
	Increase - 03/09/2021	1050000	0.0080	19375000	0.1483
	Increase - 08/10/2021	6837900	0.0523	26212900	0.2006
	Decrease -31/03/2022	(768470)	(0.0059)	25444430	0.1947
	Shareholding at the end of the year			25444430	0.1947
6.	**VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS**	Nil	-	-	-
	Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.				
	Increase - 25/06/2021	5125542	0.0392	5125542	0.0392
	Increase - 27/08/2021	1421435	0.0109	6546977	0.0501
	Increase - 03/09/2021	9861283	0.0755	16408260	0.1256
	Increase - 24/09/2021	827117	0.0063	17235377	0.1319
	Increase - 19/11/2021	983391	0.0075	18218768	0.1394
	Increase - 10/12/2021	448807	0.0034	18667575	0.1428
	Increase - 11/03/2022	883557	0.0068	19551132	0.1496
	Increase - 25/03/2022	3729637	0.0285	23280769	0.1781
	Increase - 31/03/2022	901542	0.0069	24182311	0.1850
	Shareholding at the end of the year			24182311	0.1850

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
7.	**VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND**	Nil	-	-	-
	Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.				
	Increase - 25/06/2021	11565259	0.0885	11565259	0.0885
	Increase - 30/06/2021	2363038	0.0181	13928297	0.1066
	Increase - 09/07/2021	2379956	0.0182	16308253	0.1248
	Increase - 16/07/2021	2506645	0.0192	18814898	0.1440
	Increase - 30/07/2021	1049992	0.0080	19864890	0.1520
	Increase - 29/10/2021	1151794	0.0088	21016684	0.1608
	Increase - 12/11/2021	1075100	0.0082	22091784	0.1690
	Increase - 03/12/2021	458821	0.0035	22550605	0.1726
	Increase - 31/12/2021	840024	0.0064	23390629	0.1790
	Shareholding at the end of the year			23390629	0.1790
8.	**NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA TAX SAVER (ELSS) FUND**	100379500	0.7681	-	-
	Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.				
	Increase - 23/04/2021	3000000	0.0230	103379500	0.7911
	Decrease- 07/05/2021	(15767675)	(0.1207)	87611825	0.6704
	Increase - 21/05/2021	2000000	0.0153	89611825	0.6857
	Increase - 04/06/2021	1000000	0.0077	90611825	0.6934
	Decrease- 09/07/2021	(25191805)	(0.1928)	65420020	0.5006
	Decrease- 16/07/2021	(17180718)	(0.1315)	48239302	0.3691
	Decrease 23/07/2021	(4702652)	(0.0360)	43536650	0.3331
	Increase- 08/10/2021	666123	0.0051	44202773	0.3382
	Decrease- 15/10/2021	(11189)	(0.0001)	44191584	0.3382
	Increase - 22/10/2021	8769	0.0001	44200353	0.3382
	Increase - 29/10/2021	13910	0.0001	44214263	0.3383
	Increase - 05/11/2021	15090	0.0001	44229353	0.3384
	Increase - 12/11/2021	54115	0.0004	44283468	0.3389
	Decrease -19/11/2021	(19869)	(0.0002)	44263599	0.3387
	Decrease- 26/11/2021	(22361)	(0.0002)	44241238	0.3385
	Decrease- 03/12/2021	(10749816)	(0.0823)	33491422	0.2563
	Decrease- 10/12/2021	(1987497)	(0.0152)	31503925	0.2411
	Decrease- 17/12/2021	(3000060)	(0.0230)	28503865	0.2181
	Decrease- 24/12/2021	(8970794)	(0.0686)	19533071	0.1495
	Decrease- 31/12/2021	(2000082)	(0.0153)	17532989	0.1342
	Decrease- 07/01/2022	(3301309)	(0.0253)	14231680	0.1089
	Decrease- 14/01/2022	(4419)	0.0000	14227261	0.1089
	Increase- 21/01/2022	843	0.0000	14228104	0.1089
	Increase- 28/01/2022	16879	0.0001	14244983	0.1090
	Increase- 04/02/2022	17865	0.0001	14262848	0.1091
	Decrease- 11/02/2022	(52354)	(0.0004)	14210494	0.1087

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	Increase - 18/02/2022	26691	0.0002	14237185	0.1089
	Increase - 25/02/2022	8401	0.0001	14245586	0.1090
	Increase - 04/03/2022	46105	0.0004	14291691	0.1094
	Increase - 11/03/2022	26146	0.0002	14317837	0.1096
	Decrease- 18/03/2022	(6097)	0.0000	14311740	0.1095
	Decrease- 25/03/2022	(13126)	(0.0001)	14298614	0.1094
	Increase - 31/03/2022	14621	0.0001	14313235	0.1095
	Shareholding at the end of the year			14313235	0.1095
9.	**MKT CAPITAL LP**	Nil	-	-	-
	Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.				
	Increase - 11/06/2021	1000000	0.0077	2500000	0.0191
	Increase - 16/07/2021	1500000	0.0115	4000000	0.0306
	Increase - 27/08/2021	2000000	0.0153	6000000	0.0459
	Increase - 29/10/2021	1000000	0.0077	7000000	0.0536
	Increase - 12/11/2021	2000000	0.0153	9000000	0.0689
	Shareholding at the end of the year			9000000	0.0689
10.	**VANGUARD FIDUCIARY TRUST COMPANY INSTITUTIONAL TOTAL INTERNATIONAL STOCK MARKET INDEX TRUST II**	Nil	-	-	-
	Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment / transfer/ bonus/ sweat equity etc.				
	Increase - 25/06/2021	7372616	0.0564	7372616	0.0564
	Increase - 30/07/2021	638918	0.0049	8011534	0.0613
	Increase - 04/02/2022	981410	0.0075	8992944	0.0688
	Shareholding at the end of the year			8992944	0.0688

Note: 1. Reasons for increase / decrease unless stated, may be trade / transfer.

2. Top ten shareholders as on 31st March 2022 have been considered, for the above disclosures. Shareholding is consolidated based on permanent account number (PAN) of the shareholder.

(v) Shareholding of Directors and Key Managerial Personnel:

Name of the Director / KMP	Change in Shareholding		Cumulative Shareholding During the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
Shri. Amitabh Banerjee, Chairman & Managing Director (CMD)				
At the beginning of the year 01/04/2021	Nil	-	-	-
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	No Change			
At the end of the year 31/03/2022	-	-	Nil	-
Ms. Shelly Verma, Director Finance (DF)	Nil	-	-	-
At the beginning of the year 01/04/2021				
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	No Change			
At the end of the year 31/03/2022	-	-	Nil	-
Shri. Ashok Kumar Singhal, Non- Official/ Independent Director				
At the beginning of the year 01/04/2021	Nil	-	-	-
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	No Change			
At the end of the year 31/03/2022	-	-	Nil	-
Shri. Vallabhbhai Maneklal Patel, Non- Official/ Independent Director				
At the beginning of the year 01/04/2021	Nil	-	-	-
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	No Change			
At the end of the year 31/03/2022	-	-	Nil	-
Smt. Sheela Pandit , Non- Official/ Independent Director				
At the beginning of the year 01/04/2021	Nil	-	-	-
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	No Change			
At the end of the year 31/03/2022	-	-	Nil	-
Shri. Vijay Babulal Shirode, Company Secretary (KMP)				
At the beginning of the year 01/04/2021	13225	0.00	-	-
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	No Change			
At the end of the year 31/03/2022	-	-	13225	0.00

Notes:

- Shri. Ashok Kumar Singhal ceased to be Non-Official/ Independent Director of IRFC w.e.f 20th July 2021 due to completion of his tenure.
- Shri Vallabhbhai Maneklal Patel appointed as Non-Official/ Independent Director w.e.f. 10th November 2021.
- Smt. Sheela Pandit appointed as Non-Official/ Independent Director w.e.f. 22nd November 2021.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Mn)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	2,419,161.39	811,945.40	-	3,231,106.79
ii) Interest due but not paid	-	-	-	-
iii) Interest Accrued but not due	61,031.94	61,105.33	-	122,137.27
Total (i+ii+iii)	**2,480,193.33**	**873,050.73**	**-**	**3,353,244.06**
Changes in Indebtedness during the financial year				
Addition	622,941.49	1,061,689.15	-	1,684,630.64
Reduction	327,941.65	716,662.84	-	1,044,604.50
Net Change	294,999.84	345,026.31	-	640,026.14
Indebtedness at the end of the financial year				
i) Principal amount	2,707,200.49	1,176,965.69	-	3,884,166.18
ii) Interest due but not paid	-	-	-	-
iii) Interest Accrued but not due	68,263.70	37,372.65	-	105,636.35
Total (i+ii+iii)	**2,775,464.19**	**1,214,338.34**	**-**	**3,989,802.53**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Chairman & Managing Director, Whole-time Directors and/or Manager:

(₹ in Mn)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		Shri Amitabh Banerjee Chairman & Managing Director	Ms. Shelly Verma, Director Finance	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9.71	6.14	15.84
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.05	0.08	0.13
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961*	-	-	-
2.	Stock option		-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- As % of profit	-	-	-
	- Other, specify	-	-	-
5.	Other, please specify			
	- Employer Contribution towards Provident Fund	0.49	0.41	0.91
	- Employer Contribution towards Pension Fund (amount over and above ₹ 1,50,000 has been include in perquisites u/s 14(2)	Included in section 17(1) Salary	Included in section 17(1) Salary	-
	Total (A)	**10.25**	**6.63**	**16.88**
	Ceiling as per the Act	Exempted for Government Companies as per MCA Notification dated 5th June, 2015		

B. Remuneration to other Directors:

(₹ in Mn)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
	Independent Directors	**Shri Ashok Kumar Singhal**	**Shri Vallabhbhai Maneklal Patel**	**Smt. Sheela Pandit**	
	• Fee for attending Board Committee Meetings	0.34	0.28	0.23	0.85
	• Commission	-	-	-	
	• Others, please specify	-	-	-	
	Total (1)				
	Other Non-Executive Directors	**Shri Baldeo Purushartha**	**Shri Bhaskar Choradia**		
	• Fee for attending Board Committee Meetings	-	-	-	-
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)= (1+2)	**0.34**	**0.28**	**0.23**	**0.85**
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	Exempted for Government Companies as per MCA Notification dated 5th June, 2015			

Notes:

- Shri. Ashok Kumar Singhal ceased to be Non-Official/ Independent Director of IRFC w.e.f 20th July, 2021 due to completion of his tenure.
- Shri. Vallabhbhai Maneklal Patel appointed as Non-Official/ Independent Director w.e.f. 10th November 2021.
- Smt. Sheela Pandit appointed as Non-Official/ Independent Director w.e.f. 22nd November 2021.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD:

(₹ in Mn)

Sr. No.	Particulars of Remuneration	Company Secretary
		Shri Vijay Babulal Shirode Joint General Manager (Law) & Company Secretary
1.	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2.43
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961*	0.16
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	
2.	Stock option	--
3.	Sweat Equity	--
4.	Commission	--
	- As % of profit	--
	- Other, specify	--
5.	Other, please specify	
	- Employer Contribution towards Provident Fund	0.15
	- Employer Contribution towards Pension Fund (amount over and above Rs. 1,50,000 has been include in perquisites u/s 14(2)	Included in section 17(1) Salary
	Total (C)	**2.74**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A.	**COMPANY**	NIL				
	Penalty					
	Punishment					
	Compounding					
B.	**DIRECTORS**					
	Penalty					
	Punishment					
	Compounding					
C.	**OTHER OFFICERS IN DEFAULT**					
	Penalty					
	Punishment					
	Compounding					

Annexure VIII

Code of Business Conduct-Declaration by the Chairman & Managing Director (CEO)

I hereby affirm that all Board Members and Senior Management personnel have confirmed compliance on their part of the "Code of Business Conduct and Ethics for Board Members and Senior Management" for the year 2021-2022.

Sd/-
(Amitabh Banerjee)
Chairman & Managing Director
DIN: 03315975

Place: New Delhi
Date: 10th August, 2022

Annexure IX

Certificate to the Board of Directors under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby certify to the Board of Directors that:

A. We have reviewed financial statements and the cash flow statement for the year ended 31.03.2022 and that to the best of our knowledge and belief:

   i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

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

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

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

D. We have indicated to the auditors and the Audit Committee:-

   i) Significant changes in internal control over financial reporting during the year;

   ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements ; and

   iii) That we are not aware of any instance during the year of significant fraud with involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

	Sd/-	Sd/-
Place: Gandhinagar, Gujarat	**(Shelly Verma)**	**(Amitabh Banerjee)**
Dated: 20th May, 2022	Director Finance-CFO	Chairman & Managing Director - CEO

Financial Statements

Balance Sheet

as at 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Financial Assets			
Cash And Cash Equivalents	3	1,464.92	2,971.91
Bank Balance Other Than Cash and Cash Equivalents	4	1,568.84	1,617.33
Derivative Financial Instruments	5	2,023.25	760.14
Receivables	6		
- Lease Receivables		20,06,924.99	16,55,689.91
Loans	7	68,248.05	69,698.15
Investments	8	100.03	119.82
Other Financial Assets	9	22,47,779.18	19,95,580.54
Total Financial Assets		**43,28,109.26**	**37,26,437.80**
Non-financial assets			
Current Tax Assets (Net)	10	6,373.08	9,333.87
Property, Plant And Equipment	11	138.86	109.45
Right of Use Assets	33.1	224.25	343.71
Other Intangible Assets	12	16.51	0.41
Other Non-Financial Assets	13	1,64,940.28	68,589.99
Total Non-Financial Assets		**1,71,692.98**	**78,377.43**
Total Assets		**44,99,802.24**	**38,04,815.23**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Derivative Financial Instruments	5	5,669.33	3,601.28
Payables	14		
- Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
- Other payables			
(i) Total outstanding dues of micro enterprises and small enterprises		10.02	3.78
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		235.69	503.83
Debt Securities	15	19,41,749.53	17,85,747.89
Borrowings (Other Than Debt Securities)	16	19,42,416.65	14,45,358.90
Lease Liabilities	33.1	233.52	345.88
Other Financial Liabilities	17	1,94,251.96	1,96,029.03
Total Financial Liabilities		**40,84,566.70**	**34,31,590.59**
Non-Financial Liabilities			
Current Tax Liabilities (Net)	10	-	-
Provisions	18	535.71	291.22
Deferred Tax Liabilities (Net)	19	-	-
Other Non-Financial Liabilities	20	4,736.43	13,799.60
Total Non-Financial Liabilities		**5,272.14**	**14,090.82**
Total Liabilities		**40,89,838.84**	**34,45,681.41**
Equity			
Equity Share Capital	21	1,30,685.06	1,30,685.06
Other Equity	22	2,79,278.34	2,28,448.76
Total Equity		**4,09,963.40**	**3,59,133.82**
Total Liabilities And Equity		**44,99,802.24**	**38,04,815.23**
Significant Accounting Policies	2		

The accompanying statement of significant accounting policies and notes to the financial information are an integral part of this Balance Sheet.

For M/s. KBDS & Co.
Chartered Accountants
FRN 323288E

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

Sd/-
(CA Dashrath Kumar Singh)
Partner
M.No. 060030
UDIN: 22060030AJMDLH6491

Sd/-
(Vijay Babulal Shirode)
Company Secretary & JGM (Law)
FCS: 6876

Sd/-
(Shelly Verma)
Director Finance
DIN: 07935630

Sd/-
(Amitabh Banerjee)
Chairman & Managing Director
DIN: 03315975

Place: Gandhinagar, Gujarat
Date: 20th May 2022

Statement of Profit and Loss

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Revenue From Operations			
Interest Income	23	72,946.72	39,436.59
Lease Income	24	1,30,035.96	1,18,265.62
		2,02,982.68	**1,57,702.21**
Dividend Income		9.96	2.51
Other Income	25	23.33	3.90
Total Income		**2,03,015.97**	**1,57,708.62**
Expenses			
Finance Costs	26	1,40,747.82	1,12,370.53
Impairment on Financial Instruments	27	4.61	27.15
Employee Benefit Expense	28	107.48	78.47
Depreciation, Amortization and Impairment	29	140.25	44.32
Other Expenses	30	1,114.26	1,026.84
Total Expenses		**1,42,114.42**	**1,13,547.31**
Profit Before Exceptional Items and Tax		**60,901.55**	**44,161.31**
Exceptional Items		-	-
Profit Before Tax		**60,901.55**	**44,161.31**
Tax Expense	31		
Current Tax		-	-
Deferred Tax		-	-
Adjustment for Earlier Years		3.19	-
Total Tax Expenses		**3.19**	**-**
Profit for the Period from Continuing Operations		**60,898.36**	**44,161.31**
Profit from Discontinued Operations		-	-
Tax Expense of Discontinued Operations		-	-
Profit from Discontinued Operations (After Tax)		-	-
Profit for the Period		**60,898.36**	**44,161.31**
Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		5.61	0.01
- Remeasurement of Equity Instrument		(10.61)	14.75
(ii) Income tax relating to items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		-	-
- Remeasurement of Equity Instrument		-	-
Subtotal (A)		**(5.00)**	**14.76**
(B) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		-	-
Other Comprehensive Income (A + B)		**(5.00)**	**14.76**
Total comprehensive income for the period (comprising profit (loss) and other comprehensive income for the period)		**60,893.36**	**44,176.07**
Earnings per equity share (for continuing operations)	32		
Basic (Rs.)		4.66	3.66
Diluted (Rs.)		4.66	3.66
Earnings per equity share (for discontinued operations)			
Basic (Rs.)		-	-
Diluted (Rs.)		-	-
Earnings per equity share (for continuing and discontinued operations)	32		
Basic (Rs.)		4.66	3.66
Diluted (Rs.)		4.66	3.66
Significant Accounting Policies	2		

The accompanying statement of significant accounting policies and notes to the financial information are an integral part of this statement of Profit and Loss.

For M/s. KBDS & Co.
Chartered Accountants
FRN 323288E

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

Sd/-
(CA Dashrath Kumar Singh)
Partner
M.No. 060030
UDIN: 22060030AJMDLH6491

Sd/-
(Vijay Babulal Shirode)
Company Secretary & JGM (Law)
FCS: 6876

Sd/-
(Shelly Verma)
Director Finance
DIN: 07935630

Sd/-
(Amitabh Banerjee)
Chairman & Managing Director
DIN: 03315975

Place: Gandhinagar, Gujarat
Date: 20th May 2022

Statement of Cash Flow

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxes	60,901.55	44,161.31
Adjustments for:		
Remeasurement of Defined Benefit Plans	5.61	0.01
Depreciation and Amortisation (including adjustment to ROU assets)	140.25	44.32
Provision of Interest on Income Tax	-	5.33
Loss on Sale of Fixed Assets	0.03	0.25
Profit on Sale Of Fixed Assets	-	(0.01)
Discount of Commercial Paper	324.49	505.55
Adjustments Towards Effective Interest Rate	797.98	(3,217.08)
Interest Expense on lease liabilities	16.48	6.79
Dividend Income Received	(9.96)	(2.51)
Share Issue Expenses	(1.03)	-
Operating Profit Before Working Capital Changes	**62,175.40**	**41,503.96**
Movements in Working Capital:		
increase/(Decrease) in Payables	(261.90)	130.09
increase/(Decrease) in Provisions	244.49	193.76
increase/(Decrease) in Others Non Financial Liabilities	(9,063.17)	13,477.41
increase/(Decrease) in Other Financial Liabilities	(1,777.07)	68,357.31
Decrease/(Increase) in Receivables	(3,51,235.08)	(1,69,891.91)
Decrease/(Increase) in Loans and Advances	1,450.10	(5,464.44)
Decrease/(Increase) in Bank Balance Other Than Cash and Cash Equivalents	48.49	(623.50)
Decrease/(Increase) in Other Non Financial Assets	(96,350.29)	(53,895.20)
Decrease/(Increase) in Other Financial Assets	(2,52,311.39)	(7,89,813.21)
Cash Generated From Operations	**(6,47,080.42)**	**(8,96,025.73)**
Less: Direct Taxes Paid (Net of Refunds)	(2,957.60)	3,040.74
Net Cash Flow/(Used) in Operating Activities (A)	**(6,44,122.82)**	**(8,99,066.47)**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property Plant & Equipments and Intangible Assets	(66.33)	(8.65)
Proceeds From Sale of Property Plant & Equipment	-	0.32
Proceeds From Realization of Pass Through Certificates / Sale of Investments	9.18	10.05
Dividend Income Received	9.96	2.51
Net Cash Flow/(Used) in Investing Activities (B)	**(47.19)**	**4.23**
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Issue of Equity Share Capital	-	11,880.46
Proceeds from security Premium	-	19,008.74
Issue of Debt Securities (Net of Redemptions)	1,84,834.63	2,42,488.51
Raising of Rupee Term Loans/ Foreign Currency Borrowings (Net of Repayments)	4,97,314.74	6,57,781.22
Issue of Commercial Paper (Net of Repayments)	(29,294.76)	(10,169.37)
Payments for lease liabilities (including interest)	(128.84)	(40.24)
Share Issue Expenses	-	(207.04)
Final Dividend Paid	-	(5,000.00)
Interim Dividend Paid	(10,062.75)	(13,721.93)
Net Cash Generated By/(Used In) Financing Activities (C)	**6,42,663.02**	**9,02,020.35**
Net Increase in Cash cnd Cash Equivalents (A+B+C)	**(1,506.99)**	**2,958.11**

Statement of Cash Flow

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash and Cash Equivalents at the beginning of the year	2,971.91	13.80
Cash and Cash Equivalents at the End of the Period	**1,464.92**	**2,971.91**
Components of cash and cash equivalents		
Cash on hand	-	-
Balances with banks		
- on current accounts	1,464.82	2,971.81
- Balance in RBI-PLA	0.10	0.10
Cheques in hand	-	-
	1,464.92	**2,971.91**

The accompanying statement of significant accounting policies and notes to the financial information are an integral part of this statement.

For M/s. KBDS & Co.
Chartered Accountants
FRN 323288E

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

Sd/-
(CA Dashrath Kumar Singh)
Partner
M.No. 060030
UDIN: UDIN: 22060030AJMDLH6491

Sd/-
(Vijay Babulal Shirode)
Company Secretary & JGM (Law)
FCS: 6876

Sd/-
(Shelly Verma)
Director Finance
DIN: 07935630

Sd/-
(Amitabh Banerjee)
Chairman & Managing Director
DIN: 03315975

Place: Gandhinagar, Gujarat
Date: 20th May 2022

Statement of Changes in Equity

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

A. Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid

Particulars	Notes	Amount
Balance as at 1 April 2021		**1,30,685.06**
Changes in Equity Share Capital due to prior period errors		-
Restated Balance as at 1 April 2021	21	**1,30,685.06**
Changes in equity share capital during the period		-
Balance as at 31 March 2022		**1,30,685.06**
Balance as at 1 April 2020		**1,18,804.60**
Changes in Equity Share Capital due to prior period errors		-
Restated Balance as at 1 April 2020	21	**1,18,804.60**
Changes in equity share capital during the period		11,880.46
Balance as at 31 March 2021		**1,30,685.06**

For M/s. KBDS & Co.
Chartered Accountants
FRN 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M.No. 060030
UDIN: 22060030AJMDLH6491

Place: Gandhinagar, Gujarat
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For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

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DIN: 03315975

Statement of Changes in Equity

for the year ended 31 March 2022
(All amounts in millions of INR, unless stated otherwise)

B. Other Equity

Particulars	Share issue expenses	Reserve and surplus				Equity instruments through other comprehensive income	Total other equity
		General Reserve	Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	Security Premium Reserve	Retained Earnings		
Balance as at 1 April 2021	**(376.84)**	**1,74,032.28**	**20,726.61**	**19,008.74**	**14,980.31**	**77.66**	**2,28,448.76**
Changes in accounting policy/prior period Errors	-	-	-	-	-	-	-
Restated Balance as at 1 April 2021	**(376.84)**	**1,74,032.28**	**20,726.61**	**19,008.74**	**14,980.31**	**77.66**	**2,28,448.76**
Total comprehensive income for the period	-	-	-	-	60,903.97	(10.61)	60,893.36
Addition during the period	(1.03)	-	-	-	-	-	(1.03)
Transfer to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	-	-	12,179.67	-	(12,179.67)	-	-
Interim Dividend	-	-	-	-	(10,062.75)	-	(10,062.75)
Balance as at 31 March 2022	**(377.87)**	**1,74,032.28**	**32,906.28**	**19,008.74**	**53,641.86**	**67.05**	**2,79,278.34**
Balance as at 1 April 2020	**(169.80)**	**1,74,032.28**	**11,894.35**	**-**	**5,000.00**	**62.91**	**1,90,819.74**
Changes in accounting policy/prior period Errors	-	-	-	-	(6,626.82)	-	(6,626.82)
Restated Balance as at 1 April 2020	**(169.80)**	**1,74,032.28**	**11,894.35**	**-**	**(1,626.82)**	**62.91**	**1,84,192.92**
Total comprehensive income for the period	-	-	-	-	44,161.32	14.75	44,176.07
Addition during the period	(207.04)	-	-	19,008.74	-	-	18,801.70
Transfer to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	-	-	8,832.26	-	(8,832.26)		-
Interim Dividend	-	-	-	-	(13,721.93)	-	(13,721.93)
Final Dividend	-	-	-	-	(5,000.00)	-	(5,000.00)
Balance as at 31 March 2021	**(376.84)**	**1,74,032.28**	**20,726.61**	**19,008.74**	**14,980.31**	**77.66**	**2,28,448.76**

The accompanying statement of significant accounting policies and notes to the financial information in are an integral part of this statement.

For M/s. KBDS & Co.
Chartered Accountants
FRN 323288E

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

Sd/-
(CA Dashrath Kumar Singh)
Partner
M.No. 060030
UDIN: 22060030AJMDLH6491

Sd/-
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Director Finance
DIN: 07935630

Sd/-
(Amitabh Banerjee)
Chairman & Managing Director
DIN: 03315975

Place: Gandhinagar, Gujarat
Date: 20th May 2022

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Statement of significant accounting policies

1. Background

Indian Railway Finance Corporation Ltd., referred to as "the Company" or "IRFC" was incorporated by the Government of India, Ministry of Railways, as a financing arm of Indian Railways, for the purpose of raising the necessary resources for meeting the developmental needs of Indian Railways. The Company's principal business is to borrow funds from the financial markets to finance the acquisition / creation of assets which are then leased out to the Indian Railways as finance lease. IRFC is a Schedule 'A' Public Sector Enterprise under the administrative control of the Ministry of Railways, Govt. of India. It is also registered as Systemically Important Non–Deposit taking Non Banking Financial Company (NBFC – ND-SI) and Infrastructure Finance Company (NBFC- IFC) with Reserve Bank of India (RBI).The President of India along with his nominees holds 86.36% of the equity share capital.

The registered address and principal place of business of the Company is Room Nos. 1316 - 1349, 3rd Floor, Hotel The Ashok Diplomatic Enclave, 50-B, Chanakyapuri New Delhi -110021.

2. Significant Accounting Policies

A summary of the significant accounting policies adopted in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

2.1 Statement of Compliance

The financial statements have been prepared on going concern basis following accrual system of accounting in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules 2015 and subsequent amendments thereto, read with Section 133 of the Companies Act, 2013 and other Accounting principles generally accepted in India.

2.2 Basis for preparation of financial statements

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Unless otherwise stated, all amounts are stated in Millions of Rupees.

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

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, regardless of whether that price is directly observable or estimated using another valuation technique. Fair value for measurement and/or disclosure purpose in these financial statements is determined on such basis except for, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value.

In addition, for financial reporting purposes fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs for the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 -Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 -Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3- inputs are unobservable inputs for the asset or liability.

2.3 Use of estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

on previous experience & other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as under:

a) Formulation of accounting policies

The accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

b) Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

c) Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37 'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

d) Income taxes

Significant estimates are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions.

2.4 Revenue

Company's revenues arise from lease income, dividend income, interest on lease advance, loans, deposits and investments. Revenue from other income comprise miscellaneous income etc.

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Finance lease income in respect of finance leases is allocated to the accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. (Also see accounting policy on leases at 2.14).

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Pre-commencement lease-interest income is determined based on the MOU entered with Ministry of Railways and when it is probable that the economic benefits will flow to the Company and the amount can be determined reliably.

Dividend income is recognized in profit or loss only when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

2.5 Foreign Currency Transaction

Functional and presentation currency

Items included in the financial statements of entity are measured using currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is entity's functional and presentation currency.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Transactions and Balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss.

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

2.6 Employee Benefits

Defined contribution plan

A Defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions in respect of the employees into an independent fund administrated by the government/ pension fund manager and will have no legal or constructive obligation to pay further amounts after its payment of the fixed contribution. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in statement of profit and loss in the period during which services are rendered by employees.

The company has a defined contribution plan which includes pension scheme and provident fund scheme. Company's contribution towards provident fund and pension scheme for the year are recognised as an expense and charged to the statement of profit and loss.

Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The company's liability towards gratuity and post-retirement benefits such as medical benefits are in the nature of defined benefits plans.

The company's net obligation in respect of defined benefit plans is determined using the projected unit credit method, with actuarial valuations being carried out at the end of reporting period. Actuarial gain/loss on re-measurement of gratuity and other post-employment defined plans are recognised in other comprehensive income (OCI). Past service cost is recognised in the statement of Profit and Loss account in the period of a plan amendment.

Other long-term employee benefits

The company's obligation towards leave encashment and employee family benefit scheme are in the nature of other long term employee benefits. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date and employee family benefit scheme are estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the period in which such gains or losses are determined.

Short-term employee benefits

Short term employee benefits such as salaries and wages are recognised on undiscounted basis in the statement of Profit and Loss account, on the basis of the amount paid or payable for the period during which services are rendered by the employee.

2.7 Taxation

Tax expense comprises Current Tax and Deferred Tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax is recognised in profit or loss, except when they relate to items that are recognised in other

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively.

The Company is exercising the irrevocable option as permitted by section 115BAA of the Income – tax Act, 1961 whereby by foregoing certain exemptions, deductions and allowances, the tax rate applicable to the Company is lower than the normal tax rate that would have been otherwise applicable to the Company. Henceforth, minimum alternate tax provisions of section 115JB of the Income – tax Act, 1961 are not applicable to the Company.

Deferred Tax

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The Company does not recognize deferred tax asset or deferred tax liability because as per Gazette Notification no. S.O. 529(E) dated 5th February 2018 as amended by notification no. S.O. 1465 dated 2 April 2018 issued by Ministry of Corporate Affairs, Government of India, read with their communication no. Eoffice F.No.17/32/2017 – CL – V dated 20th March 2020, the provisions of Indian Accounting Standards 12 relating to Deferred Tax Assets (DTA) or Deferred Tax Liability (DTL) does not apply to the Company.

2.8 Property, Plant and Equipment (PPE)

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is 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.

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

De-recognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined by comparing the proceeds from disposal, if any, with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

Depreciation

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

2.9 Intangible assets

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

De-recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains & losses on de-recognition of an item of intangible assets are determined by comparing the proceeds from disposal, if any, with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

Amortization

Software is amortized over 5 years on straight-line method.

2.10 Borrowing costs

Borrowing costs consist of interest expense calculated using the effective interest method as described in Ind AS 109 'Financial Instruments' and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction/development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of all borrowing that are outstanding during the period and used for the acquisition, construction/ exploration or erection of the qualifying asset.

Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.

All other borrowing costs are recognized as an expense in the year in which they are incurred.

2.11 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.12 Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance costs.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence 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. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

2.13 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are 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. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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 amortization, if no impairment loss had been recognized.

2.14 Leases

At inception of a contract, the Company assesses whether the contract is, or contains a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessor

The Company classifies each of its leases as either an operating lease or a finance lease.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. The depreciation policy for depreciable underlying assets subject to operating leases is consistent with the Company's normal depreciation policy for similar assets.

Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Company as a lessee

At the contract commencement date, the Company recognizes right – of – use asset and a lease liability.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

A right – of – use asset is an asset that represents a lessee's right to use an underlying asset for the lease term. The Company has elected not to apply the aforesaid requirements to short term leases (leases which at the commencement date has a lease term of 12 months or less) and leases for which the underlying asset is of low value as described in paragraphs B3 – B9 of Ind AS 116.

A right of use asset is initially measured at cost and subsequently applies the cost mode ie less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of lease liability. Ind AS 16, Property, Plant and Equipment is applied in depreciating the right – of – use asset.

A lease liability is initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Company's incremental borrowing rate is used. Subsequently, the carrying amount of the lease liability is increased to reflect interest on lease liability; reduced to reflect the lease payments; and remeasured to reflect any reassessment or lease modifications or to reflect revised in – substance fixed lease payments.

2.15 Securitisation of Finance Lease Receivable

Lease Receivables securitised out to Special Purpose Vehicle in a securitisation transactions are de-recognised in the balance sheet when they are transferred and consideration has been received by the Company.

The resultant gain/loss arising on securitization is recognised in the Statement of Profit & Loss in the year in which transaction takes place.

Lease Receivables assigned through direct assignment route are de-recognised in the balance sheet when they are transferred and consideration has been received by the Company. Profit or loss resulting from such assignment is accounted for in the year of transaction.

2.16 Leasing of Railway Infrastructure Assets

In terms of Indian Accounting Standard 116, the inception of lease takes place at the earlier of the date of the lease agreement and the date of a commitment by the parties to the principal provisions of the lease.

The commencement of the lease term is the date from which the lessee is entitled to exercise its right to use the leased asset. It is the date of initial recognition of the lease.

As such, in respect of Railway Infrastructure Assets, which are under construction and where the Memorandum of Understanding / terms containing the principal provisions of the lease are in effect with the Lessee, pending execution of the lease agreement, the transactions relating to the lease are:

(a) presented as "Advance against Railway Infrastructure Assets to be leased"; and thereafter

(b) transferred to "Project Infrastructure Assets under Finance Lease Arrangement" on receipt of utilization report from the lessee; and thereafter

(c) transferred to lease receivable as per Ind AS 116 on execution of lease agreement.

2.17 Dividends

Dividends and interim dividends payable to the Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

2.18 Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

2.19 Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

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for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

2.20 Statement of Cash Flows

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of cash flows'.

2.21 Operating Segments

The Managing Director (MD) of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments".

The Company has identified 'Leasing and Finance' as its sole reporting segment.

2.22 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.22.1. Financial Assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

Subsequent measurement

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at Fair value through Other Comprehensive Income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss.

Debt instrument at Fair value through profit or loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments

All equity investments in entities other than subsidiaries and joint venture companies are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. The Company has decided

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(All amounts in millions of INR, unless stated otherwise)

to classify its investments into equity shares of IRCON International Limited through FVTOCI.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (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.

Impairment of financial assets

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

(a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and bank balance.

(b) Financial assets that are debt instruments and are measured as at FVTOCI.

(c) Lease receivables under Ind AS 116.

(d) Loan commitments which are not measured as at FVTPL.

(e) Financial guarantee contracts which are not measured as at FVTPL.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

2.22.2. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risks are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, cross currency swaps and interest rate swaps to hedge its foreign currency risks and interest rate risks of foreign currency loans. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken to statement of profit and loss. Where the derivative is designated as a hedging instrument, the accounting for subsequent changes in fair value depends on the nature of item being hedged and the type of hedge relationship designated. Where the difference is a pass through the lessee, the amount is received/ reimbursed to the lessee.

2.23 Standards issued but not yet effective:

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. Below is a summary of such amendments:

1. Ind AS 16 Property, Plant and Equipment

   Proceeds before intended use of property, plant, and equipment.

   The amendment clarifies that an entity shall deduct from the cost of an item of property, plant, and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

2. Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets

   Onerous Contracts – Cost of fulfilling a contract.

   The amendment explains that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

3. Ind AS 103 Business combinations

   References to the conceptual framework.

   The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.

4. Ind AS 109 Financial Instruments

   Fees included in the 10% test for de-recognition of financial liabilities.

   The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

5. Ind AS 101 First time adoption

   Subsidiary as a first-time adopter.

   Simplifies the application of Ind AS 101 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.

6. Ind AS 41 Agriculture

   Taxation in fair value measurements.

   The amendment removes the requirement in Ind AS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113, Fair Value Measurement.

These amendments have either no applicability to the Company or if applicable, the impact is either immaterial or presently being ascertained.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note 3: Cash and Cash Equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks		
- in current accounts		
- For Statutory Dues	933.90	2,352.31
- For Time Deposits	-	-
- For Other than above	530.92	619.50
Deposits with Reserve Bank of India		
- in public deposit account	0.10	0.10
Total	**1,464.92**	**2,971.91**

Note 4: Bank Balances Other Than Cash and Cash Equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks		
- in interest redemption accounts*	117.62	86.90
- in escrow pool account**	1,441.26	1,522.44
- in dividend payable account	9.96	7.99
Total	**1,568.84**	**1,617.33**

*The Company discharges its obligation towards payment of interest and redemption of bonds for which warrants are issued, by depositing the respective amounts in the designated bank accounts.

**Related to allotment of Section 54EC bonds (Bonds from domestic capital market under note No. 15).

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note 5: Derivative Financial Instruments

The Company enters into derivative contracts for Currency & Interest Rate risk. Derivative transactions include forwards, interest rate swaps, cross currency swaps, etc. to hedge the liabilities. These derivative transactions are done for hedging purpose and not for trading or speculative purposes.

PART I	As at 31 March 2022			As at 31 March 2021		
	Notional amounts	Fair value-assets	Fair value-liabilities	Notional amounts	Fair value-assets	Fair value-liabilities
(i) Currency Derivatives						
Spot and forwards	44,122.23	-	933.31	-	-	-
Currency swaps	31,072.31	1,612.16	4,736.02	24,607.13	360.88	3,500.36
Subtotal (A)	**75,194.54**	**1,612.16**	**5,669.33**	**24,607.13**	**360.88**	**3,500.36**
(ii) Interest Rate Derivatives						
Forward rate agreements and interest rate swaps	13,934.06	411.09	-	13,520.63	399.26	100.92
Subtotal (B)	**13,934.06**	**411.09**	**-**	**13,520.63**	**399.26**	**100.92**
Total Derivative Financial Instruments (A+B)	**89,128.60**	**2,023.25**	**5,669.33**	**38,127.76**	**760.14**	**3,601.28**

Included in above (Part 1) are derivatives held for hedging and risk management purposes as follows:

PART II	As at 31 March 2022			As at 31 March 2021		
	Notional amounts	Fair value-assets	Fair value-liabilities	Notional amounts	Fair value-assets	Fair value-liabilities
(i) Fair Value Hedging						
Currency derivatives	75,194.54	1,612.16	5,669.33	24,607.13	360.88	3,500.36
Interest rate derivatives	-	-	-	-	-	-
Subtotal (A)	**75,194.54**	**1,612.16**	**5,669.33**	**24,607.13**	**360.88**	**3,500.36**
(ii) Cash Flow Hedging						
Currency derivatives	-	-	-	-	-	-
Interest rate derivatives	13,934.06	411.09	-	13,520.63	399.26	100.92
Subtotal (B)	**13,934.06**	**411.09**	**-**	**13,520.63**	**399.26**	**100.92**
Total Derivative Financial Instruments (A+B)	**89,128.60**	**2,023.25**	**5,669.33**	**38,127.76**	**760.14**	**3,601.28**

Note : Refer note 38.5 & 38.6 for currency and interest rate risk management

Note 6 : Receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Lease Receivables*		
Rolling Stock Assets	17,83,785.25	16,40,339.59
Project Assets	2,23,139.74	15,350.32
(Unsecured, considered good due from Ministry of Railways, Government of India)		
Total	**20,06,924.99**	**16,55,689.91**

*No impairment loss has been recognised as the entire lease receivables are from Ministry of Railways, Government of India, a sovereign receivable as per Reserve Bank of India letter no. DNRB (PD). CO.No.1271/03.10.001/2018-19 dated 21-December-2018. (Refer note- 18)

Notes to Financial Statements

for the year ended 31 March 2022

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Note 7 : Loans

Particular	As at 31 March 2022						As at 31 March 2021					
	Amortised cost (A)	At Fair Value			Subtotal E= (B+C+D)	Total (A+B)	Amortised cost (A)	At Fair Value			Subtotal E= (B+C+D)	Total (A+B)
		Through Other Comprehensive Income (B)	Through Profit or Loss (C)	Designated at Fair Value Through Profit or Loss (D)				Through Other Comprehensive Income (B)	Through Profit or Loss (C)	Designated at Fair Value Through Profit or Loss (D)		
Loans												
(A) Term Loans												
-Loan to Rail Vikas Nigam Limited	56,216.00	-	-	-	-	56,216.00	51,518.86	-	-	-	-	51,518.86
-Loan to Ircon International Limited	12,306.14	-	-	-	-	12,306.14	18,459.20	-	-	-	-	18,459.20
Total (A) -Gross	**68,522.14**	**-**	**-**	**-**	**-**	**68,522.14**	**69,978.06**	**-**	**-**	**-**	**-**	**69,978.06**
Less: Impairment loss allowance*	274.09	-	-	-	-	274.09	279.91	-	-	-	-	279.91
Total (A) - Net	**68,248.05**	**-**	**-**	**-**	**-**	**68,248.05**	**69,698.15**	**-**	**-**	**-**	**-**	**69,698.15**
(B) (i) Secured by tangible assets	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Covered by Bank/ Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Unsecured	68,522.14	-	-	-	-	68,522.14	69,978.06	-	-	-	-	69,978.06
Total (B)-Gross	**68,522.14**	**-**	**-**	**-**	**-**	**68,522.14**	**69,978.06**	**-**	**-**	**-**	**-**	**69,978.06**
Less: Impairment loss allowance*	274.09	-	-	-	-	274.09	279.91				-	279.91
Total (B)-Net	**68,248.05**	**-**	**-**	**-**	**-**	**68,248.05**	**69,698.15**	**-**	**-**	**-**	**-**	**69,698.15**
(C) (I) Loans in India												
(i) Public Sector	68,522.14	-	-	-	-	68,522.14	69,978.06	-	-	-	-	69,978.06
(ii) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (C)-Gross	**68,522.14**	**-**	**-**	**-**	**-**	**68,522.14**	**69,978.06**	**-**	**-**	**-**	**-**	**69,978.06**
Less: Impairment loss allowance*	274.09	-	-	-	-	274.09	279.91	-	-	-	-	279.91
Total(C) (I)-Net	**68,248.05**	**-**	**-**	**-**	**-**	**68,248.05**	**69,698.15**	**-**	**-**	**-**	**-**	**69,698.15**
(C) (II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance*	-	-	-	-	-	-	-	-	-	-	-	-
Total (C)(II)- Net	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total C(I)and C(II)	**68,248.05**	**-**	**-**	**-**	**-**	**68,248.05**	**69,698.15**	**-**	**-**	**-**	**-**	**69,698.15**

*The Company has computed expected credit loss as per Ind AS 109, Financial Instruments in accordance with Reserve Bank of India direction RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020 based on Reserve Bank of India circular no. RBI/2017-18/181_DNBR (PD) CC No. 092/03.10.001/2017-18 dated 31 May 2018 read with letter no. DNRB (PD) CO No. 1271/03.10.001/2018-19 dated 21 December 2018 which was earlier exempted vide notification DNBR.PD.008/03.10.119/2016-17 dated 1st September 2016 for all government NBFC company. (Refer note-18).

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for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note 8 : Investments

Particulars	As at 31 March 2022						As at 31 March 2021					
	Amortised cost (A)	At Fair Value			Subtotal E= (B+C+D)	Total (A+B)	Amortised cost (A)	At Fair Value			Subtotal E= (B+C+D)	Total (A+B)
		Through Other Comprehensive Income (B)	Through Profit or Loss (C)	Designated at Fair Value Through Profit or Loss (D)				Through Other Comprehensive Income (B)	Through Profit or Loss (C)	Designated at Fair Value Through Profit or Loss (D)		
Debt Securities*	2.93	-	-	-	-	2.93	12.14	-	-	-	-	12.14
Equity Instruments#	-	97.11	-	-	97.11	97.11	-	107.73	-	-	107.73	107.73
Total (A)	**2.93**	**97.11**	**-**	**-**	**97.11**	**100.04**	**12.14**	**107.73**	**-**	**-**	**107.73**	**119.87**
Investments Outside India	-	-	-	-	-	-	-	-	-	-	-	-
Investments in India	2.93	97.11	-	-	97.11	100.04	12.14	107.73	-	-	107.73	119.87
Total (B)	**2.93**	**97.11**	**-**	**-**	**97.11**	**100.04**	**12.14**	**107.73**	**-**	**-**	**107.73**	**119.87**
Less: Allowance for Impairment '(C)	0.01	-	-	-	-	0.01	0.05	-	-	-	-	0.05
Total (A)-(C)	**2.92**	**97.11**	**-**	**-**	**97.11**	**100.03**	**12.09**	**107.73**	**-**	**-**	**107.73**	**119.82**
Details of Debt securities*												
Numbers of Senior Pass through Certificates of NOVO X Trust Locos						5						15
Fair value of Senior Pass through Certificates of NOVO X Trust Locos						2.93						12.14
Details of Equity Instruments#												
Numbers of Equity Shares of IRCON International Limited						24,40,000						12,20,000
Fair value of Equity Shares of IRCON International Limited						97.11						107.73

The Company holds nominal Equity (less than 0.26%) in IRCON International Limited. The Equity shares of IRCON International Limited were listed on National Stock Exchange with effect from 28 September 2018. The Company had elected to classify its investment in IRCON International Limited as fair value through other comprehensive income. The fair value as on 31 March 2022 and 31 March 2021 has been measured as per the quotation on National Stock Exchange (Level 1 Input).

As on 3rd April 2020, IRCON international Limited splits its one share into 5 share each by decreasing its face value to Rs. 2/- per share from Rs. 10/- per share.

As on 21st May 2021, IRCON international Limited issued bonus share in the ratio of 1:1.

Notes to Financial Statements

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(All amounts in millions of INR, unless stated otherwise)

Note 9 : Other Financial Assets

Particulars	As at 31 March 2022	As at 31 March 2021
Amount recoverable from Ministry of Railways on account of exchange rate variation / derivatives#	11,037.15	5,498.25
Amount recoverable from Ministry of Railways - Leased Assets	-	-
Project Infrastructure Asset under Finance Lease Arrangements-EBR-IF (Refer Note No. 45)	15,09,946.57	13,07,795.17
Project Infrastructure Asset under Finance Lease Arrangements-EBR Special (Refer Note No. 45)	5,40,173.59	5,07,088.39
Advance Funding Against National Project (Refer Note No. 45)	27,083.62	84,815.82
Interest accrued but not due on advance for railway project to be leased	1,45,867.60	79,282.72
Security deposits	54.57	53.29
House building advance (secured)*	2.34	2.65
Advance to employees**	6.00	3.32
Interest accrued but not due on advance to employees***	1.30	1.04
Interest accrued but not due on loans	13,621.66	10,993.24
Interest accrued but not due on investment	5.10	18.22
Interest accrued but not due on 54 EC bond application money	28.80	24.26
Amount recoverable from others	5.39	48.21
Gross Total	**22,47,833.69**	**19,95,624.58**
Less: Impairment on interest accrued and due on loans & deposits/ investments ****	54.51	44.04
Net Total	**22,47,779.18**	**19,95,580.54**

*Includes Rs. 1.89 million for 31 March 2022 , Rs. 2.08 million for 31 March 2021 to Key Managerial Personnel.

**Includes Rs. 0.33 million for 31 March 2022, Rs. 0.53 million for 31 March 2021 to Key Managerial Personnel.

***Includes Rs. 0.33 million for 31 March 2022, 0.23 million for 31 March 2021 to Key Managerial Personnel.

****The Company has computed expected credit loss as per Ind AS 109, Financial Instruments in accordance with Reserve Bank of India direction RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020 based on Reserve Bank of India circular no. RBI/2017-18/181_DNBR (PD) CC No. 092/03.10.001/2017-18 dated 31 May 2018 read with letter no. DNRB (PD) CO No. 1271/03.10.001/2018-19 dated 21 December 2018 which was earlier exempted vide notification DNBR. PD.008/03.10.119/2016-17 dated 1st September 2016 for all government NBFC company (Refer Note no. 42 (a) (i)).

#Amount recoverable from Ministry of Railway on account of exchange rate variation / derivatives includes amount recoverable from Ministry of Railways on account of MTM derivatives of the respective period. (Refer Note No. 44).

Note 10 : Current Tax Assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021
TDS & advance tax	6,497.70	15,821.44
Less: Provision for tax (Refer note no. 31)	(124.62)	(6,487.57)
Total	**6,373.08**	**9,333.87**

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for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note 11 : Property, Plant and Equipment

Particulars	Building	Leasehold Improvements	Office Equipment	Computer	Furniture and fixtures	Plant and equipment	Vehicles	Total
Gross block								
Balance as on 1 April 2020	**112.32**	**-**	**2.31**	**2.99**	**1.35**	**0.03**	**2.50**	**121.50**
Additions	-	-	2.18	1.67	0.70	-	-	4.55
Acquisitions through business combinations	-	-	-	-	-	-	-	-
Amount of change due to revaluation	-	-	-	-	-	-	-	-
Disposals	-	-	(0.46)	(0.37)	(0.20)	-	-	(1.03)
Adjustment	-	-	-	-	-	-	-	-
Balance as on 31 March 2021	**112.32**	**-**	**4.03**	**4.29**	**1.85**	**0.03**	**2.50**	**125.02**
Balance as on 1 April 2021	**112.32**	**-**	**4.03**	**4.29**	**1.85**	**0.03**	**2.50**	**125.02**
Additions	-	27.33	4.52	6.47	7.75	-	1.49	47.56
Acquisitions through business combinations	-	-	-	-	-	-	-	-
Amount of change due to revaluation	-	-	-	-	-	-	-	-
Disposals	-	-	(0.05)	-	-	-	-	(0.05)
Adjustment	-	-	-	-	-	-	-	-
Balance as on 31 March 2022	**112.32**	**27.33**	**8.50**	**10.76**	**9.60**	**0.03**	**3.99**	**172.53**
Accumulated depreciation								
Balance as on 1 April 2020	**8.65**	**-**	**0.65**	**1.09**	**0.38**	**0.03**	**0.66**	**11.46**
Depreciation expense	3.05	-	0.45	0.59	0.20	-	0.29	4.58
Elimination on disposals of assets	-	-	(0.23)	(0.19)	(0.05)	-	-	(0.47)
Impairment losses or reversals thereof	-	-	-	-	-	-	-	-
Balance as on 31 March 2021	**11.70**	**-**	**0.87**	**1.49**	**0.53**	**0.03**	**0.95**	**15.57**
Balance as on 1 April 2021	**11.70**	**-**	**0.87**	**1.49**	**0.53**	**0.03**	**0.95**	**15.57**
Depreciation expense	3.05	10.18	1.13	2.48	0.83	-	0.45	18.12
Elimination on disposals of assets	-	-	(0.02)	-	-	-	-	(0.02)
Impairment losses or reversals thereof	-	-	-	-	-	-	-	-
Balance as on 31 March 2022	**14.75**	**10.18**	**1.98**	**3.97**	**1.36**	**0.03**	**1.40**	**33.67**
Carrying amount								
Net Block 31 March 2021	**100.62**	**-**	**3.16**	**2.80**	**1.32**	**-**	**1.55**	**109.45**
Net Block 31 March 2022	**97.57**	**17.15**	**6.52**	**6.79**	**8.24**	**-**	**2.59**	**138.86**

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note 12 : Other Intangible Assets

Particulars	Software
Gross block	
Balance as on 1 April 2020	**0.74**
Additions	0.11
Acquisitions through business combinations	-
Amount of change due to revaluation	-
Disposals	-
Adjustment	-
Balance as on 31 March 2021	**0.85**
Balance as on 1 April 2021	**0.85**
Additions	18.77
Acquisitions through business combinations	-
Amount of change due to revaluation	-
Disposals	-
Adjustment	
Balance as on 31 March 2022	**19.62**
Accumulated Amortisation	
Balance as on 1 April 2020	**0.31**
Amortisation expense	0.13
Elimination on disposals of assets	-
Impairment losses or reversals thereof	-
Balance as on 31 March 2021	**0.44**
Balance as on 1 April 2021	**0.44**
Amortisation expense	2.67
Elimination on disposals of assets	-
Impairment losses or reversals thereof	-
Balance as on 31 March 2022	**3.11**
Net Block 31 March 2021	**0.41**
Net Block 31 March 2022	**16.51**

Note 13 : Other Non-Financial Assets

Particulars	As at 31 March 2022	As at 31 March 2021
Capital Advances		
Advance to FA & CAO, Northern Railway	25.30	25.30
Advances other than capital advances		
Advance to others	111.05	112.67
Others		
Prepaid expenses	4.36	6.62
GST recoverable	14,664.47	14,664.47
GST Input- Project Assets*	1,50,123.59	53,770.59
Leave Encashment Funded Assets (Net)	0.06	0.34
Gratuity Funded Assets (Net)	11.45	10.00
Total	**1,64,940.28**	**68,589.99**

*Includes GST inputs on rolling stock and infrastructure assets.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note 14 : Payables

Particulars	As at 31 March 2022	As at 31 March 2021
(I) Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(II) Other payables		
(i) Total outstanding dues of micro enterprises and small enterprises (Refer Note No. 51)	10.02	3.78
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	235.69	503.83
Total	**245.71**	**507.61**

Note 15 : Debt Securities

Particular	As at 31 March 2022				As at 31 March 2021			
	At Amortised cost	At Fair Value Through Profit or Loss	Designated at Fair Value Through Profit or Loss	Total	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Others								
Bonds from domestic capital market	16,94,491.39	-	-	16,94,491.39	15,53,752.18	-	-	15,53,752.18
Bonds from overseas capital market	2,47,258.14	-	-	2,47,258.14	2,03,025.44	-	-	2,03,025.44
Commercial Paper	-	-	-	-	28,970.27	-	-	28,970.27
Total	**19,41,749.53**	**-**	**-**	**19,41,749.53**	**17,85,747.89**	**-**	**-**	**17,85,747.89**
Debt securities in India	16,94,491.39	-	-	16,94,491.39	15,82,722.45	-	-	15,82,722.45
Debt securities outside India	2,47,258.14	-	-	2,47,258.14	2,03,025.44	-	-	2,03,025.44
Total	**19,41,749.53**	**-**	**-**	**19,41,749.53**	**17,85,747.89**	**-**	**-**	**17,85,747.89**

The borrowings have been utilised for the specific purpose for which the same has been drawn.

The Ministry of Corporate Affairs has notified the Companies (Share Capital and Debentures) Amendments Rules, 2019 on 16th August, 2019 which exempts NBFC listed companies registered with Reserve Bank of India u/s 45-IA of the RBI Act, 1934 from creation of Debenture Redemption reserve.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Indian Railway Finance Corporation Limited

Secured bonds from domestic capital market

The secured bonds issued in the domestic capital market are secured by first pari passu charge on the present/ future rolling stock assets/ lease receivables of the Company. Maturity profile and rate of interest of the bonds issued in the domestic capital market and amount outstanding as on various dates is as set out below:

S.No	Series	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2022	31 March 2021
1	157th series 6.80% Sec Red Non Cum Taxable bonds	6.80%	Annual	Bullet Repayment	30-Apr-41	13,750.00	13,750.00
2	156th series 7.21% sec Red Non-Cum Taxable Bonds	7.21%	Annual	Bullet Repayment	25-Feb-41	19,545.00	19,545.00
3	154 series 6.85% Secured Non-Cum Taxable	6.85%	Annual	Bullet Repayment	01-Dec-40	46,520.00	46,520.00
4	153 series 6.85% Taxable Bonds	6.85%	Annual	Bullet Repayment	29-Oct-40	59,912.00	59,912.00
5	104th 'A' Series Tax Free Bonds Public Issue	7.50%	Annual	Bullet Repayment	21-Dec-35	3,696.34	3,696.34
6	104th Series Tax Free Bonds Public Issue	7.25%	Annual	Bullet Repayment	21-Dec-35	2,944.16	2,944.16
7	151th Series Taxable Non-Cum. Bonds	6.73%	Annual	Bullet Repayment	06-Jul-35	30,000.00	30,000.00
8	150 Series Taxable Non-Cum. Bonds	6.90%	Annual	Bullet Repayment	05-Jun-35	25,650.00	25,650.00
9	71st "E" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-35	2,200.00	2,200.00
10	70th "E" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	04-May-35	150.00	150.00
11	141th Taxable Non-Cum. Bonds	7.48%	Annual	Bullet Repayment	29-Aug-34	21,070.00	21,070.00
12	139th Taxable Non-Cum. Bonds	7.54%	Annual	Bullet Repayment	29-Jul-34	24,556.00	24,556.00
13	138th Taxable Non-Cum. Bonds	7.85%	Annual	Bullet Repayment	01-Jul-34	21,200.00	21,200.00
14	71st "D" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-34	2,200.00	2,200.00
15	70th "D" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	04-May-34	150.00	150.00
16	71st "C" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-33	2,200.00	2,200.00
17	70th "C" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	04-May-33	150.00	150.00
18	71st "B" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-32	2,200.00	2,200.00
19	70th "B" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	04-May-32	150.00	150.00
20	71st "A" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-31	2,200.00	2,200.00
21	76th "B" Taxable Non-Cum. Bonds	9.47%	Semi Annual	Bullet Repayment	10-May-31	9,950.00	9,950.00
22	70th "A" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	04-May-31	150.00	150.00
23	152nd Series Taxable Non-Cum. Bonds	6.41%	Annual	Bullet Repayment	11-Apr-31	20,000.00	20,000.00
24	108th 'A' Series Tax Free Bonds Public Issue	7.64%	Annual	Bullet Repayment	22-Mar-31	11,943.13	11,943.13
25	108th Series Tax Free Bonds Public Issue	7.35%	Annual	Bullet Repayment	22-Mar-31	10,163.76	10,163.76
26	103rd 'A' Series Tax Free Bonds Public Issue	7.53%	Annual	Bullet Repayment	21-Dec-30	10,742.17	10,742.17
27	103rd Series Tax Free Bonds Public Issue	7.28%	Annual	Bullet Repayment	21-Dec-30	20,573.10	20,573.10
28	70th "AA" Taxable Non-Cum. Bonds	8.79%	Semi Annual	Bullet Repayment	04-May-30	14,100.00	14,100.00
29	144th Series Taxable Bonds (ETF)	7.55%	Annual	Bullet Repayment	12-Apr-30	15,800.00	15,800.00

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

S.No	Series	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2022	31 March 2021
30	146th Series Taxable Bonds	7.08%	Annual	Bullet Repayment	28-Feb-30	30,000.00	30,000.00
31	67th "B" Taxable Non-Cum. Bonds	8.80%	Semi Annual	Bullet Repayment	03-Feb-30	3,850.00	3,850.00
32	143rd Taxable Non-Cum. Bonds	7.55%	Annual	Bullet Repayment	06-Nov-29	24549.00	24,549.00
33	142th Taxable Non-Cum. Bonds	7.50%	Annual	Bullet Repayment	09-Sep-29	27,070.00	27,070.00
34	140th Taxable Non-Cum. Bonds	7.48%	Annual	Bullet Repayment	13-Aug-29	25,920.00	25,920.00
35	136th Series Taxable Bonds	7.95%	Annual	Bullet Repayment	12-Jun-29	30,000.00	30,000.00
36	135 Series Taxable Bonds	8.23%	Annual	Bullet Repayment	29-Mar-29	25,000.00	25,000.00
37	96th Series Tax Free Bonds Public Issue	8.63%	Annual	Bullet Repayment	26-Mar-29	9,479.13	9,479.13
38	96th A Series Tax Free Bonds Public Issue	8.63%/8.88%	Annual	Bullet Repayment	26-Mar-29	4,364.14	4,364.14
39	134 Series Taxable Bonds	8.30%	Annual	Bullet Repayment	25-Mar-29	30,000.00	30,000.00
40	133 Series Taxable Bonds	8.35%	Annual	Bullet Repayment	13-Mar-29	30,000.00	30,000.00
41	131St Series Taxable Bonds	8.55%	Annual	Bullet Repayment	21-Feb-29	22,365.00	22,365.00
42	92nd Series Tax Free Bonds Public Issue	8.40%	Annual	Bullet Repayment	18-Feb-29	10,901.87	10,901.87
43	92nd A Series Tax Free Bonds Public Issue	8.40%/8.65%	Annual	Bullet Repayment	18-Feb-29	6,883.59	6,883.59
44	94th A Series Tax Free Non-Cum Bonds	8.55%	Annual	Bullet Repayment	12-Feb-29	130.00	130.00
45	93rd A Series Tax Free Non-Cum Bonds	8.55%	Annual	Bullet Repayment	10-Feb-29	16,500.00	16,500.00
46	130Th Series Taxable Bonds	8.40%	Annual	Bullet Repayment	08-Jan-29	28,454.00	28,454.00
47	129th Series Taxable Bonds	8.45%	Annual	Bullet Repayment	04-Dec-28	30,000.00	30,000.00
48	90th A Series Tax Free Non-Cum Bonds	8.48%	Annual	Bullet Repayment	27-Nov-28	550.00	550.00
49	89th A Series Tax Free Non-Cum Bonds	8.48%	Annual	Bullet Repayment	21-Nov-28	7,380.00	7,380.00
50	87th 'A' Series (Non-Retail), Tax Free Bonds Public Issue	7.04%	Annual	Bullet Repayment	23-Mar-28	2,237.71	2,227.99
51	87th 'A' Series (Retail), Tax Free Bonds Public Issue	7.54%	Annual	Bullet Repayment	23-Mar-28	401.13	410.85
52	86th 'A' Series (Non-Retail), Tax Free Bonds Public Issue	7.34%	Annual	Bullet Repayment	19-Feb-28	23,301.34	23,239.89
53	86th 'A' Series (Retail), Tax Free Bonds Public Issue	7.84%	Annual	Bullet Repayment	19-Feb-28	2,287.77	2,349.21
54	83rd 'A' Tax Free Non-Cum. Bonds	7.39%	Annual	Bullet Repayment	06-Dec-27	950.00	950.00
55	82nd 'A' Tax Free Non-Cum. Bonds	7.38%	Annual	Bullet Repayment	30-Nov-27	300.00	300.00
56	81st 'A' Tax Free Non-Cum. Bonds	7.38%	Annual	Bullet Repayment	26-Nov-27	667.00	667.00
57	124th Series Taxable Non-Cum Bonds	7.54%	Annual	Bullet Repayment	31-Oct-27	9,350.00	9,350.00
58	123rd Series Taxable Non-Cum Bonds	7.33%	Annual	Bullet Repayment	28-Aug-27	17,450.00	17,450.00
59	121st Taxable Non Cum - Bonds	7.27%	Annual	Bullet Repayment	15-Jun-27	20,500.00	20,500.00
60	54th "B" Taxable Non-Cum. Bonds	10.04%	Semi Annual	Bullet Repayment	07-Jun-27	3,200.00	3,200.00
61	120th Taxable Non Cum - Bonds	7.49%	Annual	Bullet Repayment	30-May-27	22,000.00	22,000.00

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

S.No	Series	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2022	31 March 2021
62	118th Taxable Non Cum - Bonds	7.83%	Annual	Bullet Repayment	21-Mar-27	29,500.00	29,500.00
63	80th 'A' Series (Non-Retail), Tax Free Bonds Public Issue	8.10%	Annual	Bullet Repayment	23-Feb-27	27,971.49	27,889.45
64	80th 'A' Series (Retail), Tax Free Bonds Public Issue	8.30%	Annual	Bullet Repayment	23-Feb-27	2,985.03	3,067.07
65	53rd "C" Taxable Non-Cum. Bonds	8.75%	Semi Annual	Bullet Repayment	29-Nov-26	4,100.00	4,100.00
66	79th "A" Tax Free Non-Cum. Bonds	7.77%	Annual	Bullet Repayment	08-Nov-26	1,915.10	1,915.10
67	76th "A" Taxable Non-Cum. Bonds	9.33%	Semi Annual	Bullet Repayment	10-May-26	2,550.00	2,550.00
68	75th Taxable Non-Cum. Bonds	9.09%	Semi Annual	Bullet Repayment	31-Mar-26	1,500.00	1,500.00
69	74th Taxable Non-Cum. Bonds	9.09%	Semi Annual	Bullet Repayment	29-Mar-26	10,760.00	10,760.00
70	107th 'A' Series Tax Free Bonds Public Issue	7.29%	Annual	Bullet Repayment	22-Mar-26	1,907.14	1,907.14
71	107th Series Tax Free Bonds Public Issue	7.04%	Annual	Bullet Repayment	22-Mar-26	485.97	485.97
72	106th Series Tax Free Bonds	7.04%	Annual	Bullet Repayment	03-Mar-26	10,500.00	10,500.00
73	102nd 'A' Series Tax Free Bonds Public Issue	7.32%	Annual	Bullet Repayment	21-Dec-25	3,689.49	3,689.49
74	102nd Series Tax Free Bonds Public Issue	7.07%	Annual	Bullet Repayment	21-Dec-25	3,674.74	3,674.74
75	100th Series Tax Free Non-Cum Bonds	7.15%	Annual	Bullet Repayment	21-Aug-25	3,290.00	3,290.00
76	99th Series Tax Free Non-Cum Bonds	7.19%	Annual	Bullet Repayment	31-Jul-25	11,390.00	11,390.00
77	147th Series Taxable Bonds	6.99%	Annual	Bullet Repayment	19-Mar-25	8,470.00	8,470.00
78	69th Taxable Non-Cum. Bonds	8.95%	Semi Annual	Bullet Repayment	10-Mar-25	6,000.00	6,000.00
79	67th "A" Taxable Non-Cum. Bonds	8.65%	Semi Annual	Bullet Repayment	03-Feb-25	2,000.00	2,000.00
80	65th "O" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-24	600.00	600.00
81	95th Series Tax Free Bonds Public Issue	8.19%	Annual	Bullet Repayment	26-Mar-24	2,311.52	2,311.52
82	95th A Series Tax Free Bonds Public Issue	8.44%	Annual	Bullet Repayment	26-Mar-24	1,297.38	1,297.38
83	132 Series Taxable Bonds	8.25%	Annual	Bullet Repayment	28-Feb-24	25,000.00	25,000.00
84	91st Series Tax Free Bonds Public Issue	8.23%	Annual	Bullet Repayment	18-Feb-24	17,783.21	17,783.21
85	91st A Series Tax Free Bonds Public Issue	8.48%	Annual	Bullet Repayment	18-Feb-24	5,262.55	5,262.55
86	63rd "B" Taxable Non-Cum. Bonds	8.65%	Semi Annual	Bullet Repayment	15-Jan-24	3,150.00	3,150.00
87	62nd "B" Taxable Non-Cum. Bonds	8.50%	Semi Annual	Bullet Repayment	26-Dec-23	2,850.00	2,850.00
88	90th Series Tax Free Non-Cum Bonds	8.35%	Annual	Bullet Repayment	27-Nov-23	570.00	570.00
89	89th Series Tax Free Non-Cum Bonds	8.35%	Annual	Bullet Repayment	21-Nov-23	4,870.00	4,870.00
90	61st "A" Taxable Non-Cum. Bonds	10.70%	Semi Annual	Bullet Repayment	11-Sep-23	6,150.00	6,150.00
91	155th series 5.04% Secured Bonds	5.04%	Annual	Bullet Repayment	05-May-23	30,000.00	30,000.00
92	149 Series Taxable Non-Cum. Bonds	6.19%	Annual	Bullet Repayment	28-Apr-23	31,900.00	31,900.00
93	65th "N" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-23	600.00	600.00
94	145th Series Taxable Bonds	6.59%	Annual	Bullet Repayment	14-Apr-23	30,000.00	30,000.00

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

S.No	Series	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2022	31 March 2021
95	88th Taxable Non-Cum. Bonds	8.83%	Annual	Bullet Repayment	25-Mar-23	11,000.00	11,000.00
96	87th Series (Non-Retail), Tax Free Bonds Public Issue	6.88%	Annual	Bullet Repayment	23-Mar-23	1,382.42	1,377.09
97	87th Series (Retail), Tax Free Bonds Public Issue	7.38%	Annual	Bullet Repayment	23-Mar-23	269.29	274.61
98	86th Series (Non-Retail), Tax Free Bonds Public Issue	7.18%	Annual	Bullet Repayment	19-Feb-23	26,717.90	26,686.78
99	86th Series (Retail), Tax Free Bonds Public Issue	7.68%	Annual	Bullet Repayment	19-Feb-23	1,426.90	1,458.03
100	85th Tax Free Non-Cum. Bonds	7.19%	Annual	Bullet Repayment	14-Dec-22	950.00	950.00
101	84th Tax Free Non-Cum. Bonds	7.22%	Annual	Bullet Repayment	07-Dec-22	4,999.00	4,999.00
102	83rd Tax Free Non-Cum. Bonds	7.22%	Annual	Bullet Repayment	06-Dec-22	300.00	300.00
103	82nd Tax Free Non-Cum. Bonds	7.22%	Annual	Bullet Repayment	30-Nov-22	410.00	410.00
104	81st Tax Free Non-Cum. Bonds	7.21%	Annual	Bullet Repayment	26-Nov-22	2,560.00	2,560.00
105	58th "A" Taxable Non-Cum. Bonds	9.20%	Semi Annual	Bullet Repayment	29-Oct-22	5,000.00	5,000.00
106	57th Taxable Non-Cum. Bonds	9.66%	Semi Annual	Redeemable on 28.09.2022, being the due date for the last instalment	28-Sep-22	2,000.00	4,000.00
107	54th "A" Taxable Non-Cum. Bonds	9.95%	Semi Annual	Bullet Repayment	07-Jun-22	1,500.00	1,500.00
108	55th "O" Taxable Non-Cum. Bonds	9.86%	Semi Annual	Bullet Repayment	07-Jun-22	330.00	330.00
109	65th "M" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-22	600.00	600.00
110	80th Series (Non-Retail) Tax Free Bonds Public Issue	8.00%	Annual	Bullet Repayment	23-Feb-22	-	28,424.69
111	80th Series (Retail) Tax Free Bonds Public Issue	8.15%	Annual	Bullet Repayment	23-Feb-22	-	3,307.69
112	53rd "B" Taxable Non-Cum. Bonds	8.68%	Semi Annual	Bullet Repayment	29-Nov-21	-	2,250.00
113	114th Taxable Non Cum - Bonds	6.70%	Annual	Bullet Repayment	24-Nov-21	-	20,000.00
114	113th Taxable Non Cum - Bonds	7.24%	Annual	Bullet Repayment	08-Nov-21	-	6,500.00
115	79th Tax Free Non-Cum. Bonds	7.55%	Annual	Bullet Repayment	08-Nov-21	-	5,396.00
116	78th Taxable Non-Cum. Bonds	9.41%	Semi Annual	Bullet Repayment	28-Jul-21	-	15,000.00
117	55th "N" Taxable Non-Cum. Bonds	9.86%	Semi Annual	Bullet Repayment	07-Jun-21	-	330.00
118	77th Taxable Non-Cum. Bonds	9.57%	Semi Annual	Bullet Repayment	31-May-21	-	12,450.00
119	52nd "B" Taxable Non-Cum. Bonds	8.64%	Semi Annual	Bullet Repayment	17-May-21	-	7,000.00
120	76th Taxable Non-Cum. Bonds	9.27%	Semi Annual	Bullet Repayment	10-May-21	-	3,900.00
121	65th "L" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-21	-	600.00
	Total					**12,14,386.47**	**13,21,544.84**

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

54 EC Bonds Secured in markets

The 54 EC bonds issued in the domestic capital market are secured by first pari passu charge on the present/ future rolling stock assets/ lease receivables of the Company. Maturity Profile and Rate of Interest of the 54EC secured bonds issued in the domestic capital market and amount outstanding as on various dates is as set out below:-

S.No	Description	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2022	31 March 2021
1	54 EC, Mar 2022 Bond Series	5.00%	Annual	Bullet Repayment	31-Mar-27	2,088.60	-
2	54 EC, Feb 2022 Bond Series	5.00%	Annual	Bullet Repayment	28-Feb-27	943.20	-
3	54 EC, Jan 2022 Bond Series	5.00%	Annual	Bullet Repayment	31-Jan-27	926.35	-
4	54 EC, Dec 2021 Bond Series	5.00%	Annual	Bullet Repayment	31-Dec-26	1,122.29	-
5	54 EC, Nov 2021 Bond Series	5.00%	Annual	Bullet Repayment	30-Nov-26	645.61	-
6	54 EC, Oct 2021 Bond Series	5.00%	Annual	Bullet Repayment	31-Oct-26	832.21	-
7	54 EC, Sep 2021 Bond Series	5.00%	Annual	Bullet Repayment	30-Sep-26	1,203.22	-
8	54 EC, Aug 2021 Bond Series	5.00%	Annual	Bullet Repayment	31-Aug-26	887.12	-
9	54 EC, July 2021 Bond Series	5.00%	Annual	Bullet Repayment	31-Jul-26	1,050.55	-
10	54 EC, Jun 2021 Bond Series	5.00%	Annual	Bullet Repayment	30-Jun-26	838.14	-
11	54 EC, May 2021 Bond Series	5.00%	Annual	Bullet Repayment	31-May-26	507.06	-
12	54 EC, Apr 2021 Bond Series	5.00%	Annual	Bullet Repayment	30-Apr-26	565.74	-
13	54 EC, Mar 2021 Bond Series	5.00%	Annual	Bullet Repayment	31-Mar-26	2,098.79	2,098.79
14	54 EC, Feb 2021 Bond Series	5.00%	Annual	Bullet Repayment	28-Feb-26	822.50	822.50
15	54 EC, Jan 2021 Bond Series	5.00%	Annual	Bullet Repayment	31-Jan-26	629.66	629.66
16	54 EC, Dec 2020 Bond Series	5.00%	Annual	Bullet Repayment	31-Dec-25	685.27	685.27
17	54 EC, Nov 2020 Bond Series	5.00%	Annual	Bullet Repayment	30-Nov-25	412.82	412.82
18	54 EC, Oct 2020 Bond Series	5.00%	Annual	Bullet Repayment	31-Oct-25	458.81	458.81
19	54 EC, Sep 2020 Bond Series	5.00%	Annual	Bullet Repayment	30-Sep-25	529.70	529.70
20	54 EC, Aug 2020 Bond Series	5.00%	Annual	Bullet Repayment	31-Aug-25	343.87	343.87
21	54 EC, July 2020 Bond Series	5.75%	Annual	Bullet Repayment	31-Jul-25	774.33	774.33
22	54 EC, Jun 2020 Bond Series	5.75%	Annual	Bullet Repayment	30-Jun-25	1,160.16	1,160.16
23	54 EC, May 2020 Bond Series	5.75%	Annual	Bullet Repayment	31-May-25	378.92	378.92
24	54 EC, Apr 2020 Bond Series	5.75%	Annual	Bullet Repayment	30-Apr-25	131.17	131.17
25	54 EC, Mar 2020 Bond Series	5.75%	Annual	Bullet Repayment	31-Mar-25	1,429.69	1,429.69
26	54 EC, Feb 2020 Bond Series	5.75%	Annual	Bullet Repayment	28-Feb-25	881.04	881.04
27	54 EC, Jan 2020 Bond Series	5.75%	Annual	Bullet Repayment	31-Jan-25	823.75	823.75
28	54 EC, Dec 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-Dec-24	926.28	926.28
29	54 EC, Nov 2019 Bond Series	5.75%	Annual	Bullet Repayment	30-Nov-24	711.59	711.59
30	54 EC, Oct 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-Oct-24	669.18	669.18

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

S.No	Description	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2022	31 March 2021
31	54 EC, Sep 2019 Bond Series	5.75%	Annual	Bullet Repayment	30-Sep-24	543.41	543.41
32	54 EC, Aug 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-Aug-24	571.15	571.15
33	54 EC, July 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-Jul-24	633.99	633.99
34	54 EC, June 2019 Bond Series	5.75%	Annual	Bullet Repayment	30-Jun-24	596.14	596.14
35	54 EC, May 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-May-24	436.60	436.60
36	54 EC, Apr 2019 Bond Series	5.75%	Annual	Bullet Repayment	30-Apr-24	249.71	249.71
37	54EC Bond Mar 2019 Series	5.75%	Annual	Bullet Repayment	31-Mar-24	692.68	692.68
38	54EC Bond Feb 2019 Series	5.75%	Annual	Bullet Repayment	29-Feb-24	145.31	145.31
39	54EC Bond Jan 2019 Series	5.75%	Annual	Bullet Repayment	31-Jan-24	133.35	133.35
40	54 EC, Dec 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-Dec-23	135.12	135.12
41	54 EC, Nov 2018 Bond Series	5.75%	Annual	Bullet Repayment	30-Nov-23	98.69	98.69
42	54 EC, Oct 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-Oct-23	116.94	116.94
43	54 EC, Sep 2018 Bond Series	5.75%	Annual	Bullet Repayment	30-Sep-23	71.01	71.01
44	54 EC, Aug 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-Aug-23	81.17	81.17
45	54 EC, July 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-Jul-23	137.02	137.02
46	54 EC, June 2018 Bond Series	5.75%	Annual	Bullet Repayment	30-Jun-23	127.56	127.56
47	54 EC, May 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-May-23	83.58	83.58
48	54 EC, Apr 2018 Bond Series	5.75%	Annual	Bullet Repayment	30-Apr-23	54.52	54.52
	Total					**30,385.57**	**18,775.48**

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Unsecured bonds from domestic capital market

The Unsecured bonds issued in the domestic capital market and outstanding as on various dates is as set out below:-

S.No	Series	Interest rate*	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2022	31 March 2021
1	148th Series Taxable Bonds*	6.58% p.a.	Semi Annual	"Redeemable in forty equal half yearly instalments commencing from 15 October 2030"	31-Mar-50	25,000.00	25,000.00
2	137th Series Taxable Bonds*	7.30% p.a.	Semi Annual	"Redeemable in forty equal half yearly instalments commencing from 15 April 2030"	18-Jun-49	18,000.00	18,000.00
3	125th Series Taxable Bonds*	7.41% p.a.	Semi Annual	"Redeemable in forty equal half yearly instalments commencing from 15 April 2028"	22-Dec-47	21,000.00	21,000.00
4	122nd Series Taxable Bonds*	6.77% p.a.	Semi Annual	"Redeemable in forty equal half yearly instalments commencing from 15 April 2028"	27-Jun-47	41,000.00	41,000.00
5	110th Series Taxable Bonds*	7.80% p.a.	Semi Annual	"Redeemable in forty equal half yearly instalments commencing from 15 April 2027"	22-Jun-46	43,364.00	30,000.00
6	109th Series Taxable Bonds*	8.02% p.a.	Semi Annual	"Redeemable in forty equal half yearly instalments commencing from 15 October 2026"	30-Mar-46	74,335.00	50,000.00
7	101st Series Taxable Bonds*	7.87% p.a.	Semi Annual	"Redeemable in forty equal half yearly instalments commencing from 15 April 2026"	27-Oct-45	29,347.00	29,347.00
8	158th Series Taxable Bonds	6.99% p.a.	Annual	Bullet Repayment	04-Jun-2041	19,940.00	-
9	162nd Series Taxable Bonds	6.95% P.a	Annual	Bullet Repayment	24-Nov-2036	50,000.00	-
10	160th Series Taxable Bonds	7.03% P.a	Annual	Bullet Repayment	30-Jul-2036	46,930.00	-
11	163rd Series Taxable Bonds	6.87% P.a	Annual	Bullet Repayment	14-Apr-2032	11,800.00	-
12	161st Series Taxable Bonds	6.92% P.a	Annual	Bullet Repayment	31-Aug-2031	40,000.00	-
13	159th Series Taxable Bonds	6.89% P.a	Annual	Bullet Repayment	19-Jul-2031	29,809.00	-
	Total					**4,50,525.00**	**2,14,347.00**

*Fixed Interest rate for 10 years. The interest rate would be reset at the end of each subsequent 10th year to the then prevailing benchmark 10 Year G-Sec Yield.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Reconciliation

Particulars	31 March 2022	31 March 2021
Secured Bonds from Domestic Capital Market	12,14,386.47	13,21,544.84
54EC Bonds Secured in Market	30,385.57	18,775.48
Unsecured Bonds from Domestic Capital Market	4,50,525.00	2,14,347.00
Bonds in Domestic Market as per IGAAP	**16,95,297.04**	**15,54,667.32**
Less: Unamortised transaction cost	(805.65)	(915.14)
Bonds in Domestic Market as per Ind AS	**16,94,491.39**	**15,53,752.18**

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Unsecured bonds from overseas capital market

The Unsecured bonds issued from overseas capital market and outstanding as on various dates is as set out below:-

S.No	Series	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2022	31 March 2021
1	REG-S/144A BONDS USD 300M 3.95% GMTM-2050	3.95% P.a	Semi Annual	Bullet Repayment	13-Feb-50	22,851.00	22,173.00
2	REG-S/144A GREEN BONDS USD 500M	3.57% p.a.	Semi Annual	Bullet Repayment	21-Jan-32	38,085.00	-
3	REG-S/144A BONDS USD 750 MILLION UNDER GMTN	2.80% p.a	Semi Annual	Bullet Repayment	10-Feb-31	57,127.50	55,432.50
4	REG-S/144A BONDS USD 700M 3.249% GMTM-2030	3.249% P.a	Semi Annual	Bullet Repayment	13-Feb-30	53,319.00	51,737.00
5	Reg-S Bonds Green Bond 1st Series (USD 500 Million)	3.835% p.a	Semi Annual	Bullet Repayment	13-Dec-27	38,085.00	36,955.00
6	Reg S Bonds USD 500M-EMTN	3.73% p.a	Semi Annual	Bullet Repayment	29-Mar-24	38,085.00	36,955.00
Total Overseas bonds as per IGAAP						**2,47,552.50**	**2,03,252.50**
Less: Unamortised transaction cost						(248.63)	(227.06)
Less: Fair value hedge adjustment- recoverable from Ministry of Railways						(45.73)	-
Total Overseas bonds as per IND AS						**2,47,258.14**	**2,03,025.44**

Commercial Paper (Unsecured)

Details of Commercial Paper outstanding as on various dates is as set out below:

S.No	Particulars	Discount Rate	Date of Maturity of Bond	31 March 2022	31 March 2021
1	Commercial Paper Series XX	3.43% P.a	25 - April - 2021	-	29,000.00
Less: Unexpired discount				-	(29.73)
Total				**-**	**28,970.27**
Total Indian Bonds				16,94,491.39	15,53,752.18
Total Overseas Bonds				2,47,258.14	2,03,025.44
Commercial Paper				-	28,970.27
Total Debt Borrowings				**19,41,749.53**	**17,85,747.89**

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note 16: Borrowings (Other than Debt Securities)

Particular	As at 31 March 2022				As at 31 March 2021			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Term Loans								
Secured Loans								
(i) From Banks (Indian)	12,81,444.40	-	-	12,81,444.40	8,88,268.00	-	-	8,88,268.00
(ii) From Bank (Foreign)	16,645.27	-	-	16,645.27	16,350.64	-	-	16,350.64
(iii) From Other*	1,85,000.00	-	-	1,85,000.00	1,75,000.00	-	-	1,75,000.00
Unsecured Loans								
(i) From Banks (Indian)	59,067.38	-	-	59,067.38	47,200.04	-	-	47,200.04
(ii) From Banks (Foreign)	4,00,259.60	-	-	4,00,259.60	3,18,540.22	-	-	3,18,540.22
Total (A)	**19,42,416.65**	**-**	**-**	**19,42,416.65**	**14,45,358.90**	**-**	**-**	**14,45,358.90**
Borrowings in India	15,25,511.78	-	-	15,25,511.78	11,10,468.04	-	-	11,10,468.04
Borrowings outside India	4,16,904.87	-	-	4,16,904.87	3,34,890.86	-	-	3,34,890.86
Total (B) to tally with (A)	**19,42,416.65**	**-**	**-**	**19,42,416.65**	**14,45,358.90**	**-**	**-**	**14,45,358.90**

* These loans are from National Small Saving Fund and India Infrastructure Finance Company Limited.

The borrowings have been utilised for the specific purpose for which the same has been drawn.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Indian Railway Finance Corporation Limited

Secured Rupee Term Loan

Rupee Term Loans availed from banks are secured by first paripassu charge on the present/future rolling stock assets/ lease receivables of the Company. Terms of repayment of secured term loans and amount outstanding as on various dates is as set out below :-

S.No	Description	Interest Type	Terms of Repayment	Date of Maturity of Loan	31 March 2022	31 March 2021
1	Union bank of India I Tranch (i), (ii) & (iii)	3M T-BILL + Spread	"Sanctioned Amount: Rs. 50,000 Million 1st Drawdown: Rs. 5,000 Million on 23 Dec 2021 2nd Drawdown: Rs. 10,000 Million on 22 Feb 2022 Last Drawdown: Rs. 35,000 Million on 23 March 2022 19 Equal Half Yearly instalments of Rs. 2500 Million each commencing from 23 June 2027. 20th and last instalment (Residual) of Rs. 2499.19 million"	23-Mar-37	49,999.19	-
2	PNB-VIII	Repo Rate	9 Equal Annual instalments of Rs. 800 Million each commencing from 31 March 2028. 10th and final instalment (Residual) of Rs. 799.99 Millions	31-Mar-28	7,999.99	-
3	Bank of Baroda-V	Overnight MCLR	18 Equal Half Yearly instalments of Rs. 1944.44 Million each commencing from 15 January 2028	15-Jan-28	35,000.00	-
4	Canara Bank VII	Repo Rate	9 equal annual instalments of Rs. 4,700 million commencing from 30 December 2027. 10th and final instalment (Residual) of Rs.4699.93 Millions	30-Dec-27	46,999.93	-
5	Canara Bank VI- Tranch (i), (ii) & (iii)	Repo Rate + Spread	9 Equal Annual instalments of Rs. 7000 million commencing from 8 November 2027.10th and final instalment (Residual) of Rs.6999.89 Millions	08-Nov-27	69,999.89	-
6	Union bank of India II	T-BILL + Spread	"Sanctioned Amount: Rs. 35,000 Million Initial Drawdown: Rs. 25,500 Million 20 Equal Half Yearly instalments of Rs. 1275 Million each commencing from 23 September 2027 "	23-Sep-27	25,500.00	
7	Bank of Baroda-IV	Overnight MCLR	17 Half yearly equal instalments of Rs.6,667 million commencing from 12th September 2027. 18th and final instalment (Residual) of Rs.6661 Millions	12-Sep-27	1,20,000.00	1,20,000.00
8	HDFC TL-VII	Repo Rate	20 Equal Half Yearly instalments of Rs. 1250 Million each commencing from 22 August 2027	22-Aug-27	25,000.00	
9	J & K BANK	Repo Rate + Spread	20 Equal Half Yearly instalments of Rs. 250 Million each commencing from 18 August 2027	18-Aug-27	5,000.00	

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

S.No	Description	Interest Type	Terms of Repayment	Date of Maturity of Loan	31 March 2022	31 March 2021
10	UCO Bank I Tranch (i) & (ii)	Repo Rate + Spread	20 Equal Half Yearly instalments of Rs.1000 Million each commencing from 30 June 2027	30-Jun-27	20,000.00	-
11	PNB-VII	3Y G-Sec	9 Equal Yearly instalments of Rs.750 Million each commencing from 30th June 2027. 10th and final instalment (Residual) of Rs.749.98 Millions	30-Jun-27	7,499.98	-
12	HDFC TL-VIII	3M T-Bill + Spread	20 Equal Half Yearly instalments of Rs. 1250 Million each commencing from 16 April 2027	16-Apr-27	25,000.00	
13	State Bank Of India VI Tranch (i) & (ii)	3M T-BILL + Spread	19 Equal Half Yearly instalments of Rs. 3500 Million each commencing from 15 April 2027. 20th and final instalment (Residual) of Rs.3499.88 Millions	15-Apr-27	69,999.88	
14	Bank of India-(IV)	Repo Rate + Spread	19 Equal Half Yearly instalments of Rs. 550 Million each commencing from 11 April 2027. 20th and last instalment (Residual) of Rs. 548.18 Million	11-Apr-27	10,998.18	-
15	Canara Bank**	1M MCLR	"Sanctioned Amount: Rs. 50,000 Million with 10 Equal yearly instalments of Rs. 5,000 Million each commencing 31 March 2027 Initial Drawdown: Rs. 20,000 Million Undrawn Amount: Rs. 30,000 Million"	31-Mar-27	-	20,000.00
16	DEUTSCHE BANK TL-1	3M T-Bill	Bullet Repayment	28-Mar-27	20,000.00	
17	Punjab National Bank-VI	3Y G-Sec + Spread	9 Equal yearly instalments of Rs.3,000 Millions commencing from 31st December 2026. 10th and last instalment (Residual) of Rs. 2999.39 Million	31-Dec-26	29,999.39	30,000.00
18	Punjab National Bank (V)	3Y G-Sec + Spread	9 Equal Yearly instalments of Rs.2,500 Million each commencing from 30th September 2026. 10th and last instalment (Residual) of Rs. 2499.92 Million	30-Sep-26	24,999.92	25,000.00
19	ICICI Bank TL-IV	3M T-BILL + Spread	20 Equal Half Yearly instalments of Rs.1750 Million each commencing from 15th September 2026	15-Sep-26	35,000.00	35,000.00
20	Bank of India TL-I	Repo Rate + Spread	19 Half yearly equal instalments of Rs.1,500 million commencing from 27th July 2026. 20th and last instalment (Residual) of Rs. 1,495.02 Million	27-Jul-26	29,995.02	30,000.00
21	Bank of India TL-II	Repo Rate + Spread	19 Half yearly equal instalments of Rs.1,150 million commencing from 27th July 2026. 20th and last instalment (Residual) of Rs. 1,146.19 Million	27-Jul-26	22,996.19	23,000.00

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

S.No	Description	Interest Type	Terms of Repayment	Date of Maturity of Loan	31 March 2022	31 March 2021
22	ICICI Bank TL-III	3M T-BILL + Spread	20 Equal Half Yearly instalments of Rs.5000 Million each commencing from 27th May 2026	27-May-26	1,00,000.00	1,00,000.00
23	ICICI Bank TL-II	3M T-BILL + Spread	20 Equal Half Yearly instalments of Rs.2500 Million each commencing from 22nd April 2026	22-Apr-26	50,000.00	50,000.00
24	HDFC Bank LTD (VI)-T II	Repo Rate +	20 Half yearly equal instalments of Rs. 182.50 million commencing from 30th March 2026	30-Mar-26	3,650.00	3,650.00
25	HDFC Bank LTD (VI)-T I	Repo Rate +	20 Half yearly equal instalments of Rs. 817.50 million commencing from 11th March 2026	11-Mar-26	16,350.00	16,350.00
26	Axis Bank	Repo Rate +	19 Equal Half Yearly instalments of Rs.2,000 Million each commencing from 28 February 2026 and last instalment (Residual) of Rs. 1,999.79 Million	28-Feb-26	39,999.79	40,000.00
27	ICICI Bank TL-I	3M T-BILL + Spread	20 Equal Half Yearly instalments of Rs.2,500 Million each commencing from 19th February 2026	19-Feb-26	50,000.00	50,000.00
28	HDFC-V-II	Repo Rate +	16 Equal Half Yearly instalments of Rs.1,125 Millions commencing from 30th December 2024	30-Dec-24	18,000.00	18,000.00
29	HDFC-V-I	Repo Rate +	16 Equal Half Yearly instalments of Rs.3,250 Millions commencing from 30th December 2024	30-Dec-24	52,000.00	52,000.00
30	HDFC-IV	Repo Rate +	16 Equal Half Yearly instalments of Rs. 3,125 Millions commencing from 26th September 2024	26-Sep-24	50,000.00	50,000.00
31	Oriental bank of commerce	3Y G-Sec + Spread	"Total no. of Half Yearly Instalments : 14 13 Equal Half Yearly instalments of Rs. 1,071.40 Millions commencing from 17th August 2023 14th Half Yearly instalment (Residual) of Rs. 1,062.34 Millions"	17-Aug-23	14,990.54	15,000.00
32	Punjab National Bank(IV)	3Y G-Sec + Spread	7 Equal yearly instalments of Rs. 1,000 Millions commencing from 30th March 2023. 8th and final instalment (Residual) of Rs.999.85 Millions	30-Mar-23	7,999.85	9,000.00
33	Punjab National Bank(III)	3Y G-Sec + Spread	7 Equal yearly instalments of Rs. 3,000 Millions commencing from 17th February 2023. 8th and last instalment (Residual) of Rs. 2999.64 Million	17-Feb-23	23,999.64	27,000.00
34	State bank of India (V) Tranch I & II*	Linked to MCLR	15 Equal yearly instalments of Rs. 3,890 Millions commencing from 15th October 2022. 15th and last instalment (Residual) of Rs. 3860.34 Million	15-Oct-22	62,210.34	70,000.00

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(All amounts in millions of INR, unless stated otherwise)

S.No	Description	Interest Type	Terms of Repayment	Date of Maturity of Loan	31 March 2022	31 March 2021
35	HDFC-I	3M T-BILL + Spread	15 Equal Half Yearly instalments of Rs. 500 Million each commencing from 30 Sep 2022	30-Sep-22	7,500.00	8,500.00
36	State Bank of India (III)*	Linked to MCLR	"Sanctioned Amount: Rs. 90,000 Million with 20 Equal Half Yearly instalments of Rs. 4,500 Million each commencing 3 July 2019 Initial Drawdown: Rs. 80,000 Million Final Drawdown: Rs. 10,000 Million on 26.12.2019 Balance Instalments: 11 Equal Half Yearly instalments Rs. 4500 Million commencing from 3rd July 2022. 13th Half Yearly instalment (Residual) of Rs.1,256.68 millions."	03-Jul-22	50,756.68	59,768.00
37	HDFC-III	3M T-BILL + Spread	16 Equal Half Yearly instalments of Rs. 1,000 Million each commencing from 24 June 2022	24-Jun-22	16,000.00	18,000.00
38	HDFC-II	3M T-BILL + Spread	16 Equal Half Yearly instalments of Rs. 1,000 Million each commencing from 4 May 2022	04-May-22	16,000.00	18,000.00
	Total				**12,61,444.40**	**8,88,268.00**

* As per the supreme court order, the interest amount paid during the moratorium period has been adjusted against the principal.

** Prepaid on 11th November 2021

`Note-1 Date of Maturity indicates the date of payment of next instalment.

Secured Rupee Term Loan

Terms of repayment of the Secured Rupee Term Loans from banks and amount outstanding as on various dates is as set out below:-

S.No	Description	Interest rate	Interest Type	Terms of Repayment	Date of Maturity of Loan	31 March 2022	31 March 2021
1	State Bank of India Tranch (i)	3.79%	Fixed Rate	Bullet Repayment	28-Apr-22	8,200.00	-
2	State Bank of India Tranch (ii)	3.99%	Fixed Rate	Bullet Repayment	28-Apr-22	11,800.00	-
Total Overseas bonds as per IND AS						**20,000.00**	**-**

Note-1 Date of Maturity indicates the date of payment of next instalment.

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for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Secured foreign currency term loan

Foreign Currency Loan are secured by first paripassu charge on the present/ future rolling stock assets/ lease receivables of the Company. Terms of Repayment of the foreign currency term loan and amount outstanding as on various dates is as set out below:-

S.No	Description	Interest rate	Interest Payment Frequency	Terms of Repayment	Date of Maturity of Loan	31 March 2022	31 March 2021
1	SBI USD 2BN-II MAR'21-7 YRS	6M USD LIBOR+1.30% pa	Semi Annual	Bullet Repayment	24-Mar-28	16,757.40	16,260.20
2	Bank of India	6M USD LIBOR+1.25%	Semi Annual	Semi Annual	30-Apr-21	-	221.73
Total as per IGAAP						**16,757.40**	**16,481.93**
Unamortised transaction cost						(112.13)	(131.29)
Secured Foreign Currency Term Loan as per Ind AS						**16,645.27**	**16,350.64**

Secured rupee term loan from Others

Rupee term loan from National Small Saving fund is secured by the first pari passu charge on the present/ future rolling stock assets/ lease receivables of the Company. Terms of repayment and the amount outstanding as on various dates is as set out below:-

S.No	Description	Interest rate (p.a.)	Interest payment frequency	Terms of Repayment	Date of Maturity of Loan	31 March 2022	31 March 2021
1	IIFCL I	3M T-Bill 5.82% p.a.	Semi Annual	18 equal semi instalments commencing from 30.09.2027 (555.56 Million)	31-Mar-36	10,000.00	-
2	National Small Saving Fund (NSSF)-II	8.11%	Semi Annual	Bullet Repayment	07-Feb-29	75,000.00	75,000.00
3	National Small Saving Fund (NSSF)-I	8.01%	Semi Annual	Bullet Repayment	28-Mar-28	1,00,000.00	1,00,000.00
	Total					**1,85,000.00**	**1,75,000.00**

Note-1 Date of Maturity indicates the date of payment of next instalment.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Unsecured Rupee Term Loan

Terms of repayment of the Unsecured Rupee Term Loans from banks and amount outstanding as on various dates is as set out below:-

S.No	Description	Interest rate	Interest Type	Terms of Repayment	Date of Maturity of Loan	31 March 2022	31 March 2021
1	Karnataka Bank	3.98%	Linked to 3 Month T Bill	Bullet Repayment	26-Jun-22	7,500.00	
2	Union Bank Tranch (i)	4.00%	3M T-Bill	Bullet Repayment	26-Jun-22	8,699.03	
3	IDBI Bank Tranch (ii)	4.00%	Fixed Rate	Bullet Repayment	05-May-22	3,000.00	-
4	HDFC Bank Tranch (ii)	4.00%	Linked to 2M T-Bill Rate with bi monthly reset. Benchmark to be taken on T-1 basis	Bullet Repayment	03-May-22	2,500.00	-
5	HDFC Bank Tranch (i)	4.00%	Linked to 2M T-Bill Rate with bi monthly reset. Benchmark to be taken on T-1 basis	Bullet Repayment	02-May-22	5,770.00	-
6	IndusInd Bank	4.00%	Linked to 1M T-Bill	Bullet Repayment	30-Apr-22	3,000.00	-
7	ICICI Bank Ltd Tranch (ii)	4.00%	Linked to REPO Rate	Bullet Repayment	29-Apr-22	1,200.00	-
8	ICICI Bank Ltd Tranch (i)	4.00%	Linked to REPO Rate	Bullet Repayment	28-Apr-22	5,900.00	-
9	IDBI Bank Tranch (i)	4.00%	Fixed Rate	Bullet Repayment	28-Apr-22	1,999.99	-
10	RBL Bank	3.99%	Linked to 14 Days MIBOR	Bullet Repayment	13-Apr-22	4,700.00	
11	Union Bank Tranch (iv)	3.79%	Linked to 3Month T Bill	Bullet Repayment	13-Apr-22	1,369.84	
12	Union Bank Tranch (iii)	3.79%	Linked to 3Month T Bill	Bullet Repayment	12-Apr-22	12,998.56	
13	Union Bank Tranch (ii)	3.79%	Linked to 3Month T Bill	Bullet Repayment	08-Apr-22	429.96	
14	Axis Bank	3.89%	Fixed Rate	Bullet Repayment	23-Jun-21	-	6,950.00
15	Axis Bank	3.89%	Fixed Rate	Bullet Repayment	22-Jun-21	-	6,050.00
16	Axis Bank	3.92%	Fixed Rate	Bullet Repayment	17-Jun-21	-	10,000.00
17	Union Bank of India	3.94%	Fixed Rate	Bullet Repayment	03-Jun-21	-	23,350.00
18	IndusInd Bank	3.90%	Fixed Rate	Bullet Repayment	29-Apr-21	-	850.00
19	HDFC Bank	4.00%	Fixed Rate	Bullet Repayment	27-Apr-21	-	0.04
	Total					**59,067.38**	**47,200.04**

Note-1 Date of Maturity indicates the date of payment of next instalment.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Unsecured foreign currency term loan

Terms of repayment of the unsecured foreign currency loan from banks and amount outstanding as on various dates is as set out below:

S.No	Description	Interest rate (p.a.)	Interest payment frequency	Terms of Repayment	Date of Maturity of Loan	31 March 2022	31 March 2021
1	SYND GREEN FCL JPY EQ. USD 700M MAR'22	6M TONA+0.93% pa	Semi Annual	Bullet Repayment	24-Mar-32	52,101.02	-
2	SYND FCL JPY-IV EQ USD 325M MAR'21	3M TONA+0.85% pa	Semi Annual	Bullet Repayment	31-Mar-31	22,185.57	23,775.06
3	USD 1BN-II FCL MAR'21-10 YRS PS	6M USD LIBOR+1.35% pa	Semi Annual	Bullet Repayment	10-Mar-31	76,170.00	73,910.00
4	Syndicated Foreign Currency Loan-JPY 33,189 Mio SBI-SMBC (Equivalent to USD 300M)	3M TONA+ 0.935% pa	Semi Annual	Bullet Repayment	31-Mar-30	20,799.55	22,289.73
5	Foreign Currency Loan-USD 300M-SBI BAHRAIN	6M USD LIBOR + 1.30% pa	Semi Annual	Bullet Repayment	26-Mar-30	22,851.00	22,173.00
6	SYND GREEN FCL JPY EQ. USD 400M MAR'22	6M TONA+0.81% pa	Semi Annual	Bullet Repayment	24-Mar-29	29,772.01	-
7	Syndicated Foreign Currency Loan-JPY 26231.25 Mio (Equivalent to USD 250M)	3M TONA+0.80%	Semi Annual	Bullet Repayment	28-Mar-28	16,439.12	17,616.91
8	SBI USD 2BN-II FCL MAR'21-7 YRS PS	6M USD LIBOR+1.30% pa	Semi Annual	Bullet Repayment	24-Mar-28	1,35,582.60	1,31,559.80
9	Syndicated Foreign Currency Loan-JPY 32,856 (Equivalent to USD 300M)	3M TONA+ 0.90% pa	Semi Annual	Bullet Repayment	04-Jun-26	20,590.86	22,066.09
10	Loan From AFLAC-2 (Equivalent to JPY 3 Bn)	2.90%	Semi Annual	Bullet Repayment	30-Mar-26	2,821.11	2,737.41
11	Loan From AFLAC-1 (Equivalent to JPY 12 Bn)	2.85%	Semi Annual	Bullet Repayment	10-Mar-26	11,112.95	10,783.22
Total as per IGAAP						**4,10,425.79**	**3,26,911.22**
Less: Unamortised transaction cost						(6,154.75)	(5,231.52)
Less: Fair value hedge adjustment- recoverable from Ministry of Railways						(4,011.44)	(3,139.48)
Unsecured Foreign Currency Term Loan as per Ind AS						**4,00,259.60**	**3,18,540.22**

Note: Prepayment option on unsecured loans wherever applicable do not attract any additional charges when applied subject to the prepayment being done at the end of interest terms.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note 17 : Other Financial Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Amount payable to Ministry of Railways-Leased Assets	31,350.88	30,754.58
Amount payable to Ministry of Railways -Project Assets	57,136.98	43,041.77
Amount payable to Ministry of Railways	88,487.86	73,796.35
Interest accrued but not due	1,05,636.33	1,22,137.27
Liability for matured and unclaimed bonds and interest accrued thereon	117.62	86.90
Liability for unclaimed dividend	9.96	7.99
Security Deposits	0.19	
Earnest money deposit	-	0.52
Total	**1,94,251.96**	**1,96,029.03**

Note 18 : Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits	16.99	14.58
Provision for corporate social responsibility*	518.72	276.64
Total	**535.71**	**291.22**
Provision on asset as per Reserve Bank of India norms presented as a reduction being impairment loss allowance from		
- Note 7 - Loans	274.09	279.91
- Note 8 - Investments	0.01	0.05
- Note 9 - Other financial assets	54.51	44.04
Total	**328.61**	**324.00**

*refer note 49 for Movement in Provison for corporate social responsibility

Note 19 : Deferred Tax Liabilities (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax liability (net) (Refer accounting policy Note no. 2.7)	-	-
Less: Adjusted in retained earnings due to change in accounting policy (Refer accounting policy note no. 2.7)		-
Total	**-**	**-**

Note 20 : Other Non-Financial Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Statutory dues	3,592.19	543.20
GST Payable under RCM*	-	10,660.19
Tax deducted at source payable-Income Tax	763.56	1,337.09
Tax deducted at source payable-GST	380.68	1,259.12
Total	**4,736.43**	**13,799.60**

*On account of Project Infrastructure Asset under Finance Lease Arrangements-EBR Special

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note 21: Share Capital

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised Share Capital		
No. of shares	25,00,00,00,000	25,00,00,00,000
Par value per share (Rs.)	10	10
Amount (in millions)	**2,50,000**	**2,50,000**

The authorised share capital of the company was enhanced from Rs. 150,000 millions comprising 15,000 millions share of Rs. 10 each to Rs. 250,000 millions comprising 25,000 millions share of Rs. 10 each in the annual general meeting held on 30th September 2020.

Particulars	As at 31 March 2022	As at 31 March 2021
Issued, Subscribed and Fully Paid-Up		
No of Shares	13,06,85,06,000	11,88,04,60,000
Issued during the period	-	1,18,80,46,000
Total no of shares	13,06,85,06,000	13,06,85,06,000
Par value per share (Rs.)	10	10
Amount (in millions)	**1,30,685.06**	**1,30,685.06**

(i) Reconciliation of the number of shares outstanding is set out below

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount (in millions)	Number of shares	Amount (in millions)
Shares outstanding at the beginning of the period	13,06,85,06,000	1,30,685.06	11,88,04,60,000	1,18,804.60
Shares issued during the period	-	-	1,18,80,46,000	11,880.46
Shares outstanding at the end of the period	**13,06,85,06,000**	**1,30,685.06**	**13,06,85,06,000.00**	**1,30,685.06**

(ii) The Company has only one class of equity shares having face value of Rs 10 each and the holder of the equity share is entitled to one vote per share. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.

(iii) Details of shares held by shareholders holding more than 5% of shares:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% Holding	Number of shares	% Holding
The President of India and his nominees (through Ministry of Railways)	11,28,64,37,000	86.36%	11,28,64,37,000	86.36%

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

(iv) Details of shares held by Promoters :

Name of the Promoter	As at 31 March 2022			As at 31 March 2021		
	Number of shares	% Holding	% Change During the Year	Number of shares	% Holding	% Change During the Year
The President of India and his nominees (through Ministry of Railways)	11,28,64,37,000	86.36%	0.00%	11,28,64,37,000	86.36%	-13.64%

(v) The company has not, for a period of 5 years immediately preceding the balance sheet date:

- issued equity share without payment being received in cash.
- issued equity share by way of bonus share.
- bought back any of its share.

(vi) The company has no equity share reserve for issue under options/contracts

(vii) The Company has completed its Initial Public Offering (IPO) of 1,78,20,69,000 equity shares of face value of Rs.10/- each at an issue price of Rs.26/- per equity share aggregating to Rs. 46,333.79 millions, consisting of fresh issue 1,18,80,46,000 equity shares aggregating to Rs. 30,889.20 millions and an offer for sale of 59,40,23,000 equity shares aggregating to Rs. 15,444.60 millions by the Government of India. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on 29th January 2020.

The utilisation of IPO proceeds is summarised as below:

Particulars	Upto the date of Board Meeting approving these results		
	Amount Raised	Utilised	Unutilised
Augmenting our equity capital base to meet our future capital requirement arising out of growth in our business	30,118.76	30,118.76	-
General Corporate Purpose	500.00	464.02	35.98
Net Proceeds*	**30,618.76**	**30,582.78**	**35.98**

*Net of Issue expense of Rs. 270.44 millions (Utilised till the date of board meeting Rs. 270.44 millions).

Note 22 : Other Equity

Particulars	As at 31 March 2022	As at 31 March 2021
Share issue expenses	(377.87)	(376.84)
Securities Premium Reserve-Equity	19,008.74	19,008.74
Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	32,906.28	20,726.61
General reserve	1,74,032.28	1,74,032.28
Retained earnings	53,641.86	14,980.31
Equity instruments through other comprehensive income	67.05	77.66
Total	**2,79,278.34**	**2,28,448.76**

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note 22.1: Share Issue Expenses

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the period	(376.84)	(169.80)
Changes in accounting policy/prior period Errors	-	-
Restated balance at the beginning of the period	**(376.84)**	**(169.80)**
Addition during the period*	(1.03)	(207.04)
Closing balance at the end of the period	**(377.87)**	**(376.84)**

*Share issue expenses includes stamp duty fees and listing fees for the amount of Rs. 123.84 millions (As at 31 March 2021: 123.84 Million) and 254.03 millions (As at 31 March 2021: 253.00 millions), respectively.

Note 22.2: Securities Premium Reserve-Equity

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the period	19,008.74	-
Changes in accounting policy/prior period Errors	-	-
Restated balance at the beginning of the period	**19,008.74**	**-**
Addition during the period	-	19,008.74
Closing balance at the end of the period	**19,008.74**	**19,008.74**

Securities Premium Reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purpose such as issuance of bonus shares, writing off the preliminary expenses in accordance with the provisions of section 52 the Companies Act, 2013.

Note 22.3: Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the period	20,726.61	11,894.35
Changes in accounting policy/prior period Errors	-	-
Restated balance at the beginning of the period	**20,726.61**	**11,894.35**
Addition during the period	12,179.67	8,832.26
Closing balance at the end of the period	**32,906.28**	**20,726.61**

*Refer Note 42 (a) (ii)

Note 22.4: General Reserve

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the period	1,74,032.28	1,74,032.28
Changes in accounting policy/prior period Errors	-	-
Restated balance at the beginning of the period	**1,74,032.28**	**1,74,032.28**
Addition during the period	-	-
Closing balance at the end of the period	**1,74,032.28**	**1,74,032.28**

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of other equity to another and is not an item of other comprehensive income.

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for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note 22.5: Retained Earnings

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the period	14,980.31	5,000.00
Changes in accounting policy/prior period Errors	-	(6,626.82)
Restated balance at the beginning of the period	**14,980.31**	**(1,626.82)**
Profit for the year	60,903.97	44,161.32
Transfer to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	(12,179.67)	(8,832.26)
Final Dividend	-	(5,000.00)
Interim Dividend	(10,062.75)	(13,721.93)
Dividend tax	-	-
Closing balance at the end of the period	**53,641.86**	**14,980.31**

Retained earnings represent the amount of accumulated earnings of the Company.

The Board of Directors of the Company have declared that the final Dividend of Rs. 8233.160 Million (31st March 2021: Rs. NIL Million) in the board meeting held on 20th May 2022 subject to approval of shareholders in the forthcoming Annual General Meeting.

Note 22.6: Equity instruments Through Other Comprehensive Income

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the period	77.66	62.91
Changes in accounting policy/prior period Errors	-	-
Restated balance at the beginning of the period	**77.66**	**62.91**
Total comprehensive income for the period	(10.61)	14.75
Closing balance at the end of the period	**67.05**	**77.66**

The change in fair value of equity instrument as at FVTOCI excluding dividends, are recognized in the OCI.

Note 23 : Interest Income

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
On financial assets measured at amortised cost :		
- Interest on loans	6,392.05	5,956.70
- Interest income from deposits	144.88	163.22
- Interest income from investments	1.31	3.26
- Pre commencement lease - Interest Income	66,373.60	33,290.38
- Interest income on application money	34.88	23.03
Total	**72,946.72**	**39,436.59**

Note 24 : Lease Income

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Lease income		
Rolling Stock	1,18,284.63	1,17,164.30
Project Assets	11,751.33	1,101.32
Total	**1,30,035.96**	**1,18,265.62**

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for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note 25 : Other Income

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Profit on sale of fixed assets	-	0.01
Interest Income on security deposit given towards lease	1.18	0.37
Miscellaneous income	22.15	3.52
Total	**23.33**	**3.90**

Note 26: Finance Cost

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
On financial liabilities measured at amortised cost :		
Interest on debt securities	1,34,526.82	1,23,263.43
Interest on borrowings	85,640.07	52,112.37
Discount on commercial paper	324.49	505.55
Interest on delayed payments to Ministry of Railways	796.22	1,036.17
Interest to Income Tax Authorities	-	5.33
Interest Expenses Accrued on Lease Liabilities	16.48	6.79
Other borrowing cost	168.26	145.62
Sub-Total	**2,21,472.34**	**1,77,075.26**
Less: Borrowing costs capitalized on Railway Infrastructure Assets	80,724.52	64,704.73
Total	**1,40,747.82**	**1,12,370.53**

Note 27: Impairment on Financial Instruments Measured at Amortised Cost

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Loans & Interest accrued thereon	4.61	27.15
Total	**4.61**	**27.15**

*The Company being a government owned NBFC, hitherto exempt, is subject to provisioning norms vide Reserve Bank of India circular no. RBI/2017-18/181_DNBR (PD) CC. No. 092/03.10.001/2017-18 dated 31 May 2018. Income Recognition and Asset Classification (IRAC) norms to be complied by 31 March 2019. However RBI had vide letter no DNRB (PD). CO.No.1271/03.10.001/2018-19 dated 21 December 2018 had exempted the Company from the aforesaid requirements to the extent of its direct exposure on the sovereign. Therefore the company had not applied impairment requirements to its exposure with MOR. The computation of impairment is as under:

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Loan to IRCON International Limited	12,306.14	18,459.20
Loan to Rail Vikas Nigam Limited	56,216.00	51,518.86
Debt Securities	2.93	12.14
Interest accrued on above	13,626.76	11,011.46
Total	**82,151.83**	**81,001.66**
Provision @ 0.4%	328.61	324.00
Less: ECL already created	324.00	296.85
Change in impairment	**4.61**	**27.15**

The Company apart from the above is of the view that no further impairment is required as per expected credit loss model prescribed in IND AS 109, Financial Instruments as Ircon International Limited and Rail Vikas Nigam Limited, both, are under the Ministry of Railways, Government of India and the Company do not expect any concern in the repayment of aforesaid loans.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note 28 : Employee Benefit Expense

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Salaries and wages	84.31	62.33
Contribution to provident and others funds	22.10	13.28
Staff welfare expenses	1.07	2.86
Total	**107.48**	**78.47**

Note 29: Depreciation, Amortisation and Impairment

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Depreciation on property, plant and equipment	18.12	4.58
Depreciation on ROU Assets	119.46	39.61
Amortisation of intangible assets	2.67	0.13
Total	**140.25**	**44.32**

Note 30 : Other Expenses

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Fee & subscription	2.14	2.49
Travelling	2.55	1.11
Rent	3.94	12.07
Printing & stationery	2.13	1.43
Director's fees, allowances and expenses	3.73	1.60
Transport hire charges	6.45	5.05
Insurance	5.30	3.18
Manpower Services	28.34	19.95
Legal & professional charge	16.57	17.32
Loss on sale of fixed assets	0.03	0.25
Payment to auditors (refer note (i) below)	3.63	3.56
Property tax	0.28	0.28
Office maintenance charges	6.30	4.01
Office equipment maintenance	4.85	2.22
Advertisement & publicity	25.39	3.73
Sponsorship/Donation	1.63	-
Newspaper, books and periodicals	0.28	0.15
Electricity charges	2.11	2.37
Exchange rate variation	0.15	0.12
Miscellaneous expenses	41.88	11.50
Corporate social responsibility expenses (Refer note no. 49)	956.58	934.45
Total	**1,114.26**	**1,026.84**
(i) Payment to the Auditors Comprises net of GST input credit, where applicable)		
(a) Annual Audit fees	1.33	1.53
(b) Tax audit fees	0.38	0.33
(c) Quarterly Review fees	0.87	0.79
(d) Internal Audit Fees	0.24	0.44
(e) Certification fees	0.66	0.47
(f) GST Audit Fees	0.15	-
Total	**3.63**	**3.56**

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(All amounts in millions of INR, unless stated otherwise)

Note 31: Income Taxes

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Income Taxes Recognised in Profit and Loss		
Current Tax		
In respect of the current period	-	-
Adjustments for prior periods	3.19	-
	3.19	**-**
Deferred Tax		
In respect of the current period	-	-
	3.19	-
Total Income Tax Expense Recognised in the Current Period	**3.19**	**-**

The Company has decided to exercise the option permitted under section 115BAA of the Income Tax Act, 1961. After exercising the option of Section 115BAA, the taxable income under the provisions of Income Tax Act, 1961 comes to nil. Further after adoption of Section 115BAA, the Company is outside the scope and applicability of MAT provisions under Section 115JB of Income Tax Act, 1961. Hence, no provision for tax has been made in the financial statements.

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Profit before tax	**60,901.55**	**44,161.31**
Tax rate	25.168%	25.168%
Tax thereon	15,327.70	11,114.52
Tax impact on account of unabsorbed depreciation as per computation under normal provisions of the Income tax Act, 1961 under the head 'Profit and Gains of Business'	(15,327.70)	(11,114.52)
Minimum alternate tax on book profits as per section 115JB(1) of Income Tax Act, 1961 (see note 1 below)	-	-
Proportionate minimum alternate tax on accretion to other equity on date of transition to Ind-AS as per Section 115JB (2C) of the Income Tax Act, 1961 (see note 2 below)	-	-
Tax on items recognised in other comprehensive income	-	-
Tax on adjustment for earlier years on finalization of assessments by the assessing authorities	-	-
Total tax expense	**-**	**-**

Notes to Financial Statements

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Note -1

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Profit for the period as per Ind AS	As the Company has opted for section 115BAA of the Income - tax Act, 1961, the MAT provisions of section 115JB of the Income - tax Act, 1961 are no longer applicable to the Company	As the Company has opted for section 115BAA of the Income - tax Act, 1961, the MAT provisions of section 115JB of the Income - tax Act, 1961 are no longer applicable to the Company
Less: Ind AS adjustments		
Total (A)		
Add:-		
Expenses u/s 14A of Income Tax Act		
Interest u/s 234 B & C		
Provision for post retirement employee benefits		
Standard asset provision		
Total (B)		
Total (A+B)		
Less:-		
Dividend income		
Total (C)		
Book Profit((A+B)-C)		
Tax rate		
Tax thereon		

Note -2

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Other equity as per Ind AS on date of conversion i.e., 01 April 2018	-	-
Adjustment on account of fair value change in the value of investments measured at FVTOCI	-	-
Total	-	-
Other equity as per AS on date of conversion i.e., 01 April 2018	-	-
Difference	-	-
Tax rate	-	-
Tax thereon	-	-
Proportionate amount of tax payable during the period ended	-	-

Income Tax Recognised in Other Comprehensive Income

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Remeasurement of defined benefit obligation	-	-
Total Income Tax Recognised in Other Comprehensive Income	-	-

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note 32: Earning Per Share

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Net Profit	60,898.36	44,161.31
Weighted average number of equity shares outstanding		
Opening balance at the beginning of the period	13,06,85,06,000	11,88,04,60,000
Issued during the period	-	20,18,05,074
Brought back during the period	-	-
Add: Number of potential equity shares on account of receipt of share application money pending allotment	-	-
Weighted average number of equity shares [including diluted equity share] outstanding at the end of the period	13,06,85,06,000	12,08,22,65,074
Earning per share- Basic [Face value of Rs. 10/- per share]	4.66	3.66
Earning per share- Diluted [Face value of Rs. 10/- per share]	4.66	3.66

Note 33: Leases

Receivables (Note No. 6) include lease receivables representing the present value of future Lease Rentals receivables on the finance lease transactions entered into by the Company.

The lease agreement in respect of these assets is executed at the year-end based on the lease rentals and Implicit rate of return (IRR) with reference to average cost of annual incremental borrowings plus margin decided at that time.

Reconciliation of the lease receivable amount on the gross value of leased assets worth Rs. 30,12,491.02 millions (31 March 2021 :Rs.25,23,718.69 millions) owned by the Company and leased to the Ministry of Railways (MoR) is as under:

Particulars	As at 31 March 2022	As at 31 March 2021
Gross value of assets acquired & leased upto the end of previous financial year	25,23,718.69	22,38,107.84
Less: Capital recovery provided upto last Year	(8,68,028.78)	(7,52,309.84)
Capital recovery outstanding on leased assets as at the end of last year	**16,55,689.91**	**14,85,798.00**
Add: Gross value of assets acquired and leased during the period	4,88,772.33	2,85,610.85
	21,44,462.24	**17,71,408.85**
Less: Capital recovery for the period	(1,37,537.25)	(1,15,718.94)
Net investment in Lease Receivables	**20,06,924.99**	**16,55,689.91**

The value of contractual maturity of leases as per Ind AS–116 is as under:-

Particulars	As at 31 March 2022	As at 31 March 2021
Gross investment in lease	26,05,820.09	24,01,254.93
Unearned finance income	5,98,895.10	7,45,565.02
Present value of minimum lease payment (MLP)	**20,06,924.99**	**16,55,689.91**

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Gross investment in lease and present value of minimum lease payments (MLP) for each of the periods are as under:

Gross investment in lease

Particulars	As at 31 March 2022	As at 31 March 2021
Not later than one year	2,75,632.55	2,48,964.10
Later than one year and not later than two years	2,68,447.25	2,44,209.35
Later than two year and not later than three years	2,58,315.35	2,37,024.05
Later than three year and not later than four years	2,48,160.40	2,26,892.15
Later than four year and not later than five years	2,34,742.18	2,16,737.21
Later than five years	13,20,522.36	12,27,428.07
Total	**26,05,820.09**	**24,01,254.93**

Present value of MLP

Particulars	As at 31 March 2022	As at 31 March 2021
Not later than one year	1,53,821.41	1,29,055.37
Later than one year and not later than two years	1,59,421.18	1,34,587.64
Later than two year and not later than three years	1,62,564.46	1,38,709.77
Later than three year and not later than four years	1,64,698.78	1,40,261.08
Later than four year and not later than five years	1,64,347.57	1,40,680.22
Later than five years	12,02,071.59	9,72,395.83
Total	**20,06,924.99**	**16,55,689.91**

Unearned Finance Income & Unguaranteed Residual Income

Particulars	As at 31 March 2022	As at 31 March 2021
Unearned finance income	5,98,895.10	7,45,565.02
Unguaranteed residual income	NIL	NIL

The Company has leased rolling stock assets to the Ministry of Railways (MOR). Besides, the Company has funded Railway projects during the year 2011-12, in respect of which the lease had commenced during the year 2015-16. A separate lease agreement for each year of lease has been executed and as per the terms of the lease agreements, lease rentals are received half yearly in advance. The leases are non-cancellable and shall remain in force until all amounts due under the lease agreements are received. Further, the Company had funded railway projects under EBR-IF and National Projects in the financial years 2015-16 and 2018-19, respectively, in respect of which the lease has commenced during financial year 2021-22.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note 33.1

Company as a Lessee

The Company has lease contracts for office premises. The Company has recognised Right of Use Asset and Lease Liability for all the leases. Refer to Note 2.14 significant accounting policy on leases.

The escalation clause includes escalations generally ranging from 7% to 10%. Lease term includes the renewal term wherever the lessee has the option to renew the lease as it is reasonably certain for the lessee to exercise the option. However, the Company is not reasonably certain to exercise the termination option after the expiry of the lock in period. There are no restrictions imposed by lease arrangements.

Set out below are the carrying amounts of right of use assets recognised during and movement during the year

Office Premises	As at 31 March 2022	As at 31 March 2021
Closing Net Carrying Balance	224.25	343.71
Movement during the period		
Opening Net Carrying Value	343.71	-
Additions	-	383.32
Deletions	-	-
Depreciation	119.46	39.61
Impairment/Adjustment	-	-
Closing Net Carrying Balance	**224.25**	**343.71**

Set out below are the carrying amounts of lease liabilities and movement during the year.

Particulars	As at 31 March 2022	As at 31 March 2021
Closing Net Carrying Balance	233.52	345.88
Movement during the period		
Opening Net Carrying Value	345.88	-
Additions	-	379.33
Deletions	-	-
Accretion of Interest	16.48	6.79
Payments	128.84	40.24
Closing Net Carrying Balance	**233.52**	**345.88**

Cash Flows

Particulars	As at 31 March 2022	As at 31 March 2021
Total Cash Outflow of Lease	128.84	40.24

Amount Recognised in statement of Profit & Loss

Particulars	As at 31 March 2022	As at 31 March 2021
Depreciation Expenses		
Depreciation	119.46	39.61
Finance Cost		
Interest Expenses on lease liabilities	16.48	6.79

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Current and non-current lease liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Current	122.05	112.35
Non Current	111.47	233.53
	233.52	**345.88**

Maturity Profile of Company's future lease liabilities based on contractual undiscounted payments

Particulars	As at 31 March 2022	As at 31 March 2021
Less than 12 Months	131.85	128.84
1 to 3 Years	98.68	227.45
3 to 5 years	7.11	10.19
> 5 years	12.50	12.50
	250.14	**378.98**

Note 34: Contingent liabilities and Commitments

Contingent liabilities

a.

Particulars	As at 31 March 2022	As at 31 March 2021
Claims against the Company not acknowledged as debt – Claims by bondholders in the consumer / civil courts	4.22	4.22

b. Claims against the Company not acknowledge as debt – relating to service matter pending in Hon'ble Supreme Court - amount not ascertainable.

c. The procurement/acquisition of assets leased out by the Company to the Indian Railways is done by Ministry of Railways (MOR), Government of India. As per the lease agreements entered into between the Company and MOR, the Sales Tax/ VAT liability, if any, on procurement/acquisition and leasing is recoverable from MOR. Since, there is no sales tax/ VAT demand and the amount is unascertainable, no provision is considered necessary.

d. Director-General of GST Intelligence (DGGI), Chennai Zonal unit has served a show cause notice dated 16-4-2019 on the company alleging contravention of the provision of sec 67,68 and 70 of the Finance Act, 1994 by the company and as to why service tax of Rs26,537.65 million along with interest and penalty be not demanded from the company. The company has submitted reply against the Show Cause notice stating that there is no contravention of the provision of any of the above-stated section of the Finance Act, 1994. Against the reply given by the company, vide letter dt 21-10-20, Commissioner, CGST, Delhi East, seeking comments given by the DGGI, Chennai Zonal unit and the company filed the counter comments to the department and the company is not liable to pay the tax. However, if any liability arises that would be recoverable from the Ministry of Railways, Government of India.

e. The disputed demand of tax including interest thereon for the AY 2015-16 was Rs. 9.48 million. Against the said demand, the Company has filed a rectification application u/s 154. Based on the decisions of the Appellate Authority in similar matters and interpretation of relevant provisions, the Company is confident that the demands will be either deleted or substantially reduced, and accordingly, no provision is considered necessary. However, the said demand of Rs.9.48 million has been adjusted by the department, out of the refund to IRFC for the AY 2016-17.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note 34: Contingent liabilities and Commitments (Contd..)

f. The income tax assessment of the Company has been completed up to the AY 2019-20. During the year, an intimation u/s 143(1) for FY 2018-19 was received from the CPC . In the said intimation, TDS credit has been short granted by Rs.1502.46 million despite it appearing in Form 26AS. Further, the book profit has been increased by Rs.1,462.42 million without any reason and a demand of additional tax and interest thereon has been raised. The demand of Rs.2,043.26 million has been adjusted against the refund claimed for AY 2020-21. Against the said demand issued by the CPC u/s 143 (1), an appeal was filed at CIT (A) on 28 January 2022 for consideration of TDS credit and removal of additional demand, and also rectification application u/s 154 was filed on 1 February 2022 for consideration of TDS credit. Pending disposal of the appeal, management is of the view that no provision is required.

Note 35: Expenditure in Foreign Currency

Particulars	As at 31 March 2022	As at 31 March 2021
a) Interest/Swap Cost on foreign currency borrowings	13,549.76	10,377.21
b) Processing agent/ fiscal Agent/ admin fees	10.32	6.50
c) International credit rating agencies fees	36.09	91.37
d) Others	31.50	25.86
Total	**13,627.67**	**10,500.94**

Note 36: Segment reporting

The Company has identified "Leasing and Finance"as its sole reporting segment. Thus, there is no inter-segment revenue and the entire revenue is presented in the statement of profit and loss is derived from external customers all of whom are domiciled in India, the Company's country of domicile.

All non-current assets other than financial instruments are also located in India.

The Company derives more than 10% of its revenue from a single customer (ie. Ministry of Railways , Government of India (MOR) and entities under the control of MOR). The break up of the revenue is as under:

Particulars	As at 31 March 2022	As at 31 March 2021
Revenue from MOR & entities under the control of MOR		
- Lease Income	1,30,035.96	1,18,265.62
- Interest Income	6,392.05	5,956.70
- Pre Commencement lease interest income	66,373.60	33,290.38
Total	**2,02,801.61**	**1,57,512.70**

Note 37: Employee benefits

37.1

Particulars	As at 31 March 2022	As at 31 March 2021
Contribution to provident fund and National Pension Fund	11.36	5.56
Contribution to gratuity	0.63	0.54
Contribution to leave encasement	2.33	0.46
Contribution to post retirement medical and pension	2.05	2.77
Contribution to family benefit scheme	1.08	3.94

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

37.2 The Company operates a funded gratuity benefit plan.

A) Actuarial Assumptions

Particulars	As at 31 March 2022	As at 31 March 2021
Economic Assumptions		
Discount rate	6.90%	6.55% p.a.
Salary escalation	6.00% p.a	6.00% p.a
Demographic Assumptions		
Retirement age	60	60
Attrition rate	0.00%	0.00%
Mortality table used	100% of IALM (2012-14)	100% of IALM (2012-14)

Notes:

1. The discount rate is based on the prevailing market yield of India Government securities as at the balance sheet date for the estimated term of obligations.

2. The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and in the employment market.

3. The expected return is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

B) Movements in present value of the defined benefit obligation

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of obligation as at the beginning of the year	13.25	10.26
Acquisition adjustment out	2.06	2.57
Interest cost	0.86	0.63
Past service cost	-	-
Current service cost	1.32	1.01
Benefit paid	(0.39)	(1.34)
Components of actuarial gain/losses on obligations:		
Actuarial (gain)/loss on obligations due to change in financial assumptions	-0.40	-
Actuarial (gain)/loss on obligations- due to experience	(1.22)	0.12
Actuarial (gain)/loss on obligations- demographic changes	-	-
Liability at the end of the year	**15.49**	**13.25**

C) Movements in the fair value of plan assets

Particulars	As at 31 March 2022	As at 31 March 2021
Fair value of plan assets at the beginning of the year	23.25	17.04
Contribution from the employer	2.06	4.98
Interest income	1.56	1.10
Return on plan assets excluding amounts included in interest income	0.07	0.13
Benefits paid	-	-
Reimbursement paid by the insurer	-	-
Actuarial gain/(loss) for the year on asset	-	-
Fair value of the plan assets for the period ending	**26.94**	**23.25**

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

D) Amount recognised in the Balance Sheet

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of funded obligation at the end of the year	15.49	13.25
Fair value of plan assets at the end of the year	(26.94)	(23.25)
Net liability/ (assets) recognised in the Balance Sheet	**(11.45)**	**(10.00)**

E) Expenses recognised in the Statement of Profit and Loss during the year:

Particulars	As at 31 March 2022	As at 31 March 2021
Current service cost	1.32	1.01
Past service cost	-	-
Net interest cost (Income)	(0.70)	(0.47)
Expected return on plan assets	-	-
Expense recognised in the Statement of Profit and Loss	**0.63**	**0.54**

F) Expenses recognised in Other Comprehensive Income during the year:

Particulars	As at 31 March 2022	As at 31 March 2021
Net cumulative unrecognised actuarial gain/(loss) opening		
Actuarial (gain) / loss for the year on PBO	(1.62)	0.12
Actuarial (gain) / loss for the year on Asset	(0.07)	(0.13)
Unrecognised actuarial (gain) / loss for the year end	**(1.69)**	**(0.01)**

G) Composition of the plan assets:

Particulars	As at 31 March 2022	As at 31 March 2021
Policy of insurance	100.00%	100.00%

H) Change in Net benefit obligations

Particulars	As at 31 March 2022	As at 31 March 2021
Net defined benefit liability at the start of the year	(10.00)	(6.78)
Acquisition adjustment	2.06	2.57
Total service cost	0.63	0.54
Net interest cost (income)		-
Re-measurements	(1.69)	(0.01)
Reimbursement paid by the insurer		-
Contribution to the plan assets	(2.06)	(4.98)
Benefit paid directly by the enterprise	(0.39)	(1.34)
Net defined benefit liability/ (assets) for the period ending	**(11.45)**	**(10.00)**

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

I) Bifurcation of PBO at the end of year as current and non current:

Particulars	As at 31 March 2022	As at 31 March 2021
Current liability (Amount due within one year)	(1.41)	(1.29)
Non-Current liability (Amount due over one year)	(10.04)	(8.71)
Total PBO at the end of year	**(11.45)**	**(10.00)**

J) Bifurcation of defined benefit obligation

Particulars	As at 31 March 2022	As at 31 March 2021
Vested	14.72	12.45
Non- Vested	0.77	0.80
	15.49	**13.25**

K) Sensitivity analysis of the defined benefit obligation

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Particulars	As at 31 March 2022	As at 31 March 2021
a) Impact of the change in discount rate		
- Impact due to increase of 0.50 %	14.95	12.75
- Impact due to decrease of 0.50 %	16.07	13.78
b) Impact of the change in salary increase		
- Impact due to increase of 0.50 %	15.73	13.53
- Impact due to decrease of 0.50 %	15.25	13.04

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

L) The employer 's best estimate of contribution expected to be paid during the next year:

Particulars	As at 31 March 2022	As at 31 March 2021
Expected contribution of the next year	1.41	1.29

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

M) These plans typically expose the Company to Actuarial Risks such as Investment Risk, Liquidity Risk, Market Risk and Legislative Risk

Actuarial Riskw	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: **Adverse Salary Growth Experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. **Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. **Variability in withdrawal rates**: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.
Investment Risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity Risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.
Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
Legislative Risk	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

37.3 The Company operates a funded gratuity benefit plan.

A) Actuarial Assumptions

Particulars	As at 31 March 2022	As at 31 March 2021
Economic Assumptions		
Discount rate	6.90% p.a	6.55% p.a
Salary escalation	6.00% p.a	6.00% p.a
Demographic Assumptions		
Retirement age	60 Years	60 Years
Attrition rate	0.00% p.a.	0.00% p.a.
Mortality table used	100% of IALM (2012-14)	100% of IALM (2012-14)
Leave Availment and Encashment Rate		
Leave Availment Rate	10% p.a.	10% p.a.
Encashment in service	0.00% p.a.	0.00% p.a.

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for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

B) Movements in present value of the defined benefit obligation

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of obligation as at the beginning of the year	14.73	12.21
Acquisition adjustment out	0.93	6.88
Interest cost	0.96	0.69
Past service cost	-	-
Current service cost	2.58	1.61
Benefit paid	(2.79)	(5.54)
Actuarial (gain)/loss on obligations- due to change in financial assumptions	(0.32)	-
Actuarial (gain)/loss on obligations- due to experience adjustments	0.88	(1.12)
Actuarial (gain)/loss on obligations- due to change in demographic assumption	-	-
Liability at the end of the year	**16.97**	**14.73**

C) Movements in the fair value of plan assets

Particulars	As at 31 March 2022	As at 31 March 2021
Fair value of plan assets at the beginning of the year	15.06	9.29
Contribution by employer	0.93	5.06
Interest income	1.21	0.63
Return on plan assets excluding amounts included in interest income	(0.18)	0.08
Benefits paid	-	-
Actuarial gain/(loss) for the year on asset	-	-
Fair value of the plan assets at the end of the year	**17.02**	**15.06**

D) Amount recognised in the Balance Sheet

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of funded obligation at the end of the year	16.97	14.73
Fair value of plan assets at the end of the year	17.02	15.06
Net liability recognised in the Balance Sheet	**(0.05)**	**(0.33)**

E) Expenses recognised in the Statement of Profit and Loss during the year:

Particulars	As at 31 March 2022	As at 31 March 2021
Current service cost	2.58	1.61
Past service cost	-	
Net interest cost (Income)	(0.25)	0.06
Net value of re measurements on the obligation and planned assets	-	(1.21)
Expense recognised in the Statement of Profit and Loss	**2.33**	**0.46**

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for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

F) Components of actuarial gain/loss on obligation

Particulars	As at 31 March 2022	As at 31 March 2021
Due to change in financial assumptions	(0.32)	-
Due to change in demographic assumption	-	-
Due to experience adjustments	0.88	(1.12)
Return on plan assets excluding amounts included in interest income	0.18	(0.08)
Unrecognised actuarial (gain) / loss for the year end	**0.74**	**(1.20)**

G) Composition of the plan assets:

Particulars	As at 31 March 2022	As at 31 March 2021
Policy of insurance	100%	100%

H) Change in Net benefit obligations

Particulars	As at 31 March 2022	As at 31 March 2021
Net defined benefit liability at the start of the year	(0.34)	2.92
Acquisition adjustment	0.93	6.88
Total service cost	2.58	1.61
Net interest cost (Income)	(0.25)	0.63
Re-measurements	0.74	(1.78)
Contribution paid to the fund	(0.93)	(5.06)
Benefit paid directly by the enterprise	(2.79)	(5.54)
Net defined benefit liability at the end of the year	**(0.06)**	**(0.34)**

I) Bifurcation of PBO at the end of year as current and non current:

Particulars	As at 31 March 2022	As at 31 March 2021
Current liability (Amount due within one year)	(0.06)	(0.34)
Non-Current liability (Amount due over one year)	-	-
Total PBO at the end of year	**(0.06)**	**(0.34)**

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(All amounts in millions of INR, unless stated otherwise)

K) Sensitivity analysis of the defined benefit obligation

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Particulars	As at 31 March 2022	As at 31 March 2021
a) Impact of the change in discount rate		
- Impact due to increase of 0.50 %	16.55	14.37
- Impact due to decrease of 0.50 %	17.42	15.09
b) Impact of the change in salary increase		
- Impact due to increase of 0.50 %	17.42	15.09
- Impact due to decrease of 0.50 %	16.54	14.36

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

L) These plans typically expose the Company to actuarial risks such as Investment Risk, Liquidity Risk and Market Risk.

Actuarial Risk	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: **Adverse Salary Growth Experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the leave benefit will be paid earlier than expected. The acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. **Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption than the leave benefit will be paid earlier than expected. The impact of this will depend on the relative values of the assumed salary growth and discount rate. **Variability in Availment rates:** If actual Availment rates are higher than assumed Availment rate assumption then leave balances will be utilised earlier than expected. This will result in reduction in leave balances and Obligation.
Investment Risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity Risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.
Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

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(All amounts in millions of INR, unless stated otherwise)

37.4 The Company operates a Family Benefit Scheme Plan.

A) Actuarial Assumptions

Particulars	As at 31 March 2022	As at 31 March 2021
Economic Assumptions		
Discount rate	6.90% p.a	6.55% p.a
Salary escalation	6.00% p.a	6.00% p.a
Demographic Assumptions		
Retirement age	60 Years	60 Years
Attrition rate	0.00% p.a.	0.00% p.a.
Mortality table used	100% of IALM (2012-14)	100% of IALM (2012-14)

B) Movements in present value of the defined benefit obligation

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of obligation as at the beginning of the year	3.94	-
Acquisition adjustment out	-	-
Interest cost	0.23	-
Past service cost	-	-
Current service cost	0.85	3.94
Benefit paid	-	-
Actuarial (gain)/loss on obligations- due to change in financial assumptions	(0.15)	-
Actuarial (gain)/loss on obligations- due to experience adjustments	(0.31)	-
Actuarial (gain)/loss on obligations- due to change in demographic assumption	-	-
Liability at the end of the year	4.56	3.94

C) Movements in the fair value of plan assets

Particulars	As at 31 March 2022	As at 31 March 2021
Fair value of plan assets at the beginning of the year	-	-
Contribution by employer	-	-
Interest income	-	-
Return on plan assets excluding amounts included in interest income	-	-
Benefits paid	-	-
Actuarial gain/(loss) for the year on asset	-	-
Fair value of the plan assets at the end of the year	**-**	**-**

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D) Amount recognised in the Balance Sheet

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of funded obligation at the end of the year	4.56	3.94
Fair value of plan assets at the end of the year	-	-
Net liability recognised in the Balance Sheet	**4.56**	**3.94**

E) Expenses recognised in the Statement of Profit and Loss during the year:

Particulars	As at 31 March 2022	As at 31 March 2021
Current service cost	0.85	3.94
Past service cost	-	-
Net interest cost (Income)	0.23	-
Net value of re measurements on the obligation and planned assets	-	-
Expense recognised in the Statement of Profit and Loss	**1.08**	**3.94**

F) Components of actuarial gain/loss on obligation

Particulars	As at 31 March 2022	As at 31 March 2021
Due to change in financial assumptions	(0.15)	-
Due to change in demographic assumption	-	-
Due to experience adjustments	(0.31)	-
Return on plan assets excluding amounts included in interest income	-	-
Unrecognised actuarial (gain) / loss for the year end	**(0.46)**	**-**

G) Composition of the plan assets:

Particulars	As at 31 March 2022	As at 31 March 2021
Policy of insurance	0%	0%

H) Change in Net benefit obligations

Particulars	As at 31 March 2022	As at 31 March 2021
Net defined benefit liability at the start of the year	3.94	-
Acquisition adjustment	-	-
Total service cost	1.08	3.94
Net interest cost (Income)	-	-
Re-measurements	(0.46)	-
Contribution paid to the fund	-	-
Benefit paid directly by the enterprise	-	-
Net defined benefit liability at the end of the year	**4.55**	**3.94**

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I) Bifurcation of PBO at the end of year as current and non current:

Particulars	As at 31 March 2022	As at 31 March 2021
Current liability (Amount due within one year)	0.94	0.85
Non-Current liability (Amount due over one year)	3.61	3.09
Total PBO at the end of year	**4.55**	**3.94**

K) Sensitivity analysis of the defined benefit obligation

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Particulars	As at 31 March 2022	As at 31 March 2021
a) Impact of the change in discount rate		
- Impact due to increase of 0.50 %	4.35	3.77
- Impact due to decrease of 0.50 %	4.77	4.11
b) Impact of the change in salary increase		
- Impact due to increase of 0.50 %	4.66	4.02
- Impact due to decrease of 0.50 %	4.45	3.85
c) Impact of the change in withdrawal rate		
- Impact due to increase of 0.50 %	4.55	3.94
- Impact due to decrease of 0.50 %	4.55	3.94

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

L) These plans typically expose the Company to actuarial risks such as Investment Risk, Liquidity Risk and Market Risk.

Actuarial Risk	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: **Adverse Salary Growth Experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. **Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption than the Employees' Family Benefit Scheme will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. **Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Employees' Family Benefit Scheme will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.
Investment Risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity Risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.

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Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
Legislative Risk	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

37.5 The Company operates a Post Retirement Medical Benefits

A) Actuarial Assumptions

Particulars	As at 31 March 2022	As at 31 March 2021
Economic Assumptions		
Discount rate	7.30% p.a.	N.A.
Salary escalation	6.00% p.a	N.A.
Medical Inflation Rate	7.30% p.a.	8.90% p.a.
Demographic Assumptions		
Retirement age	60 Years	60 Years
Attrition rate	0.00% p.a.	0.00% p.a.
Mortality table used	100% of IALM (2012-14)	100% of IALM (2012-14)

B) Movements in present value of the defined benefit obligation

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of obligation as at the beginning of the year	14.58	10.26
Acquisition adjustment out	-	-
Interest cost	0.95	0.67
Past service cost	-	-
Current service cost	1.10	0.73
Benefit paid	-	-
Actuarial (gain)/loss on obligations- due to change in financial assumptions	(2.51)	-
Actuarial (gain)/loss on obligations- due to experience adjustments	(1.69)	2.91
Actuarial (gain)/loss on obligations- due to change in demographic assumption	-	-
Liability at the end of the year	**12.43**	**14.58**

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(All amounts in millions of INR, unless stated otherwise)

C) Movements in the fair value of plan assets

Particulars	As at 31 March 2022	As at 31 March 2021
Fair value of plan assets at the beginning of the year	-	-
Contribution by employer	-	-
Interest income	-	-
Return on plan assets excluding amounts included in interest income	-	-
Benefits paid	-	-
Actuarial gain/(loss) for the year on asset	-	-
Fair value of the plan assets at the end of the year	**-**	**-**

D) Amount recognised in the Balance Sheet

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of funded obligation at the end of the year	12.43	14.58
Fair value of plan assets at the end of the year	-	-
Net liability recognised in the Balance Sheet	**12.43**	**14.58**

E) Expenses recognised in the Statement of Profit and Loss during the year:

Particulars	As at 31 March 2022	As at 31 March 2021
Current service cost	1.10	0.73
Past service cost	-	-
Net interest cost (Income)	0.95	0.67
Net value of re measurements on the obligation and planned assets	-	-
Expense recognised in the Statement of Profit and Loss	**2.05**	**1.40**

F) Components of actuarial gain/loss on obligation

Particulars	As at 31 March 2022	As at 31 March 2021
Due to change in financial assumptions	(2.51)	-
Due to change in demographic assumption	-	-
Due to experience adjustments	(1.69)	2.91
Return on plan assets excluding amounts included in interest income	-	-
Unrecognised actuarial (gain) / loss for the year end	**(4.20)**	**2.91**

G) Composition of the plan assets:

Particulars	As at 31 March 2022	As at 31 March 2021
Policy of insurance	0%	0%

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(All amounts in millions of INR, unless stated otherwise)

H) Change in Net benefit obligations

Particulars	As at 31 March 2022	As at 31 March 2021
Net defined benefit liability at the start of the year	14.58	10.26
Acquisition adjustment	-	-
Total service cost	2.05	0.73
Net interest cost (Income)	-	0.67
Re-measurements	(4.20)	2.91
Contribution paid to the fund	-	-
Benefit paid directly by the enterprise	-	-
Net defined benefit liability at the end of the year	**12.43**	**14.58**

I) Bifurcation of PBO at the end of year as current and non current:

Particulars	As at 31 March 2022	As at 31 March 2021
Current liability (Amount due within one year)	-	-
Non-Current liability (Amount due over one year)	12.43	14.58
Total PBO at the end of year	**12.43**	**14.58**

K) Sensitivity analysis of the defined benefit obligation

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Particulars	As at 31 March 2022	As at 31 March 2021
a) Impact of the change in discount rate		
- Impact due to increase of 0.50 %	11.17	13.16
- Impact due to decrease of 0.50 %	13.88	16.19
b) Impact of the Change Medical inflation rate		
- Impact due to increase of 0.50 %	13.90	13.40
- Impact due to decrease of 0.50 %	11.15	15.89
c) Impact of the change in Mortality rate		
- Impact due to increase of 0.50 %	11.81	13.83
- Impact due to decrease of 0.50 %	13.13	15.38

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L) These plans typically expose the Company to actuarial risks such as Investment Risk, Liquidity Risk and Market Risk.

Actuarial Risk	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: **Adverse Salary Growth Experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. **Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption than the Employees' Family Benefit Scheme will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. **Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Employees' Family Benefit Scheme will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.
Investment Risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity Risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.
Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
Legislative Risk	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Note 38: Financial Instruments

38.1: Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximizing the return to shareholders and also complying with the ratios stipulated in the loan agreements through the optimization of the debt and equity balance.

The capital structure of the Company consists of net debt (Debt Securities & Borrowings as detailed in Note 15 & 16 offset by cash and bank balances as detailed in Note 3) and total equity of the Company.

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38.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Debt (See note 'i' below)	38,84,166.18	32,31,106.79
Cash and cash equivalents	1,464.92	2,971.91
Net debt	**38,82,701.26**	**32,28,134.88**
Total equity	**4,09,963.40**	**3,59,133.82**
Net debt to equity ratio (in times)	**9.47**	**8.99**

38.1.2 Net Worth

Particulars	As at 31 March 2022	As at 31 March 2021
Total Assets	44,99,802.24	38,04,815.23
Total Liabilities	40,89,838.84	34,45,681.41
Net Worth	**4,09,963.40**	**3,59,133.82**

38.1.3 Debt Equity Ratio

Particulars	As at 31 March 2022	As at 31 March 2021
Debt	38,84,166.18	32,31,106.79
Equity	4,09,963.40	3,59,133.82
	9.47	**9.00**

Note:

i) **Debt computed as under:**

Particulars	As at 31 March 2022	As at 31 March 2021
Debt Securities (Note 15)	19,41,749.53	17,85,747.89
Borrowing(other than debt securities) (Note 16)	19,42,416.65	14,45,358.90
Total Debt	**38,84,166.18**	**32,31,106.79**

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38.2 Financial Instruments - Accounting classification and fair value measurement

38.2.1 Categories of financial instruments

Particulars	As at 31 March 2022	As at 31 March 2021
Financial assets		
Measured at amortised cost		
Cash and cash equivalents	1,464.92	2,971.91
Bank balance other than above	1,568.84	1,617.33
Investments (Pass through certificates)	2.92	12.09
Loans	68,248.05	69,698.15
Other financial assets	22,47,779.18	19,95,580.54
Receivables (Lease Receivables)	20,06,924.99	16,55,689.91
Measured at fair value through Profit and Loss		
Derivative financial instruments	2,023.25	760.14
Measured at fair value through Other Comprehensive Income		
Investments (IRCON)	97.11	107.73
Financial liabilities		
Measured at amortised cost		
Payables		
(I) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(II) Other payables		
(i) total outstanding dues of micro enterprises and small enterprises	10.02	3.78
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	235.69	503.83
Debt securities	19,41,749.53	17,85,747.89
Borrowings (Other than debt securities)	19,42,416.65	14,45,358.90
Other financial liabilities (Interest accrued but not due, amount payable to MoR etc.)	1,94,251.96	1,96,029.03
Measured at fair value through Profit and Loss		
Derivative financial instruments	5,669.33	3,601.28

38.2.2: Fair value measurements

Fair value hierarchy

The Fair value hirarchy reflects the significance of the input used in making the measurements and hence the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices in markets that are not active) or indirectly (i.e. quoted prices for similar assets or liabilities);

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2022:

Particular	As at 31 March 2022	Fair Value measurement at end of the reporting period/ year using		
		Level 1	Level 2	Level 3
Investment in IRCON International Limited	97.11	97.11	-	-

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The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2021:

Particular	As at 31 March 2021	Fair Value measurement at end of the reporting period/ year using		
		Level 1	Level 2	Level 3
Investment in IRCON International Limited	107.73	107.73	-	-

Valuation technique used to determine fair value

The Company maintains policies and procedures to value financials assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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. The following methods and assumptions were used to estimate the fair values:

The Company holds nominal Equity (less than 0.26%) in IRCON International Limited. The equity shares of IRCON International Limited were listed on National Stock Exchange (NSE) with effect from 28 September 2018. The Company had elected to classify its investment in IRCON International Limited as fair value through other comprehensive income(OCI). The fair value as on 31 March 2022, 31 March 2021 has been measured as per the quoted on National Stock Exchange (Level 1 Input).

Dividend received

Particulars	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Dividend received (IRCON International Limited)	9.96	2.51

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

38.3 Financial risk management

The Company's activities expose it to a variety of financial risks which includes market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company's focus is to ensure liquidity which is sufficient to meet the Company's operational requirements. The Company monitors and manages key financial risks so as to minimise potential adverse effects on its financial Performance. The Company has a risk management policy which covers the risks associated with the financial assets and liabilities. The details for managing each of these risks are summarised ahead.

38.4: Market risk

"Market risk is the risk that the expected cash flows or fair value of a financial instrument could change owing to changes in market prices. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Company use derivative instruments to manage market risk against the volatility in foreign exchange rates and interest rates in order to minimize their impact on its results and financial position. Company policy is not to utilize any derivative financial instruments for trading or speculative purposes.

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38.5: Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars	Liabilities		Assets	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Secured foreign currency term loan	16,645.27	16,350.64	-	-
Unsecured bonds from overseas capital market	2,47,258.14	2,03,025.44	-	-
Unsecured foreign currency term loans	4,00,259.60	3,18,540.22	-	-
Total	**6,64,163.01**	**5,37,916.30**	**-**	**-**

Foreign currency sensitivity analysis

The following table details the company's sensitivity to a 10% increase and decrease in the INR against the relevant outstanding foreign currency denominated monetary items. 10% sensitivity indicates management's assessment of the reasonable possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where Rupee appreciates 10% against the relevant currency. A negative number below indicates a decrease in profit or equity where the Rupee depreciates 10% against the relevant currency.

Particulars	As at 31 March 2022		As at 31 March 2021	
	INR strengthens by 10%	INR weakening by 10%	INR strengthens by 10%	INR weakening by 10%
Profit or (loss)	66,416.30	(66,416.30)	53,791.63	(53,791.63)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

38.6: Interest rate risk management

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. Company use financial instruments to manage its exposure to changing interest rates and to adjust its mix of fixed and floating interest rate debt on long-term debt.

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

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If interest rates had been 50 basis points higher/ lower and all other variables were held constant, the Company's:

i) Profit for the year ended 31 March 2022 would decrease/increase by Rs. 9318.74 millions (31 March 2021: decrease/increase Rs. 8,346.63 millions). This is mainly attributable to the Company's exposure to interest rates on its variable rate debt securities;

ii) Profit for the year ended 31 March 2022 would decrease/increase by Rs. 8469.44 millions (31 March 2021: decrease/increase Rs. 5,590.55 millions). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Interest Rate Benchmark Reform:

Following the request received by the Financial Stability Board from the G20, a fundamental review and reform of the major interest rate benchmarks is underway across the world's largest financial market, This reform was not contemplated when Ind AS 107 & Ind AS 109 were notified and consequently the Ministry of Corporate Affairs, Government of India has notified a set of temporary exceptions from applying specific hedge accounting requirements to provide clarifications on how the standard should be applied in these circumstances.

Following are the temporary exceptions provided from applying specific hedge accounting requirements:

(i) For assessing highly probable requirement for cash flow hedges: For the purpose of determining whether a forecast transaction (or a component thereof) is highly probable, an entity shall assume that the interest rate benchmark on which the hedged cash flows (contractually or non-contractually specified) are based is not altered as a result of interest rate benchmark reform.

(ii) Reclassifying the amount accumulated in the cash flow hedge reserve: For the purpose of determining whether the hedged future cash flows are expected to occur, an entity shall assume that the interest rate benchmark on which the hedged cash flows (contractually or non-contractually specified) are based is not altered as a result of interest rate benchmark reform.

(iii) Assessing the economic relationship between the hedged item and the hedging instrument: An entity shall assume that the interest rate benchmark on which the hedged cash flows and/or the hedged risk (contractually or non-contractually specified) are based, or the interest rate benchmark on which the cash flows of the hedging instrument are based, is not altered as a result of interest rate benchmark reform.

(iv) Designating a component of an item as a hedged item: Subject to certain exemptions, for a hedge of a non-contractually specified benchmark component of interest rate risk, an entity shall apply the requirement – that the risk component shall be separately identifiable – only at the inception of the hedging relationship.

Under these temporary exceptions, interbank offered rates (IBORs) are assumed to continue unaltered for the purposes of hedge accounting until such time as the uncertainty is resolved. The application of this set of temporary exceptions is mandatory for accounting periods starting on after 1st April 2020. Significant judgements will be required in determining when uncertainty is expected to be resolved and therefore when the temporary exceptions will cease to apply. However, as at 31st March 2022, the uncertainty continued to exist and so the temporary exceptions apply to the Company's hedge accounting relationships that reference benchmarks subject to reform or replacement.

The Company has cash flow and fair value hedge accounting relationships that are exposed to different IBORs, predominantly US dollar Libor and JPY Libor. The existing derivatives and some of the loans, bonds and other financial instruments designated in relationships referencing these benchmarks will transition to new risk – free rates (RFRs) in different ways and at different types. External progress on the transition to RFRs is being monitored, with the objective of ensuring a smooth transition for the Company's hedge accounting relationship. The specific issues arising will vary with the details of each hedging relationship, but may arise due to the transition of existing products included in the designation, a change in expected volumes of products to be issued, a change in contractual terms of new products issued, or a combination of these factors. Some hedges may need to be de – designated and new relationships entered into, while others may survive the market – wide benchmark reforms.

The hedge accounting relationships that are affected by the adoption of the temporary exceptions are presented in the balance sheet in note 5, 'Derivatives Financial Instruments'.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

38.7: Other price risks

The Company has a small amount of investment in equity instruments, price risk of which is not considered material.

38.8: Credit risk management

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company consider the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is significant increase in credit risk, it considers reasonable and supportive forward looking information such as:

(i) Actual or expected significant adverse change in business.

(ii) Actual or expected significant changes in the operating results of the counterparty.

(iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation.

(iv) Significant increase in credit risk and other financial instruments of the same counterparty.

(v) Significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.

Credit risk is managed through approvals, establishing credit limits, continuous monitoring of creditworthiness of customers to which the company grants credit terms in the normal course of business. The company also assesses the financial reliability of customers taking into account the financial condition, current economic trends and historical bad debts and ageing of accounts receivables.

The Company's major exposure is from lease receivables from Ministry of Railways, Government of India and loans to Rail Vikas Nigam Limited and IRCON International Limited which are under the control of Ministry of Railways. There is no credit risk on lease receivables being due from sovereign. With respect to loan given to Rail Vikas Nigam Limited and IRCON International Limited, the company consider the Reserve Bank of India directions in terms of its circular no. RBI/2017-18/181_DNBR (PD) CC. No. 092/03.10.001/2017-18 dated 31-May-2018 read with letter no. DNRB (PD). CO.No.1271/03.10.001/2018-19 dated 21-December-2018, to be adequate compliance with the impairment norms as per Ind AS 109, Financial Instruments, as IRCON International Limited and Rail Vikas Nigam Limited, both, are under Ministry of Railways, Government of India and the Company do not expect any concern in the repayment of aforesaid loans.

38.9: Liquidity risk management

Liquidity risk is defined as the potential risk that the Company cannot meet the cash obligations as they become due.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short, medium, and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Besides, there is a provision in the lease agreements with the Ministry of Railways (MOR) whereby MOR undertakes to provide lease rentals in advance (to be adjusted from future payments) in case the Company doesn't have adequate liquidity to meet its debt service obligations.

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Liquidity and interest risk tables

The following tables detail the company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the company may be required to pay.

Particulars	0-1 year	1-3 years	3-5 years	5+ years	Total	Recognition of borrowings at unamortised cost using effective interest rate method	Fair value hedge adjustment-recoverable from Ministry of Railways	Carrying Amount(Balance Sheet amount as per IND AS
31 March 2022								
Trade Payables-Other Payables	245.71	-	-	-	245.71	-	-	245.71
-Lease Liabilities	122.05	94.72	5.31	11.44	233.52	-	-	233.52
Other Financial Liabilities	**1,86,806.94**	**3,984.54**	**3,460.48**	**-**	**1,94,251.96**	**-**	**-**	**1,94,251.96**
-Interest accrued but not due	98,191.31	3,984.54	3,460.48	-	1,05,636.33	-	-	1,05,636.33
-Amount payable to Ministry of Railways	88,487.86	-	-	-	88,487.86	-	-	88,487.86
-Liability for unclaimed dividend	9.96	-	-	-	9.96	-	-	9.96
-Security Deposits	0.19	-	-	-	0.19	-	-	0.19
-Unclaimed mature debentures and interest accrued thereon	117.62	-	-	-	117.62	-	-	117.62
Debt Securities	**59,445.50**	**2,08,429.66**	**1,38,363.91**	**15,36,610.46**	**19,42,849.53**	**(1,054.27)**	**(45.73)**	**19,41,749.53**
-Bonds in Domestic Market	59,445.50	1,70,344.66	1,38,363.91	13,27,142.96	16,95,297.03	(805.64)	-	16,94,491.39
-Commercial Paper	-	-	-	-	-	-	-	-
-Bonds in Overseas Market	-	38,085.00	-	2,09,467.50	2,47,552.50	(248.63)	(45.73)	2,47,258.14
Borrowing (Other than Debt Securities)	**1,04,847.35**	**66,470.60**	**1,86,170.51**	**15,95,206.50**	**19,52,694.96**	**(6,266.88)**	**(4,011.43)**	**19,42,416.65**
Borrowings in India	1,04,847.35	66,470.60	1,51,645.60	12,02,548.23	15,25,511.78	-	-	15,25,511.78
Borrowings outside India	-	-	34,524.91	3,92,658.27	4,27,183.18	(6,266.88)	(4,011.43)	4,16,904.87
31 March 2021								
Trade Payables-Other Payables	507.61	-	-	-	507.61	-	-	507.61
-Lease Liabilities	112.35	214.82	4.35	14.36	345.88	-	-	345.88
Other Financial Liabilities	**1,37,173.55**	**-**	**-**	**58,855.48**	**1,96,029.03**	**-**	**-**	**1,96,029.03**
-Interest accrued but not due	63,281.79	-	-	58,855.48	1,22,137.27	-	-	1,22,137.27

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for the year ended 31 March 2022

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Particulars	0-1 year	1-3 years	3-5 years	5+ years	Total	Recognition of borrowings at unamortised cost using effective interest rate method	Fair value hedge adjustment-recoverable from Ministry of Railways	Carrying Amount(Balance Sheet amount as per IND AS
-Amount payable to Ministry of Railways	73,796.35	-	-	-	73,796.35	-	-	73,796.35
Liability for unclaimed dividend	7.99				7.99	-	-	7.99
-Liability for matured and unclaimed bonds and interest accrued thereon	86.90	-	-	-	86.90	-	-	86.90
-Earnest Money Deposit	0.52	-	-	-	0.52	-	-	0.52
Debt Securities	**1,36,128.65**	**2,60,022.11**	**81,165.87**	**13,09,573.46**	**17,86,890.09**	**(1,142.20)**	**-**	**17,85,747.89**
-Bonds in Domestic Market	1,07,158.38	2,23,067.11	81,165.87	11,43,275.96	15,54,667.32	(915.14)	-	15,53,752.18
-Commercial Paper	28,970.27	-	-	-	28,970.27	-	-	28,970.27
-Bonds in Overseas Market	-	36,955.00	-	1,66,297.50	2,03,252.50	(227.06)	-	2,03,025.44
Borrowing (Other than Debt Securities)	**73,201.77**	**53,702.80**	**1,00,491.23**	**12,26,465.39**	**14,53,861.19**	**(5,362.81)**	**(3,139.48)**	**14,45,358.90**
Borrowings in India	72,980.04	53,702.80	86,970.60	8,96,814.60	11,10,468.04	-	-	11,10,468.04
Borrowings outside India	221.73	-	13,520.63	3,29,650.79	3,43,393.15	(5,362.81)	(3,139.48)	3,34,890.86

Notes to Financial Statements

for the year ended 31 March 2022

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38.10: Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The objective of hedges is to minimize the volatility of INR cash flows of highly probable forecast transaction.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

As on 31 March 2022

Types of hedge and risks	Nominal value (Foreign Currency) USD/JPY		Carrying/ Fair amount of hedging instruments	Maturity date	Hedge ratio	Weighted average strike price/rate
	No. of Outstanding Contracts	Amount				USD/JPY
Forward Contract						
1. Sell	-	-	-	-	-	-
2. Buy (USD)	4	200.00	-45.73	29 March 2024	1:1	81.81
3. Buy (JPY)	6	32,856.00	-887.57	03 June 2026	1:1	0.8449
Swap Contracts (USD)						
1. Buy	2	291.79	-3,424.97	10 March 2026	1:1	N/A
2. Buy	2	74.07	-899.95	30 March 2026	1:1	N/A
3. Buy	1	25.00	220.42	26 March 2030	1:1	N/A
4. Buy	1	25.00	214.24	26 March 2030	1:1	N/A
5. Buy	1	25.00	222.73	26 March 2030	1:1	N/A
6. Buy	1	25.00	217.73	26 March 2030	1:1	N/A
7. Buy	1	25.00	219.74	26 March 2030	1:1	N/A
8. Buy	1	25.00	208.05	26 March 2030	1:1	N/A
9. Buy	1	25.00	148.03	26 March 2030	1:1	N/A
10. Buy	1	25.00	96.67	26 March 2030	1:1	N/A
11. Buy	1	25.00	64.56	26 March 2030	1:1	N/A

As on 31 March 2021

Types of hedge and risks	Nominal value (Foreign Currency) USD		Carrying amount of hedging instruments	Maturity date	Hedge ratio	Weighted average strike price/rate
	No. of Outstanding Contracts	Amount				USD
Forward Contract						
1. Sell	-	-	-	-	-	-
2. Buy	-	-	-	-	-	-
Swap Contracts						
1. Buy	2	291.79	-2,367.91	10 March 2026	1:1	N/A
2. Buy	2	74.07	-834.11	30 March 2026	1:1	N/A
3. Buy	1	25.00	66.84	26 March 2030	1:1	N/A
4. Buy	1	25.00	62.98	26 March 2030	1:1	N/A
5. Buy	1	25.00	69.51	26 March 2030	1:1	N/A
6. Buy	1	25.00	62.87	26 March 2030	1:1	N/A
7. Buy	1	25.00	64.88	26 March 2030	1:1	N/A
8. Buy	1	25.00	33.80	26 March 2030	1:1	N/A

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(All amounts in millions of INR, unless stated otherwise)

Disclosure of effects of hedge accounting on financial performance

Cash Flow hedge	Opening	Changes during the year	Closing	Receivables/ (Payables) from MOR	Impact on financial performance
31 March 2022	298.34	112.75	411.09	(112.75)	-
31 March 2021	(974.93)	1,273.27	298.34	(1,273.27)	-

Note 39: Capital Funds, Risk Weighted Assets and Capital Risk Adjusted Ratio (CRAR), Liquidity Coverage Ratio of Company are given below:

Particulars	As at 31 March 2022	As at 31 March 2021
Capital Fund-Tier I	4,09,942.53	3,59,049.13
Capital Fund-Tier II	-	-
Risk weighted assets along-with adjusted value of off balance sheet items	93,225.83	85,394.56
CRAR		
CRAR-Tier I Capital	439.73%	420.46%
CRAR-Tier II Capital	NA	NA
Liquidity Coverage Ratio with total Weighted value	0.50%	3.13%
Liquidity Coverage Ratio with total Unweighted value	0.58%	3.60%
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

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Note 40: The particulars of loans given as required to be disclosed by section 186 (4) of Companies Act, 2013 are as below:

S.No.	Name of Party	As at 31 March 2022				As at 31 March 2021			
		Amount of loan outstanding	Loan Given during the year	Terms	Purpose of Utilization by Recipient	Amount of loan outstanding	Loan Given during the year	Terms	Purpose of Utilization by Recipient
1	Rail Vikas Nigam Limited (RVNL)-I	39,556.00	7,000.00	3 + 12 years	Regular Project Work	41,858.86	14,296.90	3 + 12 years	Regular Project Work
2	IRCON International Limited	12,306.14	-	5 years	Station Development	18,459.20	-	5 years	Station Development
3	Rail Vikas Nigam Limited (RVNL)-II	9,660.00	-	3 + 12 years	Regular Project Work	9,660.00	-	3 + 12 years	Regular Project Work
	Total	61,522.14	7,000.00			69,978.06	14,296.90		

Note 41: Other Disclosures

(a) Lease rental is charged on the assets leased from the first day of the month in which the Rolling Stock assets have been identified and placed on line as per the Standard Lease Agreements executed between the Company and MOR from year to year.

(b) Ministry of Railways (MOR) charges interest on the value of the assets identified prior to the payments made by the Company, from the first day of the month in which the assets have been identified and placed on line to the first day of the month in which the money is paid to the MOR. However, no interest is charged from the MOR on the amount paid by the company prior to identification of Rolling stock by them.

(c) (i) Interest rate variation on the floating rate linked rupee borrowings and interest rate and exchange rate variations on interest payments in the case of foreign currency borrowings are adjusted against the lease income/ pre-commencement lease income in terms of the variation clauses in the lease agreements for Rolling Stock/ memorandum of understanding (MoU) for funding of Infrastructure assets executed with the Ministry of Railways. During the year ended 31 March 2022, such differential has resulted in an amount of Rs. 1,453.75 millions refundable by the Company (31 March 2021: Rs. 1198.93 millions accruing to the Company) which has been accounted for in the lease income/pre-commencement lease income.

(ii) In respect of foreign currency borrowings, which have not been hedged, variation clause have been incorporated in the lease agreements specifying notional hedging cost adopted for working out the cost of funds on the leases executed with MOR. Hedging cost in respect of these foreign currency borrowings is compared with the amount recovered by the company on such account on notional cost basis and accordingly, the same is adjusted against the lease income. During the year ended 31 March 2022 in respect of these foreign currency borrowings, the Company has recovered a sum of Rs. 14,117.53 millions (31 March 2021: Rs.5,254.72 millions) on this account from MOR against a sum of Rs. NIL millions (31 March 2021 :Rs. NIL millions) incurred towards hedging cost and the balance amount of Rs. 14,117.53 millions (31 March 2021: Rs. 5,254.72 millions) is refundable from MOR.

(d) For computing the Lease Rental in respect of the rolling stock assets acquired and leased to the Ministry of Railways amounting to Rs. 2,74,839.73 millions during the year ended 31st March 2022 (Previous year ended 31 March 2021: Rs. 2,85,610.85 millions), the Lease Rental Rate and the Internal Rate of Return have been worked out with reference to the average cost of incremental borrowings made during the current year plus the margin equivalent to the margin as decided for the financial year 2021-22. The lease agreement in respect of these assets will be executed in due course of time.

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Note 42:

(a) (i) The Reserve Bank of India has issued Master Direction – Non- Banking Financial Company- Systemically Important Non Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 vide notification DNBR. PD.008/03.10.119/2016-17 dated 1st September 2016 as amended from time to time have become mandatory with effect from 31 May 2018. The Reserve Bank of India has granted exemption to the Company in respect of classification of asset, provisioning norms and credit concentration norms to the extent of direct exposure to sovereign.

(a) (ii) Till the financial year 2017-18, the Company, being a government NBFC, was exempt from creation and maintenance of Reserve Fund as specified u/s 45-IC of Reserve Bank of India Act, 1934. However, the said exemption has been withdrawn by the Reserve Bank of India (RBI) vide Notification No. DNBR (PD) CC.NO.092/0310.001/2017-18 dated 31st May 2018. Accordingly, the Company is now creating the Reserve Fund as required u/s 45IC of RBI Act, 1934, wherein at least 20% of net profit every year will be transferred before the declaration of dividend. No appropriation is allowed to be made from the reserve fund except for the purpose as may be specified by the Bank from time to time and further, any such appropriation is also required to be reported to the Bank within 21 days from the date of such withdrawal.

The Company created a reserve of Rs.12179.67 millions as on 31st March 2022 (Rs. 8832.26 in 31 March 2021) u/s 45IC.

Note 43:

i The Finance Act, 2001 provides for levy of service tax on the finance and interest charges recovered through lease rental instalments on the Financial Leases entered on or after 16-07-2001. The Central Government vide Order No.1/1/2003-ST dated 30 April 2003 and subsequent clarification dated 15-12-2006 issued by Ministry of Finance has exempted the Lease Agreements entered between the Company and Ministry of Railways from levy of Service Tax thereon u/s 93(2) of Finance Act, 1994.

ii The GST Council in their meeting held on 19 May 2017 has exempted the services of leasing of assets (rolling stock assets including wagons, coaches, locos) by Indian Railways Finance Corporation to Indian Railways from the levy of Goods & Service Tax (GST), Notification No. 12/2017 (Heading 9973) which has been made applicable with effect from 1 July 2017. Vide notification no. 07/2021 dated 30.09.2021 issued by Ministry of Finance, the said GST exemption on leasing of rolling stock by Indian Railways Finance Corporation to Indian Railways is withdrawn w.e.f. 1 October 2021.

iii. The Company had deposited a sum of Rs.14,664.47 million towards GST under reverse charge mechanism for funds transferred to MoR for making payments on behalf of Company to contractors for construction of projects for the period from November 2017 to June 2018. As opined by the tax consultant, the above transaction did not involve any supply from MoR to the Company and accordingly, no GST under RCM was payable by the Company and hence, refund applications were filed with the GST department for the refund of the said deposit of Rs 14,664.47 millions. However, vide orders dated 22 September 2020 and 30 September 2020, the said refund applications have been rejected by the additional commissioner (Department of Trade and Taxes), GNCT of Delhi. The Company has filed 6 appeals before first appellate authority through its attorney, New Delhi against the rejection of refund orders on 24 December 2020 and 29 December 2020.

In the ultimate event of non-admissibility of refund claims by the GST department, the amount would be adjusted by the Company against the GST liability on lease rentals from infrastructure assets to be leased to MoR or other GST liability in future.

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Note 44:

Increase/(Decrease) in liability due to exchange rate variation on foreign currency loans for purchase of leased assets/creation of Infrastructure assets amounting to Rs. 11,188.84 millions (31 March 2021 : (Rs. 3,009.70 million)) has not been charged to the Statement of Profit and Loss as the same is recoverable from the Ministry of Railways (lessee) separately as per lease agreements in respect of rolling stock assets/memorandum of understanding (MoU) for funding of Infrastructure assets to be leased. The notional hedging cost on external commercial borrowings inbuilt into the Lease Rentals amounting to Rs. 16,441.20 millions (31 March 2021 : Rs. 8,145.93 millions) is refundable to Ministry of Railways for the year ended 31 March 2022. Further, a sum of Rs. 105.87 Millions (31 March 2021 : Rs. 106.82 millions) has been recovered towards crystallised exchange rate variation on foreign currency loans repaid during the year ended 31st March 2022. The amount recoverable from MoR on account of exchange rate variation net of notional hedging cost and crystallised exchange rate variation is Rs. 11,448.24 million (31 March 2021: Rs. 5,796.59 million).

Effective portion of (loss)/gain on account of decrease/increase in the fair value of the derivative assets (hedging instruments) amounting to Rs. 112.75 million for the year ended 31st March 2022 (31st March 2021 : Rs.1,273.27 million) classified as cash flow hedges has not been recognised in the other comprehensive income as the same is recoverable/refundable to the MOR (Lessee) since the derivatives have been contracted to hedge the financial risk of MOR (Lessee).

Note 45:

The Ministry of Railways (MOR) vide letter dated 23 July 2015 had authorized the Company to draw funds from Life Insurance Corporation of India (LIC) in consultation with MOR for funding of Railway Projects in line with finance leasing methodology adopted by Company for funding Railway Projects in past. In addition to funds raised from LIC, the Company has also funded MoR from other borrowings and internal accruals. Pending execution of the Lease Documents, the Company had entered into a Memorandum of Understanding with the Ministry of Railways on 23 May 2017 containing principal terms of the lease transactions. The Company has now entered into a fresh Memorandum of Understanding with Ministry of Railways on 2 March 2021 superseding all te earlier MoU's/ arrangement's.

The Lease Agreement(s) for Project assets funded under EBR IF 2015-16 and National Projects 2018-19 between MOR and the Company with respect to aforesaid infrastructure assets have been executed on 28th March 2022. The accounting as per Ind AS 116 has been carried out for the same during the current financial year.

During the year ended 31 March 2022 a sum of Rs. 80,724.51 millions (31 March 2021: Rs. 64,704.73 millions) incurred by the Company on account of interest cost on the funds borrowed for the purpose of making aforesaid advances has been capitalised and added to the 'Project Infrastructure Asset under Finance Lease Arrangements-EBR-IF' , 'Project Infrastructure Asset under Finance Lease Arrangements-EBR Special' and 'Advance funding against National Project'. The same would be recovered through lease rentals in future over the life of the leases as per lease agreement(s) to be entered. Details are as under:

Project Infrastructure Asset under Finance Lease Arrangements-EBR-IF

Particulars	As at 31 March 2022	As at 31 March 2021
Opening Balance	13,07,795.17	10,31,195.28
Add: Advance paid against infrastructure assets to be leased	3,10,631.09	2,18,396.80
Add: Borrowing cost capitalised on borrowed funds	45,512.80	58,194.97
Add: Exchange variation to be recoverable from MOR	81.39	8.12
Add: Transfer from Project Infrastructure Asset under Finance Lease Arrangements-EBR-Special	356.51	
Total	**16,64,376.96**	**13,07,795.17**
Less: Transferred to Lease Receivables	(1,54,430.39)	-
Total	**15,09,946.57**	**13,07,795.17**

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Project Infrastructure Asset under Finance Lease Arrangements-EBR-Special

Particulars	As at 31 March 2022	As at 31 March 2021
Opening Balance	5,07,088.39	-
Add: Advance paid against infrastructure assets to be leased	-	5,05,509.51
Add: Borrowing cost capitalised on borrowed funds	33,441.71	1,578.88
Total	**5,40,530.10**	**5,07,088.39**
Less: Transferred to Project Infrastructure Assets under leasing arrangement	-	-
Less: Transfer to Project Infrastructure Asset under Finance Lease Arrangements-EBR-IF	(356.51)	-
Total	**5,40,173.59**	**5,07,088.39**

National Projects

Particulars	As at 31 March 2022	As at 31 March 2021
Opening Balance	84,815.82	79,884.94
Add: Advance funding against National Project	-	-
Add: Borrowing cost capitalised during the year on borrowed funds	1,770.00	4,930.88
Total	**86,585.82**	**84,815.82**
Less: Transferred to Lease Receivables	(59,502.20)	-
Total	**27,083.62**	**84,815.82**

Capitalisation rate used to determine the borrowing cost for 'Advance against Railway Infrastructure Projects to be leased' & Advance against Railway Infrastructure Projects – Special - to be leased' & 'National Projects':

Particulars	As at 31 March 2022	As at 31 March 2021
Capitalisation rate	4.62%	5.95%

Note 46:

(a) Reconciliation with Ministry of Railways (MOR)

The Company has completed reconciliation with Ministry of Railways, Government of India (MoR) upto 31 March 2019. The Reconciliation for the financial year 2019-20 and 2020-21 are in process. The Reconciliation could not be completed earlier owing to the unprecedented situation arising out of Covid 19. The Company has carried out adjustment in the financial statement of the year 2020-21 as per Ind AS 8, Accounting Policies, Changes in Accounting Estimates & Errors as under:

Particular	Impact on Profit Before Tax being Decrease in Profits	Impact u/s 115JB of the Income – tax Act, 1961	Impact on Other Equity as on 31st March 2020
As on 1st April 2019	(2,067.90)	444.36	(1,623.54)
For the year ended 31 March 2020	(5,003.28)	Nil*	(5,003.28)
Grand Total	**(7,071.18)**	**444.36**	**(6,626.82)**

*IRFC has opted for taxation under section 115BAA of the Income Tax Act, 1961 for financial year 2019-20 & onwards. Hence, the provisions of minimum alternate tax under section 115JB of the Income Tax Act, 1961 are no longer applicable to the Company.

The disbursement to MOR for project infrasturure assets for which Lease Agreements are yet to be executed is Rs. 18,96,207.56 millions against which utilistation of Rs. 19,29,075.32 million has been received from MoR till 31st March 2022.

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(b) Estimation of uncertainty relating to the Global Health Pandemic COVID-I9

The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has adopted measures to curb the spread of infection in order to protect the health of our employees and ensure business continuity with minimal disruption.

The Company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there is no significant Impact on its financial results. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue monitoring any material changes to future economic conditions.

Note 47:

(a) The Company discharges its obligation towards payment of interest and redemption of bonds, for which warrants are issued, by depositing the respective amounts in the designated bank accounts. Reconciliation of such accounts is an ongoing process and has been completed upto 31 March 2022. The Company does not foresee any additional liability on this account. The total balance held in such specified bank accounts as on 31 March 2022 is Rs. 117.62 millions (31 March 2021: Rs. 86.90 millions).

(b) The Company is required to transfer any amount remaining unclaimed and unpaid in such interest and redemption accounts after completion of 7 years to Investor Education Protection Fund (IEPF) administered by the Ministry of Corporate Affairs, Government of India. During the year ended 31 March 2022, a sum of Rs.5.30 millions was deposited in IEPF (31 March 2021: Rs. 0.15 million)

Note 48:

The Company, in the earlier years, had executed Asset Securitisation Transactions by securitising an identified portion of future lease rentals originating on its assets leased to Ministry of Railways. As part of the securitisation transaction, future lease rentals were transferred to a bankruptcy remote Special Purpose Vehicle (SPV) which, in turn, issued Pass Through Certificates (PTCs) to the investors. The lease receivables, accordingly, were derecognised in the books of account of the company.

In terms of the Reserve Bank of India (RBI) Guidelines on Minimum Retention Requirement issued by the Reserve Bank of India as applicable to the Non-Banking Finance Companies, the company being the originator, had opted to retain a minimum of 5% of the book value of the receivables being securitised. Accordingly, the Company had invested Rs. 169.77 millions in the Pass Through Certificates (PTCs) issued by the 'Special Purpose Vehicle' towards Minimum Retention Requirement. Out of the amount invested in Pass Through Certificates (PTCs), Rs. 166.84 millions have matured till 31 March 2022 (31 March 2021: Rs. 157.63 millions) leaving a balance of Rs. 2.93 millions (31 March 2021: 12.14 millions). Details of the amount invested in Pass Through Certificates (PTCs) and outstanding as on 31st March 2022 is as follows:

As on 31 March 2022

Series	Date of Maturity	Nos of PTC	Face value per PTC	Total amount
W	15-Apr-22	5	0.59	2.93
Total *		**5**		**2.93**

*Impairment loss as per Ind AS 109 has been made for an amount of Rs. 0.01 millions

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

As on 31 March 2021

Series	Date of Maturity	Nos of PTC	Face value per PTC	Total amount
U	15-Apr-21	5	0.94	4.71
V	15-Oct-21	5	0.90	4.50
W	15-Apr-22	5	0.59	2.93
Total*		**15**		**12.14**

*Impairment loss as per Ind AS 109 has been made for an amount of Rs. 0.05 millions

Note 49: Corporate Social Responsibility

As per Section 135 of Companies Act 2013 a Corporate Social responsibility Committee has been formed by the Company. During the year the Company has undertaken Corporate Social Responsibility activities as approved by the CSR Committee which are specified in Schedule VII of the Companies Act 2013.

Ministry of Corporate Affairs (MCA) has notified the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("amendment") and had also notified the effective date as 22.01.2021 for the amendments of section 135 of the Companies Act made vide companies Amendment Act, 2019 and Companies Amendment Act, 2020.

In accordance with the amendment under the said notifications, any unspent CSR amount, other than for any ongoing project, shall be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Any unspent amount pursuant to any ongoing project must be transferred to unspent CSR Account in any scheduled bank within a period of thirty days from the end of the financial year, to be utilised within a period of three financial years, failing which it shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year. Further, if the company spends an amount in excess of the requirement under statute, the excess amount may be set off for three succeeding financial years against the amount to be spent.

The Company is complying with the aforesaid amended provisions of Section 135 of the Companies Act, 2013. Accordingly, the company created provision towards unspent amount for ongoing projects amounting to Rs.250.42 million for the FY 2021-22 (Rs. 197.71 million in FY 2020-21).

i) Gross amount paid by the company for the year ended 31.03.2022 is Rs 700.30 million (Rs. 250.12 million pertains to prior years) ; 31/03/2021 Rs. 729.18 million (Rs. 314.06 million pertains to prior years) ; Gross amount required to be spent for the year ended 31.03.2022 Rs.700.60 million against which the Board approved total CSR projects for amounting to Rs.700.60 million (As on 31/03/2021, Gross amount required to be spent by the company was Rs. 612.30 million against which the Board approved total CSR projects for amounting to Rs.612.83 million). As on 31.03.2022, CSR Unspent amount allocated towards various CSR Projects for the Financial Year(s) 2018-19, 2019-20, 2020-21 and 2021-22 are Rs.86.97 million, Rs. 96.12 million, Rs. 189.36 million and 250.42 million respectively.

ii) Amount spent during the year on:

As on 31 March 2022

Sl. No	Particulars	In cash	Yet to be paid in cash	Total
i)	**Construction/Acquisition of any assets**			-
ii)	**On Purpose other than (i) above**	700.30	256.29	956.59
iia)	Sanitation and safe drinking water (Item No. (i) of Schedule - VII)	20.00	-	20.00
iib)	Health Care (Item No. (i) of Schedule - VII)	46.44	188.16	234.61
iic)	Promoting Education (Item No. (ii) of Schedule – VII)	14.68	34.13	48.81
iid)	Social Welfare (Item No.(iii) of Schedule-VII)	-	-	-

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Sl. No	Particulars	In cash	Yet to be paid in cash	Total
iie)	Forest & Environment, animal welfare etc. (Item No. (iv) of Schedule-VII)	2.10	24.00	26.09
iif)	Contribution to 'Clean Ganga Fund' (Item No.(iv) of Schedule-VII)	30.00	-	30.00
iig)	Ensuring environment sustainability item No. (iv) of Schedule - (VII)	-	-	-
iih)	Measures for armed forces veterans, (Item No. (vi) of ScheduleVII)	-	10.00	10.00
iii)	Contribution to the prime minister's CARE fund (Item No (viii) of Schedule-VII)	587.08	-	587.08
Grand Total (i+ii)		**700.30**	**256.29**	**956.59**

Details in respect of amount deposited in Specified Fund of Schedule VII , for the financial years per section 135 (5) of the Companies Act, 2013.

Opening Balance	Amount deposited in Specified Fund of Schedule VII within 6 Months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
Nil	Nil	700.60	700.60	Nil

Details in respect of excess amount spent for the financial year as per section 135 (5) of the Companies Act, 2013.

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
Nil	700.60	700.60	

Details in respect of excess amount spent for the financial year as per section 135 (5) of the Companies Act, 2013.

Opening Balance		Amount required to be spent during the year	**Total Transferred to Separate CSR Unspent Bank Account	Amount spent during the year		Closing Balance	
*with company	In Separate CSR Unspent A/c			From Company's Bank A/c	From Separate CSR unspent A/c	with company	In separate CSR unspent A/c
197.18	Nil	700.60	467.15	450.18	66.51	250.42	400.64

*Gross amount required to be spent for the year ended 31.03.2022 Rs.700.60 million against which the Board approved total CSR projects for amounting to Rs.700.60 million against which Rs. 450.18 million paid in the financial year and balancing Rs. 250.42 million CSR Unspent amount against ongoing projects for the financial year is transferred to separate bank A/c on 30 April 2022. Whereas Gross amount required to be spent for the year ended 31 March 2021 Rs 612.30 million against which the Board approved total CSR projects for amounting to Rs 612.83 million against which Rs 415.12 million paid in the financial year and balancing Rs 197.71 million CSR Unspent amount against ongoing projects for the financial year is transferred to separate bank A/c on 30 April 2021

**Includes unspent amount for 2018-19 (Rs 173.32 Million), for 2019-20 (Rs 96.12 Million) and for 2020-21 (Rs 197.71 Million).

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

As on 31 March 2021

Sl. No	Particulars	In cash	Yet to be paid in cash	Total
i)	**Construction/Acquisition of any assets**	-	-	-
ii)	**On Purpose other than (i) above**	**720.09**	**214.35**	**934.44**
iia)	"Sanitation and safe drinking water (Item No. (i) of Schedule - VII)"	-	-	-
iib)	"Health Care (Item No. (i) of Schedule – VII"	25.87	50.93	76.80
iic)	"Promoting Education (Item No. (ii) of Schedule – VII"	13.84	0.12	13.96
iid)	"Forest & Environment, animal welfare etc. (Item No. (iv) of Schedule-VII)"	232.63	163.30	395.93
iie)	"Contribution to 'Clean Ganga Fund' (Item No.(iv) of Schedule-VII)"	-	-	-
iif)	"Ensuring environment sustainability (item No. (iv) of Schedule - (VII)"	-	-	-
iig)	"Measures for armed forces veterans, (Item No. (vi) of ScheduleVII)"	10.00	-	10.00
iih)	Contribution to the prime minister's national relief fund (Item No (viii) of Schedule-VII)*	437.75	-	437.75
Grand Total (i+ii)		**720.09**	**214.35**	**934.44**

Details in respect of amount deposited in Specified Fund of Schedule VII , for the financial years per section 135 (5) of the Companies Act, 2013.

Opening Balance	Amount deposited in Specified Fund of Schedule VII within 6 Months	Amount required to be spent during the year	*Amount spent during the year	Closing Balance
Nil	Nil	612.30	612.83	Nil

*excess amount spent against the statutory requirement is Rs.0.53 million

Details in respect of excess amount spent for the financial year as per section 135 (5) of the Companies Act, 2013.

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
Nil	612.30	612.83	0.53

Details in respect of ongoing projects for the financial year as per section 135 (5) of the Companies Act, 2013.

Opening Balance		Amount required to be spent during the year	Transferred to Separate CSR Unspent Bank Account	Amount spent during the year		Closing Balance	
with company	In Separate CSR Unspent A/c			From Company's bank A/c	From Separate CSR Unspent A/c	*with Company	In Separate CSR Unspent A/c
Nil	Nil	612.30	Nil	415.12	Nil	197.18	Nil

*Gross amount required to be spent for the year ended 31.03.2021 Rs.612.30 million against which the Board approved total CSR projects for amounting to Rs. 612.83 million against which Rs. 415.12 million paid in the financial year and balancing Rs. 197.71 million CSR Unspent amount against ongoing projects for the financial year is transferred to separate bank A/c on 30 April 2021

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for the year ended 31 March 2022

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Additional requirement in pursuant to schedule III of the companies act 2013.

Sl. No	Particulars	As at 31 March 2022	As at 31 March 2021
(a)	**Amount required to be spent by the company during the year**	700.60	612.83
(b)	**Amount of expenditure incurred,**	700.60	612.83
(c)	Shortfall at the end of the year,	-	-
(d)	Total of previous years shortfall	-	-
(e)	Reason for shortfall	Not Applicable	
(f)	Nature of CSR activities	Promoting Healthcare & Education, Measures for the benefit of armed forces and Environment Sustainability.	
(g)	Details of related party transactions	Not Applicable	
(h)	Movements in provision with respect to a liability incurred by entering into a contractual obligation during the year is as under:		
	Particulars	**Amount in Million**	**Amount in Million**
	Opening Balance	314.95	111.35
	Add: Provisions made during the year	304.04	253.83
	Less: Provision withdrawn during the year	(72.78)	(50.23)
	Closing Balance	**546.21**	**314.95**

Note 50: Interest on deposit & Investment include Tax Deducted at Source amounting to Rs. 5.87 millions for the year ended 31 March 2022 (31 March 2021: Rs 0.45 Millions). Ministry of Railways has also deducted tax at source amounting to Rs. Nil millions (31 March 2021: Rs. 3,232.85 millions) on lease rentals.

Note 51: Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	As at 31 March 2022	As at 31 March 2021
Principal amount remaining unpaid as at year end	10.20	3.78
Interest due thereon remaining unpaid as at year end	-	-
Interest paid by the company in terms of Section 16 of MSME Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
Interest due and payable for the period of delay in making payment but without adding the interest specified under MSME Development Act, 2006.	-	-
Interest accrued and remaining unpaid as at year end.	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises.	-	-

Note 52: In respect of physical verification of assets given on lease, Ministry of Railways (Lessee) is required to maintain the leased assets in good working condition as per laid down norms, procedures and standards, as detailed & agreed in standard lease agreement. In the opinion of the management, the aforesaid system is satisfactory considering the fact that the assets are maintained and operated by the Central Government.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

53.1 Related party disclosures

Related parties and their relationships

i. Transaction with Key Management personnel

Key Management Personnel

Relationship:

As on 31.03.2022

Designation	Name	Period
Chairman & Managing Director	Sh. Amitabh Banerjee	(From 12 October 2019)*
Director - Finance	Ms. Shelly Verma	(From 1 September 2020)
Govt Nominee Director	Sh. Baldeo Purushartha	(From 03 June 2020)
Govt Nominee Director	Sh. Bhaskar Choradia	(From 27 November 2020)
Non- Official Independent Director	Sh. Ashok Kumar Singhal	(From 20 July 2018 to 20 July 2021)**
Non- Official Independent Director	Sh. Vallabhbhai Maneklal Patel	(From 10 November 2021)
Non- Official Independent Director	Smt. Sheela Pandit	(From 22 November 2021)
Company Secretary	Sh. Vijay Babulal Shirode	(From 9 March 2018)

*Shri Amitabh Banerjee was appointed as Managing Director on the IRFC Board on 12th October, 2019. He took over the charge of Chairman & Managing Director on the IRFC Board on 21st May, 2020.

**Sh. Ashok Kumar Singhal ceased to be Non official Independent Director of IRFC w.e.f 20th July 2021 due to completion of his tenure.

As on 31.03.2021

Designation	Name	Period
Chairman & Managing Director	Sh. Amitabh Banerjee	(From 12 October 2019)*
Director - Finance	Sh. Niraj Kumar	(From 1 July 2015 to 31st July 2020)**
Director - Finance	Ms. Shelly Verma	(From 1 September 2020)***
Govt Nominee Director	Shri Anand Prakash	(From 22 July 2020 to 26 October 2020)****
Govt Nominee Director	Sh. Baldeo Purushartha	(From 03 June 2020)
Govt Nominee Director	Sh. Bhaskar Choradia	(From 27 November 2020)
Non- Official Independent Director	Smt. Aditi Sengupta Ray	(From 19 September 2017 to 18 September 2020)*****
Non- Official Independent Director	Shri. Chetan Venugopal	(From 08 March 2018 to 07 March 2021)******
Non- Official Independent Director	Sh. Ashok Kumar Singhal	(From 20 July 2018)
Company Secretary	Sh. Vijay Babulal Shirode	(From 9 March 2018)

*Shri Amitabh Banerjee was appointed as Managing Director on the IRFC Board on 12th October, 2019. He took over the charge of Chairman & Managing Director on the IRFC Board on 21st May, 2020.

**Shri Niraj Kumar was superannuated as on 31st July 2020.

***Mrs. Shelly Verma has been appointed as Director Finance from 1st September 2020

****Sh. Anand Prakash ceased to be Govt. Nominee Director w.e.f 26th October 2020 as per MoR Order dated 26.10.2020.

*****Smt. Aditi Sengupta Ray ceased to be Non official Independent Director of IRFC w.e.f 18 September 2020 due to completion of her tenure.

******Shri. Chetan Venugopal ceased to be Non official Independent Director of IRFC w.e.f 07 March 2021 due to completion of his tenure.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Transactions:

Particulars	As at 31 March 2022	As at 31 March 2021
Salary/Allowances	14.13	12.46
Reimbursments	0.56	0.42
Incentives	5.63	2.54
Sitting Fees	0.82	1.36
Totals	**21.14**	**16.78**

ii. Details of significant transactions and outstanding balances with Ministry of Railways are as under

Particulars	As at 31 March 2022	As at 31 March 2021
Lease Receivables	20,06,924.99	16,55,689.91
Project Infrastructure Asset under Finance Lease Arrangements-EBR-IF	15,09,946.57	13,07,795.17
Project Infrastructure Asset under Finance Lease Arrangements-EBR Special	5,40,173.59	5,07,088.39
Advance for National Project	27,083.62	84,815.82
Interest accrued but not due on advance for railway project to be leased	1,45,867.60	79,282.72
Other (Payable)	(88,487.86)	(73,796.35)
Other Receivables	11,037.15	5,498.25

Particulars	As at 31 March 2022	As at 31 March 2021
- Lease Income	1,30,035.96	1,18,265.62
- Pre-commencement Lease-interest income	66,373.60	33,290.38

53.2 Transaction with Government related entities

i. The Company is a Government related entity as the entire equity shareholding of the Company is held by the President of India through Ministry of Railways, Government of India. The Company is also related to Rail Vikas Nigam Limited and IRCON International Limited which are also government related entities and with whom the Company has transactions. The Company has exempted from disclosure in para 25 of Ind AS 24, 'Related Party Transactions' being a government related entity.

ii. Details of significant transactions with Rail Vikas Nigam Limited and IRCON International Limited .

Particulars	As at 31 March 2022	As at 31 March 2021
- Closing Balances of Loan to Rail Vikas Nigam Ltd	56,216.00	51,518.86
- Closing Balances of Loan to IRCON International Ltd.	12,306.14	18,459.20
- Interest Income received thereon	6,392.05	5,956.70
- Interest Receivables	13,621.66	10,993.24

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note 54: Current and non current classification

As required by the paragraph 61 of Ind As 1, Presentation of financial statements, the classification into current and non current of line item of assets and liabilities as in the balance sheet is as under :

a) Classification of balance sheet as at 31 March 2022

Particulars	As at 31 March 2022		
Line Item	**Amount**	**Current**	**Non-current**
Assets			
Financial Assets			
Cash and cash equivalents	1,464.92	1,464.92	-
Bank balance other than (a) above	1,568.84	1,568.84	-
Derivative financial instruments	2,023.25		2,023.25
Receivables			
- Lease receivables	20,06,924.99	1,53,821.41	18,53,103.58
Loans	68,248.05	8,916.78	59,331.27
Investments	100.03	2.92	97.11
Other financial assets	22,47,779.18	7,452.73	22,40,326.45
Total financial assets	**43,28,109.26**	**1,73,227.60**	**41,54,881.66**
Non-financial assets			
Current tax assets (net)	6,373.08	6,373.08	-
Property, plant and equipment	138.86	-	138.86
Right of Use Assets	224.25	-	224.25
Other Intangible assets	16.51	-	16.51
Other non-financial assets	1,64,940.28	1,64,904.94	35.34
Total non-financial assets	**1,71,692.98**	**1,71,278.02**	**414.96**
Total Assets	**44,99,802.24**	**3,44,505.62**	**41,55,296.62**
Liabilities			
Financial liabilities			
Derivative financial instruments	5,669.33	-	5,669.33
Trade payable	245.71	245.71	(0.00)
Debt securities	19,41,749.53	59,429.90	18,82,319.63
Borrowings (other than debt securities)	19,42,416.65	1,04,847.35	18,37,569.30
Lease Liabilities	233.52	122.05	111.47
Other financial liabilities	1,94,251.96	1,86,806.94	7445.02
Total financial liabilities	**40,84,566.70**	**3,51,451.95**	**37,33,114.75**
Non-financial liabilities			
Provisions	535.71	519.66	16.05
Other non-financial liabilities	4,736.43	4,736.43	-
Total non-financial liabilities	**5,272.14**	**5,256.09**	**16.05**
Total liabilities	**40,89,838.84**	**3,56,708.04**	**37,33,130.80**
Equity			
Equity share capital	1,30,685.06	-	1,30,685.06
Other equity	2,79,278.34	-	2,79,278.34
Total equity	**4,09,963.40**	**-**	**4,09,963.40**
Total Liabilities and Equity	**44,99,802.24**	**3,56,708.04**	**41,43,094.20**

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

b) Classification of balance sheet as at 31 March 2021

Particulars	As at 31 March 2021		
Line Item	**Amount**	**Current**	**Non-current**
Assets			
Financial Assets			
Cash and cash equivalents	2,971.91	2,971.91	-
Bank balance other than (a) above	1,617.33	1,617.33	-
Derivative financial instruments	760.14	-	760.14
Receivables			
- Lease receivables	16,55,689.91	1,29,055.37	15,26,634.54
Loans	69,698.15	8,422.10	61,276.05
Investments	119.82	9.17	110.65
Other financial assets	19,95,580.54	3,821.33	19,91,759.21
Total financial assets	**37,26,437.80**	**1,45,897.21**	**35,80,540.59**
Non-financial assets			
Current tax assets (net)	9,333.87	9,333.87	-
Property, plant and equipment	109.45	-	109.45
Right of Use Assets	343.71		343.71
Other Intangible assets	0.41	-	0.41
Other non-financial assets	68,589.99	68,555.98	34.01
Total non-financial assets	**78,377.43**	**77,889.85**	**487.58**
Total Assets	**38,04,815.23**	**2,23,787.06**	**35,81,028.17**
Liabilities			
Financial liabilities			
Derivative financial instruments	3,601.28	-	3,601.28
Trade payable	507.61	507.61	-
Debt securities	17,85,747.89	1,36,119.71	16,49,628.18
Borrowings (other than debt securities)	14,45,358.90	77,201.36	13,68,157.54
Lease Liabilities	345.88	112.35	233.53
Other financial liabilities	1,96,029.03	1,37,173.55	58,855.48
Total financial liabilities	**34,31,590.59**	**3,51,114.58**	**30,80,476.01**
Non-financial liabilities			
Provisions	291.22	288.13	3.09
Other non-financial liabilities	13,799.60	13,799.60	-
Total non-financial liabilities	**14,090.82**	**14,087.73**	**3.09**
Total liabilities	**34,45,681.41**	**3,65,202.31**	**30,80,479.10**
Equity			
Equity share capital	1,30,685.06	-	1,30,685.06
Other equity	2,28,448.76	-	2,28,448.76
Total equity	**3,59,133.82**	**-**	**3,59,133.82**
Total Liabilities and Equity	**38,04,815.23**	**3,65,202.31**	**34,39,612.92**

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

For the purpose of this note:-

i) The Company classify an assets as current when,

- It expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- It holds the asset primarily for the purpose of trading;
- It expects to realise the asset within twelve months after the reporting period or;
- The asset is cash or a cash equivalents (as defined in Ind AS 7) unless the asset is restricted from been exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non current.

ii) The Company classify a liability as current when,

- It expects to settle the liability in its normal operating cycle;
- It holds the liability primarily for the purpose of trading;
- The liability is due to be settled within twelve months after the reporting period or;
- It does not have an unconditional right to defer settlements of the liability for at least twelve months after the reporting period (see paragraph 73). Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not affects its classification.

All other liabilities are classified as non current.

Note No. 55: Additional Regulatory Information

(i) The Company holds Office building including parking area which has been capitalised from the date of taking possession. However, the sale/transfer deed is still pending for execution in favour of the Company. The required details are as under:

Sl. No.	Relevant line item in the Balance sheet	Gross carrying value	Title deeds held in the name of	Whether title deed holder is promoter, director or relative # of promoter/director or employee of promoter/ director	Description of item of property	Property held since which date	Reason for not being held in the name of the Company**
(a)	Property, Plant and Equipment*	112.32	MMTC Limited and NBCC Limited	No	Upper Ground Floor, East Tower, NBCC Place, Pragati Vihar, Lodhi Road, New Delhi-110003	April 11 2002	Required permission of the Government

*Stamp duty payable on the registration of office building works out to about Rs. 9.15 millions (as certified by approved valuer) (31 March 2021: Rs. 9.15 millions) which will be accounted for on registration.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

(ii) The Company does not hold any Investment Property in its books of accounts, so fair valuation of investment property is not applicable.

(iii) During the year the Company has not revalued any of its Property, plant and equipment.

(iv) During the year, the Company has not revalued any of its Intangible assets.

(v) The Company has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.

(vi) The Company does not hold any Capital Work-in-Progress in its books of accounts, so ageing of Capital Work-in-Progress is not applicable.

(vii) The Company does not hold any Intangible Assets under Development in its books of accounts, so ageing of Intangible Assets under Development is not applicable.

(viii) No proceedings have been initiated or pending against the Company under the Benami Transactions (Prohibition) Act,1988.

(ix) The quarterly returns / statement of current assets filed by the Company with banks / financial institutions are in agreement with the books of accounts.

(x) The Company has not been declared as a wilful defaulter by any bank or financial institution or any other lender.

(xi) Relationship with Struck off Companies

Si. No.	Name of Struck off Company	Nature of transactions	Transactions during the year	Balance outstanding at the end of the year as at March 31, 2022	Relationship with the Struck off Company, if any, to be disclosed
There is no transaction and outstanding balances with struck off companies					

(xii) The Company has no cases of any charges or satisfaction yet to be registered with ROC beyond the statutory time limits.

(xiii) There is no investment made by the Company involving layers as per provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 hence are not applicable to the Company as per Section 2(45) of the Companies Act,2013.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note No. 55:

(xiv) Analytical Ratios

Ratio	Numerator	Denominator	FY 2021-22	FY 2020-21	% Variance	Reason for Variance (if more than 25%)
Capital to risk-weighted asset ratio	Total Capital Fund	Risk weighted assets along-with adjusted value of off balance sheet items	439.73%	420.46%	-4.58	Not Applicable
Tier I CRAR	Capital Fund-Tier I		439.73%	420.46%	-4.58	Not Applicable
Tier II CRAR	Capital Fund-Tier II		0.00%	0.00%	-	Not Applicable
Liquidity Coverage Ratio with total Weighted value	High Quality Liquid Assets (HQLA)	Total Net Cash Outflows (Weighted Value of Total Cash Outflows(-) Minimum of (Weighted Value Total Cash Inflows, 75% of Weighted Value of Total Cash Outflows)	0.50%	3.13%	83.96	Refer to note below*
Liquidity Coverage Ratio with total Unweighted value	High Quality Liquid Assets (HQLA)	Total Net Cash Outflows (Unweighted Value of Total Cash Outflows(-) Minimum of (Unweighted Value Total Cash Inflows, 75% Of Unweighted Value of Total Cash Outflows)	0.58%	3.60%	83.96	Refer to note below*

Note: RBI vide its liquidity framework dated 4 November 2019 has stipulated the implementation of liquidity coverage ratio (LCR) for non-deposit taking NBFCs with asset size of more than Rs. 10,000 crore w.e.f. 1 December 2020. LCR aims to ensure that Company has an adequate stock of unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash easily and immediately to meet its liquidity needs for a 30 calendar day liquidity stress scenario.

However, with reference to the RBI's letter no. S62/21.07.007/2021/22 dated April 26, 2021, IRFC is exempted from applicability of Liquidity Coverage Ratio (LCR) Norms.

(xv) No scheme of Arrangements has been approved by competent authority in terms of sections 230 to 237 of the Companies Act,2013 in respect of the Company.

(xvi) The Company has not provided nor taken any loan or advance to/from any other person or entity with the understanding that benefit of the transaction will go to a third party, the ultimate beneficiary.

(xvii) The Company records all the transaction in the books of accounts properly and has no undisclosed income during the year or in previous years in the tax assessments under the Income Tax Act, 1961.

(xviii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Note 56 SCHEDULE TO THE BALANCE SHEET OF A NON-BANKING FINANCIAL COMPANY AS REQUIRED BY PARA 19 UNDER MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016

(a)

S. No.	Particulars	As at 31 March 2022		As at 31 March 2021	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
Liabilities Side:					
1)	**Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid :**				
	(a) Debentures/ Bonds :				
	- Secured	12,44,110.82	-	13,39,542.75	-
	- Unsecured	6,97,638.71	-	4,17,234.87	-
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans	19,42,416.65	-	14,45,358.90	-
	(d) Inter-corporate loans and Other Borrowings	-	-	-	-
	(e) Commercial Paper	-	-	28,970.27	-
	(f) Public Deposits	-	-	-	-
	(g) Fixed Deposits accepted from Corporates	-	-	-	-
	(h) FCNR Loans	-	-	-	-
	(i) External Commercial Borrowings	-	-	-	-
	(j) Associated liabilities in respect of securitization transactions	-	-	-	-
	(k) Subordinate debt (including NCDs issued through Public issue)	-	-	-	-
	(l) Other Short Term Loans and credit facilities from banks	-	-	-	-
2)	**Break-up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**				
	(a) In the form of Unsecured debentures -	-	-	-	-
	(b) In the form of partly secured debentures i.e. Debentures where there is a shortfall in the value of security	-	-	-	-
	(c) Other public deposits	-	-	-	-
Asset side:					
3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :**				
	(a) Secured	-	-	-	-
	(b) Unsecured	23,15,923.75	-	20,65,127.77	-
4)	**Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities :**				
	(i) Lease assets including lease rentals under sundry debtors :				
	(a) Financial lease	20,06,924.99	-	16,55,689.91	-
	(b) Operating lease	-	-	-	-
	(ii) Stock on hire including hire charges under sundry debtors :				
	(a) Assets on hire	-	-	-	-
	(b) Repossessed Assets	-	-	-	-
	(iii) Other loans counting towards AFC activities:				
	(a) Loans where assets have been repossessed	-	-	-	-
	(b) Loans other than (a) above	-	-	-	-

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

S. No.	Particulars	As at 31 March 2022		As at 31 March 2021	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
5) Break-up of Investments :					
	Current Investments :				
	1. Quoted :				
	(i) Shares:(a) Equity	-	-	-	-
	(b) Preference	-	-	-	-
	(ii) Debentures and Bonds	-	-	-	-
	(iii) Units of mutual funds	-	-	-	-
	(iv) Government Securities	-	-	-	-
	2. Unquoted :				
	(i) Shares: (a) Equity	-	-	-	-
	(b) Preference	-	-	-	-
	(ii) Debentures and Bonds	-	-	-	-
	(iii) Units of mutual funds	-	-	-	-
	(iv) Government Securities	-	-	-	-
	(v) Investments in Pass Through Certificates under securitization transactions	-	-	-	-
	(vi) Commercial Papers	-	-	-	-
	(vii) Investments in Pass Through Certificates	-	-	-	-
	under securitization transactions				
	Long Term Investments :				
	1. Quoted :				
	(i) Shares: (a) Equity	97.11	-	107.73	-
	(b) Preference	-	-	-	-
	(ii) Debentures and Bonds	-	-	-	-
	(iii) Units of mutual funds	-	-	-	-
	(iv) Government Securities	-	-	-	-
	2. Unquoted :				
	(i) Shares:(a) Equity	-	-	-	-
	(b) Preference	-	-	-	-
	(ii) Debentures and Bonds	-	-	-	-
	(iii) Units of mutual funds	-	-	-	-
	(iv) Government Securities	-	-	-	-
	(v) Investments in Pass Through Certificates under securitization transactions	2.93	-	12.14	-

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

(b) Disclosures of Restructured accounts during the year

Sl. No.	Asset Classification		Others				Total
			Standard	Sub-Standard	Doubtful	Loss	
1	Restructured Accounts as on 1 April 2021	No. of borrowers	-	-	-	-	-
		Amount outstanding		-	-	-	-
		Provision thereon		-	-	-	-
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
3	Upgradations	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the year and hence need not be shown as restructured standard advances at the beginning of the next year	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
5	Down gradations of restructured accounts during the year	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
6	Write-offs of restructured accounts during the year	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
7	Restructured Accounts as on 31 March 2022	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

(c) Investments

Particulars			As at 31 March 2022	As at 31 March 2021
1	Value of investments			
	i	Gross value of investments		
		(a) In India	100.04	119.87
		(b) Outside India	-	-
	ii	Provisions for depreciation		
		(a) In India	0.01	0.05
		(b) Outside India	-	-
	iii	Net value of investments		
		(a) In India	100.03	119.82
		(b) Outside India	-	-
2	Movement of provisions held towards depreciation on investments			
	i	Opening balance	0.05	0.09
	ii	Add: Provisions made during the year	(0.04)	(0.04)
	iii	Less: Write-off/ write-back of excess provisions during the year	-	-
	iv	Closing balance	0.01	0.05

(d): Derivatives

A) Forward rate agreement/ Interest rate swap

Particulars		As at 31 March 2022	As at 31 March 2021
i	The notional principal of swap agreements	45,006.37	38,127.76
ii	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	2,023.25	760.14
iii	Collateral required by the NBFC upon entering into swaps	-	-
iv	Concentration of credit risk arising from the swaps	-	-
v	The fair value of the swap book	(2,712.77)	(2,841.14)

B) Exchange Traded Interest Rate (IR) Derivatives

Particulars		As at 31 March 2022	As at 31 March 2021
i	Notional Principal amount of exchange traded IR Derivatives undertaken during the year	-	-
ii	Notional Principal amount of exchange traded IR Derivatives Outstanding	-	-
iii	Notional Principal amount of exchange traded IR Derivatives Outstanding and not highly effective	-	-
iv	Mark to Market Value of exchange traded IR Derivatives outstanding and not highly effective	-	-

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

C) Risk Exposure in Derivatives (currency and interest rate derivatives)

Qualitative disclosure

The Company enters into derivatives for the purpose of hedging and not for trading/speculation purposes.

The Company has framed a risk management policy duly approved by the board in respect of its External Commercial Borrowings (ECBs). A risk management committee comprising the Managing Director and Director Finance has been formed to monitor, analyse and control the currency and interest rate risk in respect of ECBs.

The Company avails various derivative products like currency forwards, Cross Currency swap, Interest rate swap etc. for hedging the risks associated with its ECBs.

Quantitative disclosures

As at 31 March 2022

Sl. No	Particulars	Currency derivatives	Cross Currency & Interest Rate Derivatives	Interest rate derivatives
i	Derivatives (notional principal amount)	44,122.23	31,072.31	13,934.06
	For hedging			
ii	Marked to market positions			
	a) Asset	-	-	411.09
	b) Liability	933.31	3,123.86	-
iii	Credit exposure	4,612.03	5,576.30	550.43
iv	Unhedged exposure	6,38,910.83	-	6,43,663.38

As at 31 March 2021

Sl. No	Particulars	Currency derivatives	Cross Currency & Interest Rate Derivatives	Interest rate derivatives
i	Derivatives (notional principal amount)	-	24,607.13	13,520.63
	For hedging			
ii	Marked to market positions			
	a) Asset	-	-	298.34
	b) Liability	-	3,139.48	-
iii	Credit exposure	-	3,375.92	534.46
iv	Unhedged exposure	-	-	5,22,038.52

D) Derivative Instruments

The Company judiciously contracts financial derivative instruments in order to hedge currency and / or interest rate risk. All derivative transactions contracted by the Company are in the nature of hedging instruments with a defined underlying liability. The Company does not deploy any financial derivative for speculative or trading purposes.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

(a) The Company uses foreign currency forward contracts to hedge its risk associated with foreign currency fluctuations in respect its External Commercial Borrowings.

Outstanding foreign exchange forward contracts entered into by the Company which have been used for hedging the foreign currency risk on repayment of external commercial borrowings (principal portion):

As at 31 March 2022				As at 31 March 2021		
No. of Contracts	Borrowing outstanding in foreign Currency (USD/JPY Million)	Currency	INR equivalent (million)	No. of Contracts	Borrowing outstanding in foreign Currency (USD Million)	INR equivalent (million)
4	200.00	USD	15,234.00	-	-	-
11	32,856.00	JPY	20,590.86	-	-	-

(b) In respect of following External Commercial Borrowings, the Company has executed cross currency swap to hedge the foreign exchange exposure in respect of both principal outstanding and interest payments and converted its underlying liability from one foreign currency to another:

As at 31 March 2022			As at 31 March 2021			Remarks
No. of Contracts	Borrowing outstanding in foreign Currency	Notional USD equivalent	No. of Contracts	Borrowing outstanding in foreign Currency	Notional USD equivalent	
1	JPY 12000 Million	145.90 Million	1	JPY 12000 Million	145.90 Million	Back to back recovery of INR/USD exchanges rate variation from MOR.
1	JPY 3000 Million	37.04 Million	1	JPY 3000 Million	37.04 Million	Back to back recovery of INR/USD exchange rate variation from MOR.
1	USD 25 Million	25 Million	1	USD 25 Million	25 Million	Back to back recovery of INR/USD exchange rate variation from MOR.
1	USD 25 Million	25 Million	1	USD 25 Million	25 Million	Back to back recovery of INR/USD exchange rate variation from MOR.
1	USD 25 Million	25 Million	1	USD 25 Million	25 Million	Back to back recovery of INR/USD exchange rate variation from MOR.
1	USD 25 Million	25 Million	1	USD 25 Million	25 Million	Back to back recovery of INR/USD exchange rate variation from MOR.
1	USD 25 Million	25 Million	1	USD 25 Million	25 Million	Back to back recovery of INR/USD exchange rate variation from MOR.
1	USD 25 Million	25 Million	1	USD 25 Million	25 Million	Back to back recovery of INR/USD exchange rate variation from MOR.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

As at 31 March 2022			As at 31 March 2021			Remarks
No. of Contracts	Borrowing outstanding in foreign Currency	Notional USD equivalent	No. of Contracts	Borrowing outstanding in foreign Currency	Notional USD equivalent	
1	USD 25 Million	25 Million				Back to back recovery of INR/USD exchange rate variation from MOR.
1	USD 25 Million	25 Million				Back to back recovery of INR/USD exchange rate variation from MOR.
1	USD 25 Million	25 Million				Back to back recovery of INR/USD exchange rate variation from MOR.

(c) The foreign currency borrowings which have not been hedged, are as follows:

As at 31 March 2022		As at 31 March 2021		Remarks
No of Contracts	Borrowing outstanding in foreign Currency	No of Contracts	Borrowing outstanding in foreign Currency	
1	REG S/144A Green Bonds USD 500 Million	1	USD 3 Million	Back to back recovery of exchange rate variation from MOR.
1	USD 500 Million	1	USD 500 Million	
1	USD 500 Million	1	USD 500 Million	
1	JPY 26,231.25 Million (Equivalent to USD 250 Million)	1	JPY 26,231.25 Million (Equivalent to USD 250 Million)	
1	JPY 32,856 Million (Equivalent to USD 300 Million)	1	JPY 32,856 Million (Equivalent to USD 300 Million)	
1	USD 300 Million	1	USD 300 Million	
1	USD 700 Million	1	USD 700 Million	
1	USD 75 Million	1	USD 150 Million	
1	JPY 33,189 million (Equivalent to USD 300 Million)	1	JPY 33,189 million (Equivalent to USD 300 Million)	
1	USD 750 Million	1	USD 750 Million	
1	USD 1 Billion	1	USD 1 Billion	
1	USD 2 Billion	1	USD 2 Billion	
1	JPY 35,400.63 Million (Equivalent to USD 325 Million)	1	JPY 35,400.63 Million (Equivalent to USD 325 Million)	
1	SYND Green FCL JPY EQ. USD 400M MAR'22			
1	SYND Green FCL JPY EQ. USD 700M MAR'22			

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

(d) Other than currency forward contracts, the Company also resorts to interest rate derivatives like Cross Currency Interest Rate Swap and Interest Rate Swap for hedging the interest rate risk associated with its external commercial borrowings.

The Company recognizes these derivatives in its Financial Statements at their Fair Values. Further, in view of the fact that these derivatives are Over the Counter (OTC) contracts customized to match the residual tenor and value of the underlying liability, the Company relies on the valuations done by the counter parties to the derivative transactions using the theoretical valuation models.

No. of transaction	Description of Derivative	Notional Principal	Fair Value Asset / (liability) at 31 March 2022	Fair Value Asset / (liability at 31 March 2021
2	Cross Currency Interest Rate Swap (JPY Fixed Interest Rate Liability to USD Floating Rate Liability)	JPY 12 Bn. / USD Mio 145.90; JPY 3 Bn. / USD Mio 37.04	(4,736.02)	(3,500.36)
2	Foreign Currency Interest Rate Swap (Floating Rate USD Libor to Fixed Rate)	JPY 12 Bn. / USD Mio 145.90; JPY 3 Bn. / USD Mio 37.04	411.09	298.34
1	Cross Currency Interest Rate Swap (USD Floating to INR Fixed)	USD 25 Million	220.42	66.84
1	Cross Currency Interest Rate Swap (USD Floating to INR Fixed)	USD 25 Million	214.24	62.98
1	Cross Currency Interest Rate Swap (USD Floating to INR Fixed)	USD 25 Million	222.73	69.51
1	Cross Currency Interest Rate Swap (USD Floating to INR Fixed)	USD 25 Million	217.73	62.87
1	Cross Currency Interest Rate Swap (USD Floating to INR Fixed)	USD 25 Million	219.74	64.88
1	Cross Currency Interest Rate Swap (USD Floating to INR Fixed)	USD 25 Million	208.05	33.80
1	Cross Currency Interest Rate Swap (USD Floating to INR Fixed)	USD 25 Million	148.03	
1	Cross Currency Interest Rate Swap (USD Floating to INR Fixed)	USD 25 Million	96.67	
1	Cross Currency Interest Rate Swap (USD Floating to INR Fixed)	USD 25 Million	64.56	

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

(e) Securitization/Assignments

The Company has not entered into any securitization transaction during the year. However, the Company had entered into two securitization transactions in respect of its lease receivables from MoR on 25 January 2010 and 24 March 2011. As per IND AS 109, financial instruments, the gain on these transactions was recognised in the year of transactions, itself.

A) Securitization of Minimum Retention Requirement

In terms of the Minimum Retention Requirement (MRR) as contained in the draft guidelines issued by RBI in April 2010, the Company had invested 5% of the total securitized amount towards MMR in respect of its second securitization transaction executed in 2011. The present exposure on account of securitization transaction at 31 March 2022 is Rs.2.93 millions (31 March 2021: Rs. 12.14 millions). The details are as below:

Particulars	As at 31 March 2022	As at 31 March 2021
1 No. of SPVs sponsored by the NBFC for securitisation transactions	2	2
2 Total amount of securitised asset as per books of the SPVs sponsored	75.90	513.88
3 Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet *	2.93	12.14
a) Off-balance sheet exposures		
First loss	-	-
Others	2.93	12.14
b) On-balance sheet exposures		
First loss	-	-
Others	-	-
4 Amount of exposures to securitisation transactions other than MRR	NIL	NIL

*Impairment loss as per Ind AS 109 has been made for an amount of Rs. (.01 million) for the year ended 31 March 2022 (31 March 2021: Rs. (0.05 million))

B) Detail of financial assets sold to securitisation/reconstruction company for asset reconstruction

Company has not sold any financial assets to Securitization / Reconstruction Company for asset construction during the year ended on 31 March 2022. (31 March 2021: Rs. NIL).

C) Detail of assignments transection undertaken by company

Company has not undertaken any assignment transaction during the year ended on 31 March 2022. (31 March 2021: Rs. NIL,).

(f) Details of non-Performing financial assets purchased or sold

Company has neither purchased nor sold any non-performing financial assets during the year ended on 31 March 2022. (31 March 2021: Rs. NIL)

(g) Exposures

(I): Exposure to real Estate sector

The Company does not have any exposure to real estate sector.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

(II): Exposure to capital market

	Particulars	As at 31 March 2022	As at 31 March 2021
i	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt (includes investment in fully convertible preference shares		
	- At Cost	19.99	19.99
	- At Fair Value	97.11	107.73
ii	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	-	-
iii	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
iv	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances (excluding loans where security creation is under process)	-	-
v	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
vi	Loans sanctioned to corporates against the security of shares/ bonds / debentures or other securities or on clean basis for meeting promoters contribution to the equity of new companies in anticipation of raising resources	-	-
vii	Bridge loans to companies against expected equity flows / issues	-	-
viii	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix	Financing to stockbrokers for margin trading	-	-
x	All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	-	-
xi	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
	Total exposure to capital market	**97.11**	**107.73**

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

(h) Details of financing of parent company product

The company has no parent company hence this detail is not applicable to company.

(i) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Reserve Bank of India has issued Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 vide notification no.DNBR.009/CGM(CDS)-2015 dated 27th March 2015. The Company, being a Government Company, these Directions, except the provisions contained in Paragraph 25 thereof, are not applicable to the Company.

(j) Details of unsecured loans, advances, lease income and interest income receivables

The outstanding amounts against unsecured loans, advances & lease receivables are as under:

Particulars	As at 31 March 2022	As at 31 March 2021
Ministry of Railways, Government of India		
- Lease receivables	20,06,924.99	16,55,689.91
- Other receivables/(payables)	-	-
Rail Vikas Nigam Limited, a wholly owned entity of Ministry of Railways, Govt. of India	56,216.00	51,518.86
IRCON International Limited	12,306.14	18,459.20
Interest accrued thereon(RVNL & IRCON)	13,621.66	10,993.24
Total	**20,89,068.79**	**17,36,661.21**

(k) Registration obtained from other financial regulator sector

Particulars	As at 31 March 2022	As at 31 March 2021
Registration obtained from other financial sector regulators	NIL	NIL

(l) Disclosure of penalties imposed by RBI and other financial regulator

Particulars	As at 31 March 2022	As at 31 March 2021
Disclosure of Penalties imposed by RBI and other regulators	NIL	NIL

(m) Related Party Transections

For Related party transactions, refer note no. 53 of the financial statements

(n) Remuneration of Directors

For Remuneration of directors, refer note no. 53 of the financial statements

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

(o) Ratings assigned by credit rating agencies and migration of ratings during the year

a. Rating assigned by credit rating agencies and migration of ratings during the year:

S.No	Particulars	As at 31 March 2022	As at 31 March 2021
	Long Term Rating		
1	CRISIL	CRISIL AAA / Stable	CRISIL AAA / Stable
2	ICRA	ICRA AAA / Stable	ICRA AAA / Stable
3	CARE	CARE AAA / Stable	CARE AAA / Stable
	Short Term Rating		
1	CRISIL	CRISIL A1+	CRISIL A1+
2	ICRA	ICRA A1+	ICRA A1+
3	CARE	CARE A1+	CARE A1+

b. Long term foreign currency issuer rating assigned to the Company

S.No	Particulars	As at 31 March 2022	As at 31 March 2021
	Long Term Rating		
1	Fitch Rating	BBB-/ Negative	BBB-/ Negative
2	Standard & Poor	BBB-/ Stable	BBB-/ Stable
3	Moody's	Baa3/Stable	Baa3/Negative
4	Japanese Credit Rating Agency	BBB+/Stable	BBB+/Stable

(p) Revenue Recognition

Refer accounting policy in note no. 2 for Significant Accounting Policies.

(q) Provisions & Contingencies

Particulars	As at 31 March 2022	As at 31 March 2021
Provisions and Contingencies	Refer Note 34	Refer Note 34

(r) Draw-Down from Reserves

Particulars	As at 31 March 2022	As at 31 March 2021
Drawn down from reserves	NIL	NIL

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

(s) Concentration of advances, exposures and NPAs

(I) Concentration of Deposits

Particulars	As at 31 March 2022	As at 31 March 2021
Concentration of Deposits (for deposit taking NBFCs)	Company is a non deposit accepting NBFC	Company is a non deposit accepting NBFC

(II) Concentration of advances

Particulars	As at 31 March 2022	As at 31 March 2021
Total advances to twenty largest borrowers	41,52,376.82	36,25,087.44
Percentage of advances to twenty largest borrowers to total advances of the NBFC	100%	100%

(III) Concentration of exposures

Particulars	As at 31 March 2022	As at 31 March 2021
Total exposure to twenty largest borrowers/ customers	41,52,473.93	36,25,195.17
Percentage of exposure to twenty largest borrowers/ customers to total exposure of the NBFC on borrowers/customers	100%	100%
(IV) Concentration of NPAs	NIL	NIL
(V) Sector-wise NPAs	NIL	NIL
(VI) Movement of NPAs	NIL	NIL

(VII): Disclosure of complaints

Investor complaints

Particulars	As at 31 March 2022	As at 31 March 2021
(a) No. of complaints pending at the beginning of the year	-	-
(b) No. of complaints received during the year	2,641	4,693
(c) No. of complaints redressed during the year	2,641	4,693
(d) No. of complaints pending at the end of the year	-	-

Note: The above figure includes complaints lodged by Equity Shareholders also post listing of the Company.

(t) Overseas Assets	NIL	NIL
(u) Off-balance sheet SPVs sponsored	NIL	NIL

(v) There are been no fraud reported during the year ended 31 March 2022 and 31 March 2021.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

w) Borrower group-wise classification assets financed

Category	As at 31 March 2022			As at 31 March 2021		
	Amount of Net provision			Amount of Net provision		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	-	-	-	-	-	
(b) Companies in the same group	-	-	-	-	-	
(c) Other related parties	43,22,848.74	43,22,848.74	-	37,20,817.68	37,20,817.68	
2. Other than related parties	-	-	-	-		
Total	**43,22,848.74**	**43,22,848.74**	**-**	**37,20,817.68**	**37,20,817.68**	

Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	As at 31 March 2022		As at 31 March 2021	
	Market value/ Break up/or fair value of NAV	"Book value (net of provision)"	Market value/ Break up/or fair value of NAV	"Book value (net of provision)"
1. Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	97.11	97.11	107.73	107.73
2. Other than related parties	2.93	2.92	12.14	12.09
Total	**100.04**	**100.03**	**119.87**	**119.82**

Other information:

Particulars	As at 31 March 2022	As at 31 March 2021
i) Gross Non-Performing Assets :		
(a) Related parties	-	-
(b) Other than related parties	-	-
ii) Net Non-Performing Assets :		
(a) Related parties	-	-
(b) Other than related parties	-	-
iii) Assets acquired in satisfaction of debt :	-	-

(x) Asset liability management maturity pattern of certain items of Assets and Liabilities

Refer financial instrument notes 38.9

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

(i) A comparison between provisions required under extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109 for the year ended 31 March 2022

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard *	Stage 1	20,89,173.93	328.61	20,88,845.32	328.61	-
	Stage 2	-	-	-	-	-
Subtotal for standard		20,89,173.93	328.61	20,88,845.32	328.61	-
Non-Performing Assets (NPA)						
Substandard	Stage 3					
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful						
Loss	Stage 3					
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2					
	Stage 3					
Subtotal		**-**	**-**	**-**	**-**	**-**
Total	**Stage 1**	**20,89,173.93**	**328.61**	**20,88,845.32**	**328.61**	**-**
	Stage 2	-	-	-	-	
	Stage 3	-	-	-	-	-
Total		**20,89,173.93**	**328.61**	**20,88,845.32**	**328.61**	**-**

*Standard assets includes amount recoverable from ministry of railways being due from sovereign. The Reserve Bank of India has granted exemption to the Company in respect of classification of asset, provisioning norms and credit concentration norms to the extent of direct exposure to sovereign (refer note no. 42(a) (i))

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

(ii) A comparison between provisions required under extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109 for the year ended 31 March 2021

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109"	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard *	Stage 1	17,36,799.30	324.00	17,36,475.30	324.00	-
	Stage 2	-	-	-	-	-
Subtotal for standard		17,36,799.30	324.00	17,36,475.30	324.00	-
Non-Performing Assets (NPA)						
Substandard	Stage 3					
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful						
Loss	Stage 3					
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2					
	Stage 3					
Subtotal		-	-	-	-	-
Total	Stage 1	**17,36,799.30**	**324.00**	**17,36,475.30**	**324.00**	**-**
	Stage 2	-	-	-	-	
	Stage 3	-	-	-	-	-
Total		**17,36,799.30**	**324.00**	**17,36,475.30**	**324.00**	**-**

*Standard assets includes amount recoverable from ministry of railways being due from sovereign. The Reserve Bank of India has granted exemption to the Company in respect of classification of asset, provisioning norms and credit concentration norms to the extent of direct exposure to sovereign (refer note no. 42(a) (i)

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

Since the total impairment allowances under Ind AS 109 is equal to the total provisioning required under IRACP (including standard asset provisioning) as at 31 March 2022, no amount is required to be transferred to 'Impairment Reserve'. The gross carrying amount of asset as per Ind AS 109 and Loss allowances (Provisions) thereon includes interest accrual on net carrying value of stage - 3 assets as permitted under Ind AS 109. While, the provisions required as per IRACP norms does not include any such interest as interest accrual on NPAs is not permitted under IRACP norms.

The balance in the 'Impairment Reserve' (as and when created) shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI.

(ii) In terms of recommendations as per above referred notification, the Company has adopted the same definition of default for accounting purposes as guided by the definition used for regulatory purposes.

As at 31 March 2022, there are no loan accounts that are past due beyond 90 days but not treated as impaired.

Note 58 DISCLOSURES AS REQUIRED UNDER COVID 19 REGULATORY PACKAGE - ASSET CLASSIFICATION AND PROVISIONING ISSUED BY RBI VIDE NOTIFICATION NO. RBI/2019-20/220 DOR.No. BO.BC.63/21/04.048/2019 -20 DATED 17 APRIL 2020

S.no	Particulars	As at 31 March 2022	As at 31 March 2021
i	Respective amounts in SMA / overdue categories, where the moratorium / deferment was extended in terms of paragraph 2 & 3 of the aforesaid notification	Nil	Nil
ii	Respective amount where asset classification benefit is extended	Nil	Nil
iii	Provisions made during the year 2021-22	Nil	Nil
iv.	Provisions adjusted during the respective accounting periods against slippages and residual provisions in terms of paragraph 6 of the aforesaid notification	Nil	Nil

Note 59 DISCLOSURES AS REQUIRED UNDER GUIDELINES ON LIQUIDITY RISK MANAGEMENT FRAMEWORK FOR NBFCS ISSUED BY RBI VIDE NOTIFICATION NO. RBI/2019-20/88 DOR.NBFC (PD) CC. NO. 102 /03.10.001/2019-20 DATED 4 NOVEMBER 2019

Public Disclosures on Liquidity Risk:

A. Funding Concentration based on significant counterparty

Particulars	As at 31 March 2022	As at 31 March 2021
Number of Significant Counterparties*	-	-
Amount in (Millions)	-	-
Percentage of Funding Concentration of Total Deposits	N/A	N/A
Percentage of Funding Concentration of Total Liabilities	N/A	N/A
Total Liabilities	**40,89,838.84**	**34,45,681.41**

As per RBI Notification No. RBI/2019-20/88 DOR.NBFC (PD) CC. NO. 102 /03.10.001/2019-20 DATED 4 November 2019 A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

B. Top 10 Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Total Amount of Top 10 Borrowings	10,04,840.20	9,73,584.08
Percentage of Amount of Top 10 Borrowings to total borrowings (%)	25.87%	30.13%
Total Borrowings	**38,84,166.18**	**32,31,106.79**

C. Funding Concentration based on significant instrument/product

Particulars	As at 31 March 2022	Percentage(%) of Total Liabilities	As at 31 March 2021	Percentage(%) of Total Liabilities
Significant instrument/Product				
Non-convertible debentures	16,94,491.39	41.43%	15,53,752.18	45.09%
Term loan from Banks (including FCNR loans)	12,61,444.40	30.84%	8,88,268.00	25.78%
External Commercial Borrowings	6,64,163.01	16.24%	5,37,916.30	15.61%
Associated liabilities in respect of securitization transactions	-	-	-	-
Public deposits	-	-	-	-
Subordinated redeemable non-convertible debentures	-	-	-	-

As per RBI Notification No. RBI/2019-20/88 DOR.NBFC (PD) CC. NO. 102 /03.10.001/2019-20 DATED 4 November 2019 A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

D. Stock Ratios

Particulars	As at 31 March 2022	Percentage(%) of Total Public Funds	Percentage(%) of Total Assets	Percentage(%) of Total Liabilities
Commercial Papers (CPs)	-	NA	0.00%	0.00%
Non-convertible debentures (NCDs) with original maturity of less than one year	-	NA	NA	NA
Other short-term liabilities	79,067.38	NA	1.76%	1.93%

Particulars	As at 31 March 2021	Percentage(%) of Total Public Funds	Percentage(%) of Total Assets	Percentage(%) of Total Liabilities
Commercial Papers (CPs)	28,970.27	NA	0.76%	0.84%
Non-convertible debentures (NCDs) with original maturity of less than one year	-	NA	NA	NA
Other short-term liabilities	47,200.04	NA	1.24%	1.37%

As per RBI Notification No. RBI/2019-20/88 DOR.NBFC (PD) CC. NO. 102 /03.10.001/2019-20 DATED 4 November 2019 A "Other short-term liabilities" is defined as a all short-term borrowings other than CPs and NCDs with original maturity less than 12 months.

Notes to Financial Statements

for the year ended 31 March 2022

(All amounts in millions of INR, unless stated otherwise)

E. Institutional set-up for liquidity risk management

Particulars	Year Ended 31.03.2022		Year Ended 31.03.2021	
	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)
Total High Quality Liquid Assets (HQLA)	**178.83**	**178.83**	**673.36**	**673.36**
Cash Outflows				
Outflows Related to Derivative Exposures and Other Collateral Requirement				
Other Contractual Funding Obligation	1,42,534.52	1,23,943.06	86,063.40	74,837.74
Other Contingent Funding Obligation				
Total Cash Outflows	**1,42,534.52**	**1,23,943.06**	**86,063.40**	**74,837.74**
Cash Inflows				
Inflows From Fully Performing Exposures	1,32,567.59	1,76,756.78	1,01,966.74	1,35,955.66
Other Cash Inflows				
Total Cash Inflows	1,32,567.59	1,76,756.78	1,01,966.74	1,35,955.66
Total HQLA	178.83	178.83	673.36	673.36
Total Net Cash Outflows (Weighted Value of Total Cash Outflows(-) Minimum of (Weighted Value Total Cash Inflows, 75% of Weighted Value of Total Cash Outflows)	**35,633.63**	**30,985.77**	**21,515.85**	**18,709.44**
Liquidity Coverage Ratio (%)*	0.50	0.58	3.13	3.60

*RBI vide its liquidity framework dated 04th November, 2019 has stipulated the implementation of liquidity coverage ratio (LCR) for non-deposit taking NBFCs with asset size of more than Rs. 10,000 crore w.e.f. 01 December, 2020. LCR aims to ensure that company has an adequate stock of unencumbered High-Quality Liquid Assets (HQLA) that can be converted into cash easily and immediately to meet its liquidity needs for a 30 calendar day liquidity stress scenario.

However with reference to the RBI's letter no. S62/21.07.007/2021/22 dated April 26, 2021, IRFC is exempted from applicability of Liquidity Coverage Ratio (LCR) Norms.

Note 60:

a) Previous year figures have been regrouped/ rearranged, whenever necessary, in order to make them comparable with those of the current year.

For M/s. KBDS & Co.
Chartered Accountants
FRN 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M.No. 060030
UDIN: 22060030AJMDLH6491

Place: Gandhinagar, Gujarat
Date: 20th May 2022

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

Sd/-
(Vijay Babulal Shirode)
Company Secretary & JGM (Law)
FCS: 6876

Sd/-
(Shelly Verma)
Director Finance
DIN: 07935630

Sd/-
(Amitabh Banerjee)
Chairman & Managing Director
DIN: 03315975

Independent Auditor's Report

To
The Members,
Indian Railways Finance Corporation Limited,

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the standalone financial statements of Indian Railway Finance Corporation Limited ("the Company"), which comprise the balance sheet as at 31st March, 2022 and the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, 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,2022 and the profit and total comprehensive income, changes in equity, and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our Audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 there-under, 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.

EMPHASIS OF MATTERS

We draw attention towards:

1. Reconciliation & Balance confirmation from Ministry of Railway (MoR) have been done for the FY- 2016-17, 2017-18 & 2018-19 for lease rental receivable. Reconciliation & Balance confirmation from MoR for the FY-2019-20, 2020-21 and 2021-22 are yet to be completed. Please Refer to Note-6 & 33.

2. In respect of Advance against Project Assets, Utilization Certificates have been received from time-to-time from the Ministry of Railway (MoR). Please refer to Note-46.

We have determined the matters described below to be the Key Audit Matters to be communicated:-

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

S.No.	Key Audit Matters	Auditor's Response
1.	The government has introduced new section 115BAA by the Taxation Law (Amendment) Ordinance, 2019 w.e.f F.Y. 2019-20, which provides an option to opt for a income tax rate of 22%, Surcharge 10% & Health and Education Cess at 4% by any domestic company. By opting this total effective tax rate will be at 25.17% (under normal provision of income tax) as against earlier effective tax rate of 34.95% (under normal provision of income tax). However, the earlier effective tax rate under MAT was 21.55% which was applicable on the company.	After adoption of Section 115BAA, the taxable income under the normal provision income tax may become NIL. Further after adoption of section 115BAA, the company will be outside the scope and applicability of MAT Provision under section 115JB of Income Tax Act, 1961. Hence, no tax liability may be there for the F.Y 2021-22 on the company. Hence, no tax provision has been created for the year ended 31.03.2022.
2.	Compliance in respect of SEBI (LODR) regulation 2015	The number of independent directors on the board was less then half of the total strength of the Board as required under SEBI (LODR) regulation,2015 and the DPE guidelines.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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 Responsibilities for the Audit of the 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the

audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

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 Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 read with mentioned under the emphasis of matter .

   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) There is no branch office of the company.

   d) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of changes of Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   f) In terms of Notification No. GSR 463(E) dated 05.06.2015 issued by Ministry of Corporate Affairs, Government of India, provisions of Sub-section 2 of Section 164 of the Act, are not applicable to the Company, being a government company.

   g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, as referred to "Annexure B" of Audit Report.

   h) The company being the government company owned by the Central Govt., therefore section 197 (16) of the Companies Act 2013 shall not apply vide Notification no. GSR 463(E) dated 5th June 2015.

   i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, and Companies (Audit and Auditors) Amendment Rules 2021, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Disclosure Note 34 to the financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 38 to the financial statements;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company- Refer Disclosure Note 47(b) to the financial statements;

      iv. a. The Company has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever

by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. The Company has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c. Based on such audit procedures that we have 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 (a) and (b) contain any material mis-statement.

v. The dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

For **KBDS & Co.**
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 22060030AJMDLH6491
Place: Gandhinagar, Gujrat
Date: 20.05.2022.

Annexure "A" to the Independent Auditor's Report on the financial statements

(Referred to in Para 1 under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Indian Railway Finance Corporation Limited on the standalone financial Statements for the year ended 31st March, 2022)

1. a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company is maintaining proper records showing full particulars of Intangible assets but the same is subject to verification.

b) The Company has a regular program of physical verification of its Property, Plant and Equipment by which all fixed assets are verified once in three years but the same has not been carried on during the FY-2021-22. In accordance with this program, physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of all the 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 except the title deed of office building is yet to be executed in favour of the company.

Details of Office premises are as below:

Description of property	Gross carrying value	Held in name of	Whether promotor, director or their relative or employee	Period held	Reason for not being held in name of Company
Office Building at NBCC Place including parking area	Rs. 112.32 Million (as per book value)	Occupied by IRFC Ltd on the basis of Agreement to Sale under lease hold from NBCC Ltd and MMTC Ltd	No	Since April 11 2002.	Property held by NBCC Ltd and MMTC Ltd under leasehold agreement from DDA. Thereafter, DDA constructed building and given to IRFC Ltd on lease basis under Agreement to Sale /Transfer. It will be transferred as and when it will be freehold in the hand of NBCC Ltd & MMTC Ltd

d) According to the information and explanation given to us, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year ended 31st March , 2022.

e) According to the information and explanation given to us, there has not been any proceeding 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;

2. (a) The Company is a Non-Banking Finance Company and not in the business of any trading, manufacturing, mining or processing. Accordingly, it does not hold any inventory. Therefore, the provisions of paragraph 3 (ii)(a) of the Order are not applicable to the Company.

(b) According to the information and explanation given to us, during year ended 31st March , 2022, the company has not been sanctioned working capital limits in excess of five crores rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Hence , there is no requirement of filing of quarterly returns or statements;

3. According to information and explanations given to us, during the year ended 31st , March 2022 the Company has not made investments in, provided any granted 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. Therefore, the provisions of paragraph 3 (iii) of the Companies (Auditor's Report) Order, are not applicable to the Company.

4. According to information and explanations given to us and based on audit procedures performed, the company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities provided by the Company as specified under sections 185 and 186 of the Companies Act, 2013.

5. As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the companies (Acceptance of Deposit) Rules, 2015 and the rules made thereunder.

6. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sec on 148(1) of the Companies Act, for any of the services rendered by the Company. Accordingly, clauses 3(vi) of the Companies (Auditor's Report) Order are not applicable to the Company.

7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including 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 other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities except the following:

Auditors' Opinion	Management reply
TDS outstanding demand as per TDS portal as on 31.03.2022 is Rs 167.50 million due to short deduction of TDS in view of Lower deduction Certificate.	As explained to us , on receipt of details from the Zonal office of Ministry of Railways, TDS returns shall be revised and demand will be reduced.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of Goods & Service Tax ,Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Custom, Duty of excise, VAT, Cess and any other statutory dues were in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.

c) According to the information and explanations given to us, there is no disputed statutory dues referred to in sub-clause (a) has not been deposited with the appropriate authorities except the demands of Income tax which has not been deposited by the company on account of dispute as the company is confident that the demands will be either deleted or substantially reduced and proper disclosure regarding the same has been given in Note No. 34 of the financial Statement.

8. According to the information and explanations given to us, no 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).

9. a) In our opinion, and according to information and explanations given by the management, the company has not defaulted in making repayment of loans or borrowing or in the payment of interest thereon from a Financial Institution, Banks or dues to debenture holders/ bond holders or government as at Balance Sheet date.

b) According to the information and explanations given to us, the company is not declared willful defaulter by bank or financial institution or other lender.

c) According to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.

d) According to the information and explanations given to us, funds raised on short term basis have not been utilized for long term purposes.

e) According to the information and explanations given to us, the 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. Therefore, the provisions of paragraph 3 (ix) (e) are not applicable to the Company.

f) According to the information and explanations given to us, the company has not raised loans during the year ended 31st March , 2022 on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Therefore, the provisions of paragraph 3 (ix) (e) are not applicable to the Company.

10. According to the information and explanations given by the management and based on our audit procedures performed we report that no money raised by way of initial public offer (IPO) & follow on Public Offer (FPO). Hence, 10(a) & 10(b) is not applicable.

11. a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the company or on the company has been noticed or reported during the year.

    b) There is no report under sub-section (12) of section 143 of the Companies Act filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors Rules), 2014 with the Central Government.

    c) According to the information and explanations given by the management, the Company has not received whistle-blower complaints during the year ended 31st March, 2022.

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

13. According to the information and explanations given by the management, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

14. a) According to the information and explanations given by the management, the company has internal audit system which commensurate with the size and nature of its business.

    b) Internal Audit Report of Quarter ended June, 2021, Sept 2021, Dec 2021 & March 2022 Quarter have been considered while conducting Statutory Audit.

15. According to the information and explanations given to us and based on audit procedures performed, the Company has not entered into any non-cash transactions with directors or persons connected with him which are covered under Section 192 of Companies Act. Accordingly, paragraph 3(xv) of the Order is not applicable;

16. a) According to the information and explanations given to us, the Company is a Non-Banking Finance Company and is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the registration has been obtained;

    b) As per information and explanations available, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from Reserve Bank of India as per the Reserve Bank of India Act 1934;

    c) Since the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. So clause 16 (c) is not applicable to the Company.

17. According to the information and explanations given to us, company has not incurred cash losses in the year ended 31st March, 2022 and in immediately preceding financial year.

18. According to information and explanation given to us, there is no resignation of the statutory Auditors during the year ended 31st March , 2022 ;

19. According to information and explanation given to us and on the basis of our examination of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, Board of Directors and management plans, no material uncertainty exists as on the date of the audit report and 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.

20. a). According to information and explanation given to us, the company has transferred unspent amount, if any, 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;

    b). According to information and explanation given to us the remaining unspent amount, if any, under sub-section (5) of the Companies Act, pursuant to any ongoing project, shall be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act (Refer Disclosure Note-49).

21. According to information and explanation given to us, there is no consolidated Financial Statements. Therefore, Para No 21 of CARO is not applicable.

For **KBDS & Co.**
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 22060030AJMDLH6491
Place: Gandhinagar, Gujrat
Date: 20.05.2022.

Annxure "B" to the Independent Auditor's Report

(Referred to in Para 2(g) under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Indian Railway Finance Corporation Limited on the standalone financial statements for the year ended 31st March , 2022)

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 Indian Railway Finance Corporation Limited ("the company") as of 31 March, 2022 in conjunction with our audit of the Standalone 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, to the extent applicable to an 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. 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 procedure selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting:

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that :

Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

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 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, to the best of our information and according to explanation given to us, 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 31 March 2022, 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 issued by the Institute of Chartered Accountants of India except the following area where the internal control system required to be improved :

Amount payable to or receivable from Ministry of Railways in respect of Liabilities and Assets against transactions of Financial Statement are subject to reconciliation and confirmation by the Ministry of Railways (MoR). Please refer to Financial Note-6, Disclosure Note- 33 & 46.

For **KBDS & Co.**
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 22060030AJMDLH6491
Place: Gandhinagar, Gujrat
Date: 20.05.2022.

Annexure C to the Independent Auditor's Report on the financial statements

Direction under section 143(5) of the new Companies Act, 2013

S. NO.	Particulars	Reply
1	Whether the company has system in place to process all the accounting transactions through IT system? If Yes, the implication of processing of accounting transaction outside IT system on the integrity of the accounts along with the financial implication, if any, may be stated	The company has an IT system to process its accounting transactions. The company follows accounting software Tally to record its accounting transactions.
2	Whether there is any restructuring if 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 reply the loan ? If yes the financial impact may be stated	There is no restructuring of an existing loan or cases of waiver /write off of debts/loan/interest etc. made by a lender to the company due to the company's inability to repay the loan. Hence financial impact of such cases is nil.
3	Whether funds received/ receivable for specific schemes from central/state agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.	No grants received during the year. The company has not received any grants form CENTRAL/STATE agencies unutilized funds pending with the company are being utilized as per terms & conditions of grants.

For **KBDS & Co.**
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 22060030AJMDLH6491
Place: Gandhinagar, Gujrat
Date: 20.05.2022.

Non-Banking Financial Companies Auditors' Report For The Year Ended 31st March 2022

To
Members,
Indian Railway Finance Corporation Limited

Dear Sir,

As required by the " Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India on the matters specified in Para 3 and 4 of the said Directions to the extent applicable to the Corporation, We report that:

1. The Company is engaged in the business of non-banking financial institution, having valid Certificate of Registration as an Infrastructure Finance Company issued by Reserve Bank of India vide No is B-14.00013 dated 22.11.2010. Further , the Company is entitled to continue to hold such registration in terms of its asset / income pattern as on 31.03.2022.

2. The Company is meeting the requirement of net owned funds applicable to an Infrastructure Finance Company as contained in Master Direction-Non Banking Financial Company-Systemically Important Non Deposit taking Company and deposit taking Company (Reserve Bank) Direction 2016.

3. According to the information and explanation given to us , the RBI Directions as to deposits are not applicable to the Company. Therefore , the Board of Directors of the Company has not passed any resolution for non-acceptance of any public deposits during the year 2021-22.

4. The Company has not accepted any public deposits during the financial year 2021-22.

5. For the Financial Year ending 31 March, 2022, the Company has complied with the Accounting Standards, Income recognition norms as per the RBI Master Directions on Non-Banking Financial Company –Systematically Important Non-Deposit taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 vide No. DNBR.008/03.10.119/2016-17 dated September 1, 2016. Further , the Company , has followed the Accounting Standards, Income Recognition, asset classification and provisioning for Bad and Doubtful Debts/ being a Government Non-Banking Financial Company as defined under clause (45) of Section 2 of the Companies Act ,2013 (18 of 2013) except the income recognition and assets classification (IRAC) norms, standard assets provisioning and exposure norms to Ministry of Railways , Government of India granted by RBI vide their letter no DNBR(PD) CO. No. 1271/03.10.001/2018-19 dated 21.12.2018.

6. As per the information and explanation given to us, the Statement of Capital Funds , Risk Assets/exposures and risk ratio (DNBS-03 Return) has been filed by the Company for the quarter ended 31.03.2022 on the basis of the provisional financial results.

For **KBDS & Co.**
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 22060030AJMDLH6491
Place: Gandhinagar, Gujrat
Date: 20.05.2022.

Revised Independent Auditor's Report

To
The Members,
Indian Railways Finance Corporation Limited,

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the standalone financial statements of Indian Railway Finance Corporation Limited ("the Company"), which comprise the balance sheet as at 31st March, 2022 and the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, 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,2022 and the profit and total comprehensive income, changes in equity, and its cash flows for the year ended on that date.

This report has been revised consequent upon observations of Comptroller of Auditor General of India during the course of audit u/s 139(5) of the Companies Act, 2013 as amended, for the year ended on 31st March, 2022, and this report supersedes our earlier report dated 20th May, 2022 under section 143 of the Companies Act, 2013.

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 there-under, 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.

EMPHASIS OF MATTERS

We draw attention towards:

1. Reconciliation & Balance confirmation from Ministry of Railway (MoR) have been done for the FY- 2016-17, 2017-18 & 2018-19 for lease rental receivable. Reconciliation & Balance confirmation from MoR for the FY-2019-20, 2020-21 and 2021-22 are yet to be completed. Please Refer to Note-6 & 33.
2. In respect of Advance against Project Assets, Utilization Certificates have been received from time-to-time from the Ministry of Railway (MoR). Please refer to Note-46.

We have determined the matters described below to be the Key Audit Matters to be communicated: -

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

S.No.	Key Audit Matters	Auditor's Response
1.	The government has introduced new section 115BAA by the Taxation Law (Amendment) Ordinance, 2019 w.e.f F.Y. 2019-20, which provides an option to opt for a income tax rate of 22%, Surcharge 10% & Health and Education Cess at 4% by any domestic company. By opting this total effective tax rate will be at 25.17% (under normal provision of income tax) as against earlier effective tax rate of 34.95% (under normal provision of income tax). However, the earlier effective tax rate under MAT was 21.55% which was applicable on the company.	After adoption of Section 115BAA, the taxable income under the normal provision income tax may become NIL. Further after adoption of section 115BAA, the company will be outside the scope and applicability of MAT Provision under section 115JB of Income Tax Act, 1961. Hence, no tax liability may be there for the F.Y 2021-22 on the company. Hence, no tax provision has been created for the year ended 31.03.2022.
2.	Compliance in respect of SEBI (LODR) regulation 2015	The number of independent directors on the board was less than half of the total strength of the Board as required under SEBI (LODR) regulation,2015 and the DPE guidelines.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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 Responsibilities for the Audit of the 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

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 Companies Act, 2013, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 read with mentioned under the emphasis of matter.

   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) There is no branch office of the company.

   d) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of changes of Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

f) In terms of Notification No. GSR 463(E) dated 05.06.2015 issued by Ministry of Corporate Affairs, Government of India, provisions of Sub-section 2 of Section 164 of the Act, are not applicable to the Company, being a government company.

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, as referred to "Annexure B" of Audit Report.

h) The company being the government company owned by the Central Govt., therefore section 197 (16) of the Companies Act 2013 shall not apply vide Notification no. GSR 463(E) dated 5th June 2015.

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, and Companies (Audit and Auditors) Amendment Rules 2021, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Disclosure Note 34 to the financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 38 to the financial statements;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company- Refer Disclosure Note 47(b) to the financial statements;

   iv. a. The Company has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. The Company has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c. Based on such audit procedures that we have 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 (a) and (b) contain any material mis-statement.

v. The dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

For **KBDS & Co**.
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 22060030AMSNQA8669

Place: Delhi
Date: 12.07.2022.

Annexure "A" to the Independent Auditor's Report on the financial statements

(Referred to in Para 1 under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Indian Railway Finance Corporation Limited on the standalone financial Statements for the year ended 31st March, 2022)

1. a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

   (B) The company is maintaining proper records showing full particulars of Intangible assets but the same is subject to verification.

   b) The Company has a regular program of physical verification of its Property, Plant and Equipment by which all fixed assets are verified once in three years but the same has not been carried on during the FY-2021-22. In accordance with this program, physical verification is reasonable having regard to the size of the Company and the nature of its assets.

   c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of all the 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 except the title deed of office building is yet to be executed in favour of the company.

   Details of Office premises are as below:

Description of property	Gross carrying value	Held in name of	Whether promotor, director or their relative or employee	Period held	Reason for not being held in name of Company
Office Building at NBCC Place including parking area	Rs. 112.32 Million (as per book value)	Occupied by IRFC Ltd on the basis of Agreement to Sale under lease hold from NBCC Ltd and MMTC Ltd	No	Since April 11 2002.	Property held by NBCC Ltd and MMTC Ltd under leasehold agreement from DDA. Thereafter, DDA constructed building and given to IRFC Ltd on lease basis under Agreement to Sale /Transfer. It will be transferred as and when it will be freehold in the hand of NBCC Ltd & MMTC Ltd

   d) According to the information and explanation given to us, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year ended 31st March, 2022.

   e) According to the information and explanation given to us, there has not been any proceeding 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.

2. (a) The Company is a Non-Banking Finance Company and not in the business of any trading, manufacturing, mining or processing. Accordingly, it does not hold any inventory. Therefore, the provisions of paragraph 3 (ii)(a) of the Order are not applicable to the Company.

   (b) According to the information and explanation given to us, during year ended 31st March, 2022, the company has not been sanctioned working capital limits in excess of five crores rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Hence, there is no requirement of filing of quarterly returns or statements;

3. According to information and explanations given to us, during the year ended 31st, March 2022 the Company has made investments in, provided any granted 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 during the year:

a. The company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity except loans and advances given under principal course of business being a NBFC company. Therefore, this clause is not applicable.

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

c. In respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular as per stipulation;

d. There is no overdue amount in respect of remaining outstanding amount as at the balance sheet date;

e. No 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 overdue of existing loans given to the same parties;

f. The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.

4. According to information and explanations given to us and based on audit procedures performed, the company has complied with the provisions of sections 185 and 186 of the Companies Act, specified under sections 185 and 186 of the Companies Act, 2013.

5. As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the companies (Acceptance of Deposit) Rules, 2015 and the rules made thereunder.

6. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sec on 148(1) of the Companies Act, for any of the services rendered by the Company. Accordingly, clauses 3(vi) of the Companies (Auditor's Report) Order are not applicable to the Company.

7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including 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 other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities except the following:

Auditors' Opinion	Management reply
TDS outstanding demand as per TDS portal as on 31.03.2022 is Rs 167.50 million due to short deduction of TDS in view of Lower deduction Certificate.	As explained to us, on receipt of details from the Zonal office of Ministry of Railways, TDS returns shall be revised and demand will be reduced.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of Goods & Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Custom, Duty of excise, VAT, Cess and any other statutory dues were in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.

c) According to the information and explanations given to us and as certified by the management on which we have relied upon, the disputed demand of Income tax has been raised & adjusted by Income Tax Department against advance tax (TDS) as per Assessment Order. Against such demand, the Company has filed an appeal with Income tax Department. A disclosure regarding the same has been given in Note No. 34 of the financial Statement. Details of disputed demand is mentioned below:

Nature of dues	Name of Statute	Disputed dues	Disputed dues adjusted/paid	Pending Amt	Period	Authority where appeal is pending
Income tax	Income Tax Act	2043.26 Million	2043.26 Million	Nil	Asst Yr-2019-20	CIT (A)

8. According to the information and explanations given to us, no 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).

9. a) In our opinion, and according to information and explanations given by the management, the company has not defaulted in making repayment of loans or borrowing or in the payment of interest thereon from a Financial Institution, Banks or dues to debenture holders/bond holders or government as at Balance Sheet date.

   b) According to the information and explanations given to us, the company is not declared willful defaulter by bank or financial institution or other lender.

   c) According to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.

   d) According to the information and explanations given to us, funds raised on short term basis have not been utilized for long term purposes.

   e) According to the information and explanations given to us, the 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. Therefore, the provisions of paragraph 3 (ix) (e) are not applicable to the Company.

   f) According to the information and explanations given to us, the company has not raised loans during the year ended 31st March, 2022 on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Therefore, the provisions of paragraph 3 (ix) (e) are not applicable to the Company.

10. According to the information and explanations given by the management and based on our audit procedures performed we report that no money raised by way of initial public offer (IPO) & follow-on Public Offer (FPO). Hence, 10(a) & 10(b) is not applicable.

11. a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the company or on the company has been noticed or reported during the year.

    b) There is no report under sub-section (12) of section 143 of the Companies Act filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors Rules), 2014 with the Central Government.

    c) According to the information and explanations given by the management, the Company has not received whistle-blower complaints during the year ended 31st March, 2022.

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

13. According to the information and explanations given by the management, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

14. a) According to the information and explanations given by the management, the company has internal audit system which commensurate with the size and nature of its business.

    b) Internal Audit Report of Quarter ended June, 2021, Sept 2021, Dec 2021 & March 2022 Quarter have been considered while conducting Statutory Audit.

15. According to the information and explanations given to us and based on audit procedures performed, the Company has not entered into any non-cash transactions with directors or persons connected with him which are covered under Section 192 of Companies Act. Accordingly, paragraph 3(xv) of the Order is not applicable;

16. a) According to the information and explanations given to us, the Company is a Non-Banking Finance Company and is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the registration has been obtained;

    b) As per information and explanations available, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from Reserve Bank of India as per the Reserve Bank of India Act 1934;

    c) Since the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. So, clause 16 (c) is not applicable to the Company.

17. According to the information and explanations given to us, company has not incurred cash losses in the year ended 31st March, 2022 and in immediately preceding financial year.

18. According to information and explanation given to us, there is no resignation of the statutory Auditors during the year ended 31st March, 2022;

19. According to information and explanation given to us and on the basis of our examination of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, Board of Directors and management plans, no material uncertainty exists as on the date of the audit report and 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.

20. a). According to information and explanation given to us, the company has transferred unspent amount, if any, 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;

    b). According to information and explanation given to us the remaining unspent amount, if any, under sub-section (5) of the Companies Act, pursuant to any ongoing project, shall be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act (Refer Disclosure Note-49).

21. According to information and explanation given to us, there is no consolidated Financial Statements. Therefore, Para No 21 of CARO is not applicable.

For **KBDS & Co**.
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 22060030AMSNQA8669

Place: Delhi
Date: 12.07.2022.

Annxure "B" to The Independent Auditor's Report

(Referred to in Para 2(g) under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Indian Railway Finance Corporation Limited on the standalone financial statements for the year ended 31st March, 2022)

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 Indian Railway Finance Corporation Limited ("the company") as of 31 March, 2022 in conjunction with our audit of the Standalone 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, to the extent applicable to an 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. 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 procedure selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting:

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that:

Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

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 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, to the best of our information and according to explanation given to us, 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 31 March 2022, 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 issued by the Institute of Chartered Accountants of India except the following area where the internal control system required to be improved :

Amount payable to or receivable from Ministry of Railways in respect of Liabilities and Assets against transactions of Financial Statement are subject to reconciliation and confirmation by the Ministry of Railways (MoR). Please refer to Financial Note-6, Disclosure Note- 33 & 46.

For **KBDS & Co**.
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 22060030AMSNQA8669

Place: Delhi
Date: 12.07.2022.

Annexure C to the Independent Auditor's Report on the financial statements

Direction under section 143(5) of the new Companies Act, 2013

S. No.	Particulars	Reply
1	Whether the company has system in place to process all the accounting transactions through IT system? If Yes, the implication of processing of accounting transaction outside IT system on the integrity of the accounts along with the financial implication, if any, may be stated	The company has an IT system to process its accounting transactions. The company follows accounting software Tally to record its accounting transactions. Based on the information and explanations given to us and on the basis of verification carried out by us during the course of audit, there is no implication of processing of accounting transaction outside IT system on the integrity of the accounts along with financial implication.
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 ?	There is no restructuring of an existing loan or cases of waiver /write off of debts/loan/interest etc. made by a lender to the company due to the company's inability to repay the loan. Hence financial impact of such cases is nil.
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.	No funds (grants/subsidy etc.) received/receivable for specific schemes form Central/State Government or its agencies during the year. Hence no matter of accounting and utilization of funds required.

For **KBDS & Co**.
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 22060030AMSNQA8669

Place: Delhi
Date: 12.07.2022.

NON-BANKING FINANCIAL COMPANIES AUDITORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2022

To
Members,
Indian Railway Finance Corporation Limited,

Dear Sir,
As required by the " Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India on the matters specified in Para 3 and 4 of the said Directions to the extent applicable to the Corporation, We report that:

1. The Company is engaged in the business of non-banking financial institution, having valid Certificate of Registration as an Infrastructure Finance Company issued by Reserve Bank of India vide No is B-14.00013 dated 22.11.2010. Further , the Company is entitled to continue to hold such registration in terms of its asset / income pattern as on 31.03.2022.

2. The Company is meeting the requirement of net owned funds applicable to an Infrastructure Finance Company as contained in Master Direction-Non Banking Financial Company- Systemically Important Non Deposit taking Company and deposit taking Company (Reserve Bank) Direction 2016.

3. According to the information and explanation given to us, the RBI Directions as to deposits are not applicable to the Company. Therefore, the Board of Directors of the Company has not passed any resolution for non-acceptance of any public deposits during the year 2021-22.

4. The Company has not accepted any public deposits during the financial year 2021-22.

5. For the Financial Year ending 31 March, 2022, the Company has complied with the Accounting Standards, Income recognition norms as per the RBI Master Directions on Non-Banking Financial Company –Systematically Important Non-Deposit taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 vide No. DNBR.008/03.10.119/2016-17 dated September 1, 2016. Further , the Company , has followed the Accounting Standards, Income Recognition, asset classification and provisioning for Bad and Doubtful Debts/ being a Government Non-Banking Financial Company as defined under clause (45) of Section 2 of the Companies Act ,2013 (18 of 2013) except the income recognition and assets classification (IRAC) norms, standard assets provisioning and exposure norms to Ministry of Railways , Government of India granted by RBI vide their letter no DNBR(PD) CO. No. 1271/03.10.001/2018-19 dated 21.12.2018.

6. As per the information and explanation given to us, the Statement of Capital Funds, Risk Assets/exposures and risk ratio (DNBS-03 Return) has been filed by the Company for the quarter ended 31.03.2022 on the basis of the provisional financial results.

For **KBDS & Co**.
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 22060030AMSNQA8669

Place: Delhi
Date: 12.07.2022.

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF INDIAN RAILWAY FINANCE CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of financial statements of Indian Railway Finance Corporation Limited for the year ended 31 March 2022 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) 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 12 July 2022, which supersedes their earlier Audit Report dated 20 May 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Indian Railway Finance Corporation Limited for the year ended 31 March 2022 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 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 some 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 may 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 Financial Position

Assets

Financial Assets

i. **Receivables – Note 6**

Lease Receivables – Rs. 2,006,924.99 million

Loans – Note 7 Rs. 68,248.05 million

The above 'Lease Receivables' represents the amount receivable from Ministry of Railway towards financing Rolling Stock and Other Railways Projects. The disclosure of the above as 'Receivables' instead of 'Loans' (Note 7) was in violation of Schedules III (Division III) of the Companies Act, 2013.

This had resulted in overstatement of 'Receivables' by Rs. 2,006,924.99 million and also understatement of 'Loans' by the same amount.

ii. **Receivables (Note 6) – Lease Receivables Rs. 2,006,924.99 million**

The above includes Rs. 208,987.22 million being the amount depicted as 'Lease Receivables' from Ministry of Railways (MoR) for the railway projects funded for creating infrastructure projects (Rs.151,612.02 million for EBR-IF and Rs. 57,375.20 million for National Projects).

As per Para 9 of Ind AS 116, 'a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

The company has entered (March, 2022) into lease agreement for the above 'Lease Receivables, with MoR. However, specific railway asset(s) created with the funds provided by IRFC cannot be identified from the list of projects given in the agreement. As such the same cannot be classified as 'lease' in terms of the Para 9 of Ind AS 116.

Further, the Company can only finance Railway Assets through lease finance as per its Memorandum of Association. As such, the above cannot be termed as 'Loan'.

This has resulted into overstatement of Lease Receivables by Rs. 208,987.22 million.

iii. **Other Non- Financial Assets (Note 13) – Rs. 164,940.28 million**

Other Equity (Note 22) Rs. 279,278.34 million

The above amount of Other Non-Financial Assets includes Rs. 111.05 million being the amount shown as recoverable from Department of Investment and Public Asset Management (DIPAM) towards share issue expenses. However, DIPAM has not confirmed the amount.

This has resulted into overstatement of Other Non – Financial Assets by Rs. 111.05 million and corresponding overstatement of Other Equity, to the same extent.

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

Sd/-
Vikram D. Murugaraj
Principal Director of Audit
Railway Commercial, New Delhi

Place : New Delhi
Dated: 29.07.2022

Annexure to Comments of C&AG

CAG Comments	Management Reply on CAG Comments
Assets **Financial Assets** **i. Receivables – Note 6** **Lease Receivables – Rs. 2,006,924.99 million** **Loans – Note 7 Rs. 68,248.05 million** The above 'Lease Receivables' represents the amount receivable from Ministry of Railway towards financing Rolling Stock and Other Railways Projects. The disclosure of the above as 'Receivables' instead of 'Loans' (Note 7) was in violation of Schedules III (Division III) of the Companies Act, 2013. This had resulted in overstatement of 'Receivables' by Rs. 2,006,924.99 million and also understatement of 'Loans' by the same amount.	Para 67 of Ind AS 116 "Leases", states that, 'At the commencement date, a lessor shall recognize assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease' Considering the nature of IRFC business and proportion of lease receivables (98%) in comparison to loan given to other railway entities (2%), the disclosure of amount lease receivable as separate line item on the face of Balance sheet facilitates the better readability and understanding for the user of financial statement. Hence, there is no overstatement of 'Receivables' by Rs. 2,006,924.99 million and also understatement of 'Loans'. However as suggested by CAG, Company will review the existing classification for disclosure in financial statements of 2022-23.
ii. Receivables (Note 6) – Lease Receivables Rs. 2,006,924.99 million The above includes Rs. 208,987.22 million being the amount depicted as 'Lease Receivables' from Ministry of Railways (MoR) for the railway projects funded for creating infrastructure projects (Rs.151,612.02 million for EBR-IF and Rs. 57,375.20 million for National Projects). As per Para 9 of Ind AS 116, 'a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. The company has entered (March, 2022) into lease agreement for the above 'Lease Receivables, with MoR. However, specific railway asset(s) created with the funds provided by IRFC cannot be identified from the list of projects given in the agreement. As such the same cannot be classified as 'lease' in terms of the Para 9 of Ind AS 116. Further, the Company can only finance Railway Assets through lease finance as per its Memorandum of Association. As such, the above cannot be termed as 'Loan'. This has resulted into overstatement of Lease Receivables by Rs. 208,987.22 million.	The management is of the opinion that, Schedule I of lease agreement which has been executed by IRFC with MoR for the Project Assets (EBR-IF 2015-16 & National Projects 2018-19), clearly provides the details of the 'Railway Projects' which have been leased to the MoR and vide this agreement right of control of use of Railway Projects has been given to MOR. Further, IRFC does not have any substitution right over these assets as envisaged by Ind AS 116 for it to be an Identified Asset. Hence, Railway Projects which are funded by IRFC are the identified assets as per Ind-AS 116 and there is no overstatement of Lease Receivables by Rs. 208,987.22 million. However, for the purpose of redressal of CAG's concern, the Company has approached MOR for seeking further specific details of the Railway Projects as enlisted in the agreement. Response of MOR is awaited.
iii. Other Non- Financial Assets (Note 13) – Rs. 164,940.28 million **Other Equity (Note 22) Rs. 279,278.34 million** The above amount of Other Non-Financial Assets includes Rs. 111.05 million being the amount shown as recoverable from Department of Investment and Public Asset Management (DIPAM) towards share issue expenses. However, DIPAM has not confirmed the amount. This has resulted into overstatement of other Non-Financial Assets by Rs. 111.05 million and corresponding overstatement of Other Equity, to the same extent.	As per the email dated 22nd Feb 2021 DIPAM have given in principle approval to IRFC that the overall issue expenses will be shared between IRFC and DIPAM as per the extant guidelines in the ratio of 10:5 (as per the ratio of Fresh Issue and OFS). Presently, we are in the process of settling expenses with Lead Managers and after finalisation of total expenses, DIPAM will reimburse its share of expenses. Accordingly, the management is of the opinion that there is no overstatement of other Non-Financial Assets by Rs. 111.05 million and Other Equity.

Swachh Bharat Abhiyan

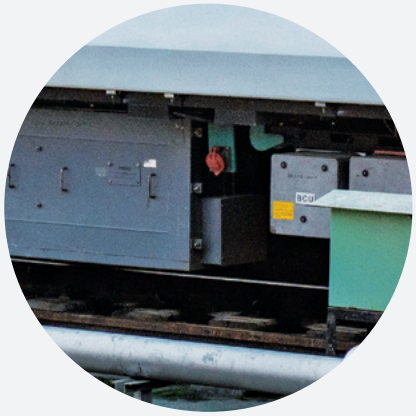
Kavi Sammelan

Kavi Sammelan

Flag Hoisting Independence Day

73rd Republic Day

34th Annual General Meeting



INDIAN RAILWAY FINANCE CORPORATION

Indian Railway Finance Corporation Limited

CIN – L65910DL1986GOI026363

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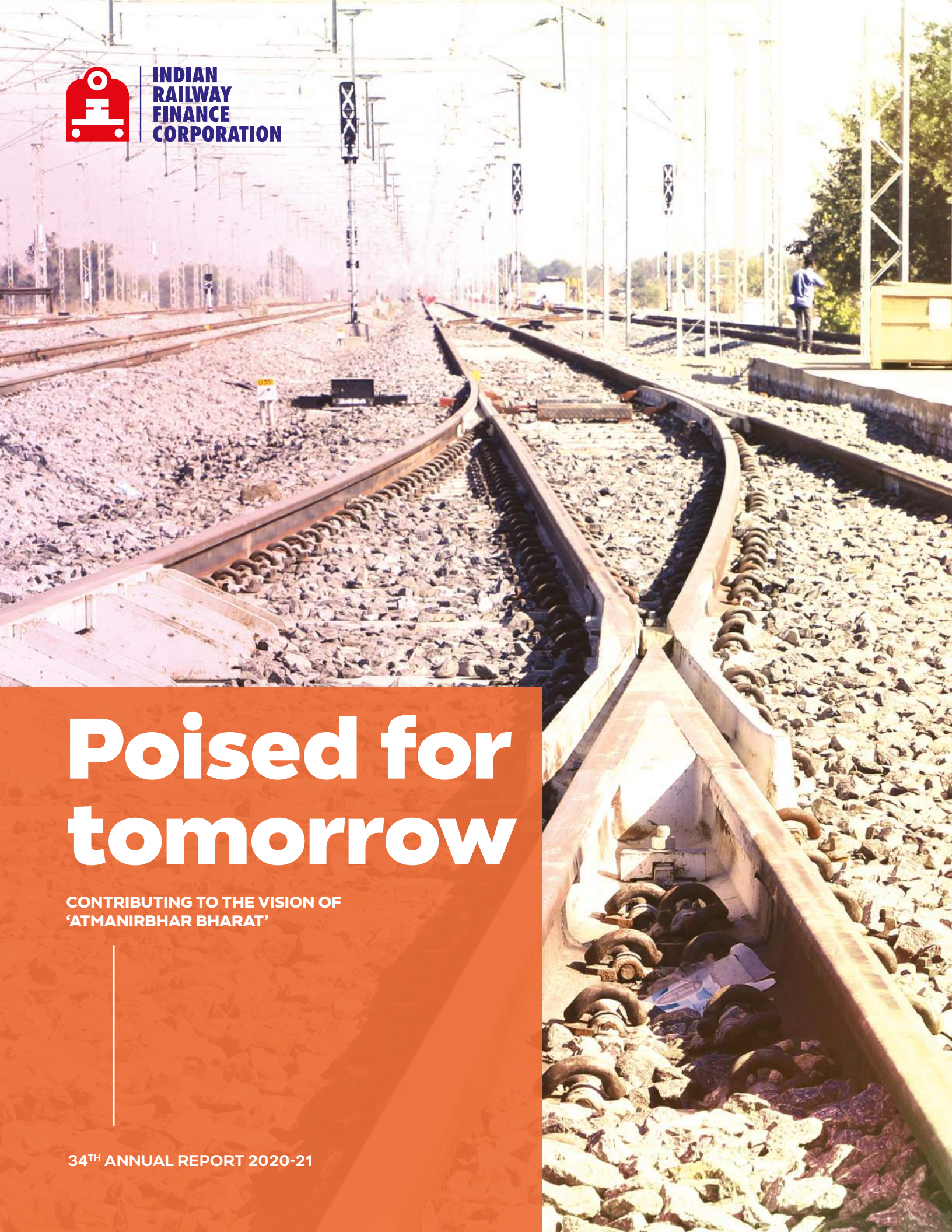
a K&A creation | www.kalolwala.com

INDIAN RAILWAY FINANCE CORPORATION



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34TH ANNUAL REPORT 2020-21

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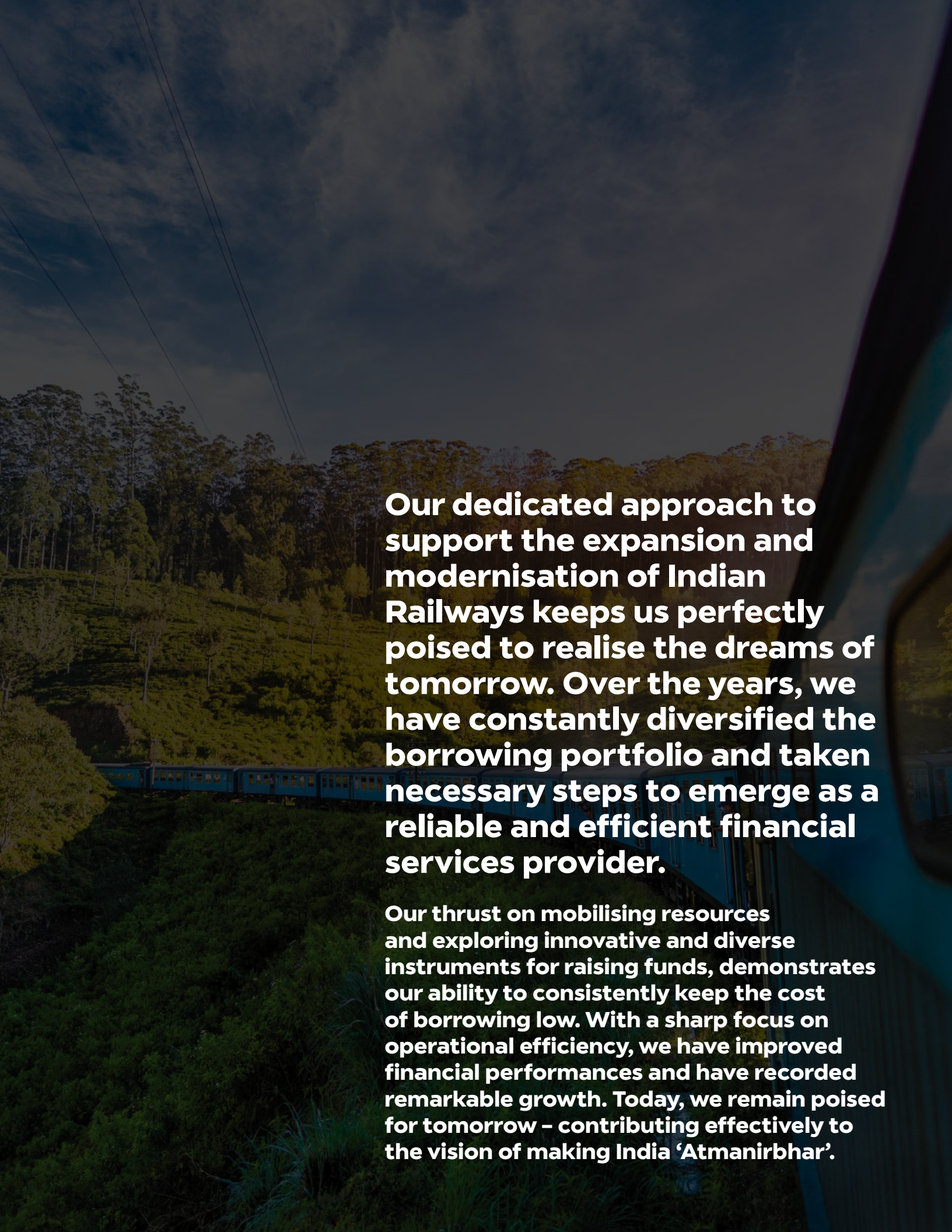
For more additional information about the company log on to **http://irfc.nic.in/**

Forward looking statement

Some information in this report may contain forward-looking statements. We have based these forward looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forward looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward looking statements and assumed facts or bases almost always vary from actual results, and the differences between the results implied by the forward looking statements and assumed facts or bases and actual results can be material, depending on the circumstances.



Our dedicated approach to support the expansion and modernisation of Indian Railways keeps us perfectly poised to realise the dreams of tomorrow. Over the years, we have constantly diversified the borrowing portfolio and taken necessary steps to emerge as a reliable and efficient financial services provider.

Our thrust on mobilising resources and exploring innovative and diverse instruments for raising funds, demonstrates our ability to consistently keep the cost of borrowing low. With a sharp focus on operational efficiency, we have improved financial performances and have recorded remarkable growth. Today, we remain poised for tomorrow – contributing effectively to the vision of making India 'Atmanirbhar'.

CORPORATE INFORMATION

Board of Directors*

Shri Amitabh Banerjee
Chairman & Managing Director

Ms. Shelly Verma
Director (Finance)

Shri Baldeo Purushartha
Government Nominee Director

Shri Bhaskar Choradia
Government Nominee Director

Chief Vigilance Officer

Shri Sanjeev Jain

Company Secretary & Compliance Officer

Shri Vijay Babulal Shirode

Registered Office

Room Nos. 1316 – 1349, 3rd Floor, Hotel The Ashok, Diplomatic Enclave, 50-B, Chanakyapuri, New Delhi 110021

Corporate Identification Number

L65910DL1986GOI026363

Equity Shares listed on

National Stock Exchange of India Limited

BSE Limited

Scrip Code

National Stock Exchange of India Limited – IRFC

BSE – 543257

ISIN

INE053F01010

Depositories

National Securities Depository Limited

Central Depository Services (India) Limited

Statutory Auditors

M/s. KBDS & Co.
Chartered Accountants

Secretarial Auditors

M/s Navneet K Arora & Co LLP
Company Secretaries

Internal Auditors

M/S Raj Har Gopal & Co.
Chartered Accountants

Bankers

Union Bank of India

State Bank of India

ICICI Bank

Registrar & Transfer Agents

Equity Shares
M/s. Beetal Financial & Computer Services (P) Ltd.
3rd Floor 99 Madangir, Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir,
New Delhi- 110062

Email id: irfc@beetalfinancial.com
Ph. No : 91-11-2996 1281-83
Website: www.beetalfinancial.com

Bonds
M/s KFin technologies Private Limited
Selenium Tower B, Plot Nos. 31 & 32 | Financial District Nanakramguda | Serilingampally Mandal | Hyderabad – 500032 | India

Ph. No. : +91 040 6716 1598
Toll Free No: 1800-345-4001
Email id: brahma.k@kfintech.com
Website: www.kfintech.com

Website

www.irfc.nic.in

Email ID

investors@irfc.nic.in

*As on 13th August, 2021

PROFILE OF BOARD OF DIRECTORS*

Shri Amitabh Banerjee
Chairman & Managing Director

Ms. Shelly Verma
Director (Finance)

Shri Baldeo Purushartha
Government Nominee Director

Shri Bhaskar Choradia
Government Nominee Director

*As on 13th August, 2021

Shri Amitabh Banerjee

Chairman & Managing Director
DIN: 03315975

Shri Amitabh Banerjee was appointed as Managing Director on the IRFC Board on 12th October, 2019. He took over the charge of Chairman & Managing Director on the IRFC Board on 21st May, 2020. He belongs to the IRAS Cadre of 1988 Civil Service Exam Batch. He has a Masters in Commerce and is a Fellow Member of the Institute of Cost Accountants of India (ICWAI). He was a rank holder (13th position in All India Merit List) in the All India Senior School Certificate Examination (10+2). He was a recipient of National Talent Search Scholarship (NTS) for 5 years (1980 – 1985).

Prior to joining the post of Managing Director / IRFC, he has been working in the capacity of Director Finance, Konkan Railway Corporation Limited (KRCL) since October 2013. Prior to that, he worked in the capacity of Director Finance in Hindustan Paper Corporation Limited (HPC) for 3 years (September 2010 to October 2013). He also worked in the capacity of General Manager (Finance) in Delhi Metro Rail Corporation Limited (DMRC) for more than 5 years, handling inter-alia International financing (IDA Loan from JICA), Compilation and Finalization of Accounts and Preparation of Budgetary Estimates. He was the nominated representative of DMRC in the world body of various mid-sized metros, christened 'NOVA'. It was a consortium of 15 prominent Metro Rail Companies in the world.

He has held several portfolios in the Finance Department of Ministry of Railways since 1989 through 2003, handling major projects like Gauge Conversion, Laying of New Lines, Track Doubling, Construction of Railway Bridges, etc. He has also worked in the capacity of Director in the Office of Comptroller and Auditor General of India for about 2 years (2003 to 2005) as a representative of Ministry of Railways in an Autonomous Body – "Government Accounting Standards Advisory Board" – under the aegis of CAG, involved in the formulation of Accounting Standards for Central Government and State Governments.

Ms. Shelly Verma

Director (Finance)
DIN: 07935630

Ms. Shelly Verma is the Director (Finance) and Chief Financial Officer of our Company. She holds a Bachelor's degree in Commerce from the University of Delhi and is also a fellow member of the Institute of Chartered Accountants of India. She has more than 30 years' experience in Power Sector Financing. Prior to her appointment to the Board of our Company, She has served in various capacities, including, most recently, as Executive Director (Finance) with the Power Finance Corporation Limited.

Shri Baldeo Purushartha

Government Nominee Director
DIN: 07570116

Shri Baldeo Purushartha has been inducted to the IRFC Board on 3rd June, 2020. He Joined the Indian Administrative Service (IAS) in 2002. Before joining as Joint Secretary, Department of Economic Affairs, Ministry of Finance, Government of India, he served as Secretary, Lokpal and Divisional Commissioner, Jalandhar, Punjab. He also served in various field and secretariat positions in the Government of Punjab and Government of India. Among the posts, he held the post of Private Secretary to Union Minister of State (Independent Charge) in the Ministry of Housing and Urban Affairs; Director, Industries and Commerce Department, Punjab; Director, Technical Education and Industrial Training, Punjab, Commissioner, NRI, Punjab and Special Secretary, Expenditure, Punjab.

He represents the Government of India on the Board of India Infrastructure Finance Company Ltd., ONGC Videsh Ltd., Indian Railway Station Development Corporation Ltd, Air India Assets Holdings Limited and National Investment and Infrastructure Fund Trustee Limited.

Shri Baldeo Purushartha holds a Post Graduate degree in History from University of Delhi.

Shri Bhaskar Choradia

Government Nominee Director
DIN: 08975719

Shri Bhaskar Choradia, nominated as part-time Government Director on the Board of Indian Railway Finance Corporation is an Indian Railway Accounts Service officer, holds the charge of Executive Director Finance (Budget) in Railway Board w.e.f.28.10.2020. Earlier to this assignment, he has worked as the Director for Government eMarketplace,Government of India (GOI) since September 2017 on deputation under Central Staffing Scheme. He has headed the marketing, capacity-building and customer relationships for this marquee initiative of GOI. He was instrumental in setting up the human resource and finance verticals of the newly incorporated GeM SPV.

He graduated with a Bachelor of Engineering in Mechanical engineering from the Indian Institute of Technology, Roorkee, India (Erstwhile University of Roorkee) in 1996 and joined the Government of India in 2000.

In his career as a Railway Officer he has the experience of working in various capacities in Accounts and Finance Departments of zonal railways i.e. West Central Railway, Southern and Northern Railways and in Railway Board. He has worked in Railway Divisions, Workshops and on Headquarters. While in Railway Board he has worked in the Budget Directorate dealing with the preparation and presentation of the Railway Budget and its execution. As Director in Stores Finance in Railway Board he was involved in preparation of Rolling Stock Programme, M&P Programme for Indian Railways.

He has also attended various training programmes on Management, Public Administration, Tendering, Public Policy etc in India and abroad at Institutes like RSC/Vadodara, NIFM/ Faridabad, University of California, Berkeley/USA etc.

Shri Sanjeev Jain
Chief Vigilance Officer

Shri Vijay Babulal Shirode
Company Secretary & Compliance Officer

CHAIRMAN'S MESSAGE

The company continues to raise funds at the most competitive rates, both from domestic as well as overseas financial markets and has helped to keep the cost of borrowing low

Dear Shareholders,

The past financial year will be remembered for many decades to come as one, that has severely affected humankind and changed our way of life. I extend my sincerest condolences to those who have lost their loved ones. Over the course of the last fiscal, Indian Railway Finance Corporation Limited (IRFC) too has faced a challenging business environment. Owing to the rapid outbreak of COVID-19 in FY20 and the subsequent second wave witnessed in FY21, economic volatility continued. Amidst difficulties, our people have demonstrated tremendous strength of character and I am extremely proud of their resilience, dedication and perseverance. We will, therefore, look back at the year not so much for the challenges they posed but, for the measures and solutions we have adopted to cope with them.

Economic Overview

The Indian economy has undergone a period of uncertainty during the year under review, mostly on account of the devastating Covid-19 pandemic. This has resulted in an economic contraction of 7.3% in FY21. As lockdowns and social distancing protocols continue to be implemented worldwide, business operations were negatively impacted and a steep decline in manufacturing output was noticed across industries. To offset the damage, governments and central banks have extended their support in the form of supportive monetary policies and fiscal measures that helped to stimulate recovery and provided much needed liquidity protection for businesses.

The Indian government along with the Reserve Bank of India announced a stimulus package to revive the economy towards the beginning of financial year 2021. It included measures such as:

a) Production Linked Incentive (PLI) scheme, worth up to ₹ 1.46 lakh crore for 10 key sectors, in a bid to boost India's manufacturing capabilities and enhance exports

b) Emergency Credit Line Guarantee Scheme (ECLGS) to provide liquidity support to 26 stressed sectors by providing collateral free and 100% guaranteed loans

c) Reduction in repo rates

d) Monetary help through direct account transfers to economically weaker sections.

These initiatives have helped to propagate modest economic growth in FY 2020-21, supporting a recovery after the pandemic.

Operational Highlights

IRFC reported a stellar performance during the year under review, with all-time high revenue and profits. The net profit for FY21 stood at ₹ 4,416.13 crore, an increase of 38.34% against ₹ 3,192.09 crore in the last fiscal. The total revenue from operations grew by 17.51%, year-on-year, amounting to ₹ 15,770.47 crore against ₹ 13,421.01 crore in the last fiscal year. Company declared interim dividend of ₹ 1,372.19 crore which works out to 31.07% of PAT for FY 2020-21.

Company's long-term domestic borrowing programme was awarded the highest credit rating of "CRISIL AAA/Stable", "[ICRA] AAA (Stable)" and "CARE AAA [Triple A]" by CRISIL,

ICRA and CARE, respectively. Three international credit rating agencies – Standard & Poor's, Fitch and Moody's – have awarded "BBB- with Stable Outlook", "BBB- with Negative Outlook" and "Baa3 with Negative Outlook" ratings, respectively.

IRFC has recorded a phenomenal 51% growth in annual disbursements, which increased from ₹ 70,471.96 crore in FY 20 to ₹ 1,04,369 crore in FY 21. The AUM for FY 21 stands at ₹ 3,60,079 crore, registering a year-on-year growth of 35.29%. The capital adequacy ratio of IRFC continues to remain strong at 420.46% in FY21. The total Capital Outlay (Capital Expenditure) of MoR for the year 2020-21 was ₹1,55,161 crore out of which IRFC's disbursement against the same was significant at ₹ 1,04,369 crore, which constitutes 67.43% of total capital outlay for the year 2020-21.

As a responsible corporate citizen, your Company attaches high importance to activities related to Corporate Social Responsibility (CSR) and has strictly adhered to the relevant provisions of the Companies Act, 2013 in this regard. CSR Budget for the year 2020-21 was pegged at ₹61.23 crore, against which, the Company approved total 6 projects with total outlay of ₹61.28 crore, against which, the Company has disbursed a sum of ₹41.51 crore. A total sum of ₹30 crore has been contributed to PM CARES Fund.

Equity shares got listed on 29th January, 2021 on BSE Limited and National Stock Exchange of India Limited. Initial Public Offerings (IPO) got an encouraging response from investors and was oversubscribed 3.8 times by QIB, 2.7 times by Non Institutional Investors and 3.7 times by Retail Investors leading to overall subscription of 3.5 times the issue size. It is the first time that a Public Sector Enterprise has provided allocation to anchor investors in an issue. Based on current market capitalisation of Company, it is in the list of top 500 listed companies as on 31st March 2021.

The company continues to raise funds at the most competitive rates, both from domestic as well as overseas financial markets and has helped to keep the cost of borrowing low.

Indian Railways Sector

The Indian Railways is a departmental undertaking of the Government of India, which owns and operates most of India's rail transport. The Indian Railways has the fourth largest railway system in the world, after the US, Russia and China. Recently, private participation in rail projects is being encouraged and the government has approved 'participative models for rail-connectivity and capacity augmented project's, allowing private ownership of certain segments of railways. The government has announced two key initiatives—operation of passenger trains by private players and redevelopment of railway stations across the country. According to Indian Railways, these projects have the potential of attracting investments worth over US$ 7.5 billion in the next five years.

To boost rail infrastructure and make the Indian Railways network future ready, Indian Railways has identified 56 projects across the country, in various zones, to be completed by FY 21 and FY 22. Under the Union Budget 2021-22, the government allocated ₹ 1,10,054.64 crore to the Ministry of Railways. Indian manufacturers, under the 'Atmanirbhar Bharat' initiative, are being urged to build capacities to support the development of the country's first high-speed rail corridor connecting Ahmedabad and Mumbai. As part of the National Rail Plan 2030, Indian Railways is expected to create a future-ready railway system by 2030 to bring down logistics cost and as per Vision 2024 part of National Rail Plan 2030, ensure 100% electrification of broad gauge rail routes by 2024.

I believe that the IRFC team will be sufficiently prepared to tackle any upcoming challenges and continue to adequately support the Indian Railways in its future endeavours. The ingenuity and expertise showcased by our team of highly talented individuals gives me immense confidence to be extremely optimistic about our future.

I would like to express my appreciation to our employees for an unmatched display of courage and dedication during these tough times. Going beyond short-term uncertainties, we remain focused on capitalising upcoming opportunities and are poised to benefit from the market recovery witnessed lately. I would like to extend my sincere gratitude to our customers, shareholders, suppliers, employees, lending institutions and the Government of India for their unabated trust, support and faith in our abilities.

Regards,

Sd/-

(Shri Amitabh Banerjee)
Chairman & Managing Director
DIN: 03315975

ABOUT US

Indian Railway Finance Corporation (IRFC) is the dedicated market borrowing arm of the Indian Railways, Government of India Enterprise, under the Ministry of Railways (MoR)

The Company finances acquisition of rolling stock assets along with providing funds for building infrastructure for Railways. The primary objective of IRFC is to meet the 'Extra Budgetary Resources' (EBR) of the Indian Railways through market borrowings at the most competitive rates.

IRFC is consistently supporting the growth, expansion and modernisation of Indian Railways through funding of railway projects and capacity enhancement works. We are also a trusted lender for other entities in the Railway sector, including Rail Vikas Nigam Limited (RVNL), Konkan Railway Corporation Limited (KRCL), IRCON, Railtel etc. IRFC is constantly diversifying borrowing portfolio to adequately support the endeavours of Indian Railways, year after year.

VISION

To be the pivotal and premier Financial Services Company for the development of Rail Transport Sector while maintaining its symbiotic relationship with the Ministry of Railways.

MISSION

To make IRFC one of the leading Financial Service Companies in the country, for raising funds from the capital market at competitive cost for augmenting railway plan finances, duly ensuring that the Corporation makes optimum profits from its operations.

KEY HIGHLIGHTS OF FY 2020-21

₹ 1,57,704.72 Million
Revenue from Operations

NIL
Gross Non-Performing Assets & Tax Liability

420.46%
CRAR

₹ 359,134 Million
Net Worth

9x
Net Gearing Ratio

OBJECTIVES

In achieving the mission, the objectives of the Corporation are:

- To mobilise resources through market borrowings from domestic as well as Overseas Capital Markets at the most competitive rates & terms as per annual targets given by the Ministry of Railways.
- To explore use of innovative and diverse instruments for raising funds so as to reduce the cost of borrowings to the Company.
- To provide timely funding for acquisition of Rolling Stock assets for use by MOR.
- To leverage the Company's business advantage, the large size and diverse activities of MoR by efficiently provide customised professional services at competitive cost.
- To explore the possibility of financing CPSEs and other entities for creation of rail infrastructure so as to sustain future growth and profitability.
- To make judicious use of derivatives and other emerging products for risk mitigation at opportune time and optimum cost.
- To strive for high quality service to the investors, lenders and other financial intermediaries and to effect prompt redress of their grievances/problems.
- To ensure optimum utilization of resources.
- To enhance professionalism amongst the employees of the Company through training and other human resource tools.

RATINGS

CRISIL AAA	CRISIL A1+
ICRA AAA	ICRA A1+
CARE AAA	CARE A1+

OUR JOURNEY SO FAR

Incorporated on 12th December, 1986, as a public limited company, the Indian Railway Finance Corporation is registered with the RBI as a systematically important NBFC-ND-IFC.

Over the past 35 years, we have achieved numerous milestones and efficiently fulfilled corporate governance norms.

Let us take a look at the company's milestones and key events before the initial public offering in January, 2021.

1988

- Commenced fund raising from the domestic capital market
- Financing the procurement of Rolling Stock Assets by Indian Railways
- Raised loan from Export Import Bank of Japan on behalf of the Ministry of Finance

1991

- Company declared dividend to the Government of India

1993

- Declared as a Public Financial Institution under Section 4A of the Companies Act, 1956

1996

- Issued floating rate notes of USD 70 million in the offshore market
- Public issue of deep discount bonds

1998

- Registered as an NBFC
- Raised term loans from Corporation Bank and Indian Overseas Bank for a tenure of 15 years
- Issued secured, redeemable, non-cumulative, taxable bonds to Life Insurance Corporation of India (LIC) for a tenure of 15 years

1999

- Issued secured, redeemable non-cumulative,taxable bonds in Separately Transferable Redeemable Principal Parts (STRPP)

2003

- USD 75 million - Raised through syndicated foreign currency loan

2006

- Issued floating rate bonds in the domestic capital market

2008

- Categorized as NBFC-ND-AFC by RBI

2010

- Issued secured, redeemable non-cumulative,taxable bonds for a tenure of 25 years
- Categorized as NBFC-IFC by RBI

2011

- Issued Euro-Dollar bonds (Regulation S) in the offshore market
- Raised foreign currency term loan from American Family Life Assurance Company of Columbus for a tenure of 15 years

2012

- Raised funds through a public issue of tax-free bonds at a differential coupon rate
- On July 27, 2012, we entered into a memorandum of understanding (MoU) with the MoR for the financing of railway infrastructure projects and leasing of infrastructure assets

2016

- ₹95,000 million mobilized through tax free bonds
- Forayed into funding railway projects through institutional finance from LIC

2018

- On August 8, 2017, the Central Board of Direct Taxes notified that any bond redeemable after three years issued by our Company will be classified as "long-term specified asset" under Section 54EC of the Income-tax Act, 1961
- USD 250 million - Syndicated loan was sanctioned by The Bank of Tokyo-Mitsubishi UFJ Ltd., Mizuho Bank Ltd. and Sumitomo Mitsui Banking Corporation (Singapore branch) for a period of 10 years
- USD 500 million - Unsecured fixed rate Regulation S green bonds issued by our Company, for a period of 10 years

2019

- USD 2 billion - Euro Medium Term Note (EMTN) Programme was set up
- USD 500 Million - Worth of Reg S Bonds in the EMTN format was issued

2020

- MCA advised the Company to apply paragraph 11 of Ind AS 01, first time adoption of Ind AS read with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Accordingly, the Co. reversed the deferred tax liability of ₹ 64,431.40 million by crediting the retained earnings as at April 1, 2017, being the date of transition to Ind AS

2021

- IRFC made its maiden IPO and was successfully listed on both NSE & BSE on 29th January 2021
- Cumulative funding to MoR, for meeting its developmental expenditure, has reached to ₹ 4.44 lakh crore
- Highest ever disbursement to MoR at ₹ 1,04,369 crore
- Mobilized an aggregate sum of USD 4.075 Billion, highest ever ECB in a single year

FOCUSED APPROACH ASTOUNDING STRENGTHS

IRFC has consistently supported efforts to modernise and expand the operations of Indian Railways. We are consistently scaling up our capabilities to play a pivotal role in the growth of railways in India. Over the years, we have relied on our inherent strengths to enhance value for our stakeholders

Strategically financing growth of Indian Railways

We were incorporated as the dedicated market borrowing arm of the Indian Railways and have played a strategic role in financing the operations of Indian Railways. We believe, the extensive expansion plans of Indian Railways will involve significant financing, and we are poised to meet its requirements.

₹ 2,85,610.85 Million
Worth of Rolling Stock Assets financed FY 2020-21

₹ 7,34,588.61 Million
Worth of Project Assets Financed FY 2020-21

Our financial activities are determined annually by the Ministry of Railways (MoR), in accordance with the planned capital outlay of the Union Budget of India for Indian Railways. We utilise various sources including taxable and tax-free bonds issuances, capital gain bonds term loans from banks/financial institutions, external commercial borrowings, internal accruals, asset securitization and lease financing to fulfil the funding needs. Some of these funds are also utilized for debt financing of other Railway PSU Entities.

Competitive cost of incremental borrowing

6.51%
Cost of incremental Borrowing FY 2020-21

₹ 10,43,689.64 Million
Amount Raised FY 2020-21

Our funding requirements are met through various sources, wherein we fund acquisition of Rolling Stock Assets and Project Assets through market borrowings of various maturities and currencies. Our innate ability to source external commercial borrowings in the form of syndicated foreign currency term loans, issuance of bonds/ notes in offshore markets at competitive rates supplement the funds available from domestic sources. Based on our strong credit rating, diversified sources of funding and strategic relationship with the MoR, we strive to keep the cost of borrowing competitive.

The benefit of equity infusion, from time-to-time, by the Government of India, has greatly helped us to achieve sustainable growth. The company also raises funds from investors comprising banks and financial institutions, pension funds, provident fund trusts, insurance companies, sovereign funds, corporates, the public (including high net worth individuals, retail investors and non-resident investors), trusts and mutual funds.

Consistent financial performance and cost plus model

13.34%
Return on Net Worth FY 2020-21

1.39x
Interest Coverage Ratio FY 2020-21

1.43%
Net Interest Margin FY 2020-21

IRFC has displayed constant growth in core metrics of funding and profitability. The cost-plus based Standard Lease Agreement with the MoR enables the company to maintain margins over the weighted average cost of incremental borrowing, determined by the MoR, in consultation with IRFC, at the end of each fiscal. Typically, the weighted average cost of incremental borrowing factors in expenses incurred by us, with respect to foreign currency hedging and/ or losses (and gains, if any) as well as any hedging costs for interest rate fluctuations. Simultaneously, we follow the cost-plus pricing model for financing other Railway PSU entities, which typically provides a relatively higher margin. In addition, we believe our low overhead and administrative costs and high operational efficiency has resulted in increased profitability.

Strong asset-liability management

IRFC manages cash flows through an active asset-liability management strategy. It helps to minimise asset-liability mismatches. The long-term borrowings are aligned to the prolonged tenure of the assets funded by IRFC. It not only helps to manage liquidity, but also meets the growing demands of Indian Railways. To ensure adequate funding reserves, the company maintains enough funds to meet operational and statutory requirements.

Further, if the company fails to procure sufficient funds for redeeming bonds or repaying term loans due to inadequate cash flow, under the Standard Lease Agreement, the MoR must provide for such shortfall through bullet payments, prior to the maturity of bonds or term loans. Such payments are adjusted in the subsequent lease rentals payable under respective Standard Lease Agreements.

Experienced senior management and committed team

Our in-depth knowledge and the experience of our senior management has enabled us to ensure consistency of our business plans by streamlining operational procedures. It is the strength of our management and the perseverance of our people that has allowed us to sustain business growth over the years.

Our senior management and executive team is qualified to efficiently handle the nuances of corporate lending and structured finance and law, due to their extensive working experience in renowned government agencies, leading commercial banks and financial institutions.

Low Risk Business Model

Total AUM

46%
Of Lease Receivable primarily in relation to Rolling Stock Assets

2%
Of Loans to Other Railway PSU Entities

52%
Of advances against the leasing of Project Assets

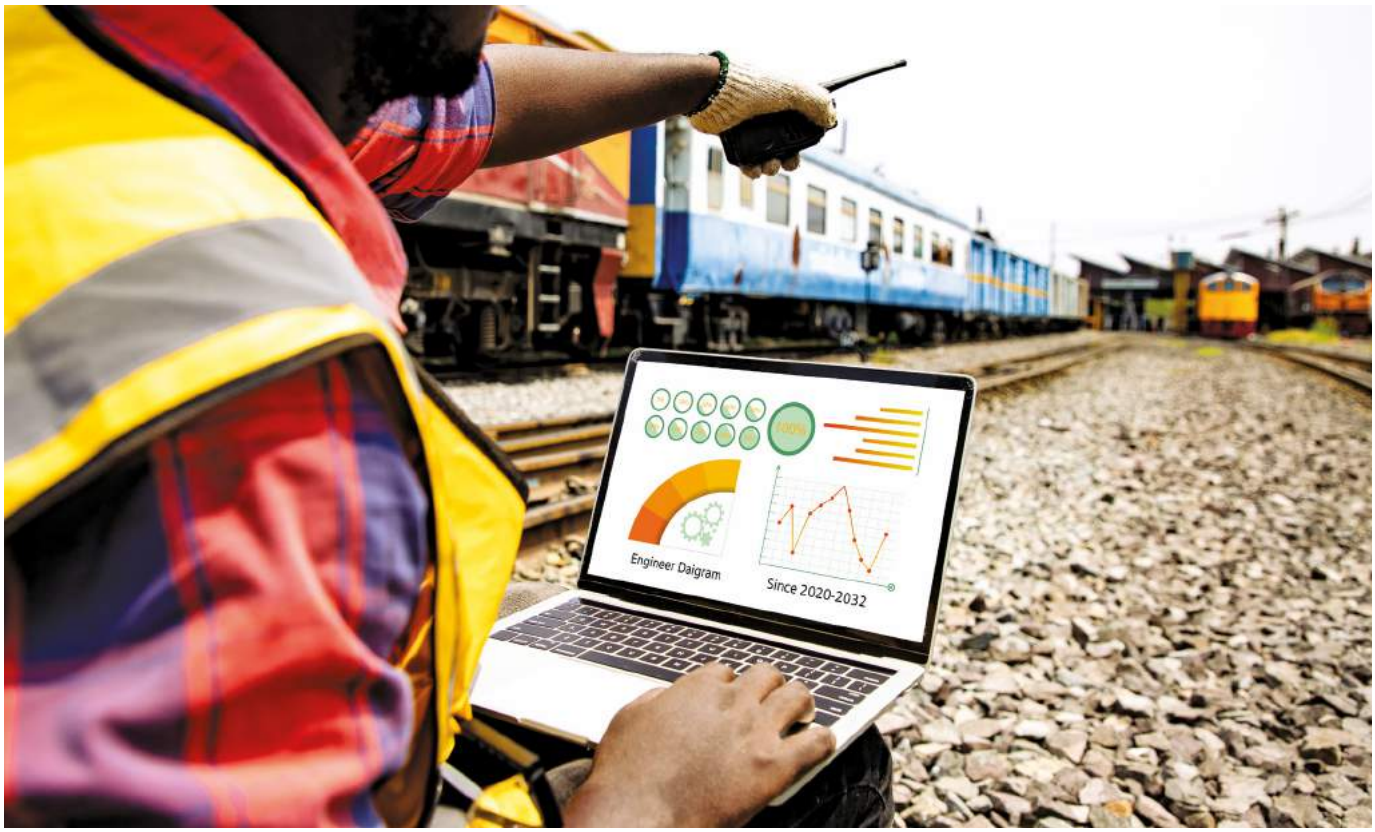
The unique relationship that IRFC maintains with the MoR enables the company to keep a low risk profile. Normally, any foreign currency expenses incurred by the company along with any hedging costs for interest rate fluctuations are combined with the weighted average cost of incremental borrowing. This enables IRFC to secure its margin, over the life of the lease. Risks related to damage of Rolling Stock Assets as a result of natural calamities and accidents are indemnified by the MoR.

Although, historically, IRFC has never resorted to this type of funding from the MoR, the liquidity risk is minimised because the MoR covers shortage of funds required for the redemption of bonds issued on maturity or for repaying term loan facilities. The MoR has never defaulted in its payment obligations under the Standard Lease Agreement. In addition, lease payments to IRFC is covered by the annual railway budget proposed by the Union Budget of India and is paid to IRFC semi-annually in advance.

In order to minimise interest rate and foreign currency exchange risks, IRFC enters into hedging arrangements to mitigate interest rate risks and foreign currency exposure, particularly arising from the external commercial borrowings. The cost of hedging is typically included in the weighted average cost of incremental borrowing, included in the lease rentals payable by the MoR.

OUR BUSINESS STRATEGIES

At IRFC, we endeavour to keep the cost of funding low, to support viable and sustainable operations. We have consistently contributed to the growth of Indian Railways, with a focus on further expanding the scope of operations and the volume of funding



Some of our principal business strategies include:

Diversification of borrowing portfolio

Through public issues of tax-free bonds and private placements of tax-free and taxable bonds with innovative structures, securitized receivables from the MoR and external commercial borrowings including syndicated loans, bonds and notes, we have diversified our portfolio.

We also continue to diversify our borrowing portfolio through a range of financing instruments and by identifying new markets and investors through the issuance of 'green bonds' and 'medium term notes'.

As part of our diversification strategy, we continue to explore additional funding options at cost effective rates, including Indian Rupee denominated bonds issued in international markets. We also secure funding from sovereign wealth funds and pension funds as well as multilateral agencies such as the World Bank and the Asian Development Bank. We believe, a diversified borrowing portfolio enables us to raise more funds at lower costs.

Broadening our financing portfolio

As our primary function is to source funds for the Ministry of Railways (MoR), we continue to focus on funding the Rolling Stock Assets requirement of Indian Railways. We are also widening our portfolio and expanding our lending activities. We are mainly targeting projects that are relevant for the decongestion and expansion of the existing railway network. It also includes assets undertaken by other MoR entities to enhance the infrastructure of Indian Railways.

We aim to leverage our position as the primary financing partner of the MoR to provide monetary resources for joint ventures with state governments and other public sector undertakings, engaged in the development of railway infrastructure across India.

We intend to:

- address various financing requirements of entities under the MoR, including extension of guarantees and providing short term borrowings
- meet funding requirements of Indian Railways and ensure financing for implementation of railway projects
- diversify our financing portfolio to include forward and backward linkages to the railways sector

Continued focus on asset-liability management

Our robust ALM framework ensures a continuous monitoring of risks related to liquidity and interest rates. The same is done through a periodic analysis of long-term liquidity profile of assets, liabilities, receipts and debt-service obligations. Such structured analysis on a periodic basis in various time buckets is used for a holistic decision making regarding the time, volume and maturity profile of borrowings and a creation of a mix of assets and liabilities in terms of tenure and in terms of fixed or floating interest rate.

Measures to improve asset-liability management:

- Traditional Asset and Liability gap analysis
- Interest-rate sensitive gap statement
- Projection of debt-service obligations
- Taking into account Interest Rate Forecasts and Spreads
- Reviewing Internal cost of funds
- Assessing projected funding need of the MoR
- Processing projected loan disbursements
- Analysing liquidity position and funding strategies

We also continue to maintain a sharp focus on locating funding sources with long term repayment schedules and matching them with the lease terms of Rolling Stock Assets and Project Assets that we fund.

Advisory-Consultancy services and syndication activities venture

Our company has significant industry experience in fundraising and financing activities for the Indian Railways. We believe, it can be utilised for providing financial structuring advisory and consultancy services.

We can also help other entities related to Indian Railways with the following:

- Offer funding assistance
- Lend strategic advice for long term access to capital, acquisition finance and equity Capital
- Leverage our experience as an NBFC and infrastructure finance company to provide customised financing solutions

As a primary source of funding for the MoR, IRFC has the capability to venture into syndication activities. Railways, being a capital intensive industry, we intend to foray into Loan Syndication. As a syndicate lender, we are often required to meet the large scale financing requirements of railways projects. With our deep domain knowledge and elaborate financing experience, we are confident of being a syndicate arranger for the Indian Railways & other related entities.

OUR FUNCTIONS

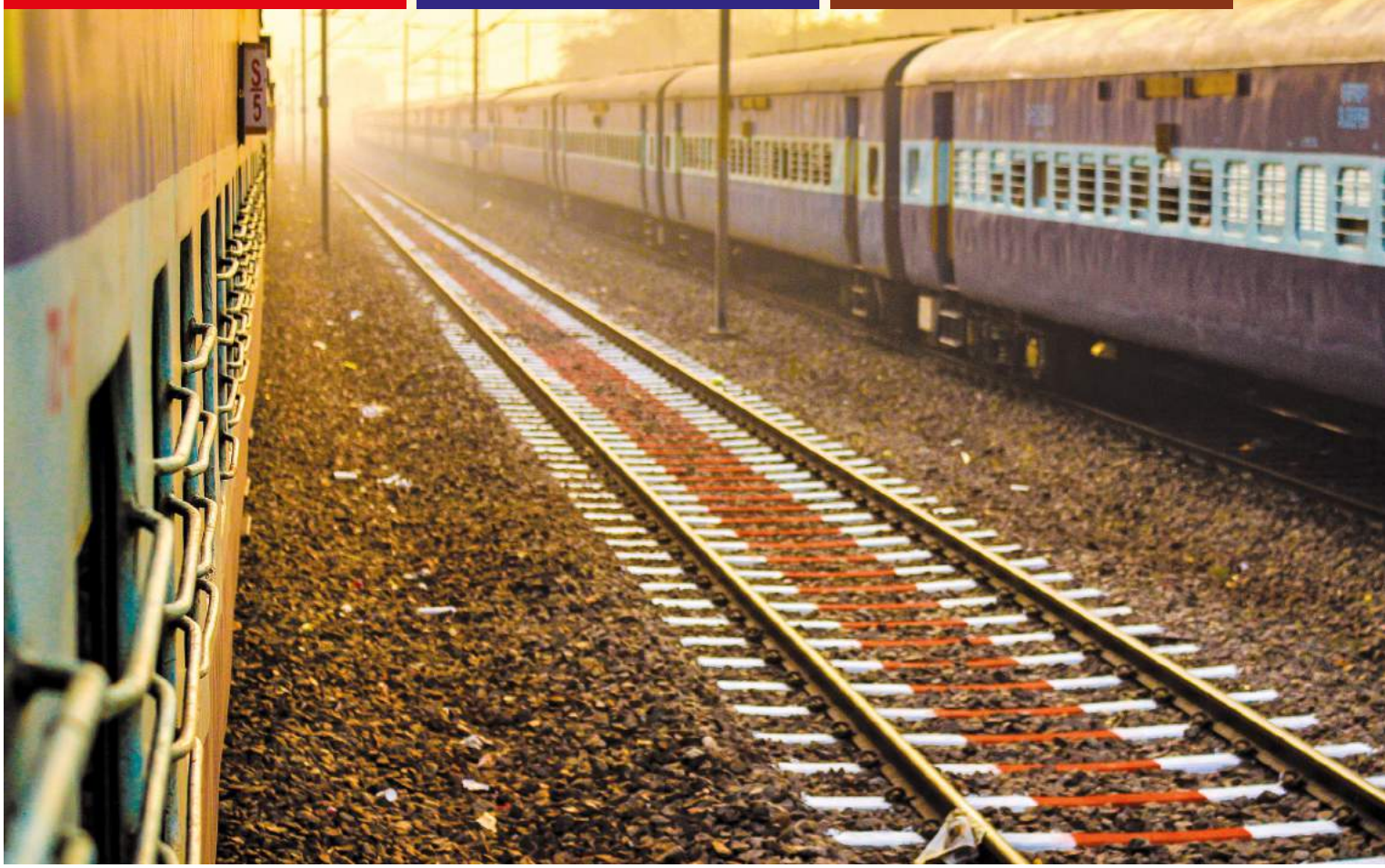
IRFC is the dedicated market borrowing arm of the Indian Railways. Our primary business is financial leasing of rolling stock assets, which includes both powered and unpowered vehicles, for example locomotives, coaches, wagons, trucks, flats, electric multiple units, containers, cranes, trollies of all kinds and other items of rolling stock components , leasing of railway infrastructure assets and national projects of the Government of India and lending to other entities under the Ministry of Railways, Government of India (MoR)

Accordingly our functions broadly covers following:-

Leasing Operations

Lending Operations

Borrowing Operations



LEASING OPERATIONS

IRFC follows a leasing model to finance the rolling stock assets and project assets of Indian Railways.

Financing of Rolling Stock Assets

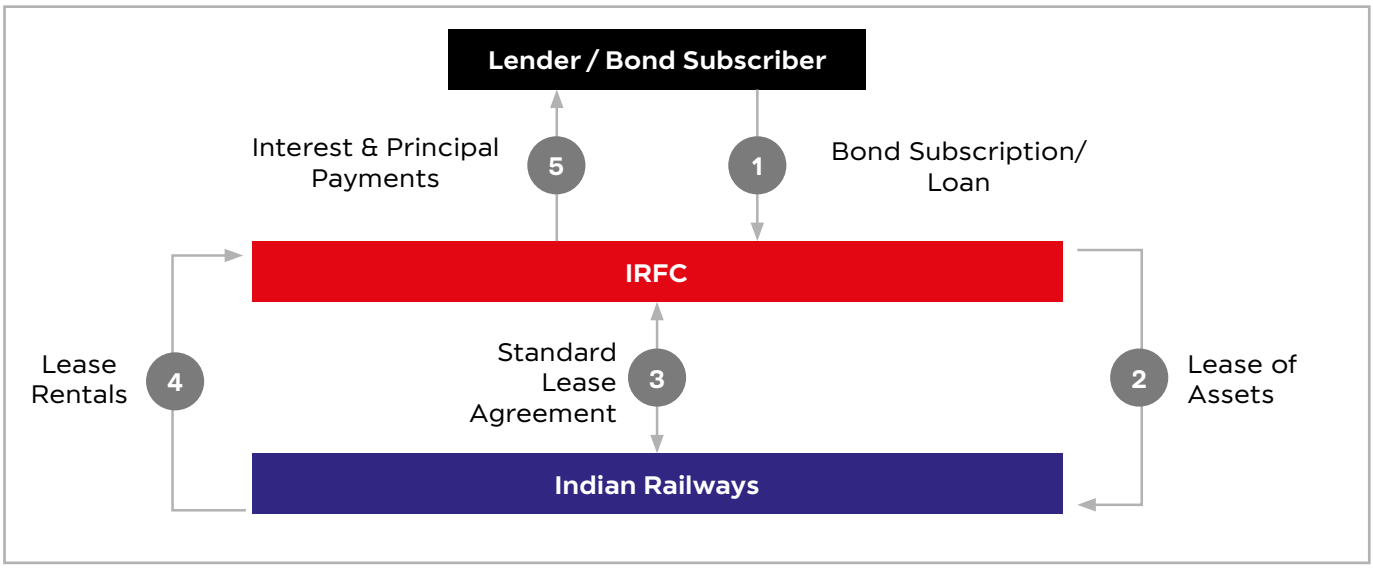
The lease period is typically for 30 years, comprising a primary period of 15 years followed by a secondary period of 15 years. As part of the lease, recovery of the principal component and interest is effected during the primary lease period and at the end of the lease, assets are transferred to the MoR at a nominal price.

The Company adopts cost plus lease arrangement with the Ministry of Railways which ensures a net interest margin for IRFC. The MoR pays lease rentals to the Company on half yearly basis and the lease pricing comprises both principal repayment and interest payment.

Standard Lease Agreement: Every year, IRFC enters into a Standard Lease Agreement with MoR. Lease rentals include the value of the Rolling Stock Assets leased by IRFC to the MoR in the relevant fiscal year, the weighted average cost of incremental borrowing as well as a certain margin, all in accordance with the terms of the Standard Lease Agreement.

Advance Lease Rentals: In case of difficulties experienced by IRFC in debt servicing, arrangement is in place to pay lease rentals in advance by MOR. IRFC has have never availed such a facility from the MoR till date.

Margin: In FY21, IRFC was entitled to a margin of 40 bps over weighted average cost of incremental borrowing.



Low-Risk, Cost-Plus business Model

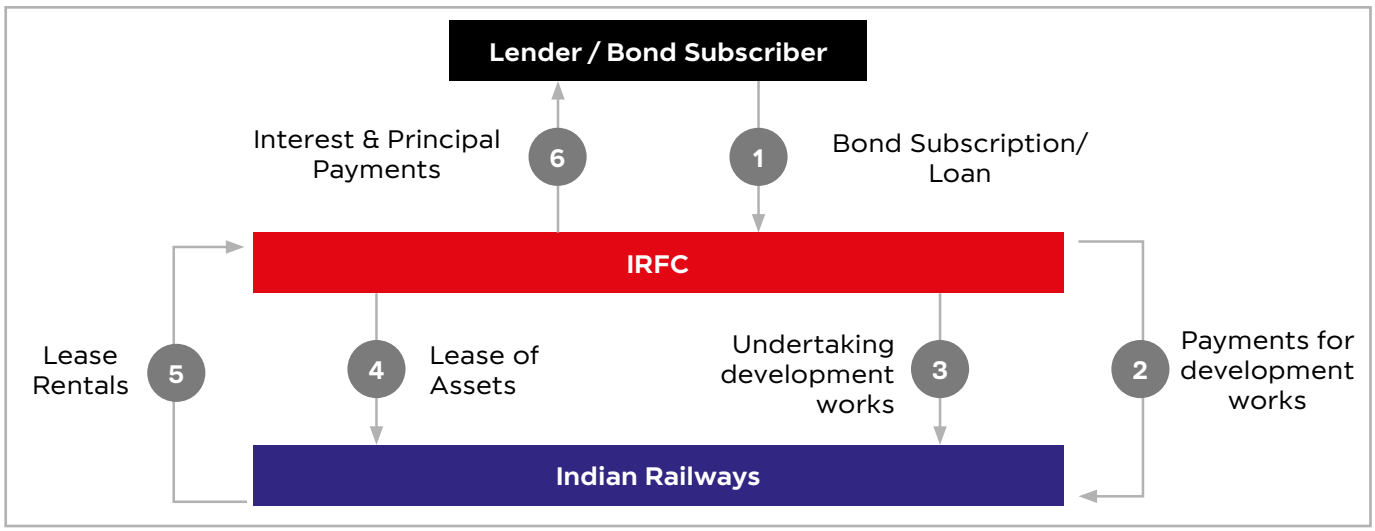
7.11%
Cost to MoR FY 2020-21

0.40%
Margin on Incremental RSA (Rolling Stock Assets) Leased FY 2020-21

FINANCING OF PROJECT ASSETS

Standard Lease Agreement: IRFC has entered into a MoU and Development Agency Agreement for financing of Project Assets with MoR. However, IRFC is yet to execute the Lease Agreements with the MoR.

Margin: In FY21, IRFC was entitled to a margin of 35 bps over weighted average cost of incremental borrowing.



LENDING OPERATIONS

IRFC also has presence in lending activities and have provided funds to various companies in Railway sector like Rail Vikas Nigam Limited (RVNL), Konkan Railway Corporation Limited, Rail Land Development Authority, Railtel Corporation of India and Pipavav Railway Corporation Limited.

Asset Under Management (AuM) Growth

IRFC has witnessed a sturdy 32.6% CAGR in AUM during FY2019-21, led by a healthy capital outlay of ₹ 3.8 tn by the Indian Railways. Historically, 30-40% of railway infrastructure capital outlay is being funded via the IRFC route.

₹ 36,00,790 million
Total AuM

32.6%
AuM CAGR over last 3 years

BORROWING OPERATIONS

IRFC strives to fulfil its funding requirements through various sources and aims to avail the lowest possible rates from the market. Company borrows the funds from sources like taxable and tax-free bonds issuances, term loans from banks and financial institutions, commercial papers, external commercial borrowings etc.

₹ 32,31,106.79 million
Total Outstanding Borrowing

Borrowings FY2020-21 includes:

- Taxable Bonds of ₹ 21,537.70 crore
- External Commercial Borrowings (ECB) of ₹ 29,586.95 crore
- Rupee Term Loans of ₹ 52,401.75 crore
- 54EC bonds of ₹ 842.60 crore

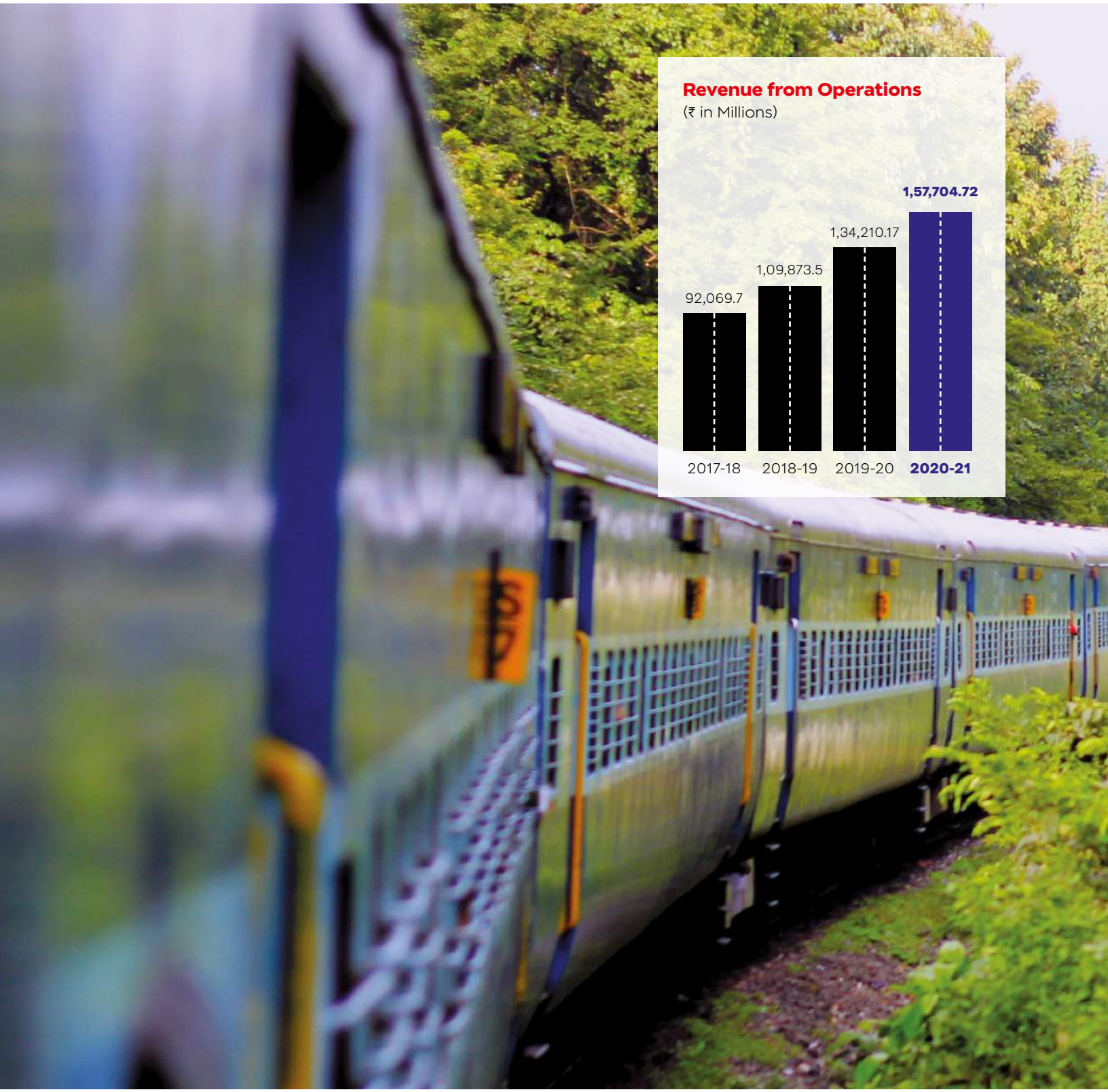
International Borrowing

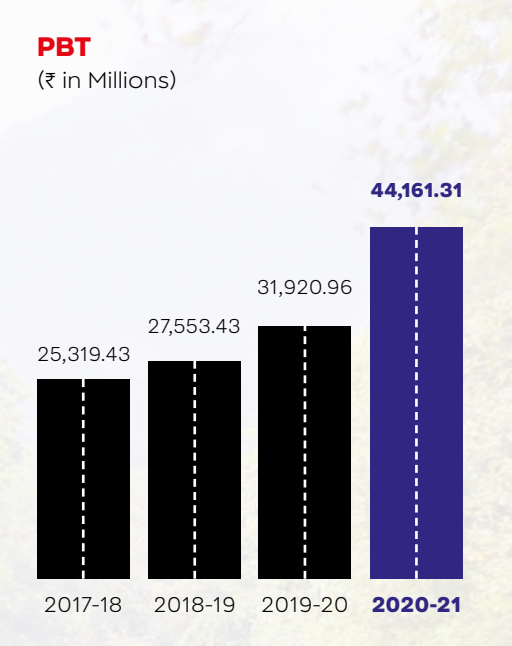
External Commercial Borrowings

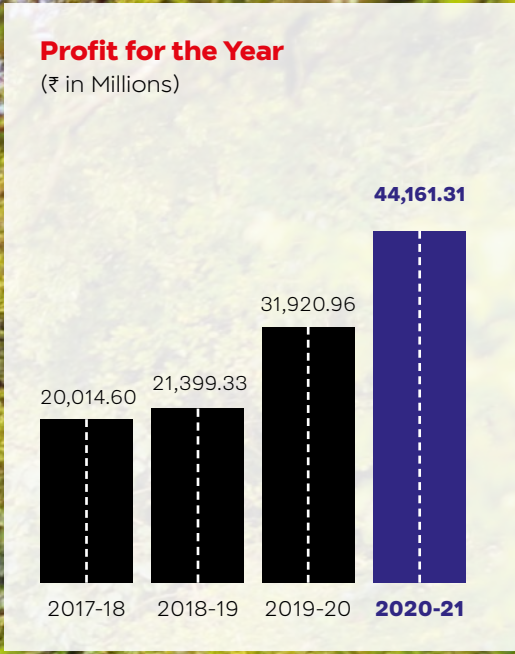
We enjoy a very competitive cost of borrowing due to our excellent credit ratings, accredited by international credit rating agencies at par with sovereign. We have raised funds through syndicated offshore loans and have issued foreign currency unsecured bonds (primarily in US Dollars) which have been listed on international stock exchanges.

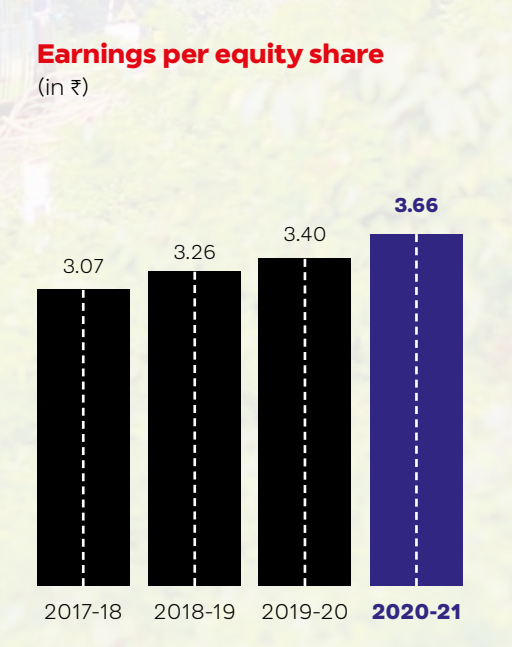
₹ 5,37,916.30 Million
Outstanding Foreign Currency Borrowings

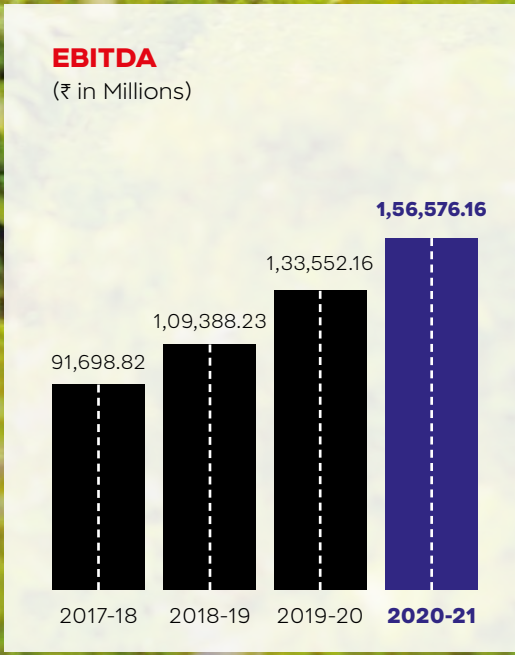
FINANCIAL HIGHLIGHTS




PBT
(₹ in Millions)
25,319.43
27,553.43
31,920.96
44,161.31
2017-18
2018-19
2019-20
2020-21


Profit for the Year
(₹ in Millions)
20,014.60
21,399.33
31,920.96
44,161.31
2017-18
2018-19
2019-20
2020-21


Earnings per equity share
(in ₹)
3.07
3.26
3.40
3.66
2017-18
2018-19
2019-20
2020-21


EBITDA
(₹ in Millions)
91,698.82
1,09,388.23
1,33,552.16
1,56,576.16
2017-18
2018-19
2019-20
2020-21

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

IRFC strive to remain a responsible corporate entity aware of its responsibilities to all the stakeholders as a part of its Corporate social responsibility and sustainability policy (CSR & sustainability policy). It also support sustainable Development programmes of the government to save the mother earth and for healthy living of future generations of mankind. It also contribute towards inclusive growth and equitable development in the society, through empowerment of the marginalized underprivileged sections.

₹ 61.23 Crore
Required spending in FY21

₹ 61.28 Crore
Total Approved Projects

₹ 30 Crore
Contribution to PM CARES Fund

₹ 10.51 Crore
Construction of 105 Public Toilets

₹ 1 Crore
Contribution towards Armed Forces Flag Day Fund (AFFDF)

₹ 41.51 Crore
Disbursed FY 21

₹ 19.77 Crore
Disbursed on receipt of bills/claims from the implementing agencies in future

NOTICE

Notice is hereby given that the 34th Annual General Meeting of **Indian Railway Finance Corporation Limited (IRFC)** will be held on 29th September, 2021 at 3.00 p.m. through Video Conferencing/Other Audio-Visual Means (VC/OAVM) at registered office of the Company at Room Nos. 1316 - 1349, 3rd Floor, Hotel The Ashok, Diplomatic Enclave, 50-B, Chanakyapuri, New Delhi – 110021 to transact the following business: -

ORDINARY BUSINESS

Item No. 1

To receive, consider, approve and adopt the audited financial statements of the Company for the financial year ended March 31, 2021 along with the Reports of the Board of Directors and Auditors thereon and Comments of the Comptroller and Auditor General of India (CAG) by passing the following resolution:

"**RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended on 31.03.2021, together with the Board's Report and the Auditors' Report thereon and Comments of the Comptroller and Auditor General of India, be and are hereby received, considered and adopted."

Item No. 2

To confirm the payment of Interim Dividend for the financial year 2020-21 by passing the following resolution:

"**RESOLVED THAT** the interim dividend @ 10.5% i.e. ₹1.05/- per share on 1306,85,06,000 Equity Shares paid to the shareholders for the financial year ended 31st March, 2021, as per the resolution passed by the Board of Directors at their meeting held on 13th February, 2021 be and is hereby noted and confirmed."

Item No. 3

Re-appointment of Shri Baldeo Purushartha as a Nominee Director by passing the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** Shri Baldeo Purushartha (DIN: 07570116), who retires by rotation and being eligible, be and is hereby re-appointed as a Nominee Director of the Company."

SPECIAL BUSINESS

Item No. 4

Increase in borrowing Powers of the Board of Directors of IRFC in terms of Section 180(1)(c) of the Companies Act, 2013.

To consider and if thought fit, to pass, with or without modification(s), the following resolution(s) as a **Special Resolution**:

"**RESOLVED THAT** in supersession of earlier resolution passed by the Company in the 32nd Annual General Meeting (AGM) held on 26th September, 2019, and pursuant to Section 180(1)(c) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) & any other applicable laws and provisions of Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company (the "Board") to borrow such moneys or sum of moneys, from time to time, at its discretion, with or without security and upon such terms and conditions as the Board may think fit, for the purpose of business of the Company, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed aggregate of the paid up capital of the Company and its free reserves, provided that the total amount borrowed and outstanding at any point of time shall not exceed a sum of ₹ 8,00,000 crore (Rupees Eight Lakh Crore only)."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorized to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolution."

Item No. 5

Increase in ceiling for creation of charge in terms of Section 180(1)(a) of the Companies Act, 2013.

To consider and if thought fit, to pass, with or without modification(s), the following resolution(s) as a **Special Resolution**:

"**RESOLVED THAT** in supersession of earlier resolution passed by the Company in the 32nd Annual General Meeting (AGM) held on 26th September, 2019 and pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws and provisions of Articles of Association of the Company,

consent of the Company be and is hereby accorded to the Board of Directors of the Company (the "Board") to create charge, hypothecation, mortgage on any movable and/or immovable properties of the Company wheresoever situated, both present and future and on the whole or substantially the whole of the undertaking or the undertakings of the Company in favour of any banks, financial institutions, hire purchase/lease companies, body corporate or any other persons on such terms and conditions as the Board may think fit, for the benefit of the Company and as agreed between Board and lender(s) towards security for borrowing of funds from time to time, not exceeding ₹ 8,00,000 crore (Rupees Eight Lakh Crore only) for the purpose of business of the Company or otherwise as per the requirements of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and any other statutory and procedural formalities to be complied with in this regard."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorized to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolution."

By order of the Board of Directors

Sd/-

Place: New Delhi
Dated: 1st September, 2021

(Vijay Shirode)
Company Secretary

NOTES:-

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts concerning the business under Item Nos. 4 to 5 of the accompanying Notice, is annexed hereto. The Board of Directors of the Company in its meeting held on 29th June, 2021 considered that the items of Special Business at Sl. Nos. 4 to 5 of the Notice, shall be transacted at the 34th AGM of the Company.

2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", circular no. 20/2020 dated May 5, 2020 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio-visual means (OAVM)" and Circular no. 02/2021 dated January 13, 2021 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the CoVID -19 pandemic" (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue In compliance with the MCA Circulars and SEBI Circulars the 34th AGM of the Company is being conducted through VC/OAVM Facility, without physical presence of members at a common venue. The deemed venue for the 34th AGM shall be the Registered Office of the Company.

3. Pursuant to the provisions of the Companies Act, 2013 ("Act") a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since the 34th AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with.

   Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members such as the President of India or the Governor of a State or body corporate may be appointed for the purpose of casting vote through remote e-Voting prior to the AGM, participation in the 34th AGM through VC/OAVM Facility and for electronic voting during the AGM.

4. Attendance of the Members participating in the 34th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. In line with the MCA Circulars and SEBI Circular referred above, the Notice of the 34th AGM along with Annual Report is being sent by e-mail to all members, whose e-mail IDs are registered with the Company. The said documents are available on the website of the Company at www.irfc.nic.in and on the website of National Stock Exchange of India Limited at www.nseindia.com and BSE Limited at www.bseindia.com and also on the website of Central Depository Securities Limited ("CDSL") at www.evotingindia.com.

   The Company had published advertisements in newspapers to encourage shareholders, holding shares in physical and electronic form, to register/ update their email IDs for receiving the Annual Report for the financial year 2020-21.

   Those shareholders who have still not been able to update their e-mail IDs, may follow the below process for registration of e-mail IDs with the Company:

   - In case shares are held in Demat mode, please send an e-mail to irfc@beetalfinancial.com or investors@irfc.nic.in quoting DP ID Client ID (16-digit DP ID + Client ID or 16-digit beneficiary ID), Name of holder(s), scanned copy of client master list/demat account statement, PAN Card and Aadhaar Card.

   - In case shares are held in physical mode, please send an e-mail to irfc@beetalfinancial.com or investors@irfc.nic.in quoting Folio No., Name, scanned copy of Share certificate (front & back), PAN Card and Aadhaar Card.

6. All Members of the Company including Institutional/ Corporate Investors are encouraged to attend the AGM and vote on items to be transacted at the AGM. All Institutional / Corporate shareholders (i.e., other than individuals, HUF, NRI, etc.) are requested to send a certified copy of the Board or governing body resolution / authorization letter authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-Voting. The said resolution/ authorization shall be sent to the Scrutinizer through

e-mail at contact@navneetaroracs.com with a copy marked to helpdesk.evoting@cdslindia.com.

7. The Company has fixed 22nd September, 2021 as the Cut-off date for determining the eligibility to vote in respect of items of business to be transacted at the 34th AGM.

   Any person holding shares in physical form and non-individual shareholders who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and is holding shares as on the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if he / she is already registered with CDSL for remote e-voting, then he / she can use his / her existing user ID and password for casting the vote. Any shareholder who disposes off his shareholding such that he/she is not a member as on the cut-off date should treat this Notice for information purposes only.

   The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

8. The Register of Members and Share Transfer Books of the Company will remain closed from 25th September, 2021 to 28th September, 2021 (both days inclusive).

9. Shri Navneet Arora, Managing Partner of Navneet K Arora & CO. LLP, Company Secretaries, New Delhi has been appointed as the Scrutinizer to scrutinize the votes cast through e-voting by the shareholders in respect of items of business to be transacted at the 34th AGM, in a fair and transparent manner.

10. The Company's Registrar and Transfer Agents for its share registry work (Physical and Electronic) are M/s. Beetal Financial & Computer Services (P) Ltd. (herein after referred to as "R &TA"). All documents, transfers, dematerialization requests and other communications in relation thereto should be addressed directly to the Company's Registrar & Share Transfer Agents, at the address mentioned below:

    M/s. Beetal Financial & Computer Services (P) Ltd.
    (Unit: Indian Railway Finance Corporation Limited)
    Beetal House, 3rd Floor, 99 Madangir,
    Behind local Shopping Centre,
    Near Dada Harsukhdas Mandir,
    New Delhi- 110062
    Phone- 91-11-2996 1281-83
    Fax- 91-11-2996 1284
    Email: irfc@beetalfinancial.com
    Website: www.beetalfinancial.com

11. In compliance with provisions of MCA Circulars and SEBI Circular referred above, Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings issued by ICSI, the Company is offering e-voting facility to the shareholders to enable them to cast their votes electronically on the items mentioned in the Notice. Those Shareholders who do not opt to cast their vote through remote e-voting, may cast their vote through electronic voting system during the AGM.

    CDSL will be providing facility for remote e-voting, participation in the 34th AGM through VC/OAVM and voting during the 34th AGM through electronic voting system. The remote e-voting period begins on 26th September, 2021 at 9:00 AM (IST) and ends on 28th September, 2021 at 5:00 PM (IST). The remote e-voting module shall be disabled by CDSL for voting thereafter.

    Members may join the 34th AGM through VC/OAVM, which shall be kept open for the Members from 29th September, 2021 i.e. 15 minutes before the scheduled start time and the Company may close the window for joining the VC/OAVM facility 15 minutes after the scheduled start time on date of AGM.

    Please refer to detailed instructions for remote e-voting, attending the 34th AGM through VC/OAVM and electronic voting during the AGM as mentioned in point No 26. of Notes.

12. In pursuance of Article 114 of the Articles of Association of the Company read with Section 123 of the Companies Act, 2013 and Companies (Declaration and Payment of Dividend) Rules, 2014, as amended from time to time, the Company had paid an Interim Dividend for the financial year 2020-21 @ ₹1.05/ per share (i.e., 10.5% on the paid-up equity share capital of ₹10/-each) on 13th February, 2021. Further, the Board of Directors of the Company has not recommended any Final Dividend for the financial year 2020-21.

    Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the shareholders w.e.f. April 1, 2020 and the Company will be required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In order to enable compliance with TDS requirements in respect of dividends declared by the Company in future, members are requested to submit Form 15G/15H on annual basis and update details about their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case of shares held in physical form, with the Company / R&TA, so that tax at source, if any as per applicable rates and residential status, may be deducted in respect of dividend payments made by the Company in future. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits.

13. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form who have not done so are requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA.

14. As directed by SEBI, Members are requested to:

    i) Intimate to the DP, changes if any, in their registered addresses and/or changes in their bank account details, if the shares are held in dematerialized form.

    ii) Intimate to the Company's RTA, changes if any, in their registered addresses, in their bank account details, if the shares are held in physical form (share certificates).

    iii) Consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.

15. Brief Resume of the Director seeking re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India is annexed hereto and forms part of Notice.

16. Pursuant to Section 143(5) of the Act, the Auditors of a Government Company shall be appointed or re-appointed by the Comptroller and Auditor General of India (C&AG) and in terms of Sub-section (1) of Section 142 of the Act, their remuneration has to be fixed by the Company in the meeting or in such manner as the Company in General Meeting may determine. The Members of your Company in its 33rd meeting held on 30th September, 2020 had authorised the Board of Directors to fix remuneration of Statutory Auditors. Accordingly, the Board of Directors fix the remuneration of the Statutory Auditors every year.

17. SEBI encourages all shareholders to hold their shares in dematerialized form as this eliminates the possibility of damage/loss of physical share certificate(s) & cases of forgery and facilitates the ease and convenience of paperless trading of shares.

    Further, no stamp duty is payable on transfer of shares held in Demat form. It is also pertinent to mention that with effect from April 1, 2019, SEBI has prescribed that requests for effecting transfer of securities (except transmission or transposition cases) shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, we request you to convert your shareholdings from physical form to demat form at the earliest, in existing demat account or new demat account to be opened with any Depository Participant (DP).

18. Members who hold shares in physical form are requested to send all correspondence concerning transmission, transposition, sub-division, consolidation of shares or any other related matter and/or change in address or bank account, to R&TA of the Company and in case of shares held in electronic mode, to their respective Depository Participants.

19. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.

20. As SEBI has made usage of electronic payment modes for making cash payments to the investors mandatory, therefore members are advised to submit their National Electronic Clearing System (NECS)/ National Electronic Fund Transfer (NEFT)/ Direct Credit mandates or changes therein, to enable the Company to make payment of dividend by means of NECS/ NEFT/ Direct Credit/Warrants. Shareholders holding shares in physical form may send the NECS/NEFT/ Direct Credit to R&TA at the address i.e., M/s. Beetal Financial & Computer Services (P) Ltd. Beetal House, 3rd Floor, 99 Madangir, Behind local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi- 110062 and to their email id irfc@beetalfinancial.com. Shareholders holding shares in electronic form may send the NECS/NEFT/Direct Credit Mandate Form directly to their Depository Participant (DP). Those who have already furnished the NECS/NEFT/ Direct Credit Mandate Form to the Company / R&TA / DP with complete details need not send it again.

21. Members who have not received/encashed their dividend warrants within its validity period may write to the Company at its Registered Office or to the R&TA of the Company, for revalidating the warrants or payment in lieu of such warrants in the form of demand draft or direct credit to bank by furnishing documents to RTA Agent at their email id irfc@beetalfinancil.com.

22. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF

Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

The Interim Dividend declared for the financial year 2020-21 would be due for transfer to IEPF on 14th April, 2028. Members, who have not claimed the Unpaid Interim Dividend so far, are requested to make their claim to the Company's Registrar & Transfer Agents (R & T Agents).

Pursuant to the provisions of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the requisite details of unpaid and unclaimed amounts lying with the Company has been uploaded on Company's website (www.irfc.nic.in).

Members may please note that in the event of transfer of such shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF authorities by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF- 5.

23. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to write to the R&TA of the Company at irfc@beetalfinancial.com in Form SH-13 as prescribed in the Companies (Share Capital and Debentures) Rules, 2014. In case of shares held in dematerialized form, the nomination form has to be lodged directly with the respective DP.

24. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding maintained under Section 170 of the Companies Act, 2013, Register of contracts and arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice, will be available for inspection through electronic mode, without any fee, by the members from the date of circulation of this Notice, up to the date of AGM i.e., 29th September, 2021. Members desiring for inspection of said documents are requested to send an e-mail to the Company at investors@irfc.nic.in.

25. Members desirous of getting any information on any item(s) of business of this meeting are requested to send an e-mail mentioning their name, demat account number/folio number, email id, mobile number to investors@irfc.nic.in at least seven days prior to the date of the AGM and the same will be replied by the Company suitably.

26. The Instructions for remote e-voting, attending the 34th AGM through VC/OAVM and electronic voting during the AGM are as under:

(A) THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

(i) The voting period begins on 26th September, 2021 at 9:00 AM (IST) and ends on 28th September, 2021 at 5:00 PM (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The Members who have cast their vote by remote e-Voting prior to the AGM may attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote on such resolution again.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat

mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/ EasiRegistration. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at contact@navneetaroracs.com and to the Company at the email address viz; investors@irfc.nic.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

(B) INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@irfc.nic.in. These queries will be replied to by the company suitably by email. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

    If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

    All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

27. **Process for those Shareholders whose email addresses are not registered with the Depositories for obtaining Login Credentials for e-voting for the resolutions proposed in this notice:**

    1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to RTA email id at irfc@beetalfinancial.com

    2. For Demat shareholders - please provide Demat account details (CDSL-16-digit beneficiary ID or NSDL-16-digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to RTA email id at irfc@beetalfinancil.com.

28. The Scrutinizer shall, after the conclusion of the electronic voting during the AGM, assess the votes cast at the meeting through electronic voting system, thereafter unblock the votes cast through remote e-voting and make a consolidated Scrutinizer's Report not later than 48 hours of conclusion of AGM and submit the same to the Chairman of the Meeting. or a person authorised by him in writing, who shall countersign the same.

29. The results of the voting indicating the number of votes cast in favour or against each of the Resolution(s), invalid votes and whether the Resolution(s) have been carried out or not, together with the Scrutinizer's Report, will be uploaded on the website of the Company (www.irfc.nic.in) and on CDSL website (www.evotingindia.com) and will also be submitted to BSE Limited and National Stock Exchange of India Limited within the prescribed time. Further, the Resolution(s), if passed by requisite majority, shall be deemed to be passed on the date of 34th AGM.

Annexure to the Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

As per Section 180(1)(c) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Board of Directors of the Company shall, with the consent of the Company by passing a Special Resolution, borrow moneys, which together with the moneys already borrowed by the Company, is in excess of the paid-up capital and free reserves of the Company.

In this regard, the Members of the Company, by passing Special Resolution in the 32nd Annual General Meeting (AGM) held on 26th September, 2019 had granted powers to the Board of Directors of the Company to borrow moneys upto a total amount of ₹ 4,00,000 crore (Rupees Four Lakh crore).

The net amount of borrowings of the Company as on 31st March, 2021 was ₹ 3,23,110.68 crore and a sum of ₹1,00,000 crore is likely to be borrowed till the first half of the year 2022-23, from the market by way of issue of bonds to investors and availing long term loans from banks and financial institutions, foreign currency borrowings etc.

The current outstanding borrowings together with projected borrowings till the first half of the year 2022-23 is likely to exceed the overall borrowing limit approved by the members. Therefore, the consent of the Members is sought under Section 180(1)(c) of the Companies Act, 2013, for increasing the borrowing limit from ₹ 4,00,000 crore to ₹ 8,00,000 crore, to cover the further requirement of borrowings.

The Memorandum and Articles of Association and all related documents shall be available for inspection through electronic mode, from date of circulation of this Notice upto the date of AGM.

Board of Directors of the Company in its Meeting held on 29th June, 2021 approved the above proposal and recommended the passing of the proposed Resolution as contained in the Notice, by Members of the Company.

In view of the above, you are requested to grant your consent to the Special Resolution as set out at Item No. 4 of this Notice.

The Directors or Key Managerial Personnel or their relatives do not have any concern or interest, financial or otherwise, in passing of the said Resolution, except to the extent of their shareholding in the Company.

Item No. 5

In terms of the provisions of Section 180(1)(a) read with Section 110 of the Companies Act, 2013 and Rules made thereunder, a company cannot sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking or undertakings of the company without the consent of the Shareholders of the Company by way of a Special Resolution through Postal Ballot.

However, in terms of MCA Notification dated February 9, 2018, any item of business required to be transacted by means of postal ballot, may be transacted at a general meeting by a company which is required to provide the facility to members to vote by electronic means.

In terms of the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, IRFC is providing the facility to its members to enable them to vote on resolutions at the general meeting, by electronic means. Accordingly, the Special Resolution to increase in ceiling for creation of charge in terms of Section 180(1)(a) of the Companies Act, 2013, is proposed to be passed in this AGM.

The borrowing targets of the Company have increased substantially and in order to meet the growing fund requirements of the Company, additional funds are required to be raised by creation of security on the immovable/ movable properties of the Company.

Therefore, it is proposed to authorize the Board of Directors of the Company to mortgage/create charge on immovable and/or movable properties of the Company, both present and future, towards security for total amount borrowed and outstanding at any point of time shall not exceed a sum of ₹ 8,00,000 crore (Rupees Eight Lakh Crore only) as per the requirements of Section 180(1)(a) of the Companies Act, 2013, Rules made there under and any other statutory and procedural formalities to be complied with in this regard.

The Memorandum and Articles of Association and all related documents shall be available for inspection through electronic mode, from date of circulation of this Notice upto the date of AGM.

Board of Directors of the Company in its Meeting held on 29th June, 2021 approved the above proposal and recommended the passing of the proposed Resolution as contained in the Notice, by Members of the Company.

In view of the above, you are requested to grant your consent to the Special Resolution as set out at Item No. 5 of this Notice.

The Directors or Key Managerial Personnel or their relatives do not have any concern or interest, financial or otherwise, in passing of the said Resolution, except to the extent of their shareholding in the Company.

By order of the Board of Directors

Sd/-
(Vijay Shirode)
Company Secretary

Place: New Delhi
Dated: 1st September, 2021

Annexure to the Notice

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36(3) OF THE SEBI LISTING REGULATIONS AND SECRETARIAL STANDARDS ON GENERAL MEETINGS]

Name	Shri Baldeo Purushartha
DIN	07570116
Date of Birth/Age	5th January, 1974
Date of Appointment	3rd June, 2020
Qualifications	Bachelor's degree and a master's degree in history
Expertise in specific Functional areas	He Joined the Indian Administrative Service (IAS) in 2002. Before joining as Joint Secretary, Department of Economic Affairs, Ministry of Finance, Government of India, he served as Secretary, Lokpal and Divisional Commissioner, Jalandhar, Punjab. He also served in various field and secretariat positions in the Government of Punjab and Government of India. Among the posts, he held the post of Private Secretary to Union Minister of State (Independent Charge) in the Ministry of Housing and Urban Affairs; Director, Industries and Commerce Department, Punjab; Director, Technical Education and Industrial Training, Punjab, Commissioner, NRI, Punjab and Special Secretary, Expenditure, Punjab.
Directorship held in other Companies	(i) Indian Railway Stations Development Corporation Limited (ii) India Infrastructure Finance Company Limited (iii) ONGC Videsh Limited (iv) National Investment and Infrastructure Fund Trustee Limited (v) Air India Assets Holding Limited
Membership/Chairmanship of Committees across all Public Companies other than IRFC	Member: Audit Committee- ONGC Videsh Limited
Relationships between Directors *inter-se*	There is no inter-se relationship with any other Director of the Company.
Number of equity shares held in the Company	Nil

For details regarding the number of meetings of the Board/Committees attended by the above Director during the year and remuneration drawn/sitting fees received, please refer to the Boards' Report and the Corporate Governance Report forming part of the Annual Report.

In terms of the provisions of Section 152(6) of the Act, Shri Baldeo Purushartha (DIN: 07570116), retires by rotation at the meeting. The Board of Directors recommends his re-appointment.

Directors' Report

Dear Shareholders,

Your directors have the pleasure in presenting the 34th Annual Report of the Company along with the Audited Financial Statements, Auditor's Report and Review of the Accounts by the Comptroller & Auditor General of India for the financial year ended 31st March, 2021.

1. Financial Highlights

The highlights of financial performance of your Company for the year ended 31st March, 2021 are summarised below:

₹ In Million

	Particulars	Year ended 31-03-2021	Year ended 31-03-2020
I.	Revenue from operations	1,57,704.72	1,34,210.17
II	Other income	3.90	0.73
III.	Total Revenue (I+II)	1,57,708.62	1,34,210.90
IV.	Expenses		
	Finance costs	1,12,370.53	1,01,626.62
	Impairment on financial instruments	27.15	21.41
	Employee benefit expense	78.47	62.65
	Depreciation and amortization expense	44.32	4.58
	Other expenses	1026.84	574.68
	Total Expenses	1,13,547.31	1,02,289.94
V.	Profit before tax (III-IV)	44,161.31	31,920.96
VI.	Tax expense:		
	(1) Current tax	-	-
	(2) Tax for Earlier Years	-	-
	(3) Deferred tax	-	-
	Total Taxes	-	-
VII.	Profit (Loss) for the current Year from continuing operations (V-VI)	44,161.31	31,920.96
VIII.	Other Comprehensive Income	14.76	(5.52)

Revenue from operations of your Company has increased by ₹ 23,494.55 million from ₹ 1,34,210.17 million in 2019-20 to ₹ 1,57,704.72 million in 2020-21, showing a growth of 17.51%.

Profit before Tax (PBT) of your Company for the year ending 31st March 2021 was ₹ 44,161.31 million as compared to ₹ 31,920.96 million for the previous year, registering a growth of 38.34%.

Profit after Tax (PAT) for the year ending 31st March, 2021 was ₹ 44,161.31 million which is the same as that of Profit Before Tax (PBT), as the Company has not made any provision for tax in its books pursuant to its decision to exercise the option of lower tax rate permitted u/s 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated 20th September, 2019. The Company's taxable income was nil and it did not have to pay Minimum Alternate Tax (MAT) with reference to its Book Profit. MAT payable u/s 115 JB was outside the ambit of the Section 115 BAA. Thus, on adoption of Section 115 BAA of the Income Tax Act, 1961, the Company was outside the scope and applicability of MAT provisions and there was a zero-tax liability in the financial year 2020-21. Profit After Tax for the year ending 31st March, 2021 was ₹ 44,161.31 million as compared to ₹ 31,920.96 million for the previous year, up by an impressive 38.34%. This has enabled the Company to augment its net worth.

2. Dividend

Your Company seeks to strike a judicious balance between the return to the shareholders and retaining a reasonable portion of the profit to maintain a healthy

financial leverage with a view to supporting and sustaining future borrowings and growth.

It was decided that interim dividend of ₹13,721.93 Mn paid for FY 2020-21 which works out to 31.07% of PAT for FY 2020-21, shall be the full and final dividend for FY 2020-21. Details of Unpaid Interim Dividend 2020-21 is available at https://irfc.nic.in/wp-content/uploads/2021/07/Interim-Dividend-2020-21.pdf

As per regulation 43A of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), the top 500 listed companies shall formulate a Dividend Distribution Policy. Accordingly, the policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retained profits earned by the Company. The policy is also available on the Company's website: https://irfc.nic.in/wp-content/uploads/2020/06/Dividend-Distribution-Policy.

3. Reserves

As per Section 45 – IC of the RBI Act, 1934, all NBFCs are required to create a Reserve equivalent to 20% of the net profit before payment of dividend. RBI granted exemption to Government NBFCs from compliance of provisions of Section 45 – IC of the RBI Act, 1934. However, the exemption has been withdrawn by RBI w.e.f. 31st May, 2018. Accordingly, 20% of the net profit of the Company amounting to ₹ 8,832.22 Mn has been transferred to Reserve Fund u/s Section 45 – IC of RBI Act, 1934.

Out of the remaining amount of profit, the sum of ₹ 14,980.12 Mn has been kept in Retained Earnings after meeting a sum of ₹ 5,000 Mn towards final dividend for FY 2019-20 and ₹ 13,721.93 Mn Interim & Final Dividend for the FY 2020-21.

4. Share Capital

The Government of India announced the divestment in Company's shares in the financial year 2017-18. Accordingly, Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, appointed DAM Capital Advisors Limited, HSBC Securities and Capital Markets (India) Private Limited, ICICI Securities Limited and SBI Capital Markets Limited as Book Running Lead Managers (BRLMs) and Khaitan & Co and Squire Patton Boggs, Singapore LLP as Legal Advisors for offer for sale of 5% of its present holdings by the Promoters (i.e., Government of India) to the public and additional offering of 10% through Initial Public Offerings (IPO) to the public. IPO got an encouraging response from investors and was oversubscribed 3.8 times by QIB, 2.7 times by Non-Institutional Investors and 3.7 times by Retail Investors leading to overall subscription of 3.5 times. It is the first time, a Public Sector Enterprise has provided allocation to anchor investors in an issue. The Offer size was ₹ 4,663.38 Cr consisting of primary issuance of 1,18,80,46,000 shares worth ₹ 3,088.92 Cr and an Offer for Sale (OFS) of 59,40,23,000 equity shares worth ₹ 1,544.46 Cr. Equity shares got listed on 29th January, 2021 on BSE Limited and National Stock Exchange of India Limited. Listing of equity shares will enhance the company visibility and brand image and provide liquidity to the shareholders. Listing will also provide a public market for the equity shares in India. Post IPO, the President of India holds 11,28,64,37,000 equity shares i.e. 86.36% of the paid up equity share capital of the Company. Based on current market capitalization of Company, it is in the list of top 500 listed companies as on 31st March 2021.

5. Independent Evaluators' Assessment

5.1. Credit Ratings

Domestic: During the financial year 2020-21, the Company's long-term domestic borrowing programme was awarded the highest credit rating of "CRISIL AAA/Stable", "[ICRA] AAA (Stable)" and "CARE AAA [Triple A]" by CRISIL, ICRA and CARE respectively. The Company also got its short-term borrowing programme rated, obtaining the highest rating of "CRISIL A1+", "[ICRA] A1+", and "CARE A1+ [A One Plus]" by CRISIL, ICRA and CARE.

International: During the financial year 2020-21, three international credit rating agencies – Standard & Poor's, Fitch and Moody's – have awarded "BBB- with Stable Outlook", "BBB- with Negative Outlook" and "Baa3 with Negative Outlook" ratings respectively to your Company. Besides, the Company obtained an issuer specific credit rating of "BBB+ with Stable Outlook" from Japanese Credit Rating Agency. Each of the four credit ratings is equivalent to India's sovereign rating and is of investment grade.

5.2. Memorandum of Understanding (MOU) with Ministry of Railways, Government of India

The Company enters into Memorandum of Understanding (MoU) with Ministry of Railways (MoR) every year wherein Company is evaluated on various financial and non-financial parameters. MoU rating for the year 2019-20 is yet to be declared by the Department of Public Enterprises (DPE). Based on its performance, the Company has

been rated 'Excellent' by the Department of Public Enterprises (DPE) with a score of 91.82 (Excellent) for the year 2018-19.

6. Market Borrowings during 2020-21

The Company was initially assigned a borrowing target of ₹ 58,000 Crore including funding of Rolling stock to the extent of ₹ 29,300 Crore, financing of Railway Projects under EBR-IF to the tune of ₹ 28,000 Crore and meeting the debt financing requirements of RVNL amounting to ₹ 700 crore. During the last quarter of the financial year 2020-21, the target was revised and ₹ 1,04,369.00 crore including ₹ 29,480.56 crore towards Rolling Stock, ₹ 21,839.68 crore towards EBR-IF, ₹ 51,619.07 Cr towards project assets under EBR-S and ₹ 1,429.69 crore towards debt financing requirement of RVNL were disbursed respectively. This was the highest ever borrowing target for any financial year in the history of the Company and was an increase of 48.45% over the previous year's target of ₹ 70,471.96 crore. The cumulative funding to Railway Sector has crossed ₹ 4.44 lakh crore mark.

The total Capital Outlay (Capital Expenditure) of MoR for the year 2020-21 was ₹1,55,161 crore out of which IRFC's disbursement against the same was significant at ₹ 1,04,369.00 crore which constitutes 67.43% of total capital outlay for the year 2020-21.

Borrowings during the year include Taxable Bonds worth ₹ 21,537.70 crore (Previous year ₹30,046.83 crore including LIC Bonds ₹4300 crore), External Commercial Borrowings (ECB) of ₹ 29,586.95 crore (previous year ₹13,783.85 Crore) at exchange rate prevailing on the draw down date, Rupee Term Loans of ₹ 52,401.75 crore (previous year ₹25,789.00 Crore) and 54EC bonds of ₹842.60 crore (previous year ₹852.28 crore). The weighted average cost of the pool of borrowings made by Company during the year 2020-21 worked out to 6.51% (semi-annual) as against 7.36% (semi-Annual) during the previous year 2019-20.

The Company was able to achieve this feat through constant monitoring of the markets, proper timing of its borrowings and appropriate selection of instruments.

During the year, the Company constantly diversified its borrowing portfolio to meet the target of borrowings mandated by MoR at the most competitive rates and terms. In its endeavor towards further diversification of its borrowing portfolio, the Company upsized its USD 2 bn GMTN programme to USD 4 bn GMTN programme. The 144A/Reg S bonds under the USD 4 bn GMTN Programme were issued with the principal size of USD 750 mn at a coupon rate of 2.80%, priced lower than the secondary yield curve prevalent at that point of time.

Company also raised USD 3 bn through Syndicated Foreign currency denominated USD loan from SBI, Hong Kong. The drawal comprised two loans of USD 1 bn for a tenor of 10 years on unsecured basis and USD 2 bn for a tenor of 7 years on partially secured basis. Both the loans were linked to 6-month USD Libor and have since been drawn in three tranches of USD 1 bn each. Further, Company also raised JPY equivalent to USD 325 Mn through Syndicated JPY Loan from SMBC. The loan was linked to 6-month JPY Libor and has since been drawn. In effect, the total ECB borrowings for FY 21 logged a total sum of USD 4.075 Bn during the FY 2020- 21.

Company had received approval of Ministry of Finance for issue of 54EC Capital Gain Bonds in October 2017, since then, Company is making all endeavors to increase its market share in 54EC Bond market. In 2020-21, Company mobilized around ₹842.60 crore through 54EC Bond.

7. Redemption of Bonds / Repayment of Loans

During the year, the Company repaid Bonds amounting to ₹ 10,263.91 crore (including call option exercised for ₹ 3,000 crore) and External Commercial Borrowings (ECB) of ₹ 22.51 crore. The Company also redeemed long term loans from Banks of ₹ 3,625 crore and Commercial Paper with face value of ₹ 6,425 crore during the year.

The Company continues to maintain its impeccable track record of servicing its debt in time and there has not been a single instance of default during the year.

8. Internal Financial Control Systems & their adequacy

The details are given in Management Discussion and Analysis.

9. RBI Prudential Norms

Your Company is registered as a Systemically Important Non-Deposit Taking Non- Banking Finance Company with the Reserve Bank of India. Being a Government NBFC, your Company was exempted from the prudential norms prescribed by Reserve Bank of India for NBFC-ND-SI, as contained in the Master Directions issued vide Notification No. DNBR.008/ CGM(CDS)-2015, dated 27th March, 2015. However, the exemption was withdrawn by Reserve Bank of India from 31st May, 2018. As such, the Company has complied with the applicable prudential norms.

The Company has obtained exemption from Reserve Bank of India from the asset classification, income recognition, credit concentration and provisioning norms on the direct exposure to Ministry of Railways, Govt. of India. The Company has also obtained relaxation in respect of lending limit applicable to Railway CPSEs from 20% of its owned funds to 100% of its owned funds.

Liquidity Coverage Ratio (LCR) Exemption:

RBI vide circular dated 4.11.2019 issued the guidelines covering liquidity risk management for NBFCs, wherein RBI introduced Liquidity Coverage Ratio (LCR) applicable on all non- deposits taking NBFCs with asset size of more than ₹ 5,000 crore. The guidelines aim to maintain a liquidity buffer in terms of LCR by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for next 30 days. As per the guideline, LCR is represented by stock of High- Quality Liquid Assets (HQLA) divided by Total Net Cash Outflows (stressed outflow less stressed inflows) over the next 30 calendar days. HQLAs are defined by RBI as the liquid assets that can be readily sold or immediately convertible into cash at little / no loss of value or can be used as collateral to obtain funds in stress situations.

The company has got an exemption from RBI from applicability of Liquidity Coverage Ratio (LCR) norms.

10. Lease Arrangement with the Ministry of Railways (2020-21)

As you are aware, the financial relationship of the Company with the Ministry of Railways is based on a Financial Lease arrangement which is regulated by a standard lease agreement. In respect of the incremental rolling stock assets acquired during 2020-21 through IRFC funding, lease rentals have been fixed at ₹ 52.8672 per thousand per half year (PTPH) over a primary lease tenor of 15 years. The cost (IRR) to Ministry of Railways is 7.11% p.a. payable semi-annually as compared to 7.77% last year, down by 66 bps. Viewed in the context of significant increase in the annual borrowing target by 47% as compared to last year and huge uncertainty prevailing in the market caused by COVID-19 pandemic during the FY 2020-21, the pricing is considered very attractive for the Ministry.

11. Resource Mobilisation for 2021-22

For the year 2021-22, the annual borrowing target for IRFC has been fixed at ₹ 65,258 crore which includes ₹ 30,300 crore for funding of Rolling Stock assets and funding of Railway projects to the extent of ₹34,258 crore. A target of ₹ 700 crore for meeting the debt funding requirements of RVNL has also been given.

The Company is confident of meeting the challenge and hopeful to raise the required amount during the year through a judicious mix of Bonds, Loans and External Commercial Borrowings, etc., at the most competitive rates and terms.

12. Management Discussion and Analysis and Company's Outlook for the future

Management Discussion and Analysis, forming part of the Directors' Report given at **ANNEXURE I.**

13. Impact of Global Health Pandemic COVID-19

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has adopted measures to curb the spread of infection in order to protect the health of employees and ensure business continuity with minimal disruption.

The Company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there is no significant impact on its financial results. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration and accordingly, the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue monitoring any material change to future economic conditions.

14. Report on Corporate Governance

The Government considers good corporate governance practices a *sine qua non* for sustainable business that aims at generating long term value for its shareholders and all other stakeholders. Accordingly, it has been laying increasing emphasis upon development of best corporate governance practices amongst Central Public Sector Enterprises (CPSEs). In pursuance of this philosophy, your Company continues to comply with the 'Guidelines on Corporate Governance for Central Public Sector Enterprises' issued by Government of India, Department of Public Enterprises (DPE) in May, 2010. A few items in those Guidelines, which your Company is not in a position to adopt mainly because they do not apply to it, have been outlined, together with reasons for non-compliance thereof, in the Report on Corporate Governance. Your Company's Equity as well as Non-Convertible Debt Securities are listed on the stock exchanges and Company has complied with Securities

and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March, 2021, the Board of Directors is comprised of five Directors, with two Executive Directors, Two Non-Executive Directors (Govt. Nominees) and one Independent Director. The Company is not having the prescribed number of Independent Directors in compliance of the Regulations 17 (1) (a) of SEBI (LODR) Regulations 2015, specifying the composition of Board of Directors. Also, due to the absence of Independent Director(s), the composition of Audit Committee, Nomination and Remuneration Committee are also not in consonance with the Regulation 18 & 19 of SEBI (LODR) Regulations 2015. The power to appoint Directors vests with Government of India through Ministry of Railways (MoR) and Company has no role to play in it. The Company has already requested MoR for appointment of requisite number of Independent Directors. Report on Corporate Governance is enclosed as **ANNEXURE- II** forming part of this report.

15. Business Responsibility Report

The Business Responsibility Report, as stipulated under Regulation 34 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is given in **ANNEXURE-III** and forms part of this Report.

16. Corporate Social Responsibility

Activities relating to Corporate Social Responsibility (CSR) have become an integral part of Company's operations.

In terms of Section 135 of the Companies Act, 2013 (the Act), read with Schedule VII thereof and also the CSR Rules, the Company has constituted a CSR Committee (the Committee) comprising Independent Director, the Chairman & Managing Director and Director Finance, with the Independent Director as the Chairman of the Committee. Under the Act, the Company is required to spend at least two percent of the average of its net profits of the immediately three preceding financial years on CSR activities. The Department of Public Enterprises (DPE) has also issued guidelines in this regard which, inter alia, require the Central Public Sector Enterprises (CPSEs) to frame a 'CSR and Sustainability Policy'.

The 'CSR and Sustainability Policy' of the Company is in place and the same has also been hosted on its website. The Company, like in the past, has undertaken activities for Sustainable Development and CSR, details of which, are given hereunder: -

During the financial year 2020-21, the Company was required to spend ₹ 61.23 crore, being 2% of its average net profits of the last three financial years, against which, the Company approved total 6 projects with total outlay of ₹ 61.28 crore, against which, the Company has disbursed a sum of ₹ 41.51 crore, including contribution towards Armed Forces Flag Day Fund (AFFDF) for ₹ 1 Crore, contribution to PM CARES Fund for ₹ 30 crore and ₹ 10.51 Crore for construction of 105 Public Toilets and the balance amount of ₹ 19.77 crore would be disbursed on receipt of bills/claims from the implementing agencies in future. As per the latest amendment made effective w.e.f. 22.01.2021, CSR Unspent amount of ₹ 19.77 crore relating to the ongoing projects of the financial year 2020-21, has since been transferred to the 'CSR Unspent Account' maintained with Scheduled Bank in terms of section 135(6) of the Companies Act, 2013. The Company is committed to promoting Health and Nutrition as the theme for focused intervention as mandated by Department of Public Enterprises for the Financial Year 2020-21. The Company has also approved a project towards cold-chain storage equipments for Delhi (State) in support of COVID-19 vaccination programme of the Government of India.

CSR Activities proposed for the FY 2021-22

For the financial year 2021-22, the Company would be required to spend about ₹ 70.06 crore. The details of all the projects / activities would be provided in the next Annual Report.

The details of CSR activities for the financial year 2020-21 as required under the Companies Act are given in the **ANNEXURE – IV.**

17. Directors' Responsibility Statement

As required under Section 134(3)(c) of the Companies Act, 2013, it is confirmed that:

a) In the preparation of the annual accounts, the applicable Indian Accounting Standards have been followed and there are no material departures;

b) Accounting policies have been re-drafted taking into account the Ind-AS, judgments and estimates made are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;

c) Proper and sufficient care has been taken for maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the

Company and for preventing and detecting fraud or other irregularities; and

d) Annual accounts have been prepared on 'going concern' basis.

e) The laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.

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

18. Human Resource Management

The details are given in Management Discussion and Analysis.

19. Auditors

M/s KBDS & Company, Chartered Accountants, have been appointed as Statutory Auditors by Comptroller & Auditor General of India to audit the accounts of the Company for the year 2020-21.

The Comptroller & Auditor General of India has undertaken supplementary audit on accounts of the Company for the year ended 31st March, 2021 and have had no comments upon or supplements to the Auditors' Report under Section 143(6) of the Companies Act, 2013.

Secretarial Audit under Section 204 of the Act has been conducted by M/s Navneet K Arora & Co LLP, Company Secretaries, the existing Secretarial Auditors.

20. Other Disclosures under the applicable provisions of the Companies Act, 2013

20.1. Number of Meetings of the Board

The details are given in Corporate Governance Report which is enclosed as ANNEXURE-II.

20.2. Certificate of Independence by Independent Director

Smt. Aditi Sengupta Ray, Shri Chetan Venugopal and Shri Ashok Kumar Singhal, Independent Directors, have given a declaration that they meet the criteria of Independence, as laid down under Section 149 (6) of the Act.

20.3. Material changes, if any, that may affect financial position of the Company

There are no material changes which will affect financial position of the Company.

20.4. Internal financial control systems and their adequacy

This has been discussed in Para 8.

20.5. Audit Committee

The details pertaining to Audit Committee are included in the Corporate Governance Report, which is enclosed as ANNEXURE-II.

20.6. Secretarial Auditors' Report

M/s Navneet K Arora & Co LLP, Company Secretaries was appointed as the Secretarial Auditors of the Company for the FY 2020-21 by the Board of Directors of the Company. Secretarial Audit Report is placed at **ANNEXURE V.**

The observations of the Secretarial Auditor and reply of the management on the observations, for the FY 2020-21 along with copy of the audit report is annexed with Annual Report.

20.7 Certificate on Corporate Governance

M/s Navneet K Arora & Co LLP, Company Secretaries has issued certificate on Corporate Governance, placed at **ANNEXURE VI.**

20.8 Risk Management

The details are given in Management Discussion and Analysis.

20.9 Particulars of loans, guarantees and investments

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

20.10 Transactions with related parties

None of the transactions with related parties falls under the scope of Section 188(1) of the Act.

20.11 Significant and Material Orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company

There are no significant and/or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

20.12 Disclosure under Foreign Exchange Management Act, 1999

The Company is in compliance with the relevant provisions of the Foreign Exchange Management Act, 1999 pertaining to external commercial borrowing and derivatives.

20.13 Extract of Annual Return

As provided under Section 92(3) of the Act, the extract of Annual Return is given in **ANNEXURE-VII** in the prescribed Form MGT-9, which forms part of this report.

20.14 Code of Business Conduct-Declaration by the Chairman & Managing Director (CEO)

Declaration by CEO on compliance of the "Code of Business Conduct and Ethics for Board Members and Senior Management" for the year 2020-2021 is placed at **ANNEXURE VIII.**

20.15 CEO/CFO Certification

As required by Regulation 17 (8) of the SEBI (LODR) Regulations, 2015, the Compliance Certificate as specified in Part B of Schedule II of the said Regulation duly signed by Shri Amitabh Banerjee, Chairman & Managing Director (CEO) and Ms. Shelly Verma, Director Finance (CFO) was placed before the Board of Directors in their Meeting held on 29th June, 2021. The same is enclosed as **ANNEXURE-IX**

20.16 Particulars of Employees receiving high remuneration & other particulars of employees

Since IRFC is a Government Company, provisions of Section 197 are not applicable to it. Hence, the details have not been given.

20.17 Deposits from public

As in the past, the Company has not accepted any fixed deposits during the period under review.

20.18 Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Pursuant to the Provision of Section 134(3) (m) of the Companies Act, 2013, in respect of Conservation of Energy and Technology absorption, following steps have been taken by your Company: -

To save power, the Company now purchases LED / LCD monitors while replacing the old monitors. Employees are encouraged to keep their gadgets in power saving mode, wherever possible. The Company now replaces its old electrical items, gadgets, etc. with power efficient units.

20.19 Foreign exchange earnings & outgo

The Company did not have any foreign exchange earnings during the year. Details of foreign exchange outgo have been given in the Notes on Accounts.

20.20 Expenditure on R&D

This is not applicable, as IRFC is engaged only in financial activities.

20.21 Reporting of Frauds by Auditors

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143(12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, the details of which need to be mentioned in the Board's Report.

21. Compliance of MSME Guidelines

Your Company has in place, a Manual for Procurement of Goods, Services and Works, which provides guidelines to expedite decision making process by way of consolidating, simplifying and streamlining the various steps to be followed in the process of award of contracts from the procurement of goods, works & services as well as during its implementation on the ground.

The procurement from MSMEs is in compliance to Public Procurement Policy during the financial year 2020-21 as placed below:

₹ In Million

Sl. No.	Particulars	2020-21
1	Total annual procurement	88.78
2	Target %age of annual procurement	22.19
3	Total value of goods and services procured from MSEs (including MSEs owned by SC/ST entrepreneurs)	39.28
4	Total value of goods and services procured from only MSEs owned by SC/ST entrepreneurs	----

5	% age of procurement from MSEs (including MSEs owned by SC/ST entrepreneurs) out of total procurement	44.24%
6	% age of procurement from only MSEs owned by SC/ST entrepreneurs out of total procurement	---

22. Vigilance Activities

Considering the lean staff strength and nature of operations, the vigilance activities of the Company are being looked after by a Part-time Chief Vigilance Officer (CVO) nominated by the Ministry of Railways. The CVO carries out internal scrutiny of the activities on a random basis to ensure compliance with the laid down CVC guidelines and procedures.

During the year 2017-18, one complaint was received by the CVC with allegations of misconduct for which investigations have been carried out and memorandum of charge has been issued.

23. Official Language

The Company is committed to achieving extensive use of Hindi in transaction of its official business, and in the process also bring about compliance with provisions of Official Language Act and Official Language Policy of the Government of India. Considerable efforts were made to achieve the targets set under Annual Programme issued by Department of Official Language, Government of India. Provisions of Section 3(3) of the Official Language Act were fully complied with. Effective measures were taken to bring about progressively higher use of Hindi in day-to-day working of the Company. Ensuring more intensive use of bilingual / Hindi software, purchase of sufficient number of Hindi books, periodicals and journals for the office library in keeping with improving readership, and holding workshops to promote awareness and use of Hindi as official language formed core of the approach in the matter, even as the biggest driver has been a sense of pride inculcated amongst constituents of the Company in transacting their official work in Hindi.

During the year under review, three quarterly meetings of the Official Language Implementation Committee of the Company were held. Also, four Hindi Workshops were organised to give hands-on exposure to participants on various facets of use of Hindi in discharge of their official duties. As in the previous years, Hindi Week was celebrated, carrying out a variety of activities. Awards were given to employees making most extensive use of Hindi in their day-to-day official work. Awards were also given to winners of the Hindi Poem recitation competition.

On 21st August, 2020, the 'Parliamentary Committee on Official Language' had carried out an inspection to assess the extent of use of Hindi and compliance with the Rajbhasha Guidelines in the Company. The Committee had appreciated the use of Hindi in the Company.

The official website of your Company exists in fully bilingual form, and contains all information of interest to its stakeholders.

24. Presidential Approval

Following Presidential Approval was received during the year:-

Presidential Approval No. 2010/PL/47/5 dated 28th September, 2020 for alteration of certain articles of Articles of Association of the Company and substitution of Clause V of Memorandum of Association.

25. Right to Information Act, 2005

The Company follows Government instructions issued in pursuance of Right to Information Act, 2005, and has designated Public Information Officer and Appellate Authority under the Act. All relevant information has been hosted on the Company's website also.

26. Women Employees

Your Company has a very small organizational setup. As on 31st March, 2021, Company has 29 employees in all, out of which there are 6 women employees in the executive cadre. Thus, women employees constitute 20.69 % of the total employee strength at present and the Company would endeavour to further improve the number as and when opportunity arises.

27. Information under sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013

No case of sexual harassment at the work place was reported in the last financial year.

The Company has an Internal Complaint Committee where women employees can register their complaints against sexual harassment.

28. Board of Directors and Key Managerial Personnel

Since the last Annual General Meeting in 30th September, 2020, following changes have taken place in the composition of the Board of Directors.

1. Shri Anand Prakash, EDF/B, Railway Board / Nominee Director on the Board of the Company with effect from 22nd July, 2020 to 26th October, 2020.
2. Smt. Aditi Sengupta Ray, Independent Director on the Board of the Company with effect from 19th September, 2017 to 18th September, 2020.
3. Shri Chetan Venugopal, Independent Director on the Board of the Company with effect from 8th March, 2018 to 7th March, 2021.
4. Shri Ashok Kumar Singhal, Independent Director on the Board of the Company with effect from 20th July, 2018 to 19th July, 2021.
5. Shri Bhaskar Choradia, EDF/B, Railway Board / Nominee Director on the Board of the Company with effect from 27th November, 2020.

Directors place on record their appreciation of the services rendered and contributions made by Mrs. Manjula Rangarajan, Financial Commissioner (Railways), nominated as Chairperson / IRFC, Shri Vijay Kumar, Financial Commissioner (Railways), additional charge as Managing Director / IRFC, Shri Niraj Kumar, Director Finance / IRFC, Dr. Kumar Vinay Pratap, Nominee Director / IRFC and Shri Kishore J. Devani, Independent Director / IRFC of the Company during their tenure.

Pursuant to Section 203 of the Companies Act, 2013, Director Finance, also designated as CFO and Company Secretary, have been designated as Key Managerial Personnel of the Company.

29. Acknowledgements

Your Company is grateful to the Ministry of Railways, Ministry of Finance, Ministry of Corporate Affairs, Public Enterprises Selection Board, Department of Public Enterprises, National Informatics Centre, other Departments of the Government, Securities and Exchange Board of India and the Reserve Bank of India, for their co-operation, assistance, active and timely support, and guidance rendered from time to time. The Company is also thankful to all its Bondholders, Banks, Financial Institutions, Arrangers, Registrar and Transfer Agents, Bond Holders Trustees, National Stock Exchange, Bombay Stock Exchange and Life Insurance Corporation of India for reposing their confidence and trust in the Company. The Company looks forward to their continued support for sustaining its excellent performance levels. The Company expresses gratitude to the Comptroller & Auditor General of India, the Statutory Auditors and the Internal Auditors for their valuable support and guidance.

The Board of Directors express their deep appreciation in recognition of the valuable contribution made by the Company's small team of officers and employees, which has enabled the Company to successfully meet the increasing level of funding targets set by the Ministry of Railways, while consolidating its position as one of the most vibrant public financial institutions in the country.

For and on behalf of Board of Directors

Sd/-
(Shri Amitabh Banerjee)
Chairman & Managing Director
DIN: 03315975

Place: New Delhi
Date: 13th August, 2021

ANNEXURE I

Management Discussion and Analysis

Introduction to the Indian Economy

The outbreak of covid-19 pandemic has caused severe disruption across the globe. This also resulted in contraction of India's GDP growth rate to 7.3% in FY21[1]. Government consumption and net exports have cushioned the growth from diving further down. GDP at Constant (2011-12) Prices in Q4 of 2020-21 is estimated at ₹ 38.96 lakh crore, as against ₹ 38.33 lakh crore in Q4 of 2019-20, showing a growth of 1.6 percent[2].

India has been witnessing a 'V-shaped' recovery since June 2020 with the gradual easing of restrictions on economic activities[3]. India's mobility and pandemic trends aligned and improved concomitantly. Indicators like E-way bills, rail freight, GST collections and power consumption not only reached pre-pandemic levels but also surpassed previous year levels. Manufacturing rebounded and industrial value started to normalize.

For the Indian economy, private consumption and investment are the two biggest engines for growth. The discretionary spending on non-essential goods has declined drastically due to rising unemployment and fears of future job losses. While currently supply-side constraints are slowly easing, a potential surge in the COVID-19 pandemic would disrupt supply chains, and inhibit productivity, which in turn affect the pace at which industrial production and investment return to normal. The Government has announced two stimulus packages amounting to 10% of the GDP, to reduce the impact of the pandemic on the economy.

The path to recovery will depend on how long the pandemic lasts and how quickly the vaccine can be made available to a population of 1.3 billion people[4]. Even if the health crisis is managed by mid-2021, the economic recovery may be slow and uneven with adverse consequences on output, employment, and financial stability. Both private consumption and investment demand may take a long time to recover.

Industry Overview

The Indian Railways is a departmental undertaking of the Government of India (GoI), which owns and operates India's rail transport, through the Ministry of Railways (MoR). The Indian Railways is the largest rail network in Asia and the world's second-largest under one management, running approximately 13,169 passenger trains and 8,479 freight trains every day to transport approximately 22.15 million passengers and 3 million tonnes (MT) of freight per day in FY20[5]. In FY20 the total running track kilometres was 99,235 kilometres. The Indian Railways employs 1.25 million people[1]. The Indian Railways has deployed 12,729 locomotives, 70,236 passenger service vehicles, 2,93,077 wagons and 6,372 other coaching vehicles as of March 31, 2020[1]. There were 7,321 and 7,325 railway stations in India as of FY19 and FY20, respectively[1].

The internal revenue of the Indian Railways is earned primarily from passenger and freight traffic. In FY20, the Indian Railways earned approximately ₹ 1,115 billion from freight traffic excluding demurrage/ wharfage. The number of originating passengers on Indian Railways decreased in FY20 to 8,086 million from 8,439 million in FY19[1]. Further, the passenger earnings also decreased by 0.78% or by ₹ 397.56 crore in FY20. The Indian Railways has constantly expanded its network, developed, and grown across various parameters including freight and passenger revenues as detailed below:

Freight Volumes

Freight is the major revenue-earning segment for the Indian Railways, it utilises one-third of its capacity and generates two-thirds of Indian Railway's revenues. Approximately 30% of total freight traffic (in terms of tonne kilometres) of India moves on rail. Nine commodities including coal, iron, steel, iron ore, food grains, fertilizers and petroleum products primarily support freight business for the Indian Railways.

Particulars	Fiscal										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Tonnes originating (million tonnes)[6]	504	926	975	1,014	1,059	1,101	1,109	1,111	1,163	1,225	1,212#
Earnings from freight carried* (₹ in billion)[2]	230	607	677	835	916	1,031	1,069	1,020	1,135	1,226	1,115#

*Excluding wharfage & demurrage charges
Provisional figures

[1]Economic Survey 2020-21
[2]The Ministry of Statistics & Programme Implementation (MOSPI)
[3]Finance Ministry Report
[4]Frost & Sullivan
[5]Indian Railways - Year Book 2019-20
[6]https://indianrailways.gov.in/railwayboard/uploads/directorate/stat_econ/Annual-Reports-2019-2020/Summery-sheet-Annual-Report-English_2019-20.pdf

The Indian Railways has always played a key role in India's social and economic development as it is a cheap and affordable means of transportation for millions of passengers. The Indian Railways plays a significant role in various industries, including agriculture and as a carrier of bulk freight, such as ores and minerals, iron and steel, cement, mineral oils, food grains and fertilizers, and containerized cargo. Most of the freight revenue in the Indian Railways is generated from the transportation of coal, cement, iron ore and food-grains, which accounted for 48.83%, 7.84%, 9.84% and 5.52%, respectively, of the total earnings from bulk commodities in FY20. The Indian Railways goods earnings decreased from approximately ₹ 1,226 billion in FY19 to approximately ₹ 1,115 billion in FY20.

The MoR implemented several policies in FY18 in order to improve freight traffic such as: (i) liberalising automatic freight rebate scheme in empty flow directions (routes with low freight traffic), (ii) entering into long term tariff contracts with key freight customers, and (iii) introducing double stack dwarf containers as a new delivery model to increase load-ability of trains and attract new traffic under wire.

Passenger Traffic

Passenger trains utilise two-thirds of capacity, however, generate only one-third of revenues for the Indian Railways. The table below sets out details of passengers originated and passenger earnings in the periods indicated:

Particulars	Fiscal										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Passengers originating (million)[2]	4,833	7,651	8,224	8,421	8,397	8,224	8,107	8,116	8,286	8,439	8,086
Passenger earnings (₹ in billion)[2]	105	257	282	313	365	422	443	463	486	511	507

* Provisional Figures

Train travel remains the preferred means for long-distance travel for a majority of Indians and with urbanisation, improving income standards and increasing population, passenger traffic is expected to grow further, which will entail major investments and capital outlay. The Indian Railways is planning certain reforms for passenger convenience such as, amongst others, refurbishment of coaches with amenities such as WiFi, vending machines and auto doors.

Capital Investments in Railways

Indian Railways has now highest ever Capex plan of ₹ 2,15,058 crores for 2021-22 with ₹ 7,500 crores from internal resources, ₹ 1,00,258 crores from extra budgetary resources and ₹ 1,07,300 crores for capital expenditure allocation[7]. The Union budget has allocated outlay of ₹ 1,10,055 crore for the Indian Railways, out of which ₹ 1,07,300 crore will be utilized for capital expenditure for 2021-22 to expand rail infrastructure in India[3].

With this increase in Capex, Indian Railways will have a major role in driving the Indian economy. The thrust of Annual Plan 2021-22 is on infrastructure development, development of terminal facilities, augmentation of speed of trains, signaling systems, improvement of passengers/users' amenities, safety works of road over/under bridges etc. The following plan heads have been allotted highest ever outlays in BE 2021-22:

(₹ in Cr.)

Particulars	BE 2020-21	BE 2021-22	Increase over BE 2020-21
New Lines	26,971	40,932	52%
Doubling	21,545	26,116	21%
Traffic Facilities	2,058	5,263	156%
ROB/RUBs	6,204	7,122	15%

Last Financial year Indian Railways faced innumerable Covid related challenges. Passenger services had to be stopped to prevent the spread of the virus. It, however, kept the national supply chain running and moved great many number of migrants in the most adverse conditions.

The railways will also monetize dedicated freight corridor (DFC) assets for operations and maintenance. The western and eastern DFCs are expected to be commissioned by June 2022. The 263.7 km Sonnagar-Gomoh stretch of the eastern DFC will be taken up in 2021-22 under the public private partnership (PPP) model. The Gomoh-Dankuni section of 274.3 km will also be taken up soon3. The future DFC projects will also be undertaken such as the east coast corridor from Kharagpur to Vijayawada, the east-west corridor from Bhusaval to Kharagpur to Dankuni, and the north-south corridor from Itarsi to Vijayawada.

[7] https://pib.gov.in/Pressreleaseshare.aspx?PRID=1694109

Indian Railways has prepared a National Rail Plan (NRP) for India-2030. This will be for a future ready Railways, wherein infrastructure will be created by 2030, which shall be able to cater to the demand till 2050. NRP which identifies demand and required capacity augmentation needed till 2030 also lays focus on retrieving the modal share for Indian Railways to the level of 45% by 2050 with ultimate aim to reduce logistic cost of the economy.

Considering Passenger Convenience and Safety, the budget has also proposed Introduction of the aesthetically designed Vista Dome LHB coach on tourist routes to give a better travel experience to passengers and provision of indigenously developed automatic train protection on High density network and highly utilized network routes of Indian railways. This system minimized the possibility of train collision due to human error.

Foreign Direct Investment

The Government of India has permitted 100% Foreign Direct Investment (FDI) on automatic route in the following activities/areas of railway infrastructure:

- Suburban corridor projects through Public Private Partnership;
- High speed train projects;
- Dedicated freight lines;
- Rolling stock including train sets, and locomotives or coaches manufacturing and maintenance facilities;
- Railway Electrification;
- Signalling systems;
- Freight terminals;
- Passenger terminals;
- Infrastructure in industrial park pertaining to railway lines or sidings including electrified railway lines and connectivities to main railway line; and
- Mass Rapid Transport Systems.

The cumulative FDI equity inflow in the Railway related components industry is USD 1,227.24 mn during the period April 2000 to March 2021[8].

Company Overview

Indian Railway Finance Corporation (IRFC) was set up on 12th December, 1986 as the dedicated financing arm of the Indian Railways for mobilizing funds from domestic as well as overseas Capital Markets. IRFC is a Schedule 'A' Public Sector Enterprise under the administrative control of the Ministry of Railways, Govt. of India. It is also registered as Systemically Important Non–Deposit taking Non-Banking Financial Company (NBFC – ND-SI) and Infrastructure Finance Company (NBFC- IFC) with Reserve Bank of India (RBI). IRFC has played a significant role in its more than 30 years of existence in supporting the expansion of the Indian Railways and related entities by financing a significant proportion of its annual plan outlay.

The main objective of the company is to meet the predominant portion of 'Extra Budgetary Resources' (EBR) requirement of the Indian Railways through market borrowings at the most competitive rates and terms. Its aim is to be one of the leading Financial Service Companies in the country, for raising funds from the capital market at competitive cost for augmenting railway plan finances, duly ensuring that the Corporation makes optimum profits from its operations. The Company's principal business therefore is to borrow funds from the financial markets to finance the acquisition / creation of assets which are then leased out to the Indian Railways. IRFC's constant endeavor has been to diversify its borrowing portfolio in terms of instruments, markets and investors which has led to the Company meeting the targeted borrowings year after year, through issue of both taxable and tax-free bonds, term loan from banks/financial institutions besides off shore borrowings, at competitive market rate.

Human Resources

Performance level of your Company has been consistently high despite the fact that it consciously maintains a very lean workforce reflected in its low overhead to turnover ratio of around 0.11%.

In order to further strengthen the Organization Structure for coping with the additional workload due to manifold increase in the annual borrowing target mandated by MoR and significant increase in compliance requirements in the aftermath of implementation of the Companies Act, 2013, SEBI (LODR) Guidelines, migration to IND-AS and introduction of GST, the Company got a study conducted by the Management Development Institute (MDI). Company is increasing the employee strength suitably in a phased manner to meet the new challenges.

High levels of efficiency exhibited by the Company's dedicated workforce would not have been possible but for the Company laying deep emphasis on upgrading skills of its employees and keeping them abreast of latest developments and industry practices. The Company is committed to enhancing the professional expertise of all its

[8] https://dipp.gov.in/sites/default/files/FDI_Factsheet_March%2C21.pdf

employees. As a matter of general practice, the Company relies on training programmes involving assessment of training needs and providing necessary inputs to Company personnel, including through customised training programmes.

The Directors are also imparted training on a need-based manner. Shri Chetan Venugopal, Independent Director, attended Online Workshop on 'Board Governance for Chairman, Directors, Independent Directors and KMPs on 05th December, 2020. The main focus of the training was to make the Directors aware of the best corporate governance practices.

While selecting the training programme, the Company lays emphasis on development of skill and knowledge of its executives in the new vistas of Finance and Information Technology, besides developing the leadership and managerial skills for the future.

Operational Highlights

Company was given a highest ever target of ₹ 1,04,369.00 crore to meet the funding requirement of Indian Railways for acquisition of Rolling Stock, for projects and EBR – IF, for projects under EBR (Special) and for financing requirement of RVNL. Company successfully met the aforesaid targets by transferring the required amount of funds. The annual disbursement had registered an impressive year-to-year growth of 48.45%. The cumulative funding to Railway Sector had crossed ₹ 4.44 lakh crore mark. The total Capital Outlay (Capital Expenditure) of MoR for the year 2020-21 was ₹ 2,40,840 crore out of which IRFC's disbursement against the same was significant at ₹ 1,04,369.00 crore which constitutes 43.44% of total capital outlay for the year 2020-21.

Company made borrowings during the year include Taxable Bonds worth ₹ 21,537.70 crore (Previous year ₹ 30,046.83 crore including LIC Bonds ₹ 4300 crore), External Commercial Borrowings (ECB) of ₹ 29,586.95 crore (previous year ₹ 13,783.85 Crore) at exchange rate prevailing on the draw down date and Rupee Term Loans of ₹ 52,401.75 crore (previous year ₹ 25,789.00 Crore) and 54EC bonds of ₹ 842.60 crore (previous year ₹ 852.28 crore). The weighted average cost and tenor of the pool of borrowings made by Company during the year 2020-21 remained at 6.51% (semi-annual) as against 7.36% (semi Annual) during the previous year 2019-20.

Company has upsized GMTN programme of USD 2 bn into a USD 4 bn GMTN programme. Company raised USD 3 bn through Syndicated Foreign currency denominated USD loan from SBI, Hong Kong. The drawl comprised of two loans of USD 1 bn for a tenor of 10 years and USD 2 bn for a tenor of 7 years. Both the loans were linked to 6 months USD Libor and have since been drawn in three tranches of USD 1 bn each. Further, Company also raised JPY equivalent to USD 325 mn through Syndicated JPY Loan from SMBC. The loan was linked to 6 months JPY Libor and had since been drawn. In effect the total ECB borrowings for FY 21 were pegged at USD 4.075 bn during the FY 2020- 21. Also, Company had received approval of Ministry of Finance for issue of 54EC Capital Gain Bonds in October 2017, since then Company is making all endeavors to increase its market share in 54EC Bond market. In 2020-21 Company mobilized around ₹ 842.60 crore through 54EC Bond.

Revenue from operations of your Company has increased by ₹ 23,494.32 Million from ₹ 1,34,210.17 million in 2019-20 to ₹ 1,57,704.49 million in 2020-21, showing a growth of 17.51%. Profit before Tax (PBT) of your Company for the year ending 31st March 2021 was ₹ 44,161.08 million as compared to ₹ 31,920.96 Mn for the previous year, registering a growth of 38.34%. due to increase in volume of business of Company.

Profit after Tax (PAT) for the year ending 31st March, 2021 was ₹ 44,161.08 Mn which is the same as that of Profit Before Tax (PBT), as the Company has not made any provision for tax in its books pursuant to its decision to exercise the option of lower tax rate permitted u/s 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated 20th September, 2019. The Company's taxable income was nil and it did not have to pay Minimum Alternate Tax (MAT) with reference to its Book Profit as MAT payable u/s 115 JB was outside the ambit of the Section 115 BAA and on adoption of Section 115 BAA of the Income Tax Act, 1961, the Company was outside the scope and applicability of MAT provisions.

Profit After Tax for the year ending 31st March, 2021 was ₹ 44,161.08 Mn as compared to ₹ 31,920.96 Mn for the previous year, up by an impressive 38.34%. This has enabled the Company to augment its net worth.

Financial Highlights

(Figures in ₹ crores)	FY 2020-21	FY 2019-20	YoY Change (in %)
Revenue from Operation	15770.47	13421.02	17.50
EBITDA	15657.61	13354.79	17.24
PBT	4416.13	3192.09	38.34
PAT	4416.13	3192.09	38.34
Networth	35913.38	30299.75	18.52

Key Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2018, the Company is required to provide details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor. The key financial ratios are given below:

(Figures in ₹ crores)	FY 2020-21	FY 2019-20
Interest Coverage Ratio (in times)	1.39	1.31
Debt Equity Ratio (in times)	9.00	7.74
Operating Profit Margin (in %)	28.00	23.78
EBITDA Margin (in %)	99.28	99.50
PAT Margin (in %)	28.00	23.78
Return on Net Worth (in %)	13.34	11.57

Management Outlook

Your Directors take pleasure in sharing with you their perception that business of the Company stands on a sound platform and is running well. The robust business model involving strong and mutually beneficial relationship with MoR has become its unique forte. The business of the Company with the Ministry has grown considerably during the last ten years. From an annual target of ₹ 2,957 crore in 2004-05, the final borrowing target assigned for the year 2019-20 was at ₹ 1,04,369.00 crore. Annual borrowing target has increased with a CAGR of 24.96% over the last sixteen years.

Being the dedicated market borrowing arm of the Ministry of Railways, your Company constantly strives to raise funds from the financial market at the most competitive rates and terms. The interest rate remained benign during the major part of the year due to accommodative stance of the Central Bank. During the MPC meeting held in May the rates were cut by 40 bps taking the repo rate at 4.00% and the reverse repo rate at 3.35% with the above rates persisting throughout the FY 2020. However, during the later part of the year, the market improved with better investor confidence due to the vaccination programme for Covid-19 being initiated across the globe. In spite of the fact that your Company was mandated a mammoth final borrowing target in excess of ₹ 1,00,000 Crore and upward revision in the mandate from the original target of ₹ 58,000 Crore was communicated to the Company only towards the end of the financial year, the Company managed its borrowing programme meticulously in an adverse macroeconomic environment which helped in keeping its unflinching commitment of making funds available to the Railways at the most competitive pricing.

In the Annual Report of Financial Year 2015-16, it was reported that MoR had tied up a loan of ₹ 1,50,000 crore with Life Insurance Corporation of India (LIC), to be drawn in tranches over a period of five years for their project funding requirement. It was also reported that IRFC had been entrusted with the job of borrowing the funds from LIC on MoR's behalf.

Under the arrangement, amount totaling to only ₹ 20,500 crore, could be drawn from LIC from 2015-16 to 2019-20 due to its exposure limit constraint as per IRDAI Guidelines.

In the Union Budget for the year 2017-18, the Government had announced listing of shares of your Company on bourses. The Company has successfully achieved the listing target set by the GOI and as a result the shares of your Company were listed on the stock exchange with effect from 29th Jan, 2021.The IPO of your Company had achieved phenomenal response with the issue being oversubscribed to the tune of 3.5 times.

Risk Management

Effective risk management is central to ensuring a robust and healthy finance for the Company. While in risk management, credit risk is accorded high priority amongst various risk mitigation efforts of a business, this is virtually non-existent in the case of your Company, in as much as, an overwhelming segment of its assets is in the form of lease receivables from the Ministry of Railways, carrying zero risk. The Company's selective forays into other areas in the form of loans to Rail Vikas Nigam Limited and IRCON International Limited are suitably ringfenced, as the same has either the cash flows originating from the Ministry of Railways or there is a repayment assurance by Ministry of Railways.

Ordinarily, a company carrying out its business with predominantly single client, might be viewed as being faced with a business risk. However, in the case of your Company, the single client is the owner, who also happens to be the sovereign itself. By virtue of consistently funding about 25% to 45% of plan outlay of the Ministry of Railways, IRFC commands a position of strategic importance for the Ministry. Funding provided by IRFC has been at a competitive cost which is considered attractive by the Ministry. With strong indications of an even larger role being expected by the Ministry from IRFC in its efforts at augmenting rail infrastructure in the country, your Directors consider the Company is comfortably placed in the matter of Business Risk.

Given the carefully drafted provisions in the Lease Agreement signed by IRFC with MoR every year, there is a very good matching of the interest rate sensitivity profile of its assets and liabilities. In the circumstances, exposure of the Company to Interest Rate Risk is negligible. Further, for the Railway Projects financed through Institutional Finance, it is proposed to adopt the lease structure akin to the structure of borrowing which will minimise the liquidity and interest rate risk.

The cash flows of your Company are highly predictable, shielding it largely against liquidity related issues even in a volatile market. Besides, with the quality of credit, Company commanding a high level of respect amongst investors, both domestic and international, the Liquidity Risk in the case of IRFC is perceived at a very low level.

Although the foreign exchange fluctuation risk is pass through to MoR, still your Company has consistently been adopting prudent, efficient and cost-effective risk management strategies to safeguard its operations against Exchange Rate Variation risk on its overseas borrowings. The Company strives to eliminate at opportune time the exchange rate variation risk in respect of principal repayments. Timing is important in such hedging transactions. The Company recognizes the fact that contracting a hedge at a time subsequent to the drawdown does not expose it to any undue risk because of longer maturities. The Risk Management Committee regularly monitors the Foreign Exchange Exposure. In accordance with the policy, the Company has hedged part of its foreign currency exposure thereby mitigating the exchange rate fluctuation risk to that extent.

Some of the outstanding foreign currency borrowings of the Company with tenor longer than five years are either having bullet repayment or amortised repayment in half-yearly instalments. As a result of amortized repayments, the risk gets significantly mitigated by virtue of repayments taking place progressively at different points of time. Keeping in view the volatility in the foreign exchange markets, the Company has been taking recourse to selective hedging of the ECBs outstanding both on principal and interest amount. With a view to effectively supplementing its in-house expertise on the matter, your Company usually resorts to external expert advice from reputed professional consultants, while taking hedging decisions.

Reserve Bank of India (RBI) has made it mandatory for all the Banks offering derivative products to ensure that all their clients who have business dealings must obtain certification regarding adoption of Risk Management Policy duly approved by their Board of Directors. In compliance with the RBI Guidelines, Board-approved Risk Management Policy is in place. The Company also has constituted Risk Management Committee which comprises Chairman & Managing Director, Director Finance and Independent Director. Further, as per the extant RBI circular number RBI/2018-19/184 DNBR (PD) CC. No. 099/03.10.001/2018-19 dated 16-05-2019 regarding appointment of a Chief Risk officer(CRO) by all the NBFC s has been complied with and a CRO has been appointed with effect from 1st July, 2021.

The proceedings of meetings of the Risk Management Committee were regularly placed in the meetings the Board of Directors.

The Company has constituted a sub-committee of Risk Management Committee namely Forex Risk Management Committee to assess and mitigate the foreign exchange fluctuation risk and interest rate risk in External Commercial Borrowings. Minutes of the meetings of the Sub-committee along with the action taken are placed before the Risk Management Committee.

For effective monitoring, control and mitigation of financial risk arising due to mismatch in the Asset Liability position, the Company has formed an Asset Liability Management Committee (ALCO) comprising Chairman & Managing Director, Director (Finance) and Senior Level Officers. The ALCO generates various reports as prescribed by RBI for monitoring the liquidity and interest rate risks and place the same before the Risk Management Committee from time to time.

Internal Controls and its advocacy

The Company has in place, adequate internal control systems commensurate with the nature and volume of its business. Efficient maintenance of accounts is facilitated by the executives and employees of the Company. Thereafter, the same is audited periodically by the Internal Auditors. The function of Internal Audit has been assigned to a reputed firm of Chartered Accountants. The scope of internal audit is well defined and is very exhaustive to take care of all crucial functions and business of the Company. Based on their report, steps are taken at regular intervals to further strengthen the existing systems and procedures. Their significant observations are discussed in the Audit Committee Meetings regularly. The Statutory Auditors of the Company are appointed by Comptroller and Auditor General (C&AG) of India, and the appointment is rotated periodically. Besides, the accounts of the Company are subject to supplementary audit by the office of C&AG, as required under the Companies Act. The C&AG also conducts propriety audit of the Company. The Company has implemented Accounts Manual and Internal Audit Manual from financial year 2016-17. The Company has also implemented Manual for Procurement of Goods, Services and Works and HR Manual. The Company has also implemented a policy for temporary placement of surplus funds with the Banks in order to strengthen its cash management system. The track record of your Company with regard to handling its operational risks has been excellent.

Besides, as mandated under Companies Act, 2013, the Statutory Auditors have certified as part of their Audit Report, the effectiveness of Internal Financial Control over financial reporting.

ANNEXURE – II

Report on Corporate Governance

This report is prepared in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Companies Act, 2013 and Guidelines on Corporate Governance issued by Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India. The Report contains details of Corporate Governance systems and processes at Indian Railway Finance Corporation Limited (IRFC).

Indian Railway Finance Corporation Limited (IRFC), got listed on 29th January, 2021 and has established a sound framework of Corporate Governance. Corporate Governance is the application of best management practices, compliance of laws & adherence of ethical standards to achieve the Company's objective of enhancing stakeholders' value and discharge of social responsibility.

IRFC is in compliance with relevant provisions contained in the Guidelines on Corporate Governance for Central Public Sector Enterprises (hereinafter referred to as Government Guidelines), issued by Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India. The Company is also complying with the Circular, to the extent applicable, dated 1st July, 2015 issued by Reserve Bank of India under their Master Circular – "Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015". In this connection, relevant details are furnished below: -

1. Company's Philosophy on the Code of Governance

Corporate Governance is about maintaining valuable relationship and trust with all stakeholders with the commitment to maximise their value. Our commitment towards following good Corporate Governance practices is based upon transparency, fairness, conscience, teamwork, professionalism and accountability. This paves the way for following the best standards and building confidence among our stakeholders, which is necessary to achieve our objectives.

The Company looks upon Corporate Governance as an enterprise-wide endeavour targeted at value creation in the form of striking optimum balance between the profit it earns for its Shareholders and the spread it charges from Ministry of Railways on the cost of funds transferred to them. This is sought to be achieved by conducting the business in a professional manner, using a combination of delegation and accountability amongst key executives in the Company; focussed attention and transparency in operations of the Company; skill upgrades through need-based training, etc.; and high level of investor / lender satisfaction through timely debt servicing and grievance settlement.

To foster best Corporate Governance practices, the Company has formulated a "Code of Business Conduct and Ethics for its Board Members and Senior Management" in June, 2008, which seeks to bring high level of ethics and transparency in managing its business affairs. The same has also been hosted on the website of the Company (www.irfc.nic.in).

2. Board of Directors

IRFC is a Government Company within the meaning of Section 2 (45) of the Companies Act, 2013 as the President of India as on March 31, 2021 holds 86.36% of the total paid-up share capital of the Company and as per Articles of Association of the Company, the power to appoint Directors vests in the President of India. Further, in terms of Articles of Association of the Company, the number of Directors of the Company shall not be less than three and not more than fifteen.

2.1 Composition of the Board

SEBI LODR, stipulates that the Board of Directors of the company shall have an optimum combination of executive and non-executive directors with at least one-woman director and not less than fifty percent of the Board of Directors comprising of non-executive directors.

As at the end of financial year, there are 5 (Five) Directors on the Board of the Company. Besides Chairman & Managing Director and Director Finance, One Independent Director(s), Two Government Nominee Director(s), are also in position. As provided in the Articles of Association of IRFC, the appointment of Directors and payment of their remuneration are determined by the President of India.

None of the Directors of the Company is related to each other and independent of the Management.

The number of independent directors during the financial year 2020-21 were insufficient as compared to the number of independent directors required to be on the Board under SEBI LODR, as the power to appoint the Directors on the Board as per Articles of Association of the Company vests with the President of India acting through Administrative Ministry i.e. Ministry of Railways. Thus the Company from to time has requested Ministry of Railways to appoint requisite number of independent directors on the Board in order to comply with SEBI (LODR), Regulations 2015 and DPE Guidelines.

The details of Directors as on 31st March, 2021 were as follows:-

Details of Directors		Name	Date of Joining on the Board
Category (Functional/Official/ Non-official)	**Designation**		
1. Whole Time Directors	Chairman & Managing Director	Shri Amitabh Banerjee	12.10.2019
	Director Finance	Ms. Shelly Verma	01.09.2020
2. Govt. Nominees Directors	Govt. Nominee Director	Shri Baldeo Purushartha	03.06.2020
	Govt. Nominee Director	Shri Bhaskar Choradia	27.11.2020
3. Non-official Part-time Directors	Non-official Part-time Director (Independent Director)	Shri Ashok Kumar Singhal	20.07.2018

2.2 Attendance at the Meetings of the Board of Directors during 2020-21 :-

Name of the Directors	Meeting held during respective tenure of Directors	No. of Board Meetings attended	% of Attendance of Board Meeting	Attendance at the last AGM (held on 30.09.2020)	No. of Directorship held on 31.03.2021 in other Companies	No. of other Companies in which Membership or Chairmanship of Committee held on 31.03.2021*		Directorship held in other Listed Companies & Category as on 31.03.2021	
						Chairmanship	Membership	Name of Companies	Name of Directorship
Whole Time Directors									
Shri Amitabh Banerjee Chairman & Managing Director/ IRFC From 12.10.2019**	12	12	100%	Yes	None	None	None	None	None
Shri Niraj Kumar Director Finance / IRFC From 01.07.2015 to 31.07.2020	2	2	100%	NA	None	None	None	None	None
Ms. Shelly Verma Director Finance / IRFC From 01.09.2020	9	8	88.89%	Yes	None	None	None	None	None
Non-executive Directors (Government Nominees)									
Shri Anand Prakash Government Director From 22.07.2020 to 26.10.2020	3	3	100%	Yes	None	None	None	None	None

Name of the Directors	Meeting held during respective tenure of Directors	No. of Board Meetings attended	% of Attendance of Board Meeting	Attendance at the last AGM (held on 30.09.2020)	No. of Directorship held on 31.03.2021 in other Companies	No. of other Companies in which Membership or Chairmanship of Committee held on 31.03.2021*		Directorship held in other Listed Companies & Category as on 31.03.2021	
						Chairmanship	Membership	Name of Companies	Name of Directorship
Shri Baldeo Purushartha Governement Director From 03.06.2020	11	6	54.55%	No	5	None	1	None	None
Shri Bhaskar Choradia Governement director From 27.11.2020	6	6	100%	NA	None	None	None	None	None
Independent Directors									
Smt. Aditi Sengupta Ray Independent Director From 19.09.2017 to 18.09.2020	3	3	100%	NA	None	None	None	None	None
Shri. Chetan Venugopal Independent Director From 08.03.2018 to 7.03.2021	11	11	100%	Yes	5	None	None	None	None
Shri Ashok Kumar Singhal Independent Director From 20.07.2018	12	10	83.33%	Yes	None	None	None	None	None

* This includes chairmanship/membership of Audit Committee and Stakeholders Relationship Committee. No Director of the Company is a member in more than ten (10) Committees or acts as Chairperson of more than five (5) Committees across all companies in which he/she is a Director.

** Took Over the charge of Chairman & Managing Director on 21st May, 2020 vide Ministry of Railway (MoR) order No.2018/PL/47/2 dated 21.05.2020.

2.3 Meetings of Board of Directors

The Board of Directors has been holding its meetings regularly. 12 (Twelve) such meetings were held on 29th May, 2020, 27th June, 2020, 28th August, 2020, 29th September, 2020 , 23rd October, 2020, 13th November, 2020, 2nd December, 2020, 9th January, 2021, 22nd January, 2021, 13th February, 2021, 4th March, 2021 and 12th March, 2021.

2.4 No director of the Company is inter-se related to any other director on the Board.

2.5 As on 31.03.2021, the Director's shareholding is Nil.

2.6 Familiarization programme for Independent Directors

The details of familiarization programmes imparted to Independent Directors are displayed on the Company's website after completion of the programme. The details posted on the website can be accessed following the web link: https://irfc.nic.in/investors-2/.

2.7 A chart or matrix setting out the skills / expertise / competencies identified of the board and name of directors having such skills/ expertise / competencies as required in the context of its business (es) and sector(s) for an efficient functioning

IRFC, being a Govt. Company within the meaning of Section 2(45) of the Companies Act, 2013 and the power to appoint functional / Official Part-time Directors / non-Official Part-time Directors (Independent Directors) vests with the Government of India. Thus, skills / expertise / competencies of an incumbent are within the purview of Govt. of India.

2.8 All the Independent Directors in the first meeting of the Board of the FY 2020-21 held on 29th May, 2020, gave a declaration that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and DPE's Guidelines on Corporate Governance for CPSEs.

Further, all the Independent Directors in the first meeting of the Board of the FY 2021-22 held on 19th May, 2021 gave a declaration that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and DPE's Guidelines on Corporate Governance for CPSEs. The Board of Directors in the said meeting confirmed that the Independent Directors of the Company fulfil the conditions specified in Companies Act, 2013, SEBI (LODR) Regulations, 2015 and DPE's Guidelines on Corporate Governance for CPSEs and are independent of the management. No Independent Director has resigned during the FY 2020-21.

In the opinion of the Board, the Independent Director possess the requisite expertise and experience and are the persons of high integrity and repute. The Independent Directors have registered themselves for the online proficiency test and shall be taking it within the prescribed period.

Separate Meeting of Independent Directors

The Separate Meeting of Independent Directors was held during the year on 13th February, 2021 in terms of SEBI (LODR) Regulations, 2015, Schedule IV of Companies Act, 2013 and as per the Guidelines issued by DPE on Roles & Responsibilities of Non-Official Directors (Independent Directors) of CPSEs. All the Independent Directors attended the said Meeting.

Directors and Officers insurance

The Company has undertaken Directors and Officers insurance ('D and O insurance') for all its Directors, including independent directors, for a quantum and risks as determined by the Board of directors of the Company.

2.9 Information placed before the Board

Information placed before the Board of Directors from time to time broadly includes items specified in the Companies Act, SEBI Regulations, Government Guidelines and any other information considered relevant and useful in facilitating meaningful and focused deliberations on issues concerning the Company and taking decisions in an informed and efficient manner. Additionally, Directors on the Board are free to seek and access all information pertaining to the business of the Company, as and when required. In case of urgency, resolutions are passed by circulation, which are noted by the Board in their next Meeting. Minutes of the Meetings of the Committee(s) constituted by the Board are also placed in their next Meeting (of the Board) for their information and noting.

3. Audit Committee

The Company has constituted Audit Committee in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (LODR), Regulations, 2015 and the Government Guidelines.

As on 31st March, 2021, the Audit Committee comprised the following Directors:

Sr. No.	Name of Director	Nature	Status
(i)	Shri Ashok Kumar Singhal	Independent Director	Chairman
(ii)	Shri Baldeo Purushartha	Nominee Director	Member
(iii)	Shri Amitabh Banerjee	Chairman & Managing Director	Member

Company Secretary acts as Secretary to the Audit Committee.

During the financial year 2020-21, Nine Meetings of the Committee were held on 27th June, 2020, 28th August, 2020, 29th September, 2020, 23rd October, 2020 13th November, 2020, 2nd December, 2020, 13th February, 2021, 4th March, 2021 and 12th March, 2021. Participation of the Members in these Meetings is outlined below: -

Sr. No.	Name of the Member of the Audit Committee	Number of Meetings held during their tenure	Number of Meetings attended
1.	Shri Chetan Venugopal Non-Official / Independent Director	8	8
3	Shri. Amitabh Banerjee Chairman & Managing Director	9	9
4	Smt. Aditi Sengupta Ray Non- Official / Independent Director	2	2

Sr. No.	Name of the Member of the Audit Committee	Number of Meetings held during their tenure	Number of Meetings attended
5	Shri Ashok Kumar Singhal Non-Official / Independent Director	9	8
6	Shri Baldeo Purushartha Government Director	1	1

After adoption of the Government Guidelines read with the Companies Act, 2013, Terms of Reference of the Board Level Audit Committee specified by the Board are in conformity with the requirements of Section 177 of the Companies Act, 2013 read with Regulation 18 and part C of schedule II of SEBI (LODR) Regulation, 2015. The terms of reference are as follows: -

A. The role of the audit committee shall include the following:

1. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. taking on record the appointment of auditors of the Company by the Comptroller and Auditor General of India, recommendation for remuneration, terms of appointment of auditors of the Company based on the order of Comptroller and Auditor General of India and to review the follow-up action taken on the audit observations of the C&AG audit;

3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   (a). matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3)of Section 134 of the Companies Act, 2013;

   (b). changes, if any, in accounting policies and practices and reasons for the same;

   (c). major accounting entries involving estimates based on the exercise of judgment by management;

   (d). significant adjustments made in the financial statements arising out of audit findings;

   (e). compliance with listing and other legal requirements relating to financial statements;

   (f). disclosure of any related party transactions;

   (g). modified opinion(s) in the draft audit report;

5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;

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

7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

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

9. scrutiny of inter-corporate loans and investments;

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

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

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

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

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

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

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

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

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

19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as specified by the Board from time to time;

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

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

B. The audit committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses;
5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
6. statement of deviations:
   (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations;
   (b) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

4. Nomination & Remuneration Committee

The Company is a Central Public Sector Undertaking and accordingly the appointment of CMD & Directors and fixation of their remuneration are decided by the President of India in terms of the Articles of Association of the Company. However, the Company has constituted a Nomination and Remuneration Committee pursuant to the provisions of the Companies Act, 2013, DPE's Guidelines on Corporate Governance for CPSEs, SEBI (LODR) Regulations, 2015 and RBI's Corporate Governance norms.

As on 31st March, 2021, the Nomination & Remuneration Committee comprised the following Directors:

Sr. No.	Name of Director	Nature	Status
(i)	Shri Ashok Kumar Singhal	Independent Director	Chairman
(ii)	Shri Baldeo Purushartha	Nominee Director	Member
(iii)	Shri Bhaskar Choradia	Nominee Director	Member

Company Secretary acts as Secretary to the Committee.

During financial year 2020-21, Three Meetings of the Committee were held on 2nd December, 2020, 13th February, 2021, and 4th March, 2021. Participation of the Members in these Meetings is outlined below:-

Sr. No.	Name of the Member of the Nomination & Remuneration Committee	Number of Meetings held during their tenure	Number of Meetings attended
1.	Shri Ashok Kumar Singhal Non-Official / Independent Director	3	3
2.	Shri. Chetan Venugopal Non- Official / Independent Director	3	3
3.	Shri Baldeo Purushartha Government Director	3	0

The Role and Terms of Reference of the Nomination and Remuneration Committee are as provided under the relevant provisions of Companies Act, DPE's Guidelines on Corporate Governance for CPSEs, SEBI (LODR) Regulations, 2015 and RBI's Corporate Governance norms.

Performance Evaluation of Directors

The requirement of performance evaluation of directors under Section 178(2) of the Companies Act, 2013 has been done away with for Government Companies vide Ministry of Corporate Affairs' (MCA) Notification dated 5th June, 2015. Further, MCA vide its notification dated 05th July, 2017 has made an amendment in the Schedule IV of the Act, whereby it has exempted Government Companies from complying with the requirement of performance evaluation by the Independent Director of non-independent directors and chairman and performance evaluation of the independent directors by the Board, if the concerned departments or ministries have specified these requirements. In this regard, the Department of Public Enterprises (DPE) has also laid down a mechanism for performance appraisal of all Functional Directors. DPE has also initiated evaluation of Independent Directors.

5. Stakeholders' Relationship Committee

In line with Section 178(5) of the Companies Act, 2013 read with Regulation 20 of SEBI (LODR), Regulations, 2015, the Company has constituted Stakeholders Relationship Committee.

As on 31st March 2021, the Stakeholders' Relationship Committee comprised the following Directors:

Sr. No.	Name of Director	Nature	Status
(i)	Shri Ashok Kumar Singhal	Independent Director	Chairman
(ii)	Shri Amitabh Banerjee	Chairman & Managing Director	Member
(iii)	Ms. Shelly Verma	Director Finance	Member

Company Secretary acts as Secretary to the Committee.

During financial year 2020-21, One Meeting of the Committee was held on 27th June, 2020. Participation of the Members is outlined below: -

Sr. No.	Name of the Member of the Stakeholders' Relationship Committee	Number of Meetings held during their tenure	Number of Meetings attended
1.	Shri Amitabh Banerjee Chairman & Managing Director	1	1
2.	Smt. Aditi Sengupta Ray Non- Official / Independent Director	1	1
3.	Shri. Chetan Venugopal Non- Official / Independent Director	1	1
4.	Shri Niraj Kumar Director Finance	1	1

Name and Designation of Compliance Officer

Shri Vijay Babulal Shirode, Company Secretary acts as Compliance officer of the Company.

Investor Complaints

Information on investor complaints for the year ended March 31, 2021 is as follows:

Sr. No.	Particulars	Equity*	Bonds
1	Complaints pending at the beginning	Nil	Nil
2	Complaints received through correspondence	3300	1383
3	Complaints received from the SEBI during the period	0	10
4	Complaints resolved / replied during the period	3300	1393
5	Complaints pending at the end	Nil	Nil

*The Company got listed on 29th January, 2021.

5A. Risk Management Committee

As per requirement of SEBI LODR Regulations, 2015, Risk Management Committee has been constituted to monitor and review the risk management plan of the Company and to make recommendations to the Board of Directors for taking up various risk management activities.

As on March 31, 2021 the Risk Management Committee comprised of the following:

Sr. No.	Name of Director	Nature	Status
(i)	Shri Amitabh Banerjee	Chairman & Managing Director	Chairman
(ii)	Ms. Shelly Verma	Director (Finance)	Member
(iii)	Shri Ashok Kuman Singhal	Independent Director	Member

During the financial year 2020-21 Three Meeting were held on 9th July, 2020, 31st December, 2020 and 31st March, 2021 Participation of the Members is outlined below: -

Sr. No.	Name of the Member of the Risk Management Committee	Number of Meetings held during their tenure	Number of Meetings attended
1.	Shri Amitabh Banerjee Chairman & Managing Director	3	3
2.	Shri Niraj Kumar Director Finance	1	1
3.	Ms. Shelly Verma Director Finance	2	2

The Role and Terms of Reference of the Risk Management Committee are following:

- To formulate a detailed risk management policy which shall include:

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

  (b) Measures for risk mitigation including systems and processes for internal control of identified risks.

  (c) Business continuity plan.

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

- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

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

5B. CSR Committee

In accordance with provisions of Section 135 of the Companies Act, 2013, read with the Government Guidelines, the Company has CSR Committee.

As on 31st March 2021, the CSR Committee comprised the following Directors:

Sr. No.	Name of Director	Nature	Status
(i)	Shri Ashok Kumar Singhal	Independent Director	Chairman
(ii)	Shri Amitabh Banerjee	Chairman & Managing Director	Member
(iii)	Ms. Shelly Verma	Director Finance	Member

Company Secretary acts as Secretary of the Committee.

During the financial year 2020-21, two Meetings of the Committee were held on 29th September, 2020 and 13th February, 2021. Participation of the Members in these Meetings is outlined below: -

Sr. No.	Name of the Member of the CSR Committee	Number of Meetings held during their tenure	Number of Meetings attended
1.	Shri Amitabh Banerjee Chairman & Managing Director	2	2
2.	Ms. Shelly Verma, Director Finance	2	2
3.	Shri. Chetan Venugopal Non- Official / Independent Director	2	2
4.	Shri Ashok Kumar Singhal Non- Official / Independent Director	2	2

6. Remuneration of Directors

IRFC, being a Government Company, the appointment, tenure and remuneration of Directors is decided by the President of India. Remuneration paid to Chairman & Managing Director and Functional Directors during the Year 2020-21 was as per terms and conditions of their appointment. Independent Directors are paid only sitting fee per Board / Committee meeting attended in accordance with the provisions of Companies Act, 2013.

Remuneration paid to Managing Director and Director Finance

Remuneration was paid by the Company during 2020-21 to its Functional Directors as follows :-

(₹ In Lakhs)

Name of the Director	Salary & Allowances	Perquisites & Benefits	Contribution to PF	Total
Shri Amitabh Banerjee, Chairman & Managing Director	48.97	16.38	4.54	69.89
Shri Niraj Kumar, Director Finance, up to 31st July 2020	16.67	8.65	1.34	26.66

(₹ In Lakhs)

Name of the Director	Salary & Allowances	Perquisites & Benefits	Contribution to PF	Total
Ms. Shelly Verma, Director Finance, From 1st September 2020	27.97	2.69	2.24	32.90

The Directors are neither related to each other, nor have pecuniary relationship with the Company.

A Sitting Fee of ₹ 30,000/- per Meeting is paid to Independent Director(s) for attending Board meetings and ₹ 20,000/- per meetings of Committee(s) of the Board. In March, 2021 the Board enhanced sitting fee from 30,000/- to 40,000/- per Board meeting & from 20,000/- to 25,000/- per Committee meetings.

No remuneration / fee is paid to Government Nominee Directors.

7. General Body Meetings

Details of venue and timing of last three Annual General Meetings (AGM) are as under: -

AGM No.	AGM Date	Location	Time
33	30th September,2020	UG –Floor, East Tower, NBCC Place, Bhisham Pitamah Marg, Lodhi Road , Pragati Vihar, New Delhi-110003	3:00 P.M.
32	26th September, 2019	Committee Room (237), 2nd Floor, Rail Bhawan, New Delhi.	5.30 P.M.
31	27th September, 2018	Committee Room (237), 2nd Floor, Rail Bhawan, New Delhi.	5.00 P.M.

- Three Special Resolutions were passed in the 31st Annual General Meeting held on 27th September, 2018.
- Three Special Resolutions were passed in the 32nd Annual General Meeting held on 26th September, 2019.
- Three Special Resolutions were passed in the 33rd Annual General Meeting held on 30th September, 2020.

Extra -Ordinary General Meeting

No Extra -Ordinary General Meeting was held during the financial year ended on March 31, 2021.

Postal Ballot

During the year under review, no resolution was passed through postal ballot. Currently, no resolution is proposed to be passed through postal ballot. However, if required, the same shall be passed in compliance of provisions of Companies Act, 2013, Listing Regulations or any other applicable laws.

8. Means of Communication

The Company communicates with its shareholders through its Annual Report, General Meetings, disclosures through its website and Publication of Audited/Unaudited Financial Results in newspapers. Information, latest updates and announcements regarding the Company can be accessed at the company's website: www.irfc.nic.in includes the following:

- Financial Information;
- Shareholding Pattern;
- Corporate Governance;
- Investors Presentations and Transcripts ;
- Notice and Intimations with Stock Exchanges from time to time;
- Debenture Trustee;
- Investor Contact; etc.

The Company also communicates with its institutional shareholders through a combination of analysts briefing and individual discussions and also participation in investor conferences from time to time. Financial results are discussed by way of conference calls, regularly after the close of each quarter.

Information Memorandum in respect of issuance of the bonds of the Company has been hosted on the website of National Stock Exchange of India Limited and BSE Limited. Annual Accounts of the Company are also available on the website of the Company.

Website of the Company hosts all important information for investors and others interested in its business.

9. General Shareholder Information

i) Annual General Meeting:

Date : 29th September, 2021
Day : Wednesday
Time : 3.00 p.m.

ii) Financial Year

Financial year of the Company spans the period 1st April to 31st March of the following year.

iii) Payment of Dividend

The interim dividend of ₹ 1.05/ per share (i.e. @10.50 % on the paid up equity share capital of ₹ 10/- each) declared on 13th February, 2021.

Pursuant to SEBI (LODR) Regulations, 2015, the company has formulated a "Dividend Distribution Policy" and the same is available on Compnay's website at https://irfc.nic.in/policies/.

iv) Listing on Stock Exchange

IRFC equity shares are listed on the following Stock Exchanges:

National Stock Exchange of India Limited	**BSE Limited**
Listing department, Exchange Plaza, Bandra- Kurla Complex, Bandra (E) Mumbai- 400 051	Listing Dept / Dept of Corporate Services, PJ Towers, Dalal Street, Mumbai -400 001
Scrip Symbol: IRFC	**Scrip Code:** 543257
Stock Code: ISIN – INE053F01010	

Listing fees for the year 2020-21 has been paid to the stock exchange.

v) Market Price Data *

Month	NSE		BSE	
	High	Low	High	Low
January 2021	25.80	24.35	25.80	24.30
February 2021	26.20	23.85	26.20	23.85
March 2021	26.70	22.90	26.60	22.90

*The Company got listed on BSE & NSE 29th January, 2021.

vi) Stock Exchange Index *

Month	NSE		BSE	
	High	Low	High	Low
January 2021	14,753.55	13,596.75	50,184.01	46,160.46
February 2021	15,431.75	13,661.75	52,516.76	46,433.65
March 2021	15,336.30	14,264.40	51,821.84	48,236.35

*The Company got listed on BSE & NSE 29th January, 2021.

vii) The Securities of the Company has not been suspended from trading.

viii) Registrar and Transfer Agents:

EQUITY SHARES	BONDS
M/s. Beetal Financial & Computer Services (P) Ltd. 3rd Floor 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir,New Delhi- 110062 Email id: irfc@beetalfinancial.com Ph. No : 91-11-2996 1281-83 Website: www.beetalfinancial.com	KFin technologies Private Limited Selenium Tower B, Plot Nos. 31 & 32 | Financial District Nanakramguda |Serilingampally Mandal | Hyderabad – 500032 | India P : +91 040 6716 1598 | Toll Free No: 1800-345-4001 brahma.k@kfintech.com| Website: www.kfintech.com

ix) Share Transfer System

As per Regulation 40 of SEBI (LODR), Regulations, 2015 as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities.

Pursuant to SEBI (LODR), Regulations, 2015 certificate on half-yearly basis confirming due compliance of shares transfer formalities by the Company from a Practicing Company Secretary have been submitted to Stock Exchanges within stipulated time.

x) Distribution of shareholding

Distribution of shareholding as on March 31, 2021

Sr. No.	Amount	No. of shareholders	% of shareholders	No. of shares	% of shares
1	1-500	4,35,768	31.88	668,15,440	0.51
2	501-1000	8,45,300	61.83	5119,18,630	3.92
3	1001-2000	49,946	3.65	729,08,100	0.56
4	2001-3000	12,105	0.89	305,89,298	0.23
5	3001-4000	7,089	0.52	257,40,140	0.20
6	4001-5000	5,218	0.38	247,48,398	0.19
7	5001-10000	6,905	0.51	522,37,115	0.39
8	10001 & Above	4,698	0.34	122835,48,879	93.99
Total		**13,67,029**	**100**	**130685,06,000**	**100**

Shareholding pattern as on March 31, 2021

Category	Total No. of shares	% to Equity
PRESIDENT	112864,37,000	86.36
RESIDENT INDIVIDUAL	9150,21,418	7.00
MUTUAL FUND	3940,18,521	3.02
FPI CATEGORY I BODY CORPORATE	1881,01,449	1.44
QIB INSURANCE COMPANY REGISTERED WITH IRDA	1538,37,512	1.18
H U F	312,09,919	0.24
BODY CORPORATE	303,53,189	0.23
QIB PENSION FUND CORPUS RS. 25 CRORE & MORE	207,64,857	0.16
CLEARING MEMBER	141,81,950	0.11
NRI REPATRIABLE	139,18,164	0.11
BANK NATIONALISED	48,01,320	0.04
NRI NON REPATRIABLE	45,08,112	0.03
TRUSTS	36,30,432	0.03
BODY CORPORATE MARGIN TRADING	27,64,362	0.02
BODY CORPORATE LLP	22,71,850	0.02
BODY CORPORATE CLIENT COLLATERAL ACCOUNT	20,26,913	0.02
FPI CATEGORY II BODY CORPORATE	2,57,400	0.00
BODY CORPORATE NBFC	1,67,626	0.00
BANK OTHERS	95,900	0.00
BODY CORPORATE BROKER	84,930	0.00
RESIDENT INDIVIDUAL MARGIN TRADING ACCOUNT	40,600	0.00
BODY CORPORATE GOVERMENT COMPANY	6,900	0.00
NRI DR	2,000	0.00
FOREIGN NATIONAL	1,925	0.00
INDIVIDUAL ASSOCIATION OF PERSONS AOP	1,751	0.00
Total	**130685,06,000**	**100**

xi) Dematerialization of shares

Number of shares held in dematerialized form with NSDL, CDSL and physical mode as on March 31, 2021.

Description	No. of Shares	% to total Capital Issued
NSDL	12,41,05,88,702	94.97%
CDSL	65,79,17,273	5.03%
Physical	25	0.00%
Total	**13,06,85,06,000**	**100**

xii) Outstanding GDR and ADR Warrants or any convertible instruments, conversion date and likely impact on equity

No GDR and ADR Warrants/Convertible Instruments have been issued by the Company.

xiii) Commodity price risk or foreign exchange risk and hedging activities

Your Company has put in place Currency Risk Management (CRM) policy to manage risks associated with foreign currency borrowings. The Company enters into hedging transactions to cover exchange rate and interest rate risk through various instruments like forwards, options and swaps.

xiv) Location of IRFC Plants

IRFC has no plants as it is in the business of Lease & Project Financing.

xv) Address for correspondence :-

Registered Office

Indian Railway Finance Corporation Limited
Room Nos 1316 – 1349, 3rd Floor, Hotel The Ashok,
Diplomatic Enclave, 50-B, Chanakyapuri,
New Delhi -110021
CIN - L65910DL1986GOI026363

Company Secretary

Vijay Babulal Shirode
Tel: +91 11 24100385
Email: cs@irfc.nic.in

xvi) Credit Rating

Domestic:

During the financial year 2020-21, the Company's long-term domestic borrowing programme was awarded the highest credit rating of "CRISIL AAA/ Stable", "[ICRA] AAA (Stable)" and "CARE AAA [Triple A]" by CRISIL, ICRA and CARE respectively. The Company also got its short-term borrowing programme rated, obtaining the highest rating of "CRISIL A1+", "[ICRA] A1+", and "CARE A1+ [A One Plus]" by CRISIL, ICRA and CARE.

International:

During the financial year 2020-21, three international credit rating agencies – Standard & Poor's, Fitch and Moody's – have awarded "BBB- with Stable Outlook", "BBB- with Negative Outlook" and "Baa3 with Negative Outlook" ratings respectively to your Company. Besides, the Company obtained an issuer specific credit rating of "BBB+ with Stable Outlook" from Japanese Credit Rating Agency. Each of the four credit ratings is equivalent to India's sovereign rating, and is of investment grade.

(xvii) Reconciliation of Share Capital Audit

The Reconciliation of Share Capital Audit is conducted by a Company Secretary in practice, who issues report on the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited ("Depositories") and the total issued capital and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with Depositories) and that the requests for dematerialization of shares are processed by the R&T Agent within stipulated period and uploaded with the concerned depositories.

10. Disclosures

i) The Company has not entered into any materially significant related party transaction that may have any potential conflict with the interest of the Company. Further, the Company did not enter into any significant related party transactions with board members where they had personal interest. Further, the transactions with Ministry of Railways and / or its entities are in the ordinary course of business and at arm's length.

ii) The Company has complied with provisions of all major laws applicable to it and no penalty has been imposed or any strictures passed against the

Company by the Stock Exchanges or SEBI on any matter related to capital market during the last three years.

iii) Whistle Blower Policy: - In line with extant best practices and also under Section 177 of the Companies Act, 2013 read with the relevant Rules and SEBI (LODR) Regulations, 2015, the Company has framed a Whistle Blower Policy, and the same has been communicated to all employees of the Company. For convenience of all stakeholders, the said policy has also been hosted on the website of the Company. No personnel of the Company have been denied access to the Audit Committee in the context of action under the Policy. IRFC has a Whistle- Blower Policy & has been hosted on the website of the Company at http://irfc.nic.in/wp-content/uploads/2021/03/Whistle-Blower-Policy-New.pdf.

iv) The Company does not have any Subsidiary.

v) Pursuant to SEBI (LODR) Regulations, 2015, the company has formulated a "Related Party Transaction Policy" and the same is available at https://irfc.nic.in/policies/.

vi) Certificate pursuant to Regulation 34 (3) and Schedule V Para C clause (10) (i) of SEBI LODR, 2015 has been obtained from Company Secretary in Practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. Certificate is enclosed as **Annexure A** forming part of this report.

vii) The Detail of fees paid to the Statutory Auditors by IRFC during FY 2020-21 have been disclosed in the Financial Statements.

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

Sr. No.	Particulars	No. of Complaints
1	Number of Complaints filed during FY 2020-21	Nil
2	Number of Complaints disposed of during FY 2020-21	Nil
3	Number of Complaints pending as on end of the FY 2020-21	Nil

ix) No items of expenditure have been debited in books of accounts, which are not for the purpose of the business. Further, there was no expense which is of personal nature and incurred for the Board of Directors and / or Top Management.

x) During the year, the Administrative and Office expenses remained static at 0.11% of the turnover. Last year, the figure was 0.13%.

xi) Auditors of the Company have audited and accorded an unqualified certification to its accounts for the year ended 31st March, 2021.

xii) The Company has complied with the requirements of the SEBI LODR, and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises, Government of India except that the Company is non-compliant w.r.t. composition of Board of Directors due to non-nomination of the requisite number of Independent Directors by the Government of India.

xiii) The Financial Statements for the financial year 2020-21 have been prepared as per the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013.

11. Discretionary Requirements

Your Company has broadly complied with all the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises, Government of India. Information on adoption / non-adoption of the non-mandatory requirements is given at **Annexure B** of this Report.

12. The Compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI LODR have been made to the extent compliances are within the ambit of the Company.

13. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Navneet K Arora & Co LLP, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report from the auditor is annexed as **ANNEXURE-V.**

The Secretarial Auditor as well as the Auditor who has given Corporate Governance Compliance certificate had observed that the Company was not having adequate number of independent Directors for part of the year. Independent directors in the Company are appointed by President of India, through Ministry of Railways, Government of India. The Company has requested Ministry of Railways, Government of India for appointment of requisite number of independent directors on its Board.

14. Compliance Certificate on Corporate Governance

As required under the Government Guidelines, the Statutory Auditors of the Company have issued a certificate regarding compliance of conditions of Corporate Governance by the Company, which is annexed to this Report as **ANNEXURE - VI.**

Company has appointed Shri. Vijay Shirode, Jt.GM (Law) & Company Secretary as the Compliance Officer of the Company.

15. Code Of Conduct

The Code of Business Conduct and Ethics for the Board Members and Senior Management is a comprehensive code applicable to all Directors and Members of Senior Management of your Company. It is in alignment with Company's vision and values to achieve the Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company. A copy of the Code has been made available on the website of the Company i.e. www.irfc.nic.in.

Based on the affirmation received from Board Members and Senior Management Personnel, declaration regarding compliance of Code of Conduct made by the Chairman & Managing Director is enclosed at **ANNEXURE-VIII.**

16. Details of Demat Suspense Account

The details of shares in the Demat Suspense account as on March 31, 2021 is as follows:

Description	No. of Cases	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 29th January, 2021*	28	49318
Less: Number of shareholders to whom shares were transferred from suspense account during the year 2020-21	16	42418
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. March 31, 2021.	12	6900

*Company got listed on BSE & NSE 29th January, 2021.

17. Code Of Internal Procedures And Conduct For Prohibition Of Insider Trading

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as amended from time to time, IRFC Board has laid down "The Code Of Internal Procedures And Conduct For Prohibition Of Insider Trading In Dealing With The Securities Of Indian Railway Finance Corporation Limited" with an aim that 'Designated Persons' shall not derive any benefit or assist others to derive any benefit from the access to and possession of Unpublished Price Sensitive Information about the Company which is not in the public domain and thus constitutes insider information. Company Secretary has been designated as Compliance Officer for this Code.

18. Training of Board Members

All Non-Executive Directors are apprised of the Company's business, nature and broad methodology of operations, and other important matters by the two whole- time Directors of the Board from time to time. The Company's Board of Directors consists of professionals with vast experience and high level of expertise in their respective fields and industry. Their professional status gives them adequate exposure to the latest trends in the financial markets & the economy, as also emerging position of relevant legislation. It shall be endeavour of the Company that the Whole-time Directors attend training programmes in order to keep themselves abreast with the latest developments in the areas of finance, accounts, etc.

19. Publication of Audited/Unaudited Financial Results

The Audited/Unaudited Half-yearly Financial Results were published as under:

Half year ended 30.09.2020 (Audited)	
Financial Express	14.11.2020
Jansatta (Hindi)	14.11.2020
Year ended 31.03.2021 (Audited)	
Financial Express & Jansatta (Hindi)	30.06.2021
Economic Times & Business Standard	01.07.2021

20. Trustees of the Bonds

The Trustees appointed for the Bonds issued by the Company are as under: -

1. SBI CAP Trustee Co. Limited
   Apeejay House
   6th Floor,
   3, Dinshaw Wachh Road
   Churchgate, Mumbai – 400 020

   For the Bonds issued under
   81st Series and onwards

2. Indian Bank
   254-260, Shanmugam Salai
   Chennai – 600 014

   For the Bonds issued under
   46th "EE" Series to 80th 'A' Series

Annexure A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
INDIAN RAILWAY FINANCE CORPORATION LIMITED
Registered Office: Room No 1316-1349, 3rd Floor
Hotel The Ashok Diplomatic Enclave,
50-B, Chanakyapuri, New Delh-110021

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **INDIAN RAILWAY FINANCE CORPORATION LIMITED** having CIN **U65910DL1986GOI026363** and having registered office at Room No 1316-1349, 3rd Floor Hotel The Ashok Diplomatic Enclave, 50-B, Chanakyapuri, New Delh-110021(hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	MR. AMITABH BANERJEE	03315975	12/10/2019
2.	MR. BALDEO PURUSHARTHA	07570116	03/06/2020
3.	MS. SHELLY VERMA	07935630	01/09/2020
4.	MR. ASHOK KUMAR SINGHAL	08193963	20/07/2018
5.	MR. BHASKAR CHORADIA	08975719	27/11/2020

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

For **Navneet K Arora & Co LLP**
Company Secretaries

Sd/-
CS Navneet Arora
Managing Partner
FCS: 3214, COP: 3005
UDIN:F003214C000756637

Place: New Delhi
Date: 9th August, 2021

Annexure-B

Non-Mandatory Requirements

The status of non-mandatory requirements pertaining to Corporate Governance Section of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:

1. **The Board:** The Company is headed by an executive Chairman.
2. **Shareholder Rights:** The quarterly financial results of the Company are published in leading newspapers as mentioned under the heading "Publication of Audited/Unaudited Financial Results" of the Corporate Governance report and also displayed on the website of the Company.
3. **Modified opinion(s) in audit report:** The Statutory Auditors have issued unmodified opinion on the standalone financial statements of the Company for the year ended 31st March, 2021.
4. **Reporting of Internal Auditor:** The Internal auditors of the company are invited to the Meetings of the Audit Committee and regularly interact with the members of the Audit committee.

ANNEXURE-III

Business Responsibility Report

Section A: General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	U65910DL1986GOI026363
2.	Name of the Company	Indian Railway Finance Corporation Limited
3.	Registered address	Room Nos. 1316 - 1349, 3rd Floor, Hotel Ashok, Diplomatic Enclave, 50-B, Chanakyapuri New Delhi-110021
4.	Website	www.irfc.nic.in
5.	E-mail Id	cs@irfc.nic.in
6.	Financial year reported	2020-21
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Systemically Important Non–Deposit taking Non Banking Financial Company (NBFC – ND-SI) and Infrastructure Finance Company (NBFC- IFC) with Reserve Bank of India (RBI)
8.	Key products / services that the Company manufactures / provides (as in balance sheet)	The Company's principal business therefore is to borrow funds from the financial markets to finance the acquisition / creation of assets which are then leased out to the Indian Railways, Lease Income & interest income.
9.	Total number of locations where business activity is undertaken by the Company	
10.	(a) Number of International Locations	None
	(b) Number of National Locations	1
	Markets served by the Company – Local/State/National/ International	National

Section B: Financial Details of the Company (as on March 31, 2021)

1.	Paid-up Capital	13068,50,60,000
2.	Total Turnover	1,57,704.72
3.	Total Profit After Taxes	44,161.31
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax	During the financial year 2020-21, the Company was required to spend ₹ 61.23 crore, being 2% of its average net profits of the last three financial years, against which the Company approved total 6 projects with total outlay of ₹ 61.28 crore, against which the Company has disbursed a sum of ₹ 41.51 crore.
5.	List of activities in which expenditure in 4 above has been incurred.	The major areas on which the above expenditure has been incurred includes contribution towards Armed Forces Flag Day Fund (AFFDF), contribution to PM CARES Fund and for construction of 105 Public Toilets in circulating areas of Railway stations.

Section C: Other Details

1.	Does the Company have any Subsidiary Company / Companies?	No
2.	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).	No
3.	Do any other entity /entities (e.g., suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities?	No

Section D: BR Information

1. Details of Director responsible for BR / BR Head

Sl. No.	Particulars	Details
1.	Name	Shri Amitabh Banerjee
2.	Designation	Chairman & Managing Director
3.	DIN	03315975
4.	Telephone number	011-24100380
5.	E-mail id	cmd@irfc.nic.in

2. Principle-wise (as per NVGs) BR Policy / policies

Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with SEBI Circular dated November 4, 2015, provides that Top 1000 listed companies shall formulate a structured Business Responsibility Report based on the following nine principles, describing the initiatives taken by them from an environmental, social and governance perspective: -

Principle 1 (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability. **[Ethics, Transparency & Accountability]**
Principle 2 (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle. **[Sustainability in Life-Cycle of Product]**
Principle 3 (P3)	Businesses should promote the well-being of all employees. **[Employee Well-Being]**
Principle 4 (P4)	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized. **[Stakeholder Engagement]**
Principle 5 (P5)	Businesses should respect and promote human rights. **[Promotion of Human Rights]**
Principle 6 (P6)	Businesses should respect, protect and make efforts to restore the environment. **[Environmental Protection]**
Principle 7 (P7)	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner. **[Responsible Public Policy Advocacy]**

Principle 8 (P8)	Businesses should support inclusive growth and equitable development. **[Inclusive Growth and Equitable Development]**
Principle 9 (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner. **[Customer Value]**

2(a) Details of compliance (Reply in Y/N)

Sl. No.	Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for...	Y	*	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	-	Y	Y	Y	-	-	Y	Y
3.	Does the policy confirm to any national/international standards? If yes, specify?	Y	Y	Y	Y	Y	-	-	Y	Y
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	-	-	Y	Y
5.	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	-	-	Y	Y
6.	Indicate the link for the policy to be viewed online?	**	**	**	**	**	-	-	**	**
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	-	-	Y	Y
8.	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	-	-	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the pol- icy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	-	-	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	-	-	Y	Y

Note:(*) IRFC being NBFC, this principle has limited applicability.

(**) The relevant explanation/information/links are mentioned in the **ANNEXURE I** to this Report.

2(b)	If answer to the question at Sl. No. (a) against any principle, is 'No', please explain why.	Not Applicable.
3.	**Governance related to BR**	
	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the performance of the Company.	The BR activities of the Company are overseen by Functional Director(s) and the Board also reviews the Business Responsibility Report as part of Directors' Report on annual Basis.
	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Company got listed on 29th January, 2021. The current Report shall form part of Annual Report for FY 2020-21 and shall be available on company's website: www.irfc.nic.in

Section E: Principle-wise performance

Principle 1 - Ethics, Transparency & Accountability

1.	Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group / Joint Ventures Suppliers / Contractors / NGOs / Others?	Indian Railway Finance Corporation (IRFC) was set up on 12th December, 1986 as the dedicated financing arm of the Indian Railways for mobilizing funds from domestic as well as overseas Capital Markets. 1. Code of Business Conduct & Ethics, which captures the behavioral and ethical standards to be followed by the Board Members and Senior Management Personnel of the Company also, sets forth an obligation to strive continuously to bring about integrity and transparency in all spheres of the activities & Work unstintingly for eradication of corruption in all spheres of life. 2. Whistleblower Policy for Directors and Employees to report their genuine concerns or grievances about unethical behavior, actual or suspected fraud or to detect and report any improper activity within the Company. 3. KYC & Prevention of Money Laundering Policy which sets out the fair and transparent practices to be followed by the Company in its lending operations, as prescribed under RBI norms. 4. Manual for Procurement of Goods, Services and works which lays down the procedures to be followed for procurement of goods and services in a fair and transparent manner and also in compliance with the Guidelines of Central Vigilance Commission (CVC). 5. Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions, which prescribes adequate procedures and disclosures to be made before entering into related party transactions. 6. Prevention of Documents and Archival Policy of the Corporation in the matter of Preservation of Documents / Records Retention and also subject to the provisions of other laws viz., Right to Information Act, 2005, The Public Records Act, 1993 etc as applicable. 7. Prohibition of Insider Trading, which lay down the disclosure by Promoter, Key Managerial Personnel and Director of the Company about their holdings as well as dealings in the Company. 8. Policy of Materiality disclosure of events to the stock exchanges for determination of materiality of events or information for disclosure. 9. Identification of group Companies, Material creditors and material to define the materiality policy for identification of (i) outstanding litigation involving Indian Railway Finance Corporation Limited (the "Company") and its Directors; (ii) the Group Companies, and (iii) material creditors of the Company (together, the "Policy"). 10. Nomination and Remuneration policy which covers a whole gamut of HR functions such as the recruitment, promotion, training and development. 11. Corporate Social Responsibility and Sustainability Policy to support Sustainable Development programs of the Government to save the mother earth and for healthy living of future generations of mankind. 12. Board Diversity Policy is required to devise a policy for having diversity on the board of directors. 13. Dividend Distribution Policy is to formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	As the Company got listed on 29th January, 2021. The company had received a total of 4,693 complaints from the shareholders and bondholders of the Company during the FY 2020-21. All of which were resolved by March 31, 2021.

Principle 2 - Sustainability in Life-Cycle of Product

1.	List up to 3 of your products or services whose design has incorporated social or environ- mental concerns, risks and/or opportunities.	The primary objective of IRFC is to meet the predominant portion of 'Extra Budgetary Resources' (EBR) requirement of the Indian Railways through market borrowings at the most competitive rates and terms. The Company's principal business therefore is to borrow funds from the financial markets to finance the acquisition / creation of assets which are then leased out to the Indian Railways. Further, the CSR & Sustainability Policy of the Company is available at https://irfc.nic.in/wp-content/uploads/2018/11/CSR-Policy.pdf.
2.	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product.	from domestic as well as overseas Capital Markets.
	i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?	Not Applicable
	ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	Not Applicable
3.	Does the Company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also provide details thereof, in about 50 words or so.	Not Applicable
4.	Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	Not applicable as the Company, is a Financial Institution and not in manufacturing of products. We are also following the Government of India's directives, issued from time to time, in respect of reservation for MSME (Micro, Small & Medium Enterprises) in procurements.
5.	Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? Also provide details thereof, in about 50 words or so.	Not applicable as the Company, is a Financial Institution and not in manufacturing of products.

Principle 3 - Employee Well-Being

1.	Please indicate the total number of employees	As on March 31, 2021 there were 29 employees in IRFC.
2.	Please indicate the total number of employees hired on temporary/ contractual/casual basis	There were 57 employees hired on contractual basis in IRFC as on March 31, 2021.
3.	Please indicate the number of permanent women employees	As on March 31, 2020, there were 6 permanent women employees on the rolls of the company.
4.	Please indicate the number of permanent employees with disabilities	Nil
5.	Do you have an employee association that is recognized by management?	N0
6.	What percentage of your permanent employees is members of this recognized employee association?	Nil
7.	Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	Nil
8.	What percentage of your undermentioned employees were given safety & skill upgradation training in last year?	Nil

Principle 4 - Stakeholder Engagement

1.	Has the company mapped its internal and external stakeholders? Yes/No.	Yes
2.	Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?	All reserved category employees (SC/ST/OBC/PwBD & Minorities) are identified as disadvantaged, vulnerable & marginalized stakeholders.
3.	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.	All Government of India directives are followed for engagement at various levels of career progression for all reserved category employees (SC/ST/ OBC/PWBD) & Minorities. Various infrastructure arrangements were made for benefits of PWBD persons. Liaison Officers are in place to look after the welfare of the employees in the ambit of this category. It is ensured that a person of reserved category of appropriate level is nominated as member in various selection and promotion committees to look into the interest of the employees of reserved categories.

Principle 5 - Promotion of Human Rights

1.	Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/ Contractors/ NGOs/Others?	IRFC does not have any specific policy on human rights. However, it is embedded in company's various HR policies and practices.
2.	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	The Company did not receive any complaint in the area of human rights violations from any of its stakeholders. The total number of 1,393 bond complaints and 3,300 complaints related to Equity were received during the years 2020-21, which were resolved and no complaint was pending at the end of the year.

Principle 6 - Environmental Protection

1.	Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/ Contractors/ NGOs/others?	The policy is embedded in company's various policies and practices and covers the Company as a whole.
2.	Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.	IRFC is socially conscious organization and fully endorses the nine principles of Global Compact enunciated by the United Nations Organization (UNO) which encompass area of human rights, environment protection and labour rights. These principles of Global Compact are embedded in various organizational policies of the Company thereby facilitating their implementation in a natural way. IRFC consistently strives towards meeting the expectation of the society through proper planning and decision making that will help in achieving a real and lasting reduction of social and economic disparities as well as protecting the environment. IRFC continues to support activities that aim at improving the quality of life of both present and future generations and at the same time safeguarding the capacity of the earth to support life in all its diversity.
3.	Does the Company identify and assess potential environmental risks? Y/N	Not applicable as the Company, is a Financial Institution and not in manufacturing of products.
4.	Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?	Not applicable as the Company, is a Financial Institution and not in manufacturing of products.
5.	Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Not applicable as the Company, is a Financial Institution and not in manufacturing of products.
6.	Are the emissions/waste generated by the Company within the permissible limits given by CPCB/ SPCB for the financial year being reported?	Not applicable as the Company, is a Financial Institution and not in manufacturing of products.
7.	Number of show cause/legal notices received from CPCB/ SPCB which are pending (i.e., not resolved to satisfaction) as on end of financial year.	Not applicable as the Company, is a Financial Institution and not in manufacturing of products.

Principle 7 - Responsible Public Policy Advocacy

1.	Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with.	No
2.	Have you advocated/ lobbied through above associations for the advancement or improvement of public good? If yes, specify the broad areas.	Not Applicable

Principle 8 - Inclusive Growth and Equitable Development

1.	Does the Company have specified programme/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.	IRFC undertakes various programmes/ projects under CSR for inclusive Growth and equitable development. During the financial year the Company approved construction of 105 public toilets in circulating areas of the Railways to improve the sanitation, cleanliness in the circulating areas of Indian Railway, contributed ₹ 30 crores in PM CARES and provided cold-storge equipment's for COVID vaccination programme for community at large.
2.	Are the programmes/ projects undertaken through in-house team/own foundation/external NGO/ government structures/ any other organization?	Being small manpower organization, mostly, CSR projects undertaken under CSR & SD policy are through implementing agencies being Govt./Semi Govt./ other Implementing Agencies eligible as per applicable CSR provisions.
3.	Have you done any impact assessment of your initiative?	Projects/Programmes sanctioned with expenditure of ₹1 crore or more, shall be subject to mandatory Impact Assessment Study conducted by Independent external agencies. However, the Company reserves the right to conduct Impact Assessment Study of any project irrespective of its value.
4.	What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?	During the year 2020-21, IRFC undertook various Community Development projects in the field of sanitation, skill development and education, environment and health sector under CSR initiatives of the Company. IRFC's contribution in terms of amount sanctioned and disbursed are as given below:

(₹ in Cr)

Nature of Activities	Sanctioned	Disbursement
Sanitation/Waste Management/Drinking Water	26.28	10.51
Skill Development and Education	01.00	01.00
Solar Application Environment/Tree Plantation Health Sector	34.00	30.00
Others (Impact Studies, Admin. Overheads, Saubhagya, Arrah and Sitamarhi district village Dev. programmes & restoration of Kedarnath & its surrounding areas)		
Total	**61.28**	**41.51**

5.	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Implementing Agencies are under obligation to complete the project as per the proposal and duration agreed in the MoU. Implementing agencies submit status report of the project from time to time on monthly/Quarterly/yearly basis. The Implementing agency is also required to submit the project completion report along with the Photographs and videos. Further, the implementing agencies are required to submit the utilization certificate duly signed by a Chartered Accountant in Practice. Project(s) with outlay exceeding of ₹1 (one) crore are subject to the Impact Assessment Study to be conducted by an external independent agency.

Principle 9 - Customer Value

1.	What percentage of customer complaints/ consumer cases are pending as on the end of financial year.	All 4693 complaints received during Financial Year 2020-21 from bondholders and equity shareholders were satisfactorily resolved as on March 31, 2021 and no complaint was pending at the end of the year.
2.	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/NA/Remarks	Not Applicable
3.	Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.	Nil
4.	Did your Company carry out any consumer survey/ consumer satisfaction trends?	Not Applicable

ANNEXURE I

P1	**Ethics, Transparency & Accountability**	
	IRFC conducts its business activities with utmost importance to ethics, transparency and accountability. The Company has various policies and codes in place defining its Ethics and Governance framework, which are in full conformity with the laws applicable to the Company. The said framework includes, and is not limited to, the following policies and codes approved by the Board of Directors of the Company:-	
	Name of the Policy	**Weblink**
	Board Diversity Policy	https://irfc.nic.in/wp-content/uploads/2017/09/Board-Diversity-Policy.pdf
	Codes of Business Conducts and Ethics	https://irfc.nic.in/wp-content/uploads/2017/09/Code-of-business-conduct-ethics.pdf
	Nomination and Remuneration Policy	https://irfc.nic.in/wp-content/uploads/2017/09/Nomination-Remuneration-Policy.pdf
	Identification of group Companies, material Creditors and material litigation Policy	https://irfc.nic.in/wp-content/uploads/2020/06/Identification-of-group-companies-material-creditors-and-material-litigations-Policy.pdf
	Policy of Material Disclosure of Events	https://irfc.nic.in/wp-content/uploads/2017/09/Policy-on-Material-Disclosure-of-Events.pdf
	Prohibition of Insider Trading Policy	https://irfc.nic.in/wp-content/uploads/2017/09/Prohibition-of-Insider-Trading-Policy.pdf
	Prevention of Documents and Archival Policy	https://irfc.nic.in/wp-content/uploads/2017/09/Preservation-of-Documents-and-Archival- Policy.pdf
	Related Party Transaction Policy	https://irfc.nic.in/wp-content/uploads/2017/09/Related-Party-Transactions-Policy.pdf
	Whistleblower Policy	https://irfc.nic.in/wp-content/uploads/2017/09/Whistle-Blower-Policy.pdf
	Dividend Distribution Policy	https://irfc.nic.in/wp-content/uploads/2020/06/Dividend-Distribution-Policy.
	KYC Prevention and Money Laundering Policy	https://irfc.nic.in/wp-content/uploads/2020/06/Know-Your-Customer-KYC-and-Prevention-of-Money-Laundering-Activities-PMLA.pdf
	In addition to the above, there are other policies and rules, which are internal documents of the Company and are accessible only to employees of the organization.	
P2	**Sustainability in Life-Cycle of Product**	
	The Company is a NBFC and dedicated financing arm of the Indian Railways for mobilizing funds from domestic as well as overseas Capital Markets. The Company's operations are available at https://irfc.nic.in/leasing/ , https://irfc.nic.in/lending/ and https://irfc.nic.in/borrowing/. Further, the Corporate Social Responsibility and Sustainability Policy of the Company is available at https://irfc.nic.in/wp-content/uploads/2018/11/CSR Policy.pdf.	
P3	**Employee Well-Being**	
	The Company has adopted various employee-oriented policies in line with the general laws and regulations and sound ethical practices. Such policies are normally approved by the Board of Directors. They are accessible only to the employees of the Company.	
P4	**Stakeholder Engagement**	
	The Company respects the interest of all its stakeholders, including those who are disadvantaged, vulnerable & marginalized. The Company works towards inclusive growth through its CSR & Sustainability Policy approved by the Board of Directors. The Corporate Social Responsibility and Sustainability Policy of the Company is available at https://irfc.nic.in/wpcontent/uploads/2018/11/CSR Policy.pdf.	

P5	**Promotion of Human Rights** IRFC strives to safeguard and uphold human rights in all ways possible. The Company has a Code of Business Conduct & Ethics, which captures the behavioral and ethical standards to be followed by the Board Members and Senior Management Personnel of the Company also, sets forth an obligation to strive continuously to bring about integrity and transparency in all spheres of the activities & Work unstintingly for eradication of corruption in all spheres of life. The Code is approved by the Board of Directors. All Directors & Senior Management members affirm compliance to the same annually. The said Code is available at https://irfc.nic.in/wp-content/uploads/2017/09/Code-of-business-conduct- ethics.pdf.
P6	**Environmental Protection** IRFC is socially conscious organization and fully endorses the nine principles of Global Compact enunciated by the United Nations Organization (UNO) which encompass area of human rights, environment protection and labour rights. These principles of Global Compact are embedded in various organizational policies of the Company thereby facilitating their implementation in a natural way. IRFC consistently strives towards meeting the expectation of the society through proper planning and decision making that will help in achieving a real and lasting reduction of social and economic disparities as well as protecting the environment. IRFC continues to support activities that aim at improving the quality of life of both present and future generations and at the same time safeguarding the capacity of the earth to support life in all its diversity.
P7	**Responsible Public Policy Advocacy** IRFC plays an active and responsible role in matters concerning public & regulatory policy. Senior officials of the Company are involved from time to time in formulation & implementation of various Government Programmes.
P8	**Inclusive Growth and Equitable Development** IRFC has various policies to support inclusive growth and equitable development of all its stakeholders. The Company has a Manual for Procurement of Goods, Service and Works. In addition to that, IRFC has a Board-approved CSR & Sustainability Policy, which guides CSR initiatives of the Company, many of which are directed towards inclusive growth and equitable development. IRFC's Corporate Social Responsibility and Sustainability Policy of the Company is available at https://irfc.nic.in/wpcontent/uploads/2018/11/CSR Policy.pdf.
P9	**Customer Value** As per RBI norms, IRFC has a Board-approved 'KYC & Prevention of Money Laundering Policy' which sets out the fair and transparent practices to be followed by the Company in its lending operations, as prescribed under RBI norms. IRFC's KYC & Prevention of Money Laundering Policy is available at https://irfc.nic.in/wp-content/uploads/2020/06/Know-Your-Customer-KYC-and-Prevention-of-Money-Laundering-Activities-PMLA.pdf.

ANNEXURE – IV

The Annual Report on CSR activities to be included in the Board's Report

1. Brief outline on CSR Policy of the Company.

IRFC strive to remain a responsible corporate entity aware of its responsibilities to all the stakeholders as a part of its Corporate Social Responsibility and Sustainability Policy (CSR & Sustainability Policy). It also support Sustainable Development programmes of the Government to save the mother earth and for healthy living of future generations of mankind. It also contribute towards inclusive growth and equitable development in the society, through empowerment of the marginalized underprivileged sections.

The IRFC has formulated its CSR Policy in compliance with all applicable laws, rules and regulations and guidelines issued by Department of Public Enterprises (DPE). While selecting the CSR Activities under the CSR schemes of the Company, the IRFC Follows its Board approved policy and comply with the provisions of the Companies Act 2013, CSR Rules made thereunder. The Policy has also prescribed the format for submitting the CSR proposals to the company for its consideration. One GM Committee has been constitute for the evaluation of the received proposals in terms of the CSR Policy and the applicable laws. Once the GM Committee approved the proposals, the approved proposals be placed before the CSR Committee of the Board for its approval and further recommendation of the Board of Directors.

IRFC executes MoUs with the Implementing agencies for the implementation of the CSR Projects and finalize the terms as approved by the Board. Implementing agencies are bound to submit the periodic reports, and the project completion report on completion of the project. the implementing agencies are also asked to submit the impact assessment report.

Considering the small size of the Company in terms of manpower, the Company endeavor to take up short term Sustainability CSR activities which can be completed within a Financial Year. Wherever possible, it also contribute to large projects by sharing a part of pool of resources with other Railway PSUs / Central PSUs for greater environmental social and economic impact subject to Rules and Regulations of the Companies Act, 2013 and other applicable statues, guidelines, if any.

2. The composition of CSR Committee

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Chetan Venugopal	Chairman/ Independent Director	2	2
2.	Shri Ashok Kumar Singhal	Member/ Independent Director	2	2
3.	Shri Amitabh Banerjee	/Member/ Chairman & Managing Director	2	2
4.	Ms. Shelly Verma	Member/ Director Finance	2	2

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

web-link for the Composition of CSR committee	http://irfc.nic.in/investors/
web-link for the CSR Policy	http://irfc.nic.in/policies/
Web-link for the CSR projects	http://irfc.nic.in/csr-initiatives/

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

CSR Projects for the financial year 2020-21 are approved by the Board of Directors and hosted on the website of the Company. Project(s) subject to Impact Assessment is required to be done after the expiry of atleast one year. Accordingly, Impact Assessment for the projects approved in the financial year 2020-21, shall be done after the expiry of atleast one year after the completion of the respective project. IRFC bound the Implementing agency to conduct the Impact Assessment and submit the report to IRFC from time to time.

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

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set- off for the financial year, if any (in ₹)
1	2019-20	NIL	NIL
Total		**NIL**	**NIL**

6. Average net profit of the company as per section 135(5). ₹ 3061.64 Crore applicable for CSR allocation for 2020-21.

7.

(a)	Two percent of average net profit of the company as per section 135(5)	61.23 Crore
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	NIL
(c)	Amount required to be set off for the financial year,if any	NIL
(d)	Total CSR obligation for the financial year (7a+7b- 7c).	61.23

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
41,51,22,000/-	19,77,09,606/-	30.04.2021	NA	NA	NA

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	105 Public Toilets to be constructed in circulating areas of Railway stations	(iv)	No.	PAN INDIA	PAN INDIA	Nine Months	26,28,15,000/-	10,51,26,000/-	15,76,89,000/-	Yes	NA	NA
2.	02 (Two) advanced fully-equipped life supporting ambulaances for Central Hospital, Southern Eastern Railway, Kolkata	(i)	No.	West Bengal	Kolkata	Six Months	72,18,818/-	0.00	72,18,818/-	Yes	NA	NA

1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
3.	Computer Navigation System for Dr. Babasaheb Ambedkar Memorial Hospital, Central Railway	(i)	No	Maharashtra	Mumbai	Six Months	2,80,00,000/-	0.00	2,80,00,000/-	Yes	NA	NA
4.	cold-chain storage equipment to Delhi (State) to support COVID-19 vaccination programme	(i)	Yes	Delhi	Delhi	Six Months	48,01,788/-	0.00	48,01,788/-	Yes	NA	NA
TOTAL							**30,28,35,606/-**	**10,51,26,000/-**	**19,77,09,606/-**			

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

1)	(2)	(3)	(4)	(5)		(6)	(7)	(7)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/ No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	PM Cares Fund	(viii)	NA	NA	NA	30,00,00,000/-	Yes	NA	NA
2.	Contribution towards Armed Forces Flag Day Fund (AFFDF)	(vi)	NA	NA	NA	99,96,000/-	Yes	NA	NA
TOTAL						**30,99,96,000/-**			

(d) Amount spent in Administrative Overheads:- NIL

(e) Amount spent on Impact Assessment, if applicable:- NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e):- ₹ 61,28,31,606/-

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	61,23,00,000/-
(ii)	Total amount spent for the Financial Year	61,28,31,606/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	5,31,606/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	5,31,606/-

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

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
1.	2018-19	NA	NA	NA	NA	NA	NA
2.	2019-20	NA	NA	NA	NA	NA	NA
3.	2020-21*	*NIL	*NIL	NA	NA	NA	19,77,09,606/-
TOTAL		***NIL**	***NIL**	**NA**	**NA**	**NA**	**19,77,09,606/-**

*As per the latest amendment made effective w.e.f. 22.01.2021, CSR Unspent amount of ₹ 19,77,09,606/- relating to the ongoing projects of the financial years 2020-21, transferred to the 'CSR Unspent Account' maintained with Scheduled Bank in terms of section 135(6) of the Companies Act, 2013.

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing.
1.	CSR-1/2019-20	Mission Smile	2019-20	NA	45,00,000/-	40,50,000/-	45,00,000/-	Completed
2.	CSR-2/2019-20	Construction of toilets	2019-20	9 Month Extendable up to Maximum 3 Years.	16,01,92,000/-	6,40,76,800/-	6,40,76,800/-	Ongoing
3.	CSR-6/ RITES/2018-19	Construction of toilets	2018-19	9 Month Extendable up to Maximum 3 Years.	14,01,68,000/-	4,20,50,400/-	5,60,67,200/-	Ongoing
4.	CSR-10/ IFCI/2018-19	Sanitary Napkin Vending Machine- IFCI Social Foundation	2018-19	NA	2,00,00,000/-	40,00,000/-	2,00,00,000/-	Completed
5.	CSR-2/ ALIMCO/2018-19	Distribution of Aid and appliances- ALIMCO	2018-19	180 Days Extendable up to Maximum 3 years.	3,00,00,000/-	1,23,12,358/-	1,53,12,358/-	Ongoing
6.	CSR1/2018-19	Installation of hand pumps in ghazipur- Jal Nigam,	2018-19	NA	77,17,200/-	32,82,644/-	75,79,860/-	Completed
7.	CSR-12/ CEL/2018-19	Solar Powered Lightning System at Government School, Community Centre & Health Care	2018-19	8-12 Weeks Extendable up to Maximum 3 years.	5,00,00,000/-	97,60,000/-	1,97,60,000/-	Ongoing
8.	CSR-11/CEL/2018-19	Solar Powered Street Lightning System at Government School, community centre & health care	2018-19	8-12 Weeks Extendable up to Maximum 3 years.	4,00,00,000/-	83,30,083/-	1,63,30,083/-	Ongoing
9.	CSR-9/ NBCFDC/2018-19	Skill development of marginalized youth	2018-19	NA	3,00,00,000/-	1,38,43,461/-	2,28,36,385/-	Completed
10	CSR-5/SER/2018-19	Cochlear implants along with Audiological setup in Central Hospital /SER/GRC	2018-19	NA	1,79,67,100/-	55,12,500/-	1,79,60,063/-	Completed
TOTAL					**50,05,44,300/-**	**16,72,18,246/-**	**24,44,22,749/-**	

An amount of ₹ 14,68,42,044/- transferred to PM CARES against unspent amount for the financial year 2015-16 and 2016-17 which includes ₹90,92,210/- returned by one of the implementing agency.

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.	NIL
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	NIL

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). NA

Sd/-
(Shri Amitabh Banerjee)
Chairman and Managing Director
and Chairman of CSR Committee
DIN: 03315975

Annexure V

Secretarial Audit Report

[For the Financial Year ended on 31st March, 2021]

[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,
Indian Railway Finance Corporation Limited
Registered Office: Room No 1316-1349, 3rd Floor
Hotel The Ashok Diplomatic Enclave,
50-B, Chanakyapuri, New Delh-110021

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by the **Indian Railway Finance Corporation Limited (CIN NO-L65910DL1986GOI026363)** (hereinafter called the Company). 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 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 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board - Processes and Compliance -Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

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

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

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

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

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

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(e) The Securities and Exchange Board of India (Registrars to an Issue and Shares Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; The Company was not engaged in the activities relating to Registrar to a Issue and was also not acting as Share Transfer Agent, Hence the aforesaid Regulations were not applicable to the Company during the audit period;

(f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

[No such Transaction was held during the financial year hence the Regulations stated at (v) f) to h) above were not applicable on the Company during the audit period]

(vi) Other labour, environment and specific applicable Acts / Laws to the Company for which Secretarial Audit was conducted as an overview audit and was generally based/ relied upon the documents provided to us and

Management Confirmation Certificate provided by the Management of the Company & other audit report and certificates given by other professionals, the company has complied with the following Acts / Laws applicable to the Company during the audit period:

(a) Reserve Bank of India Act read with Non-Banking Financial Companies (Reserve Bank) Directions 2016 issued by Reserve Bank of India as amended till date;

(b) Guidelines on Corporate Social Responsibility for Central Public Sector Enterprises-March 2010 issued by the Ministry of Heavy Industries & Public Enterprises (Department of Public Enterprises), Government of India;

(c) The Employees Provident Fund & Miscellaneous Provisions Act 1952 & The Employees Deposit-Linked Insurance Scheme, 1976 and Employees Provident Fund Scheme, 1952;

(d) The Contract Labour (Regulations and Abolition) Act 1970;

(e) Maternity Benefit Act 1961;

(f) Minimum Wages Act, 1948;

(g) Environment (Protection) Act 1986 read with The Environment (Protection) Rules 1986 and other Environment Laws;

(h) Indian Stamp Act 1899;

(i) The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act 2013 read with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules 2013;

(j) Right to Information Act 2005.

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

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

ii) Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 in respect of listing of Shares & Bonds with BSE Ltd and National Stock Exchange of India Limited.

We have not examined the applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to the following observation:

(i) Filing of third quarterly returns viz. DNBS-03, NBFC-ND-SI, ALM Returns for the financial year 2020-21 with Reserve Bank of India in compliance of Non-Banking Financial Companies (Reserve Bank) Directions 2016 with the RBI Portal (COSMOS) have been delayed.

(ii) Company's equity shares got listed on 29th January 2021. During the period, the Board of Directors has five Directors comprising two Executive Directors, Two Non-Executive Directors (Govt. Nominees) and one Independent Director. Company should have three more Independent Directors in compliance of the Regulations 17 (1) (a) of SEBI (LODR) Regulations 2015. Also due to non-compliance in the appointment of optimum combination of Independent Directors in the Board of Directors, the Composition of Audit Committee, Nomination and Remuneration Committee were also not in consonance with the Regulation 18 & 19 of SEBI (LODR) Regulations 2015.

We further report that:

1) The Company has complied with Companies Act 2013, Corporate Governance Guidelines for Central Public Sector Enterprises, 2010 issued by Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises, Government of India in respect of constitution of the board with proper balance of Executive, Non-Executive Directors & Independent Directors except as stated above.

2) Adequate notice is given to all Directors to schedule the Board and Committee Meetings as per the statutory provisions, and agenda and detailed notes on agenda which were sent at shorter notice were taken up after obtaining the requisite permission of the Chairman and with the consent of the majority of the Directors / Committee Members present in the meeting respectively in compliance of clause 1.3.7 of the Secretarial Standard -1 of ICSI and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

4) a) The Company has obtained requisite approval, permission, confirmation from Registrar of Companies, NCT of Delhi & Haryana, Securities & Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, Debenture Trustee and other regulated bodies in respect of various private placement of Secured, Redeemable, Non-Convertible, Taxable Bonds & Capital Gain Bonds in the nature of Debentures and has duly complied with the applicable provisions of the laws, rules and guidelines.

b) Company has issued by way of initial Public offering of 1,78,20,69,000 Equity Shares of face value of ₹ 10/- at a price of ₹26/- per Equity Shares including premium of ₹16/- per shares which includes an offer for sale of 59,40,23,000 Equity Shares by President of India acting through Ministry of Railways of face value of ₹10/- at a price of ₹26/- per Equity Shares including premium of ₹16/- per shares to the General Public which also includes reservation of 192307 equity shares for subscription by the eligible employee. Accordingly, Company has allotted 1,188,046,000 equity shares of face value of ₹ 10/- at a premium of ₹16/- per shares each to General Public by way of passing of requisite Resolution by IPO Committee on 27th January 2021. The Company has obtained requisite approval, permission, confirmation from Registrar of Companies, NCT of Delhi & Haryana, Securities & Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, Debenture Trustee and other regulated bodies in respect of Initial Public Offer of Equity Shares and has duly complied with the applicable provisions of the laws, rules and guidelines.

c) Company has applied & obtained requisite order for adjudication of stamp duty on issuance of shares since inception of the Company till the allotment made till 30th March 2020 vide order no F.1/Stamp duty/COS(HQ)/2020/2068 dated 10th February 2021 for depositing of stamp duty of ₹11,88,04,600/- and penalty of ₹11,88,046/-. Further Company has deposited the requisite stamp duty including penalty and obtained requisite certificates from the adjudicating authority i.e. Collector of Stamps, New Delhi.

5) There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act 2013, Depositories Act and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers except as stated in point No 4(c).

6) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.

We further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with other applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no instances of:

a) Preferential Issue of Shares / Sweat Equity except as stated above in point No. 4(b);

b) Buy-back of Securities;

c) Merger / Amalgamation / Reconstruction etc. and

d) Foreign Technical Collaborations.

For **Navneet K Arora & Co LLP**
Company Secretaries

Sd/-
CS Navneet Arora
Managing Partner
CS: 3214, COP: 3005
Firm Unique Identification No: P2009DE061500
UDIN: F003214C000757286
Place: New Delhi
Date: 9th August, 2021

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

Annexure to Secretarial Audit Report

To,
The Members,
Indian Railway Financial Corporation Limited
Registered Office: Room No 1316-1349, 3rd Floor
Hotel The Ashok Diplomatic Enclave,
50-B, Chanakyapuri, New Delh-110021

Our report of even date is to be read along with this letter as under:

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

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

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

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

5) The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.

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

For **Navneet K Arora & Co LLP**
Company Secretaries

Sd/-
CS Navneet Arora
Managing Partner
FCS: 3214, COP: 3005
Firm Unique Identification No: P2009DE061500
UDIN: F003214C000757286
Place: New Delhi
Date: 9th August, 2021

Annexure

OBSERVATIONS OF THE SECRETARIAL AUDITOR ALONG WITH EXPLANATIONS TO THE SAME BY THE MANAGEMENT

Sl. No.	Observations	Management Reply
1.	Filing of third quarterly returns viz. NBFC-ND-SI, ALM Returns for the financial year 2020-21 with Reserve Bank of India in compliance with Non-Banking Financial Companies (Reserve Bank) Directions 2016 with the RBI Portal (COSMOS) has been delayed.	Filing of quarterly returns viz. NBFC-ND-SI, ALM Returns for the financial year 2020-21 with Reserve Bank of India in compliance of Non-Banking Financial Companies (Reserve Bank) Directions 2016 with the RBI Portal (COSMOS) has been delayed as Company was facing technical issues in shifting from COSMOS portal to XBRL platform.
2.	Company's equity shares got listed on 29th January 2021. During the period, the Board of Directors has five Directors comprising two Executive Directors, Two Non-Executive Directors (Govt. Nominees) and one Independent Director. Company should have three more Independent Directors in compliance of the Regulations 17 (1) (a) of SEBI (LODR) Regulations 2015. Also due to non-compliance in the appointment of optimum combination of Independent Directors in the Board of Directors, the Composition of Audit Committee, Nomination and Remuneration Committee were also not in consonance with the Regulation 18 & 19 of SEBI (LODR) Regulations 2015.	The company has submitted in its quarterly corporate governance report for the quarter ended 31st March, 2021 to the Stock Exchanges that the Company is a Government Company. The power to appoint Directors vests with Government of India through Ministry of Railways (MoR) and Company has no role to play in it. The Company has already requested Government for appointment of Requisite number of Independent Directors. In absence of non-appointment of Independent Directors, the listed entity could not comply with the provisions of Regulation 17(1) (a), 18 and 19 of the SEBI (LODR) Regulations, 2015.

Annexure VI

Navneet K Arora & Co LLP
E-8/1, Near Geeta Bhawan Mandir, Malviya Nagar,
New Delhi - 110 017
Phone : +91-11-26684877
Website: www.navneetaroracs.com

Auditors' Certificate on Compliance of Conditions of Corporate Governance

To,
The Members of
Indian Railway Finance Corporation Limited
Registered Office: Room No 1316-1349, 3rd Floor
Hotel The Ashok Diplomatic Enclave,
50-B, Chanakyapuri, New Delh-110021

We have examined the compliance of conditions of Corporate Governance by **Indian Railway Finance Corporation Limited** for the year ended 31st March, 2021, as prescribed in Regulations 17 to 27, 46 (2) (b) to (i) and para C and D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as "SEBI (LODR) Regulations, 2015") and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises (DPE), Government of India.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination has been limited to review of procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause and guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, 46 (2) (b) to (i) and para C and D of Schedule V of SEBI (LODR) Regulations, 2015 and DPE Guidelines on Corporate Governance except:

(i) Regulation 17(1)(a), 18 & 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 composition of the Board of Directors of the Company, composition of Audit Committee & Nomination & Remuneration Committee.

(ii) Clause 3.1.2, 3.1.4 and 4.1.1 of the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, with regard to composition of the Board of Directors of the Company & composition of Audit Committee.

(iii) Regulation 17 (10) of SEBI (LODR) Regulations, 2015, the performance evaluation of Independent Directors shall be done by the entire Board of Directors.

(iv) Regulation 19 (4) read with Schedule II Part D (A) of SEBI (LODR) 2015, the Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees and formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.

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

For **Navneet K Arora & Co LLP**
Company Secretaries

Sd/-
CS Navneet Arora
Managing Partner
FCS: 3214, COP: 3005
ICSI Unique Firm Regn Code No: P2009DE061500
UDIN No: F003214C000757066
Place: New Delhi
Date: 9th August, 2021

Annexure VII

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 2020-21

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i) CIN	– U65910DL1986GOI026363
ii) Registration Date	– 12.12.1986
iii) Name of the Company	– Indian Railway Finance Corporation Limited
iv) Category / Sub-Category of the Company	– Infrastructure Finance Company
v) Address of the Registered office and contact details	– Indian Railway Finance Corporation Ltd. Room Nos. 1316 - 1349, 3rd Floor, Hotel Ashok , Diplomatic Enclave, 50-B, Chanakyapuri, New Delhi – 110 021 Contact No(s) – 011 – 24100385 Website – www.irfc.nic.in
vi) Whether listed company (Yes / No)	- Yes, (w.e.f. 29th January, 2021)
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	- Beetal Financial Computers Private limited, 3rd Floor 99 Madangir, Behind Local Shopping Centre New Delhi- 110062

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1.	Lease Income	-	74.99
2.	Interest Income	-	25.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN / GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
	NIL				

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding:

Cate-gory Code	Category of Shareholder	No. of shares held at the beginning of the year i.e. 01.04.2020				No. of shares held at the end of the year i.e. 31.03.2021				% Change during the year
		Demat	Physical	Total	Total % of shares	Demat	Physical	Total	Total % of shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	**PROMOTER AND PROMOTER GROUP**									
(1)	Indian	-	-	-	-	-	-	-	-	-
(a)	Individual	-	-	-	-	-	-	-	-	-
(b)	Huf	-	-	-	-	-	-	-	-	-
(c)	Central Govt / state Govt/ President Of India President Of India Acting Through The MoR	11880460000	-	11880460000	100	11286437000	-	11286437000	86.36	13.64
(d)	Financial Inst/ banks	-	-	-	-	-	-	-	-	-
(e)	Any other	-	-	-	-	-	-	-	-	-
	Other - Body Corporate	-	-	-	-	-	-	-	-	-
	Sub – Total A(1)	11880460000	-	11880460000	100	11286437000	-	11286437000	86.36	13.64
(2)	Foreign	-	-	-	-	-	-	-	-	-
(a)	Individual(nri/ Foriegn Individual)	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
(e)	Any Other	-	-	-	-	-	-	-	-	-
	Sub - Total	-	-	-	-	-	-	-	-	-
	Total A=A(1)+A(2)	11880460000	-	11880460000	100	11286437000	-	11286437000	86.36	13.64
(B)	**PUBLIC SHAREHOLDING**									
(1)	Institutions									
(a)	Mutual Funds	-	-	-	-	394018521	-	394018521	3.02	3.02
	Hdfc Trustee Company Limited-hdfc Flexi Cap Fund	-	-	-	-	191062702	-	191062702	1.45	1.45
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investros	-	-	-	-	188358849	-	188358849	1.44	1.44
(f)	Financial Inst/ banks	-	-	-	-	4897220	-	4897220	0.04	0.04
(g)	Insurance Companies	-	-	-	-	153837512	-	153837512	1.18	1.18
(h)	Provident Funds/ Pension Fund	-	-	-	-	-	-	-	-	-
(i)	Any other	-	-	-	-	-	-	-	-	-
	Sub-total (B)(1)	-	-	-	-	741112102		741112102	5.68	5.68

Cate-gory Code	Category of Shareholder	No. of shares held at the beginning of the year i.e. 01.04.2020				No. of shares held at the end of the year i.e. 31.03.2021				% Change during the year
		Demat	Physical	Total	Total % of shares	Demat	Physical	Total	Total % of shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(2)	Central Govt / state Govt/ President Of India	-	-	-	-	6900	-	6900	0.00	0.00
	Sub-total (B)(2)	-	-	-	-	6900	-	6900	0.00	0.00
(3)	Non-institutions	-	-	-	-					
(a)	(i) Individual-Holding Nom. Val. upto ₹2 lakhs	-	-	-	-	789825711	-	789825711	6.04	6.04
	(ii) Individual-Holding Nom. Val. greater then ₹2 lakhs	-	-	-	-	125238058	-	125238058	0.96	0.96
(b)	Nbfc Registered With Rbi	-	-	-	-	-	-	-	-	-
(c)	Employees Trust	-	-	-	-	-	-	-	-	-
(d)	Overseas Depository Holding DRs	-	-	-	-	-	-	-	-	-
(e)	Any Other									
	Other - Body Corp	-	-	-	-	37670445	-	37670445	0.29	0.29
	Other - Trusts	-	-	-	-	3630432	-	3630432	0.03	0.03
	Other - Clearing Member	-	-	-	-	14180375	-	14180375	0.11	0.11
	Other - N R I - NON - REPATARIABLE	-	-	-	-	4512037	-	4512037	0.03	0.03
	Other - N R I - REPATARIABLE	-	-	-	-	13918164	-	13918164	0.11	0.11
	Other - Individual HUF	-	-	-	-	31209919	-	31209919	0.24	0.24
	Other - QIB	-	-	-	-	20764857	-	20764857	0.16	0.16
	Sub-total (B)(3)	-	-	-	-	1040949998	-	1040949998	7.97	7.97
	Total Public Shareholding	-	-	-	-	1782069000	-	1782069000	13.6364	
(C)	Shares held by custodians,	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A+B+C) :	11880460000	-	11880460000	100	13068506000	-	13068506000	100	

Note: Offer for sale of 5% of its present holdings by the Promoters (i.e . Government of India) to the public and additional offerings of 10% through Initial Public Offerings (IPO) to the public. The Company got lised on 29.01.2021 on BSE and NSE.

ii) Shareholding of Promoters:

S. N. Code	Sharehol-der's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the share-holding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	President of India through Ministry of Railways	11880460000	100	-	11286437000	86.36	-	13.64
	Total	11880460000	100	-	11286437000	86.36	-	13.64

iii) Change in Promoters' Shareholding (please specify, if there is no change):

S.N.	Promoter		Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	President of India through Ministry of Railways					
	At the beginning of the year		1188,04,60,000	100	1128,64,37,000	86.36
	Date wise increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus/ sweat equity etc.					
	29.01.2021	Offer for sale of 5% of its present holdings by the Promoters (i.e . Government of India) to the public through Initial Public Offerings (IPO)				
	At the end of the year		1188,04,60,000	100	1128,64,37,000	86.36

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S.N.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	President of India Acting through the Ministry of Railways	1188,04,06000	100	112864,37,000	86.36
2	HDFC TRUSTEE Company Limited-HDFC FLEXI CAP Fund	-	-	1910,62,702	1.46
3	LIFE INSURANCE CORPORATION OF INDIA	-	-	1142,00,185	0.87
4	ITPL - INVESCO INDIA DYNAMIC EQUITY FUND	-	-	1025,76,319	0.78
5	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA VIS	-	-	1003,79,500	0.77
6	GOVERNMENT OF SINGAPORE	-	-	990,05,459	0.76
7	MONETARY AUTHORITY OF SINGAPORE	-	-	241,55,243	0.18
8	BNP PARIBAS ARBITRAGE	-	-	218,62,767	0.17
9	TATA AIG GENERAL INSURANCE COMPANY LIMITED	-	-	211,36,134	0.16
10	NPS TRUST- A/C SBI PENSION FUND SCHEME E - TIER I	-	-	207,64,857	0.16

(v) Shareholding of Directors and Key Managerial Personnel:

1. Shri Vijay Babulal Shirode, Company Secretary

For Each of the Directors & KMP	Change in Shareholding		Cumulative Shareholding During the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
At the beginning of the year 01/04/2020	0	0	0	0
Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	13,225	0	13,225	0
At the end of the year 31/03/2021	13,225	-	13,225	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

₹ in Mn

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	18,29,303.94	5,14,443.27	-	23,43,747.21
ii) Interest due but not paid	-	-	-	-
iii) Interest Accrued but not due	1,00,393.49	926.25	-	1,01,319.74
Total (i+ii+iii)	**19,29,697.43**	**5,15,369.52**	**-**	**24,45,066.95**
Changes in Indebtedness during the financial year				
Addition	10,61,766.40	10,09,926.49	-	20,71,692.88
Reduction	4,61,881.19	7,64,871.03	-	12,26,752.22
Net Change	5,99,885.21	2,45,055.45	-	8,44,940.66
Indebtedness at the end of the financial year				
i) Principal amount	24,19,161.39	8,11,945.40	-	32,31,106.79
ii) Interest due but not paid	-	-	-	-
iii) Interest Accrued but not due	61,031.94	61,105.33	-	1,22,137.27
Total (i+ii+iii)	**24,80,193.33**	**8,73,050.73**	**-**	**33,53,244.06**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Chairman & Managing Director, Whole-time Directors and/or Manager:

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount
		Shri Amitabh Banerjee Chairman & Managing Director from 12.10.2019	Shri Niraj Kumar, Director Finance Up to 31.07.2020	Ms. Shelly Verma, Director Finance From 01.09.2020	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	67.40	62.79	27.97	158.16
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.78	0.74	1.52	3.04

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount
		Shri Amitabh Banerjee Chairman & Managing Director from 12.10.2019	Shri Niraj Kumar, Director Finance Up to 31.07.2020	Ms. Shelly Verma, Director Finance From 01.09.2020	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- As % of profit	-	-	-	-
	- Other, specify	-	-	-	-
5.	Other, please specify	-	-	-	-
	Total (A)	**68.18**	**63.53**	**29.49**	**161.20**
	Ceiling as per the Act	-		-	-

* Not applicable under the exemptions granted by the Government of India vide its Notification dated 5th June, 2015.

B. Remuneration to other Directors:

(₹ in lakh)

Sl. No.	Particulars of Remuneration Independent Directors	Name of Directors			Total Amount
		Smt. Aditi Sengupta Ray	Shri Chetan Venugopal	Shri Ashok Kumar Singhal	
	• Fee for attending Board Committee Meetings	1.50	5.90	5.80	13.20
	• Commission	-			
	• Others, please specify	-			
	Total (1)	1.50	5.90	5.80	13.20
	Other Non-Executive Directors	Shri Anand Prakash	Shri Baldeo Purushartha	Shri Bhaskar Choradia	
	• Fee for attending Board Committee Meetings	-	-		-
	• Commission	-	-		-
	• Others, please specify	-	-		-
	Total (2)	-	-		-
	Total (B)=(1+2)	1.50	5.90	5.80	13.20
	Total Managerial Remuneration	-	-		-
	Overall Ceiling as per the Act	-	-		-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD:

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Company Secretary
		Shri Vijay Babulal Shirode Joint General Manager (Law) & Company Secretary
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	22.76
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2.24
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	
2.	Stock option	--
3.	Sweat Equity	--
4.	Commission	--
	- As % of profit	--
	- Other, specify	--
5.	Other, please specify	
	Total (A)	**25.00**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHR OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Annexure VIII

Code of Business Conduct-Declaration by the Chairman & Managing Director (CEO)

I hereby affirm that all Board Members and Senior Management personnel have confirmed compliance on their part of the "Code of Business Conduct and Ethics for Board Members and Senior Management" for the year 2020-2021.

Sd/-

(Amitabh Banerjee)
Chairman & Managing Director
DIN: 03315975

Place: New Delhi
Date: 13th August, 2021

Annexure IX

Certificate to the Board of Directors under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby certify to the Board of Directors that:

A. We have reviewed financial statements and the cash flow statement for the year ended 31.03.2021 and that to the best of our knowledge and belief:

   i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

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

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

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

D. We have indicated to the auditors and the Audit Committee:-

   i) Significant changes in internal control over financial reporting during the year;

   ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements ; and

   iii) That we are not aware of any instance during the year of significant fraud with involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: New Delhi
Dated: 29th June, 2021

Sd/-
(Shelly Verma)
Director Finance-CFO
DIN: 07935630

Sd/-
(Amitabh Banerjee)
Chairman & Managing Director - CEO
DIN: 03315975

Financial Statements

Balance Sheet as at 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
ASSETS				
Financial Assets				
Cash And Cash Equivalents	3	2,971.91	13.80	37.07
Bank Balance Other Than Above	4	1,617.33	993.83	773.59
Derivative Financial Instruments	5	760.14	-	466.90
Receivables	6			
- Lease Receivables		1,655,689.91	1,485,798.00	1,250,265.12
Loans	7	69,698.15	64,233.71	58,954.87
Investments	8	119.82	115.12	131.45
Other Financial Assets	9	1,971,282.49	1,182,742.54	738,239.44
Total Financial Assets		**3,702,139.75**	**2,733,897.00**	**2,048,868.44**
Non-Financial Assets				
Current Tax Assets (Net)	10	9,303.25	6,308.41	414.67
Property, Plant And Equipment	11	453.16	110.04	112.25
Other Intangible Assets	12	0.41	0.43	0.50
Other Non-Financial Assets	13	68,620.61	14,725.41	14,987.09
Total Non-Financial Assets		**78,377.43**	**21,144.29**	**15,514.51**
Total Assets		**3,780,517.18**	**2,755,041.29**	**2,064,382.95**
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
Derivative Financial Instruments	5	3,601.28	4,065.15	3,105.95
Payables	14			
- Trade payables				
(i) Total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
- Other payables				
(i) Total outstanding dues of micro enterprises and small enterprises		3.78	0.50	0.08
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		503.83	377.02	121.65
Debt Securities	15	1,785,747.89	1,552,904.56	1,235,978.99
Borrowings (Other Than Debt Securities)	16	1,445,358.90	790,862.65	503,347.76
Other Financial Liabilities	17	172,076.86	103,373.67	72,999.42
Total Financial Liabilities		**3,407,292.54**	**2,451,583.55**	**1,815,553.85**
Non-Financial Liabilities				
Provisions	18	291.22	138.03	117.96
Deferred Tax Liabilities (Net)	19	-	-	-
Other Non-Financial Liabilities	20	13,799.60	322.19	48.15
Total Non-Financial Liabilities		**14,090.82**	**460.22**	**166.11**
Total Liabilities		**3,421,383.36**	**2,452,043.77**	**1,815,719.96**
Equity				
Equity Share Capital	21	130,685.06	118,804.60	93,804.60
Other Equity	22	228,448.76	184,192.92	154,858.39
Total Equity		**359,133.82**	**302,997.52**	**248,662.99**
Total Liabilities And Equity		**3,780,517.18**	**2,755,041.29**	**2,064,382.95**

The accompanying statement of significant accounting policies and notes to the financial information are an integral part of this Balance Sheet.

For M/s. KBDS & Co.
Chartered Accountants
(FRN 323288E)

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

Sd/-
(Dashrath Kumar Singh)
(Partner)
M.No. 060030
UDIN:21060030AAAAEK2554

Sd/-
(Vijay Babulal Shirode)
Company Secretary
& JGM (Law)
FCS: 6876

Sd/-
(Shelly Verma)
Director Finance
DIN: 07935630

Sd/-
(Amitabh Banerjee)
Chairman &
Managing Director
DIN: 03315975

Place: New Delhi
Date: 29th June 2021

Statement of Profit and Loss for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Particulars	Notes	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
Revenue From Operations			
Interest Income	23	39,436.59	27,479.98
Dividend Income		2.51	5.92
Lease Income	24	118,265.62	106,724.27
Total Revenue From Operations		**157,704.72**	**134,210.17**
Other Income	25	3.90	0.73
Total Income		**157,708.62**	**134,210.90**
Expenses			
Finance Costs	26	112,370.53	101,626.62
Impairment on Financial Instruments	27	27.15	21.41
Employee Benefit Expense	28	78.47	62.65
Depreciation, Amortization and Impairment	29	44.32	4.58
Other Expenses	30	1,026.84	574.68
Total Expenses		**113,547.31**	**102,289.94**
Profit Before Exceptional Items and Tax		**44,161.31**	**31,920.96**
Exceptional Items		-	-
Profit Before Tax		**44,161.31**	**31,920.96**
Tax Expense	31		
Current Tax		-	-
Deferred Tax		-	-
Adjustment for Earlier Years		-	-
Total Tax Expenses		-	**-**
Profit for the Period from Continuing Operations		**44,161.31**	**31,920.96**
Profit from Discontinued Operations		-	-
Tax Expense of Discontinued Operations		-	-
Profit from Discontinued Operations (After Tax)		-	-
Profit for the Period		**44,161.31**	**31,920.96**
Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		0.01	(0.35)
- Remeasurement of Equity Instrument		14.75	(5.17)
(ii) Income tax relating to items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		-	-
- Remeasurement of Equity Instrument		-	-
Subtotal (A)		**14.76**	**(5.52)**
(B) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		-	-
Other Comprehensive Income (A + B)		**14.76**	**(5.52)**
Total comprehensive income for the period (comprising profit (loss) and other comprehensive income for the period)		**44,176.07**	**31,915.44**
Earnings per equity share (for continuing operations)	32		
Basic (₹)		3.66	3.40
Diluted (₹)		3.66	3.40
Earnings per equity share (for discontinued operations)			
Basic (₹)		-	-
Diluted (₹)		-	-
Earnings per equity share (for continuing and discontinued operations)	32		
Basic (₹)		3.66	3.40
Diluted (₹)		3.66	3.40

The accompanying statement of significant accounting policies and notes to the financial information are an integral part of this statement of Profit and Loss.

For M/s. KBDS & Co.
Chartered Accountants
(FRN 323288E)

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

Sd/-
(Dashrath Kumar Singh)
(Partner)
M.No. 060030
UDIN: 21060030AAAAEK2554

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DIN: 07935630

Sd/-
(Amitabh Banerjee)
Chairman &
Managing Director
DIN: 03315975

Place: New Delhi
Date: 29th June 2021

Statement of Cash Flow for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

	Particulars	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before taxes	**44,161.31**	31,920.96
	Adjustments for:		
	Remeasurement of Defined Benefit Plans	0.01	(0.35)
	Depreciation and Amortisation (including adjustment to ROU assets)	44.32	4.58
	Provision of Interest on Income Tax	5.33	20.91
	Loss on Sale of Fixed Assets	0.25	0.07
	Profit on Sale of Fixed Assets	(0.01)	-
	Discount of Commercial Paper	505.55	1,358.05
	Adjustments Towards Effective Interest Rate	(3,217.08)	(1,482.30)
	Interest Expense on Lease Liabilities	6.79	-
	Dividend Income Received	(2.51)	(5.92)
	Operating Profit Before Working Capital Changes	**41,503.96**	**31,816.00**
	Movements in Working Capital:		
	increase/(Decrease) in Payables	130.09	255.79
	increase/(Decrease) in Provisions	193.76	(0.84)
	increase/(Decrease) in Others Non Financial Liabilities	13,477.41	274.04
	increase/(Decrease) in Other Financial Liabilities	68,357.31	30,374.25
	Decrease/(Increase) in Receivables	(169,891.91)	(235,532.88)
	Decrease/(Increase) in Loans and Advances	(5,464.44)	(5,278.84)
	Decrease/(Increase) in Bank Balance Other Than Cash and Cash Equivalents	(623.50)	(220.24)
	Decrease/(Increase) in Other Non Financial Assets	(53,895.20)	261.68
	Decrease/(Increase) in Other Financial Assets	(789,813.21)	(443,061.27)
	Cash Generated From Operations	**(896,025.73)**	**(621,112.31)**
	Less: Direct Taxes Paid (Net of Refunds)	3,040.74	5,893.75
	Net Cash Flow/(Used) in Operating Activities (A)	**(899,066.47)**	**(627,006.06)**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of Property Plant & Equipments and Intangible Assets	(8.65)	(2.41)
	Proceeds From Sale of Property Plant & Equipment	0.32	0.05
	Proceeds From Realization of Pass Through Certificates / Sale of Investments	10.05	11.16
	Dividend Income Received	2.51	5.92
	Net Cash Flow/(Used) in Investing Activities (B)	**4.23**	**14.72**
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from Issue of Equity Share Capital	11,880.46	25,000.00
	Proceeds from Security Premium	19,008.74	-
	Issue of Debt Securities (Net of Redemptions)	242,488.51	308,125.43
	Raising of Rupee Term Loans/ Foreign Currency Borrowings (Net of Repayments)	657,781.22	289,007.28
	Issue of Commercial Paper (Net of Repayments)	(10,169.37)	7,416.27
	Payments for Lease Liabilities (including interest)	(40.24)	-
	Share Issue Expenses	(207.04)	(169.80)
	Final Dividend Paid	(5,000.00)	(2,000.00)
	Interim Dividend Paid	(13,721.93)	-
	Dividend Tax Paid	-	(411.11)
	Net Cash Generated By/(Used In) Financing Activities (C)	**902,020.35**	**626,968.07**
	Net Increase in Cash and Cash Equivalents (A+B+C)	**2,958.11**	**(23.27)**
	Cash and Cash Equivalents at the beginning of the year	13.80	37.07
	Cash and Cash Equivalents at the End of the Period	**2,971.91**	**13.80**

The accompanying statement of significant accounting policies and notes to the financial information are an integral part of this statement.

For M/s. KBDS & Co.
Chartered Accountants
(FRN 323288E)

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

Sd/-
(Dashrath Kumar Singh)
(Partner)
M.No. 060030
UDIN: 21060030AAAAEK2554

Sd/-
(Vijay Babulal Shirode)
Company Secretary
& JGM (Law)
FCS: 6876

Sd/-
(Shelly Verma)
Director Finance
DIN: 07935630

Sd/-
(Amitabh Banerjee)
Chairman &
Managing Director
DIN: 03315975

Place: New Delhi
Date: 29th June 2021

Statement of Changes in Equity

for the year ended 31 March 2021
(All amounts in millions of INR, unless stated otherwise)

A. Equity Share Capital

Particulars	Note	Amount
Balance as at 1 April 2019	**21**	**93,804.60**
Changes in equity share capital during the period		25,000.00
Balance as at 31 March 2020		**118,804.60**
Balance as at 1 April 2020	**21**	**118,804.60**
Changes in equity share capital during the period		11,880.46
Balance as at 31 March 2021		**130,685.06**

For M/s. KBDS & Co.
Chartered Accountants
(FRN 323288E)

Sd/-
(Dashrath Kumar Singh)
(Partner)
M.No. 060030
UDIN: 21060030AAAAEK2554

Place: New Delhi
Date: 29th June 2021

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

Sd/-
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DIN: 03315975

Statement of Changes in Equity

for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

B. Other Equity

Particulars	Share issue expenses*	Reserve and surplus					Equity instruments through other comprehensive income	Total other equity
		General Reserve	Bond redemption reserve**	Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	Security Premium Reserve	Retained Earnings		
Balance as at 1 April 2019	**-**	**30,327.36**	**57,145.59**	**4,509.50**	**-**	**64,431.40**	**68.08**	**156,481.93**
Prior Period Adjustments***	-	-	-	-	-	(1,623.54)	-	**(1,623.54)**
Restated Balance as at 1 April 2019	**-**	**30,327.36**	**57,145.59**	**4,509.50**	**-**	**62,807.86**	**68.08**	**154,858.39**
Total comprehensive income for the period	-	-	-	-	-	31,920.61	(5.17)	**31,915.44**
Addition during the period	(169.80)	-	-	-	-	-	-	**(169.80)**
Transfer to bond redemption reserve	-	-	(57,145.59)	-	-	57,145.59	-	**-**
Transfer to general reserve	-	143,704.92	-	-	-	(143,704.92)	-	**-**
Transfer to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	7,384.85	-	(7,384.85)	-	**-**
Interim Dividend	-	-	-	-	-	-	-	**-**
Dividend	-	-	-	-	-	(2,000.00)	-	**(2,000.00)**
Dividend tax	-	-	-	-	-	(411.11)	-	**(411.11)**
Balance as at 31 March 2020	**(169.80)**	**174,032.28**	**-**	**11,894.35**	**-**	**(1,626.82)**	**62.91**	**184,192.92**
Balance as at 1 April 2020	**(169.80)**	**174,032.28**	**-**	**11,894.35**	**-**	**5,000.00**	**62.91**	**190,819.74**
Prior Period Adjustments ***	-	-	-	-	-	(6,626.82)	-	**(6,626.82)**
Restated Balance as at 1 April 2020	**(169.80)**	**174,032.28**	**-**	**11,894.35**	**-**	**(1,626.82)**	**62.91**	**184,192.92**
Total comprehensive income for the period	-	-	-	-	-	44,161.32	14.75	**44,176.07**
Addition during the period	(207.04)	-	-	-	19,008.74	-	-	**18,801.70**
Transfer to bond redemption reserve	-	-	-	-	-	-	-	**-**
Transfer to general reserve	-	-	-	-	-	-	-	**-**
Transfer to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	8,832.26	-	(8,832.26)		**-**
Interim Dividend	-	-	-	-	-	(13,721.93)	-	**(13,721.93)**
Final Dividend	-	-	-	-	-	(5,000.00)	-	**(5,000.00)**
Dividend tax	-	-	-	-	-	-	-	**-**
Balance as at 31 March 2021	**(376.84)**	**174,032.28**	**-**	**20,726.61**	**19,008.74**	**14,980.31**	**77.66**	**228,448.76**

*Refer Note No. 22.1

** Refer Note No. 22.4

*** Refer Note No. 46(e)

The accompanying statement of significant accounting policies and notes to the financial information are an integral part of this statement.

For M/s. KBDS & Co.
Chartered Accountants
(FRN 323288E)

Sd/-
(Dashrath Kumar Singh)
(Partner)
M.No. 060030
UDIN: 21060030AAAAEK2554

Place: New Delhi
Date: 29th June 2021

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

Sd/-
(Vijay Babulal Shirode)
Company Secretary
& JGM (Law)
FCS: 6876

Sd/-
(Shelly Verma)
Director Finance
DIN: 07935630

Sd/-
(Amitabh Banerjee)
Chairman &
Managing Director
DIN: 03315975

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Statement of significant accounting policies

1. Background

Indian Railway Finance Corporation Ltd., referred to as "the Company" or "IRFC" was incorporated by the Government of India, Ministry of Railways, as a financing arm of Indian Railways, for the purpose of raising the necessary resources for meeting the developmental needs of Indian Railways. The Company's principal business is to borrow funds from the financial markets to finance the acquisition / creation of assets which are then leased out to the Indian Railways as finance lease. IRFC is a Schedule 'A' Public Sector Enterprise under the administrative control of the Ministry of Railways, Govt. of India. It is also registered as Systemically Important Non–Deposit taking Non Banking Financial Company (NBFC – ND-SI) and Infrastructure Finance Company (NBFC- IFC) with Reserve Bank of India (RBI).The President of India along with his nominees holds 100% of the equity share capital.

The registered address and principal place of business of the Company is Room Nos. 1316 - 1349, 3rd Floor, Hotel The Ashok Diplomatic Enclave, 50-B, Chanakyapuri New Delhi -110021.

2. Significant Accounting Policies

A summary of the significant accounting policies adopted in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

2.1 Statement of Compliance

The financial statements have been prepared on going concern basis following accrual system of accounting in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules 2015 and subsequent amendments thereto, read with Section 133 of the Companies Act, 2013 and other Accounting principles generally accepted in India.

2.2 Basis for preparation of financial statements

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Unless otherwise stated, all amounts are stated in Millions of Rupees.

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

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, regardless of whether that price is directly observable or estimated using another valuation technique. Fair value for measurement and/or disclosure purpose in these financial statements is determined on such basis except for, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value.

In addition, for financial reporting purposes fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs for the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 - Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 - inputs are unobservable inputs for the asset or liability.

2.3 Use of estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience & other factors considered reasonable and prudent

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as under:

a) Formulation of accounting policies

The accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

b) Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

c) Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37 'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

d) Income taxes

Significant estimates are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions.

2.4 Revenue

Company's revenues arise from lease income, dividend income, interest on lease advance, loans, deposits and investments. Revenue from other income comprise miscellaneous income etc.

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Finance lease income in respect of finance leases is allocated to the accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. (Also see accounting policy on leases at 2.14).

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Pre-commencement lease-interest income is determined based on the MOU entered with Ministry of Railways and when it is probable that the economic benefits will flow to the Company and the amount can be determined reliably.

Dividend income is recognized in profit or loss only when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

2.5 Foreign Currency Transaction

Functional and presentation currency

Items included in the financial statements of entity are measured using currency of the primary economic environment in which the entity

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is entity's functional and presentation currency.

Transactions and Balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss.

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

2.6 Employee Benefits

Defined contribution plan

A defined contribution plan is a plan under which the Company pays fixed contributions into an independent fund administered by the government/Company administrated Trust. The Company has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution.

Defined benefit plan

The defined benefit plans sponsored by the Company define the amount of the benefit that an employee will receive on completion of services by reference to length of service and last drawn salary. Gratuity is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of the plan is the present value of the defined benefit obligation net of fair value of plan assets at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated at the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of Other Comprehensive Income in the period in which such gains or losses are determined.

Other long-term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed more than one-year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the period in which such gains or losses are determined.

Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

2.7 Taxation

Tax expense comprises Current Tax and Deferred Tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax is 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 tax is also recognised in

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

other comprehensive income or directly in equity respectively.

The Company is exercising the irrevocable option as permitted by section 115BAA of the Income – tax Act, 1961 whereby by foregoing certain exemptions, deductions and allowances, the tax rate applicable to the Company is lower than the normal tax rate that would have been otherwise applicable to the Company. Henceforth, minimum alternate tax provisions of section 115JB of the Income – tax Act, 1961 are not applicable to the Company.

Deferred Tax

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The Company does not recognize deferred tax asset or deferred tax liability because as per Gazette Notification no. S.O. 529(E) dated 5th February 2018 as amended by notification no. S.O. 1465 dated 2 April 2018 issued by Ministry of Corporate Affairs, Government of India, read with their communication no. Eoffice F.No.17/32/2017 – CL – V dated 20th March 2020, the provisions of Indian Accounting Standards 12 relating to Deferred Tax Assets (DTA) or Deferred Tax Liability (DTL) does not apply to the Company.

2.8 Property, Plant and Equipment (PPE)

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is 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.

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

De-recognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined by comparing the proceeds from disposal, if any, with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

Depreciation

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

2.9 Intangible assets

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

De-recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains & losses on de-recognition of an item of intangible assets are determined by comparing the proceeds from disposal, if any, with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

Amortization

Software is amortized over 5 years on straight-line method.

2.10 Borrowing costs

Borrowing costs consist of interest expense calculated using the effective interest method as described in Ind AS 109 'Financial Instruments' and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction/development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of all borrowing that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset.

Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.

All other borrowing costs are recognized as an expense in the year in which they are incurred.

2.11 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.12 Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance costs.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence 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. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

2.13 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are 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. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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 amortization, if no impairment loss had been recognized.

2.14 Leases

At inception of a contract, the Company assesses whether the contract is, or contains a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessor

The Company classifies each of its leases as either an operating lease or a finance lease.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. The depreciation policy for depreciable underlying assets subject to operating leases is consistent with the Company's normal depreciation policy for similar assets.

Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Company as a lessee

At the contract commencement date, the Company recognizes right – of – use asset and a lease liability. A right – of – use asset is an asset that represents a lessee's right to use an underlying asset for the lease term. The Company has elected not to apply the aforesaid requirements to short term leases (leases which at the commencement date has a lease term of 12 months or less) and leases for which the underlying asset is of low value as described in paragraphs B3 – B9 of Ind AS 116.

A right of use asset is initially measured at cost and subsequently applies the cost mode ie less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of lease liability. Ind AS 16, Property, Plant and Equipment is applied in depreciating the right – of – use asset.

A lease liability is initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Company's incremental borrowing rate is used. Subsequently, the carrying amount of the lease liability is increased to reflect interest on lease liability; reduced to reflect the lease payments; and remeasured to reflect any reassessment or lease modifications or to reflect revised in – substance fixed lease payments.

2.15 Securitisation of Finance Lease Receivable

Lease Receivables securitised out to Special Purpose Vehicle in a securitisation transactions are de-recognised in the balance sheet when they are transferred and consideration has been received by the Company.

The resultant gain/loss arising on securitization is recognised in the Statement of Profit & Loss in the year in which transaction takes place.

Lease Receivables assigned through direct assignment route are de-recognised in the balance sheet when they are transferred and consideration has been received by the Company. Profit or loss resulting from such assignment is accounted for in the year of transaction.

2.16 Leasing of Railway Infrastructure Assets

In terms of Indian Accounting Standard 116, the inception of lease takes place at the earlier of the date of the lease agreement and the date of a commitment by the parties to the principal provisions of the lease.

The commencement of the lease term is the date from which the lessee is entitled to exercise its right to use the leased asset. It is the date of initial recognition of the lease.

As such, in respect of Railway Infrastructure Assets, which are under construction and where the Memorandum of Understanding / terms containing the principal provisions of the lease are in effect with the Lessee, pending execution of the lease agreement, the transactions relating to the lease are:

(a) presented as "Advance against Railway Infrastructure Assets to be leased"; and thereafter

(b) transferred to "Project Infrastructure Assets under Finance Lease Arrangement" on receipt of utilization report from the lessee; and thereafter

(c) transferred to lease receivable as per Ind AS 116 on execution of lease agreement.

2.17 Dividends

Dividends and interim dividends payable to the Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

2.18 Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

balances of assets, liabilities and equity for the earliest period presented, are restated.

2.19 Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.20 Statement of Cash Flows

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of cash flows'.

2.21 Operating Segments

The Managing Director (MD) of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments".

The Company has identified 'Leasing and Finance' as its sole reporting segment.

2.22 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.22.1. Financial Assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

Subsequent measurement

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at Fair value through Other Comprehensive Income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Debt instrument at Fair value through profit or loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments

All equity investments in entities other than subsidiaries and joint venture companies are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. The Company has decided to classify its investments into equity shares of IRCON International Limited through FVTOCI.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (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.

Impairment of financial assets

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

(a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and bank balance.

(b) Financial assets that are debt instruments and are measured as at FVTOCI.

(c) Lease receivables under Ind AS 116.

(d) Loan commitments which are not measured as at FVTPL.

(e) Financial guarantee contracts which are not measured as at FVTPL.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

2.22.2. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risks are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, cross currency swaps and interest rate swaps to hedge its foreign currency risks and interest rate risks of foreign currency loans. Such derivative

Notes to Financial Statements for the year ended 31 March 2021

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financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken to statement of profit and loss. Where the derivative is designated as a hedging instrument, the accounting for subsequent changes in fair value depends on the nature of item being hedged and the type of hedge relationship designated. Where the difference is a pass through the lessee, the amount is received/ reimbursed to the lessee.

2.23 New amended standards:

In July 2020, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2020, notifying certain amendments, as summarized below, to various Ind AS standards. The amendments are effective from accounting periods beginning from 1st April 2020.

Amendments to Ind AS 1, Presentation of Financial Statements and Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors

Ind AS 1 defined the term 'material, as under:

'Omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make on the basis of financial statements'.

The amendment refines the definition of 'material' which is now as follows:

'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general – purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity'.

Consequential amendments have been made to the following standards due to revised definition of material:

Ind AS	Title	Description
10	Events after the Reporting Period	Modification in paragraph 21 relating to disclosures of non – adjusting events after the reporting period.
34	Interim Financial Reporting	Modification of paragraph 24 whereby reference of definition of material as given in Ind AS 1 & Ind AS 8 has been removed.
37	Provisions, Contingent Liabilities and Contingent Assets	Modification in paragraph 75 relating to restructuring plan after the reporting period.

This amendment has not affected these financial statements.

Amendments to Ind AS 103, Business Combinations

Currently Ind AS 103 defines business as 'an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants'.

The amendment revises the definition as under:

'Business is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities'.

The amendments also:

- Introduces an optional concentration test to permit a simplified assessment of whether an acquired set of activities and assets is a business or asset acquisition;

Provides additional guidance on how to assess whether an acquired process is substantive, if the acquired set of activities and assets does not have outputs and if it does have outputs.

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(All amounts in millions of INR, unless stated otherwise)

The amendment is not applicable to the Company.

Amendments to Ind AS 116:

A practical expedient is inserted which permits lessees not to account for Covid – 19 related rent concessions as a lease modification. As the Company has not availed any Covid 19 related rent concessions, the practical expedient has no applicability on the Company's financial statements.

Amendments to Ind AS 107, Financial Instruments : Disclosures

Amendments to Ind AS 109, Financial Instruments

The amendments addresses the issues arising from the replacement of existing IBOR based interest rate benchmarks with alternative nearly risk – free interest rates (RFRs) in the context of hedge accounting. These amendments allow hedging relationships affected by the IBOR reform to be accounted for as continuing hedges.

The amendments provide relief on key areas of hedge accounting most notably the hedge effectiveness and the ability to identify LIBR based cash flows for the purpose of designation (re – designation) during the period of the Reform. Additional disclosures are shown in Note No. 38.6.

2.24 Standards issued but not yet effective:

The Ministry of Corporate Affairs (MCA) vide Notification dated 18 June 2021 has issued new Companies (Indian Accounting Standard) Amendment Rules, 2021 in consultation with the National Financial Reporting Authority (NFRA).

The notification states that these rules shall be applicable with immediate effect from the date of the notification. This means that the amendments are effective for the financial year ended 31 March 2022 onwards.

The amendments are intended to keep the Ind ASs aligned with the amendments made in International Financial Reporting Standards. While, largely, the amendments are clarificatory or editorial in nature, there are significant amendments relating to the extension of COVID 19 related to practical expedient under Ind AS 116 for lease concessions and practical expedient due to the interbank offered rate (IBOR) interest rates for financial instruments.

The amendments to Ind ASs are in terms of insertion of certain paragraphs, substituting the definition of certain terms used in the standard along with aligning the bare text of Standards with Conceptual Framework of Financial reporting under Ind ASs.

Major amendments notified in the Companies (Ind AS) Amendment Rules, 2021 are provided below:-

a) **Ind AS 116: Leases –** The amendments extend the benefits of the COVID 19 related rent concession that were introduced last year (which allowed lessees to recognize COVID 19 related rent concessions as income rather than as lease modification) from 30 June 2021 to 30 June 2022.

b) **Ind AS 109: Financial Instruments –** The amendment provides a practical expedient for assessment of contractual cash flow test, which is one of the criteria for being eligible to measure a financial asset at amortized cost, for the changes in the financial assets that may arise as a result of Interest Rate Benchmark Reform along. An additional temporary exception from applying hedge accounting is also added for Interest Rate Benchmark Reform.

c) Ind AS 101: Presentation of Financial Statements – The amendment substitutes the item (d) mentioned in paragraph BI as 'Classification and measurement of financial instruments'. The term 'financial asset' has been replaced with 'financial instruments'.

d) Ind AS 102: Share-Based Payment – The amendments to this standard are made in reference to the Conceptual Framework of Financial Reporting under Ind AS in terms of defining the term 'Equity Instrument' which shall be applicable for the annual reporting periods beginning on or after 1 April 2021.

e) Ind AS 103: Business Combinations – The amendment substitutes the definition of 'assets' and 'liabilities' in accordance with the definition given in the framework for the Preparation and Presentation of Financial Statements

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in accordance with Ind AS for qualifying the recognition criteria as per acquisition method.

f) Ind AS 104: Insurance Contracts – The amendment covers the insertion of certain paragraphs in the standard in order to maintain consistency with IFRS 4 and also incorporates the guidance on accounting treatment for amendments due to Interest Rate Benchmark Reform.

g) Ind AS 105: Non-current assets held for sale and discontinued operations – The amendment substitutes the definition of "fair value less costs to sell" with "fair value less costs of disposal"

h) Ind AS 106: Exploration for and evaluation of mineral resources – The amendment has been made in reference to the Conceptual Framework for Financial Reporting under Indian Accounting Standards in respect of expenditures that shall not be recognized as exploration and evaluation assets.

i) Ind AS 107: Financial Instruments: Recognition, Presentation and Disclosure – The amendment clarifies the certain additional disclosures to be made on account of Interest Rate Benchmark Reform like

a. the nature and extent of risks to which the entity is exposed arising from financial instruments subject to interest rate benchmark reform;

b. the entity's progress in completing the transition to alternative benchmark rates, and how the entity is managing the transition.

j) Ind AS: 111 Joint Arrangements – In order to maintain consistency with the amendments made in Ind AS 103, respective changes have been made in Ind AS 111.

k) Ind AS 114: Regulatory Deferral Accounts – The amendment clarifies that an entity may only change its accounting policies for the recognition, measurement, and impairment & derecognition of regulatory deferral account balances if the change makes the financial statements more relevant to the economic decision-making needs of users and no less reliable.

l) Ind AS 115: Revenue from Contracts with Customers – Certain amendments have been made in order to maintain consistency with number of paragraphs of IFRS 15.

m) Ind AS 8: Accounting Policies, Changes in Accounting Estimates and Errors – In order to maintain consistency with the amendments made in Ind AS 114 and to substitute the word 'Framework' with the 'Conceptual Framework of Financial Reporting in Ind AS', respective changes have been made in the standard.

n) Ind AS 16: Property, Plant and Equipment –The amendment has been made by substituting the words "Recoverable amount is the higher of an asset's fair value less costs to sell and its value in use" with "Recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use".

o) Ind AS 34: Interim Financial Reporting –The amendments to this standard are made in reference to the conceptual framework of Financial Reporting in Ind AS.

p) Ind AS 37: Provisions, Contingent Liabilities and Contingent Assets – The amendment substitutes the definition of the term 'Liability' as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards.

q) Ind AS 38: Intangible Assets – The amendment substitutes the definition of the term 'Asset' as provided in the Conceptual Framework for Financial Reporting under Indian Accounting Standards.

These amendments have either no applicability to the Company or if applicable, the impact is either immaterial or presently being ascertained.

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Note 3: Cash and Cash Equivalents

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Balances with banks			
- in current accounts			
- For Statutory Dues	2,352.31	-	-
- For Other than above	619.50	13.70	36.97
Deposits with Reserve Bank of India			
- in public deposit account	0.10	0.10	0.10
Total	**2,971.91**	**13.80**	**37.07**

Note 4: Bank Balances Other Than Above

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Balances with banks			
- in interest redemption accounts*	86.90	96.82	80.91
- in escrow pool account**	1,522.44	897.01	692.68
- in dividend payable account	7.99	-	-
Total	**1,617.33**	**993.83**	**773.59**

* The Company discharges its obligation towards payment of interest and redemption of bonds for which warrants are issued, by depositing the respective amounts in the designated bank accounts

** Related to allotment of Section 54EC bonds (Bonds from domestic capital market under note No. 15)

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Note 5: Derivative Financial Instruments

The Company enters into derivative contracts for Currency & Interest Rate risk. Derivative transactions include forwards, interest rate swaps, cross currency swaps, etc. to hedge the liabilities. These derivative transactions are done for hedging purpose and not for trading or speculative purposes.

PART- I	As at 31 March 2021			As at 31 March 2020			As at 01 April 2019		
	Notional amounts	Fair value-assets	Fair value-liabilities	Notional amounts	Fair value-assets	Fair value-liabilities	Notional amounts	Fair value-assets	Fair value-liabilities
(i) Currency Derivatives									
Spot and forwards	-	-	-	-	-	-	-	-	-
Currency swaps	19,063.88	360.88	3,500.36	13,884.67	-	3,090.22	12,737.67	-	3,105.95
Subtotal (A)	**19,063.88**	**360.88**	**3,500.36**	**13,884.67**	**-**	**3,090.22**	**12,737.67**	**-**	**3,105.95**
(ii) Interest Rate Derivatives									
Forward rate agreements and interest rate swaps	19,063.88	399.26	100.92	13,884.67	-	974.93	12,737.67	466.90	-
Subtotal (B)	**19,063.88**	**399.26**	**100.92**	**13,884.67**	**-**	**974.93**	**12,737.67**	**466.90**	**-**
Total Derivative Financial Instruments (A+B)	**38,127.76**	**760.14**	**3,601.28**	**27,769.34**	**-**	**4,065.15**	**25,475.34**	**466.90**	**3,105.95**

Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:

PART-II	As at 31 March 2021			As at 31 March 2020			As at 01 April 2019		
	Notional amounts	Fair value-assets	Fair value-liabilities	Notional amounts	Fair value-assets	Fair value-liabilities	Notional amounts	Fair value-assets	Fair value-liabilities
(i) Fair Value Hedging									
Currency derivatives	19,063.88	360.88	3,500.36	13,884.67	-	3,090.22	12,737.67	-	3,105.95
Interest rate derivatives	-	-	-	-	-	-	-	-	-
Subtotal (A)	**19,063.88**	**360.88**	**3,500.36**	**13,884.67**	**-**	**3,090.22**	**12,737.67**	**-**	**3,105.95**
(ii) Cash Flow Hedging									
Currency derivatives	-	-	-	-	-	-	-	-	-
Interest rate derivatives	19,063.88	399.26	100.92	13,884.67	-	974.93	12,737.67	466.90	-
Subtotal (B)	**19,063.88**	**399.26**	**100.92**	**13,884.67**	**-**	**974.93**	**12,737.67**	**466.90**	**-**
Total Derivative Financial Instruments (A+B)	**38,127.76**	**760.14**	**3,601.28**	**27,769.34**	**-**	**4,065.15**	**25,475.34**	**466.90**	**3,105.95**

Note: Refer note 38.5 & 38.6 for currency and interest rate risk management

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 6 : Receivables

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Lease receivables*	**1,655,689.91**	1,485,798.00	1,250,265.12
(Unsecured, considered good due from Ministry of Railways, Government of India)			
Total	**1,655,689.91**	**1,485,798.00**	**1,250,265.12**

* No impairment loss has been recognised as the entire lease receivables are from Ministry of Railways, Government of India, a sovereign receivable as per Reserve Bank of India letter no. DNRB (PD). CO.No.1271/03.10.001/2018-19 dated 21-December-2018. (Refer note- 18)

Notes to Financial Statements for the year ended 31 March 2021

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Note 7 : Loans

Particular	As at 31 March 2021						As at 31 March 2020						As at 01 April 2019					
		At Fair Value						At Fair Value						At Fair Value				
	Amortised cost (A)	Through Other Comprehensive Income (B)	Through Profit or Loss (C)	Designated at Fair Value Through Profit or Loss (D)	Subtotal E= (B+C+D)	Total (A+B)	Amortised cost (A)	Through Other Comprehensive Income (B)	Through Profit or Loss (C)	Designated at Fair Value Through Profit or Loss (D)	Subtotal E= (B+C+D)	Total (A+B)	Amortised cost (A)	Through Other Comprehensive Income (B)	Through Profit or Loss (C)	Designated at Fair Value Through Profit or Loss (D)	Subtotal E= (B+C+D)	Total (A+B)
Loans																		
(A) Term Loans																		
-Loan to Rail Vikas Nigam Limited	51,518.86	-	-	-	-	51,518.86	39,879.41	-	-	-	-	39,879.41	28,426.30	-	-	-	-	28,426.30
-Loan to Ircon International Limited	18,459.20	-	-	-	-	18,459.20	24,612.27	-	-	-	-	24,612.27	30,765.34	-	-	-	-	30,765.34
Total (A) -Gross	**69,978.06**	**-**	**-**	**-**	**-**	**69,978.06**	**64,491.68**	**-**	**-**	**-**	**-**	**64,491.68**	**59,191.64**	**-**	**-**	**-**	**-**	**59,191.64**
Less: Impairment loss allowance*	279.91	-	-	-	-	279.91	257.97	-	-	-	-	257.97	236.77	-	-	-	-	236.77
Total (A) - Net	**69,698.15**	**-**	**-**	**-**	**-**	**69,698.15**	**64,233.71**	**-**	**-**	**-**	**-**	**64,233.71**	**58,954.87**	**-**	**-**	**-**	**-**	**58,954.87**
(B)(i) Secured by tangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii)Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii)Covered by Bank/ Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Unsecured	69,978.06	-	-	-	-	69,978.06	64,491.68	-	-	-	-	64,491.68	59,191.64	-	-	-	-	59,191.64
Total (B)-Gross	**69,978.06**	**-**	**-**	**-**	**-**	**69,978.06**	**64,491.68**	**-**	**-**	**-**	**-**	**64,491.68**	**59,191.64**	**-**	**-**	**-**	**-**	**59,191.64**
Less: Impairment loss allowance*	279.91	-	-	-	-	279.91	257.97	-	-	-	-	257.97	236.77				-	236.77
Total (B)-Net	**69,698.15**	**-**	**-**	**-**	**-**	**69,698.15**	**64,233.71**	**-**	**-**	**-**	**-**	**64,233.71**	**58,954.87**	**-**	**-**	**-**	**-**	**58,954.87**
(C) (I) Loans in India																		
(i) Public Sector	69,978.06	-	-	-	-	69,978.06	64,491.68	-	-	-	-	64,491.68	59,191.64	-	-	-	-	59,191.64
(ii) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (C)-Gross	**69,978.06**	**-**	**-**	**-**	**-**	**69,978.06**	**64,491.68**	**-**	**-**	**-**	**-**	**64,491.68**	**59,191.64**	**-**	**-**	**-**	**-**	**59,191.64**
Less: Impairment loss allowance*	279.91	-	-	-	-	279.91	257.97	-	-	-	-	257.97	236.77	-	-	-	-	236.77
Total(C) (I)-Net	**69,698.15**	**-**	**-**	**-**	**-**	**69,698.15**	**64,233.71**	**-**	**-**	**-**	**-**	**64,233.71**	**58,954.87**	**-**	**-**	**-**	**-**	**58,954.87**
(C)(II)Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (C)(II)- Net	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total C(I)and C(II)	**69,698.15**	**-**	**-**	**-**	**-**	**69,698.15**	**64,233.71**	**-**	**-**	**-**	**-**	**64,233.71**	**58,954.87**	**-**	**-**	**-**	**-**	**58,954.87**

* The Company has computed expected credit loss as per Ind AS 109, Financial Instruments in accordance with Reserve Bank of India direction RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020 based on Reserve Bank of India circular no. RBI/2017-18/181_DNBR (PD) CC No. 092/03.10.001/2017-18 dated 31 May 2018 read with letter no. DNRB (PD) CO No. 1271/03.10.001/2018-19 dated 21 December 2018 which was earlier exempted vide notification DNBR.PD.008/03.10.119/2016-17 dated 1st September 2016 for all government NBFC company. (Refer note-18)

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 8 : Investments

Particular	As at 31 March 2021						As at 31 March 2020						As at 01 April 2019					
	Amortised cost (A)	At Fair Value			Subtotal E= (B+C+D)	Total (A+B)	Amortised cost (A)	At Fair Value			Subtotal E= (B+C+D)	Total (A+B)	Amortised cost (A)	At Fair Value			Subtotal E= (B+C+D)	Total (A+B)
		Through Other Compre-hensive Income (B)	Through Profit or Loss (C)	Designated at Fair Value Through Profit or Loss (D)				Through Other Compre-hensive Income (B)	Through Profit or Loss (C)	Designated at Fair Value Through Profit or Loss (D)				Through Other Compre-hensive Income (B)	Through Profit or Loss (C)	Designated at Fair Value Through Profit or Loss (D)		
Debt Securities*	12.14	-	-	-	-	12.14	22.23	-	-	-	-	22.23	33.30	-	-	-	-	33.30
Equity Instruments #	-	107.73	-	-	107.73	107.73	-	92.98	-	-	92.98	92.98		98.15	-	-	98.15	98.15
Total (A)	**12.14**	**107.73**	**-**	**-**	**107.73**	**119.87**	**22.23**	**92.98**	**-**	**-**	**92.98**	**115.21**	**33.30**	**98.15**	**-**	**-**	**98.15**	**131.45**
Investments Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments in India	12.14	107.73	-	-	107.73	119.87	22.23	92.98	-	-	92.98	115.21	33.30	98.15	-	-	98.15	131.45
Total (B)	**12.14**	**107.73**	**-**	**-**	**107.73**	**119.87**	**22.23**	**92.98**	**-**	**-**	**92.98**	**115.21**	**33.30**	**98.15**	**-**	**-**	**98.15**	**131.45**
Less: Allowance for Impairment '(C)	0.05	-	-	-	-	0.05	0.09	-	-	-	-	0.09	-	-	-	-	-	-
Total (A)-(C)	**12.09**	**107.73**	**-**	**-**	**107.73**	**119.82**	**22.14**	**92.98**	**-**	**-**	**92.98**	**115.12**	**33.30**	**98.15**	**-**	**-**	**98.15**	**131.45**

Details of Debt securities*						
Numbers of Senior Pass through Certificates of NOVO X Trust Locos		15		25		35
Fair value of Senior Pass through Certificates of NOVO X Trust Locos		12.14		22.23		33.30

Details of Equity Instruments#						
Numbers of Equity Shares of IRCON International Limited		1,220,000		244,000		244,000
Fair value of Equity Shares of IRCON International Limited		107.73		92.98		98.15

The Company holds nominal Equity (less than 0.26%) in IRCON International Limited. The Equity shares of IRCON International Limited were listed on National Stock Exchange with effect from 28 September 2018. The Company had elected to classify its investment in IRCON International Limited as fair value through other comprehensive income. The fair value as on 31 March 2021, 31 March 2020 & 01 April 2019 has been measured as per the quotation on National Stock Exchange (Level 1 Input).

As on 3rd April 2020, IRCON international Limited split its one share into 5 share each by decreasing its face value to ₹ 2/- per share from ₹ 10/- per share.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 9 : Other Financial Assets

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Amount recoverable from Ministry of Railways on account of ex-change rate variation / derivatives#	5,498.25	18,033.97	4,244.98
Amount recoverable from Ministry of Railways - Leased Assets	-	-	3,061.73
Project Infrastructure Asset under Finance Lease Arrangments- EBR-IF (Refer Note No. 45)	1,314,317.90	-	-
Project Infrastructure Asset under Finance Lease Arrangements-EBR Special (Refer Note No. 45)	476,267.59	-	-
Advance against Railway Infrastructure Assets to be leased (Refer Note No. 45)	-	1,031,195.28	649,088.40
Advance Funding Against National Project (Refer Note No. 45)	84,815.82	79,884.94	50,828.17
Interest accrued but not due on advance for railway project to be leased	79,282.72	43,945.37	21,340.11
Security deposits	53.29	1.43	0.96
House building advance (secured)*	2.65	2.96	3.26
Advance to employees**	3.32	3.13	3.05
Interest accrued but not due on advance to employees***	1.04	0.77	0.51
Interest accrued but not due on loans	10,993.24	9,669.86	9,669.11
Interest accrued but not due on investment	18.22	28.51	36.04
Interest accrued but not due on 54 EC bond application money	24.26	13.09	1.33
Amount recoverable from others	48.23	2.02	0.46
Gross Total	**1,971,326.53**	**1,182,781.33**	**738,278.11**
Less: Impairment on interest accrued and due on loans & deposits/ investments****	44.04	38.79	38.67
Net Total	**1,971,282.49**	**1,182,742.54**	**738,239.44**

*Includes ₹ 2.08 million for 31 March 2021, ₹ 2.28 million for 31 March 2020, ₹ 2.47 million for 1 April 2019 to Key Managerial Personnel.

**Includes ₹ 0.53 million for 31 March 2021, ₹ 0.63 million for 31 March 2020, ₹ NIL million for 1 April 2019 to Key Managerial Personnel.

***Includes ₹ 0.23 million for 31 March 2021, 0.12 million for 31 March 2020, 0.01 million for 1 April 2019 to Key Managerial Personnel.

**** The Company has computed expected credit loss as per Ind AS 109, Financial Instruments in accordance with Reserve Bank of India direction RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020 based on Reserve Bank of India circular no. RBI/2017-18/181_DNBR (PD) CC No. 092/03.10.001/2017-18 dated 31 May 2018 read with letter no. DNRB (PD) CO No. 1271/03.10.001/2018-19 dated 21 December 2018 which was earlier exempted vide notification DNBR.PD.008/03.10.119/2016-17 dated 1st September 2016 for all government NBFC company (Refer Note no. 42 (a) (i) & Note 18).

Amount recoverable from Ministry of Railway on account of exchange rate variation / derivatives includes amount recoverable from Ministry of Railways on account of MTM derivatives of the respective period. (Refer Note No. 44)

Note 10 : Current Tax Assets (net)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
TDS & advance tax	15,790.82	31,785.86	25,892.12
Less: Provision for tax (Refer note no. 31)	(6,487.57)	(25,477.45)	(25,477.45)
Total	**9,303.25**	**6,308.41**	**414.67**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 11 : Property, Plant and Equipment

Particulars	Building	Office Equipment	Computer	Furniture and fixtures	Plant and equipment	Vehicles	Right-of-Use Assets (Building)	Total
Gross block								
Balance as on 1 April 2019	**112.32**	**1.68**	**1.59**	**1.23**	**0.03**	**2.50**	**-**	**119.35**
Additions	-	0.82	1.40	0.12	-	-	-	2.34
Disposals	-	(0.19)	-	-	-	-	-	(0.19)
Balance as on 31 March 2020	**112.32**	**2.31**	**2.99**	**1.35**	**0.03**	**2.50**	**-**	**121.50**
Balance as on 1 April 2020	**112.32**	**2.31**	**2.99**	**1.35**	**0.03**	**2.50**	**-**	**121.50**
Additions	-	2.18	1.67	0.70	-	-	379.33	383.88
Adjustment	-	-	-	-	-	-	3.99	3.99
Disposals	-	(0.46)	(0.37)	(0.20)	-	-	-	(1.03)
Balance as on 31 March 2021	**112.32**	**4.03**	**4.29**	**1.85**	**0.03**	**2.50**	**383.32**	**508.34**
Accumulated depreciation								
Balance as on 1 April 2019	**5.60**	**0.38**	**0.55**	**0.24**	**0.03**	**0.30**	**-**	**7.10**
Depreciation expense	3.05	0.34	0.54	0.14	-	0.36	-	4.43
Adjustments	-		-		-	-	-	-
Elimination on disposals of assets	-	(0.07)	-		-	-	-	(0.07)
Balance as on 31 March 2020	**8.65**	**0.65**	**1.09**	**0.38**	**0.03**	**0.66**	**-**	**11.46**
Balance as on 1 April 2020	**8.65**	**0.65**	**1.09**	**0.38**	**0.03**	**0.66**	**-**	**11.45**
Depreciation expense	3.05	0.45	0.59	0.20	-	0.29	39.61	44.19
Adjustments	-	-	-	-	-	-	-	-
Elimination on disposals of assets	-	(0.23)	(0.19)	(0.05)	-	-	-	(0.47)
Balance as on 31 March 2021	**11.70**	**0.87**	**1.49**	**0.53**	**0.03**	**0.95**	**39.61**	**55.17**
Carrying amount								
Balance as on 1 April 2019	**106.72**	**1.30**	**1.04**	**0.99**	**-**	**2.20**	**-**	**112.25**
Additions	-	0.82	1.40	0.12	-	-	-	2.34
Disposals	-	(0.12)	-	-	-	-	-	(0.12)
Depreciation expense	(3.05)	(0.34)	(0.54)	(0.14)	-	(0.36)	-	(4.43)
Balance as on 31 March 2020	**103.67**	**1.66**	**1.90**	**0.97**	**-**	**1.84**	**-**	**110.04**
Balance as on 1 April 2020	**103.67**	**1.66**	**1.90**	**0.97**	**-**	**1.84**	**-**	**110.04**
Additions	-	2.18	1.67	0.70	-	-	379.33	383.88
Disposals	-	(0.23)	(0.18)	(0.15)	-	-	-	(0.56)
Adjustment	-	-	-	-	-	-	3.99	3.99
Depreciation expense	(3.05)	(0.45)	(0.59)	(0.20)	-	(0.29)	(39.61)	(44.19)
Balance as on 31 March 2021	**100.62**	**3.16**	**2.80**	**1.32**	**-**	**1.55**	**343.71**	**453.16**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 12 : Other Intangible Assets

Particulars	Software
Gross block	
Balance as on 1 April 2019	**0.66**
Additions	0.08
Disposals	-
Balance as on 31 March 2020	**0.74**
Balance as on 1 April 2020	**0.74**
Additions	0.11
Disposals	-
Balance as on 31 March 2021	**0.85**
Accumulated Amortisation	
Balance as on 1 April 2019	**0.16**
Amortisation expense	0.15
Adjustments	-
Elimination on disposals of assets	-
Balance as on 31 March 2020	**0.31**
Balance as on 1 April 2020	**0.31**
Amortisation expense	0.13
Adjustments	-
Elimination on disposals of assets	-
Balance as on 31 March 2021	**0.44**
Carrying amount	
Balance as on 1 April 2019	**0.50**
Additions	0.08
Disposals	-
Amortisation expense	(0.15)
Balance as on 31 March 2020	**0.43**
Balance as on 1 April 2020	**0.43**
Additions	0.11
Disposals	-
Amortisation expense	(0.13)
Balance as on 31 March 2021	**0.41**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 13 : Other Non-Financial Assets

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Capital Advances			
Advance to FA & CAO, Northern Railway	25.30	25.30	25.30
Advances other than capital advances			
Advance to others	112.67	1.67	1.67
Others			
Prepaid expenses	6.62	3.74	4.18
Tax refund receivable	30.62	20.10	249.71
GST recoverable	14,664.47	14,667.82	14,706.23
GST Input- Project Assets*	53,770.59	-	-
Leave Encashment Funded Assets (Net)	0.34	-	-
Gratuity Funded Assets (Net)	10.00	6.78	-
Total	**68,620.61**	**14,725.41**	**14,987.09**

*Includes GST inputs on infrastructure assets such as station, bridges etc and similar items. The ITC amount on these items shall be determined on receipts of confirmation from the Ministry of Railway. On determination, the ITC amount shall be transferred to "Projects Infrastructure Assets under Finance Lease Arrangements."

Note 14 : Payables

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
(I) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(II) Other payables			
(i) Total outstanding dues of micro enterprises and small enterprises (Refer Note No. 51)	3.78	0.50	0.08
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	503.83	377.02	121.65
Total	**507.61**	**377.52**	**121.73**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 15 : Debt Securities

Particulars	As at 31 March 2021				As at 31 March 2020				As at 01 April 2019			
	At Amortised cost	At Fair Value Through Profit or Loss	Designated at Fair Value Through Profit or Loss	Total	At Amortised cost	At Fair Value Through Profit or Loss	Designated at Fair Value Through Profit or Loss	Total	At Amortised cost	At Fair Value Through Profit or Loss	Designated at Fair Value Through Profit or Loss	Total
Others												
Bonds from domestic capital market	1,553,752.18	-	-	**1,553,752.18**	1,362,599.36	-	-	**1,362,599.36**	1,136,548.03	-	-	**1,136,548.03**
Bonds from overseas capital market	203,025.44	-	-	**203,025.44**	151,671.11	-	-	**151,671.11**	69,571.19	-	-	**69,571.19**
Commercial Paper	28,970.27	-	-	**28,970.27**	38,634.09	-	-	**38,634.09**	29,859.77	-	-	**29,859.77**
Total	**1,785,747.89**	**-**	**-**	**1,785,747.89**	**1,552,904.56**	**-**	**-**	**1,552,904.56**	**1,235,978.99**	**-**	**-**	**1,235,978.99**
Debt securities in India	1,582,722.45	-	-	**1,582,722.45**	1,401,233.45	-	-	**1,401,233.45**	1,166,407.80	-	-	**1,166,407.80**
Debt securities outside India	203,025.44	-	-	**203,025.44**	151,671.11	-	-	**151,671.11**	69,571.19	-	-	**69,571.19**
Total	**1,785,747.89**	**-**	**-**	**1,785,747.89**	**1,552,904.56**	**-**	**-**	**1,552,904.56**	**1,235,978.99**	**-**	**-**	**1,235,978.99**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Indian Railway Finance Corporation Limited
Secured bonds from domestic capital market

The secured bonds issued in the domestic capital market are secured by first pari passu charge on the present/ future rolling stock assets/ lease receivables of the Company. Maturity profile and rate of interest of the bonds issued in the domestic capital market and amount outstanding as on various dates is as set out below:

Sr. No	Series	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2021	31 March 2020	1 April 2019
1	157th series 6.80% Sec Red Non Cum Taxable bonds	6.80%	Annual	Bullet Repayment	30-Apr-41	13,750.00	-	-
2	156th series 7.21% sec Red Non-Cum Taxable Bonds	7.21%	Annual	Bullet Repayment	25-Feb-41	19,545.00	-	-
3	154 series 6.85% Secured Non-Cum Taxable Bonds	6.85%	Annual	Bullet Repayment	1-Dec-40	46,520.00	-	-
4	153 series 6.85% Taxable Bonds	6.85%	Annual	Bullet Repayment	29-Oct-40	59,912.00	-	-
5	104th 'A' Series Tax Free Bonds Public Issue	7.50%	Annual	Bullet Repayment	21-Dec-35	3,696.34	3,696.34	3,696.34
6	104th Series Tax Free Bonds Public Issue	7.25%	Annual	Bullet Repayment	21-Dec-35	2,944.16	2,944.16	2,944.16
7	151th Series Taxable Non-Cum. Bonds	6.73%	Annual	Bullet Repayment	6-Jul-35	30,000.00	-	-
8	150 Series Taxable Non-Cum. Bonds	6.90%	Annual	Bullet Repayment	5-Jun-35	25,650.00	-	-
9	71st "E" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-35	2,200.00	2,200.00	2,200.00
10	70th "E" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	4-May-35	150.00	150.00	150.00
11	141th Taxable Non-Cum. Bonds	7.48%	Annual	Bullet Repayment	29-Aug-34	21,070.00	21,070.00	-
12	139th Taxable Non-Cum. Bonds	7.54%	Annual	Bullet Repayment	29-Jul-34	24,556.00	24,556.00	-
13	138th Taxable Non-Cum. Bonds	7.85%	Annual	Bullet Repayment	1-Jul-34	21,200.00	21,200.00	-
14	71st "D" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-34	2,200.00	2,200.00	2,200.00
15	70th "D" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	4-May-34	150.00	150.00	150.00
16	71st "C" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-33	2,200.00	2,200.00	2,200.00
17	70th "C" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	4-May-33	150.00	150.00	150.00
18	71st "B" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-32	2,200.00	2,200.00	2,200.00
19	70th "B" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	4-May-32	150.00	150.00	150.00
20	71st "A" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-31	2,200.00	2,200.00	2,200.00
21	76th "B" Taxable Non-Cum. Bonds	9.47%	Semi Annual	Bullet Repayment	10-May-31	9,950.00	9,950.00	9,950.00
22	70th "A" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	4-May-31	150.00	150.00	150.00
23	152nd Series Taxable Non-Cum. Bonds	6.41%	Annual	Bullet Repayment	11-Apr-31	20,000.00	-	-
24	108th 'A' Series Tax Free Bonds Public Issue	7.64%	Annual	Bullet Repayment	22-Mar-31	11,943.13	11,943.13	11,943.13
25	108th Series Tax Free Bonds Public Issue	7.35%	Annual	Bullet Repayment	22-Mar-31	10,163.76	10,163.76	10,163.76
26	103rd 'A' Series Tax Free Bonds Public Issue	7.53%	Annual	Bullet Repayment	21-Dec-30	10,742.17	10,742.17	10,742.17
27	103rd Series Tax Free Bonds Public Issue	7.28%	Annual	Bullet Repayment	21-Dec-30	20,573.10	20,573.10	20,573.10
28	70th "AA" Taxable Non-Cum. Bonds	8.79%	Semi Annual	Bullet Repayment	4-May-30	14,100.00	14,100.00	14,100.00
29	144th Series Taxable Bonds (ETF)	7.55%	Annual	Bullet Repayment	12-Apr-30	15,800.00	15,800.00	-
30	146th Series Taxable Bonds	7.08%	Annual	Bullet Repayment	28-Feb-30	30,000.00	30,000.00	-
31	67th "B" Taxable Non-Cum. Bonds	8.80%	Semi Annual	Bullet Repayment	3-Feb-30	3,850.00	3,850.00	3,850.00
32	143rd Taxable Non-Cum. Bonds	7.55%	Annual	Bullet Repayment	6-Nov-29	24549.00	24,549.00	-
33	142th Taxable Non-Cum. Bonds	7.50%	Annual	Bullet Repayment	9-Sep-29	27,070.00	27,070.00	-
34	140th Taxable Non-Cum. Bonds	7.48%	Annual	Bullet Repayment	13-Aug-29	25,920.00	25,920.00	-
35	136th Series Taxable Bonds	7.95%	Annual	Bullet Repayment	12-Jun-29	30,000.00	30,000.00	-
36	135 Series Taxable Bonds	8.23%	Annual	Bullet Repayment	29-Mar-29	25,000.00	25,000.00	25,000.00
37	96th Series Tax Free Bonds Public Issue	8.63%	Annual	Bullet Repayment	26-Mar-29	9,479.13	9,479.13	9,479.13
38	96th A Series Tax Free Bonds Public Issue	8.63%/ 8.88%	Annual	Bullet Repayment	26-Mar-29	4,364.14	4,364.14	4,364.14
39	134 Series Taxable Bonds	8.30%	Annual	Bullet Repayment	25-Mar-29	30,000.00	30,000.00	30,000.00
40	133 Series Taxable Bonds	8.35%	Annual	Bullet Repayment	13-Mar-29	30,000.00	30,000.00	30,000.00

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Sr. No	Series	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2021	31 March 2020	1 April 2019
41	131St Series Taxable Bonds	8.55%	Annual	Bullet Repayment	21-Feb-29	22,365.00	22,365.00	22,365.00
42	92nd Series Tax Free Bonds Public Issue	8.40%	Annual	Bullet Repayment	18-Feb-29	10,901.87	10,901.87	10,901.87
43	92nd A Series Tax Free Bonds Public Issue	8.40%/ 8.65%	Annual	Bullet Repayment	18-Feb-29	6,883.59	6,883.59	6,883.59
44	94th A Series Tax Free Non-Cum Bonds	8.55%	Annual	Bullet Repayment	12-Feb-29	130.00	130.00	130.00
45	93rd A Series Tax Free Non-Cum Bonds	8.55%	Annual	Bullet Repayment	10-Feb-29	16,500.00	16,500.00	16,500.00
46	130Th Series Taxable Bonds	8.40%	Annual	Bullet Repayment	8-Jan-29	28,454.00	28,454.00	28,454.00
47	129th Series Taxable Bonds	8.45%	Annual	Bullet Repayment	4-Dec-28	30,000.00	30,000.00	30,000.00
48	90th A Series Tax Free Non-Cum Bonds	8.48%	Annual	Bullet Repayment	27-Nov-28	550.00	550.00	550.00
49	89th A Series Tax Free Non-Cum Bonds	8.48%	Annual	Bullet Repayment	21-Nov-28	7,380.00	7,380.00	7,380.00
50	87th 'A' Series (Non-Retail), Tax Free Bonds Public Issue	7.04%	Annual	Bullet Repayment	23-Mar-28	2,227.99	2,220.94	2,211.40
51	87th 'A' Series (Retail), Tax Free Bonds Public Issue	7.54%	Annual	Bullet Repayment	23-Mar-28	410.85	417.90	427.44
52	86th 'A' Series (Non-Retail), Tax Free Bonds Public Issue	7.34%	Annual	Bullet Repayment	19-Feb-28	23,239.89	23,198.91	23,147.42
53	86th 'A' Series (Retail), Tax Free Bonds Public Issue	7.84%	Annual	Bullet Repayment	19-Feb-28	2,349.21	2,390.20	2,441.68
54	83rd 'A' Tax Free Non-Cum. Bonds	7.39%	Annual	Bullet Repayment	6-Dec-27	950.00	950.00	950.00
55	82nd 'A' Tax Free Non-Cum. Bonds	7.38%	Annual	Bullet Repayment	30-Nov-27	300.00	300.00	300.00
56	81st 'A' Tax Free Non-Cum. Bonds	7.38%	Annual	Bullet Repayment	26-Nov-27	667.00	667.00	667.00
57	124th Series Taxable Non-Cum Bonds	7.54%	Annual	Bullet Repayment	31-Oct-27	9,350.00	9,350.00	9,350.00
58	123rd Series Taxable Non-Cum Bonds	7.33%	Annual	Bullet Repayment	28-Aug-27	17,450.00	17,450.00	17,450.00
59	121st Taxable Non Cum - Bonds	7.27%	Annual	Bullet Repayment	15-Jun-27	20,500.00	20,500.00	20,500.00
60	54th "B" Taxable Non-Cum. Bonds	10.04%	Semi Annual	Bullet Repayment	7-Jun-27	3,200.00	3,200.00	3,200.00
61	120th Taxable Non Cum - Bonds	7.49%	Annual	Bullet Repayment	30-May-27	22,000.00	22,000.00	22,000.00
62	118th Taxable Non Cum - Bonds	7.83%	Annual	Bullet Repayment	21-Mar-27	29,500.00	29,500.00	29,500.00
63	80th 'A' Series (Non-Retail), Tax Free Bonds Public Issue	8.10%	Annual	Bullet Repayment	23-Feb-27	27,889.45	27,816.25	27,749.81
64	80th 'A' Series (Retail), Tax Free Bonds Public Issue	8.30%	Annual	Bullet Repayment	23-Feb-27	3,067.07	3,140.27	3,206.71
65	53rd "C" Taxable Non-Cum. Bonds	8.75%	Semi Annual	Bullet Repayment	29-Nov-26	4,100.00	4,100.00	4,100.00
66	79th "A" Tax Free Non-Cum. Bonds	7.77%	Annual	Bullet Repayment	8-Nov-26	1,915.10	1,915.10	1,915.10
67	76th "A" Taxable Non-Cum. Bonds	9.33%	Semi Annual	Bullet Repayment	10-May-26	2,550.00	2,550.00	2,550.00
68	75th Taxable Non-Cum. Bonds	9.09%	Semi Annual	Bullet Repayment	31-Mar-26	1,500.00	1,500.00	1,500.00
69	74th Taxable Non-Cum. Bonds	9.09%	Semi Annual	Bullet Repayment	29-Mar-26	10,760.00	10,760.00	10,760.00
70	107th 'A' Series Tax Free Bonds Public Issue	7.29%	Annual	Bullet Repayment	22-Mar-26	1,907.14	1,907.14	1,907.14
71	107th Series Tax Free Bonds Public Issue	7.04%	Annual	Bullet Repayment	22-Mar-26	485.97	485.97	485.97
72	106th Series Tax Free Bonds	7.04%	Annual	Bullet Repayment	3-Mar-26	10,500.00	10,500.00	10,500.00
73	102nd 'A' Series Tax Free Bonds Public Issue	7.32%	Annual	Bullet Repayment	21-Dec-25	3,689.49	3,689.49	3,689.49
74	102nd Series Tax Free Bonds Public Issue	7.07%	Annual	Bullet Repayment	21-Dec-25	3,674.74	3,674.74	3,674.74
75	100th Series Tax Free Non-Cum Bonds	7.15%	Annual	Bullet Repayment	21-Aug-25	3,290.00	3,290.00	3,290.00
76	99th Series Tax Free Non-Cum Bonds	7.19%	Annual	Bullet Repayment	31-Jul-25	11,390.00	11,390.00	11,390.00
77	147th Series Taxable Bonds	6.99%	Annual	Bullet Repayment	19-Mar-25	8,470.00	8,470.00	-
78	69th Taxable Non-Cum. Bonds	8.95%	Semi Annual	Bullet Repayment	10-Mar-25	6,000.00	6,000.00	6,000.00
79	67th "A" Taxable Non-Cum. Bonds	8.65%	Semi Annual	Bullet Repayment	3-Feb-25	2,000.00	2,000.00	2,000.00
80	65th "O" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-24	600.00	600.00	600.00
81	95th Series Tax Free Bonds Public Issue	8.19%	Annual	Bullet Repayment	26-Mar-24	2,311.52	2,311.52	2,311.52
82	95th A Series Tax Free Bonds Public Issue	8.44%	Annual	Bullet Repayment	26-Mar-24	1,297.38	1,297.38	1,297.38

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Sr. No	Series	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2021	31 March 2020	1 April 2019
83	132 Series Taxable Bonds	8.25%	Annual	Bullet Repayment	28-Feb-24	25,000.00	25,000.00	25,000.00
84	91st Series Tax Free Bonds Public Issue	8.23%	Annual	Bullet Repayment	18-Feb-24	17,783.21	17,783.21	17,783.21
85	91st A Series Tax Free Bonds Public Issue	8.48%	Annual	Bullet Repayment	18-Feb-24	5,262.55	5,262.55	5,262.55
86	63rd "B" Taxable Non-Cum. Bonds	8.65%	Semi Annual	Bullet Repayment	15-Jan-24	3,150.00	3,150.00	3,150.00
87	62nd "B" Taxable Non-Cum. Bonds	8.50%	Semi Annual	Bullet Repayment	26-Dec-23	2,850.00	2,850.00	2,850.00
88	90th Series Tax Free Non-Cum Bonds	8.35%	Annual	Bullet Repayment	27-Nov-23	570.00	570.00	570.00
89	89th Series Tax Free Non-Cum Bonds	8.35%	Annual	Bullet Repayment	21-Nov-23	4,870.00	4,870.00	4,870.00
90	61st "A" Taxable Non-Cum. Bonds	10.70%	Semi Annual	Bullet Repayment	11-Sep-23	6,150.00	6,150.00	6,150.00
91	155th series 5.04% Secured Bonds	5.04%	Annual	Bullet Repayment	5-May-23	30,000.00	-	-
92	149 Series Taxable Non-Cum. Bonds	6.19%	Annual	Bullet Repayment	28-Apr-23	31,900.00	-	-
93	65th "N" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-23	600.00	600.00	600.00
94	145th Series Taxable Bonds	6.59%	Annual	Bullet Repayment	14-Apr-23	30,000.00	30,000.00	-
95	88th Taxable Non-Cum. Bonds	8.83%	Annual	Bullet Repayment	25-Mar-23	11,000.00	11,000.00	11,000.00
96	87th Series (Non-Retail), Tax Free Bonds Public Issue	6.88%	Annual	Bullet Repayment	23-Mar-23	1,377.09	1,373.50	1,366.17
97	87th Series (Retail), Tax Free Bonds Public Issue	7.38%	Annual	Bullet Repayment	23-Mar-23	274.61	278.20	285.53
98	86th Series (Non-Retail), Tax Free Bonds Public Issue	7.18%	Annual	Bullet Repayment	19-Feb-23	26,686.78	26,667.46	26,638.41
99	86th Series (Retail), Tax Free Bonds Public Issue	7.68%	Annual	Bullet Repayment	19-Feb-23	1,458.03	1,477.34	1,506.39
100	126th Taxable Non-Cum. Bonds*	7.63%	Annual	Bullet Repayment	25-Jan-23	-	30,000.00	30,000.00
101	85th Tax Free Non-Cum. Bonds	7.19%	Annual	Bullet Repayment	14-Dec-22	950.00	950.00	950.00
102	84th Tax Free Non-Cum. Bonds	7.22%	Annual	Bullet Repayment	7-Dec-22	4,999.00	4,999.00	4,999.00
103	83rd Tax Free Non-Cum. Bonds	7.22%	Annual	Bullet Repayment	6-Dec-22	300.00	300.00	300.00
104	82nd Tax Free Non-Cum. Bonds	7.22%	Annual	Bullet Repayment	30-Nov-22	410.00	410.00	410.00
105	81st Tax Free Non-Cum. Bonds	7.21%	Annual	Bullet Repayment	26-Nov-22	2,560.00	2,560.00	2,560.00
106	58th "A" Taxable Non-Cum. Bonds	9.20%	Semi Annual	Bullet Repayment	29-Oct-22	5,000.00	5,000.00	5,000.00
107	54th "A" Taxable Non-Cum. Bonds	9.95%	Semi Annual	Bullet Repayment	7-Jun-22	1,500.00	1,500.00	1,500.00
108	55th "O" Taxable Non-Cum. Bonds	9.86%	Semi Annual	Bullet Repayment	7-Jun-22	330.00	330.00	330.00
109	65th "M" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-22	600.00	600.00	600.00
110	80th Series (Non-Retail) Tax Free Bonds Public Issue	8.00%	Annual	Bullet Repayment	23-Feb-22	28,424.69	28,367.53	28,301.10
111	80th Series (Retail) Tax Free Bonds Public Issue	8.15%	Annual	Bullet Repayment	23-Feb-22	3,307.69	3,364.85	3,431.28
112	53rd "B" Taxable Non-Cum. Bonds	8.68%	Semi Annual	Bullet Repayment	29-Nov-21	2,250.00	2,250.00	2,250.00
113	114th Taxable Non Cum - Bonds	6.70%	Annual	Bullet Repayment	24-Nov-21	20,000.00	20,000.00	20,000.00
114	113th Taxable Non Cum - Bonds	7.24%	Annual	Bullet Repayment	8-Nov-21	6,500.00	6,500.00	6,500.00
115	79th Tax Free Non-Cum. Bonds	7.55%	Annual	Bullet Repayment	8-Nov-21	5,396.00	5,396.00	5,396.00
116	57th Taxable Non-Cum. Bonds	9.66%	Semi Annual	Redeemable in two Equal instalments commencing from 28-09-2021	28-Sep-21	4,000.00	6,000.00	8,000.00
117	78th Taxable Non-Cum. Bonds	9.41%	Semi Annual	Bullet Repayment	28-Jul-21	15,000.00	15,000.00	15,000.00
118	55th "N" Taxable Non-Cum. Bonds	9.86%	Semi Annual	Bullet Repayment	7-Jun-21	330.00	330.00	330.00
119	77th Taxable Non-Cum. Bonds	9.57%	Semi Annual	Bullet Repayment	31-May-21	12,450.00	12,450.00	12,450.00
120	52nd "B" Taxable Non-Cum. Bonds	8.64%	Semi Annual	Bullet Repayment	17-May-21	7,000.00	7,000.00	7,000.00
121	76th Taxable Non-Cum. Bonds	9.27%	Semi Annual	Bullet Repayment	10-May-21	3,900.00	3,900.00	3,900.00
122	65th "L" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-21	600.00	600.00	600.00
123	127th Taxable Non-Cum. Bonds	7.65%	Annual	Bullet Repayment	15-Mar-21	-	25,000.00	25,000.00
124	51st Taxable Non-Cum. Bonds	7.74%	Semi Annual	Bullet Repayment	22-Dec-20	-	4,500.00	4,500.00
125	73rd "B" Tax Free Non-Cum. Bonds	6.72%	Semi Annual	Bullet Repayment	20-Dec-20	-	8,359.10	8,359.10

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Sr. No	Series	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2021	31 March 2020	1 April 2019
126	49th "O" - FRB Taxable Non-Cum. Bonds	6.93%^	Semi Annual	Bullet Repayment	22-Jun-20	-	100.00	100.00
127	72nd Taxable Non-Cum. Bonds	8.50%	Semi Annual	Bullet Repayment	22-Jun-20	-	8,000.00	8,000.00
128	55th "M" Taxable Non-Cum. Bonds	9.86%	Semi Annual	Bullet Repayment	7-Jun-20	-	330.00	330.00
129	119th Taxable Non - Cum Bonds	7.20%	Annual	Bullet Repayment	31-May-20	-	23,750.00	23,750.00
130	65th "K" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-20	-	600.00	600.00
131	115th Taxable Non Cum - Bonds	6.73%	Annual	Bullet Repayment	23-Mar-20	-	-	8,000.00
132	68th "B" Tax Free Non-Cum. Bonds	6.70%	Semi Annual	Bullet Repayment	8-Mar-20	-	-	9,272.10
133	67th Taxable Non-Cum. Bonds	8.55%	Semi Annual	Bullet Repayment	3-Feb-20	-	-	1,750.00
134	112th Taxable Non - Cum Bonds	6.92%	Annual	Bullet Repayment	10-Nov-19	-	-	15,000.00
135	48th "JJ" Taxable Non-Cum. Bonds	6.85%	Semi Annual	Bullet Repayment	17-Sep-19	-	-	500.00
136	111th Taxable Non Cum - Bonds	7.65%	Annual	Bullet Repayment	30-Jul-19	-	-	10,000.00
137	49th "N" - FRB Taxable Non-Cum. Bonds	8.13%^^	Semi Annual	Bullet Repayment	22-Jun-19	-	-	100.00
138	66th Taxable Non-Cum. Bonds	8.60%	Semi Annual	Bullet Repayment	11-Jun-19	-	-	5,000.00
139	128th Taxable Non-Cum. Bonds	7.72%	Annual	Bullet Repayment	7-Jun-19	-	-	26,000.00
140	55th "L" Taxable Non-Cum. Bonds	9.86%	Semi Annual	Bullet Repayment	7-Jun-19	-	-	330.00
141	65th "AA" Taxable Non-Cum. Bonds	8.19%	Semi Annual	Bullet Repayment	27-Apr-19	-	-	5,600.00
142	65th "J" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-19	-	-	600.00
	Total					**1,321,544.84**	**1,146,906.94**	**972,424.04**

* Call option has been exercised during the year

^ Applicable interest rate as on 31st March 2020, interest rate is floating linked to Indian Benchmark (INBMK) Yield and reset at half year rest. All other interest rates are fixed.

^^Applicable interest rate as on 1 April 2019, interest rate is floating linked to Indian Benchmark (INBMK) Yield and reset at half year rest. All other interest rates are fixed.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

54 EC Secured Bonds

The 54 EC bonds issued in the domestic capital market are secured by first pari passu charge on the present/ future rolling stock assets/ lease receivables of the Company. Maturity Profile and Rate of Interest of the 54EC secured bonds issued in the domestic capital market and amount outstanding as on various dates is as set out below:

Sr. No	Description	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2021	31 March 2020	1 April 2019
1	54 EC, Mar 2021 Bond Series	5%	Annual	Bullet Repayment	31-Mar-26	2,098.79	-	-
2	54 EC, Feb 2021 Bond Series	5%	Annual	Bullet Repayment	28-Feb-26	822.50	-	-
3	54 EC, Jan 2021 Bond Series	5%	Annual	Bullet Repayment	31-Jan-26	629.66	-	-
4	54 EC, Dec 2020 Bond Series	5%	Annual	Bullet Repayment	31-Dec-25	685.27	-	-
5	54 EC, Nov 2020 Bond Series	5%	Annual	Bullet Repayment	30-Nov-25	412.82	-	-
6	54 EC, Oct 2020 Bond Series	5%	Annual	Bullet Repayment	31-Oct-25	458.81	-	-
7	54 EC, Sep 2020 Bond Series	5%	Annual	Bullet Repayment	30-Sep-25	529.70	-	-
8	54 EC, Aug 2020 Bond Series	5%	Annual	Bullet Repayment	31-Aug-25	343.87	-	-
9	54 EC, July 2020 Bond Series	5.75%	Annual	Bullet Repayment	31-Jul-25	774.33	-	-
10	54 EC, Jun 2020 Bond Series	5.75%	Annual	Bullet Repayment	30-Jun-25	1,160.16	-	-
11	54 EC, May 2020 Bond Series	5.75%	Annual	Bullet Repayment	31-May-25	378.92	-	-
12	54 EC, Apr 2020 Bond Series	5.75%	Annual	Bullet Repayment	30-Apr-25	131.17	-	-
13	54 EC, Mar 2020 Bond Series	5.75%	Annual	Bullet Repayment	31-Mar-25	1,429.69	1,429.69	-
14	54 EC, Feb 2020 Bond Series	5.75%	Annual	Bullet Repayment	28-Feb-25	881.04	881.04	-
15	54 EC, Jan 2020 Bond Series	5.75%	Annual	Bullet Repayment	31-Jan-25	823.75	823.75	-
16	54 EC, Dec 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-Dec-24	926.28	926.28	-
17	54 EC, Nov 2019 Bond Series	5.75%	Annual	Bullet Repayment	30-Nov-24	711.59	711.59	-
18	54 EC, Oct 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-Oct-24	669.18	669.18	-
19	54 EC, Sep 2019 Bond Series	5.75%	Annual	Bullet Repayment	30-Sep-24	543.41	543.41	-
20	54 EC, Aug 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-Aug-24	571.15	571.15	-
21	54 EC, July 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-Jul-24	633.99	633.99	-
22	54 EC, June 2019 Bond Series	5.75%	Annual	Bullet Repayment	30-Jun-24	596.14	596.14	-
23	54 EC, May 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-May-24	436.60	436.60	-
24	54 EC, Apr 2019 Bond Series	5.75%	Annual	Bullet Repayment	30-Apr-24	249.71	249.71	-
25	54EC Bond Mar 2019 Series	5.75%	Annual	Bullet Repayment	31-Mar-24	692.68	692.68	692.68
26	54EC Bond Feb 2019 Series	5.75%	Annual	Bullet Repayment	29-Feb-24	145.31	145.31	145.31
27	54EC Bond Jan 2019 Series	5.75%	Annual	Bullet Repayment	31-Jan-24	133.35	133.35	133.35
28	54 EC, Dec 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-Dec-23	135.12	135.12	135.12
29	54 EC, Nov 2018 Bond Series	5.75%	Annual	Bullet Repayment	30-Nov-23	98.69	98.69	98.69
30	54 EC, Oct 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-Oct-23	116.94	116.94	116.94
31	54 EC, Sep 2018 Bond Series	5.75%	Annual	Bullet Repayment	30-Sep-23	71.01	71.01	71.01
32	54 EC, Aug 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-Aug-23	81.17	81.17	81.17
33	54 EC, July 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-Jul-23	137.02	137.02	137.02
34	54 EC, June 2018 Bond Series	5.75%	Annual	Bullet Repayment	30-Jun-23	127.56	127.56	127.56
35	54 EC, May 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-May-23	83.58	83.58	83.58
36	54 EC, Apr 2018 Bond Series	5.75%	Annual	Bullet Repayment	30-Apr-23	54.52	54.52	54.52
37	54 EC, Mar 2018 Bond Series	5.25%	Annual	Bullet Repayment	31-Mar-21	-	928.76	928.76
38	54 EC, Feb 2018 Bond Series	5.25%	Annual	Bullet Repayment	28-Feb-21	-	248.95	248.95
39	54 EC, Jan 2018 Bond Series	5.25%	Annual	Bullet Repayment	29-Jan-21	-	104.70	104.70
40	54 EC, Dec 2017 Bond Series	5.25%	Annual	Bullet Repayment	31-Dec-20	-	82.68	82.68
41	54 EC, Nov 2017 Bond Series	5.25%	Annual	Bullet Repayment	30-Nov-20	-	9.79	9.79
	Total					**18,775.48**	**11,724.36**	**3,251.83**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Unsecured bonds from domestic capital market

The Unsecured bonds issued in the domestic capital market and outstanding as on various dates is as set out below:

Sr. No	Series	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2021	31 March 2020	1 April 2019
1	148th Series Taxable Bonds	6.58% p.a.	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 October 2030	31-Mar-50	25,000.00	25,000.00	-
2	137th Series Taxable Bonds	7.30% p.a.	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 April 2030	18-Jun-49	18,000.00	18,000.00	-
3	125th Series Taxable Bonds	7.41% p.a.	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 April 2028	22-Dec-47	21,000.00	21,000.00	21,000.00
4	122nd Series Taxable Bonds	6.77% p.a.	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 April 2028	27-Jun-47	41,000.00	41,000.00	41,000.00
5	110th Series Taxable Bonds	7.80% p.a.	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 April 2027	22-Jun-46	30,000.00	30,000.00	30,000.00
6	109th Series Taxable Bonds	8.02% p.a.	Semi Annual	"Redeemable in forty equal half yearly instalments commencing from 15 April 2026"	30-Mar-46	50,000.00	50,000.00	50,000.00
7	101st Series Taxable Bonds	7.87% p.a.	Semi Annual	"Redeemable in forty equal half yearly instalments commencing from 15 April 2026"	27-Oct-45	29,347.00	20,000.00	20,000.00
	Total					**214,347.00**	**205,000.00**	**162,000.00**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Reconciliation

Particulars	31 March2021	31 March 2020	1 April 2019
Secured Bonds from Domestic Capital Market	1,321,544.84	1,146,906.94	972,424.04
54EC Bonds Secured in Market	18,775.48	11,724.36	3,251.83
Unsecured Bonds from Domestic Capital Market	214,347.00	205,000.00	162,000.00
Bonds in Domestic Market as per IGAAP	**1,554,667.32**	**1,363,631.30**	**1,137,675.87**
Less: Unamortised transaction cost	(915.14)	(1,031.94)	(1,127.84)
Bonds in Domestic Market as per Ind AS	**1,553,752.18**	**1,362,599.36**	**1,136,548.03**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Unsecured bonds from overseas capital market

The Unsecured bonds issued from overseas capital market and outstanding as on various dates is as set out below:

Sr. No	Series	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2021	31 March 2020	1 April 2019
1	REG-S/144A Bonds USD 300 million 3.95% GMTM-2050	3.95% p.a	Semi Annual	Bullet Repayment	13-Feb-50	22,173.00	22,770.00	-
2	REG-S/144A Bonds USD 750 million under GMTN	2.80% p.a	Semi Annual	Bullet Repayment	10-Feb-31	55,432.50	-	-
3	REG-S/144A Bonds USD 700 million 3.249% GMTM-2030	3.249% p.a	Semi Annual	Bullet Repayment	13-Feb-30	51,737.00	53,130.00	-
4	Reg-S Bonds Green Bond 1st Series (USD 500 Million)	3.835% p.a	Semi Annual	Bullet Repayment	13-Dec-27	36,955.00	37,950.00	34,815.00
5	Reg S Bonds USD 500M-EMTN	3.73% p.a	Semi Annual	Bullet Repayment	29-Mar-24	36,955.00	37,950.00	34,815.00
Total Overseas bonds as per IGAAP						**203,252.50**	**151,800.00**	**69,630.00**
Less: Unamortised transaction cost						(227.06)	(128.89)	(58.81)
Total Overseas bonds as per IND AS						**203,025.44**	**151,671.11**	**69,571.19**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Commercial Paper (Unsecured)

Details of Commercial Paper outstanding as on various dates is as set out below:

Sr. No	Particulars	Discount Rate	Date of Maturity of Bond	31 March 2021	31 March 2020	1 April 2019
1	Commercial Paper Series XX	3.43%	25-Apr-21	29,000.00	-	-
2	Commercial Paper Series- XVIII	5.50%	21-Apr-20		38,750.00	
3	Commercial Paper Series- XIII	7.23%	25-Apr-19	-	-	30,000.00
Less: Unexpired discount				(29.73)	(115.91)	(140.23)
Total				**28,970.27**	**38,634.09**	**29,859.77**
Total Indian Bonds				1,553,752.18	1,362,599.36	1,136,548.03
Total Overseas Bonds				203,025.44	151,671.11	69,571.19
Commercial Paper				28,970.27	38,634.09	29,859.77
Total Debt Borrowings				**1,785,747.89**	**1,552,904.56**	**1,235,978.99**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 16: Borrowings (Other than Debt Securities)

Particulars	As at 31 March 2021				As at 31 March 2020				As at 01 April 2019			
	At Amortised cost	At Fair Value Through Profit or Loss	Designated at Fair Value Through Profit or Loss	Total	At Amortised cost	At Fair Value Through Profit or Loss	Designated at Fair Value Through Profit or Loss	Total	At Amortised cost	At Fair Value Through Profit or Loss	Designated at Fair Value Through Profit or Loss	Total
Term Loans												
Secured Loans												
(i) From Banks (Indian)	888,268.00	-	-	**888,268.00**	496,250.00	-	-	**496,250.00**	277,905.00	-	-	**277,905.00**
(II) From Bank (Foreign)	16,350.64	-	-	**16,350.64**	454.58	-	-	**454.58**	625.44	-	-	**625.44**
(ii) From Other Parties-National Small Saving Fund	175,000.00	-	-	**175,000.00**	175,000.00	-	-	**175,000.00**	175,000.00	-	-	**175,000.00**
Unsecured Loans												
(i) From Banks (Indian)	47,200.04	-	-	**47,200.04**	22,619.00	-	-	**22,619.00**	24,198.97	-	-	**24,198.97**
(ii) From Banks (Foreign)	318,540.22	-	-	**318,540.22**	96,539.07	-	-	**96,539.07**	25,618.35	-	-	**25,618.35**
Total (A)	**1,445,358.90**	**-**	**-**	**1,445,358.90**	**790,862.65**	**-**	**-**	**790,862.65**	**503,347.76**	**-**	**-**	**503,347.76**
Borrowings in India	1,110,468.04	-	-	**1,110,468.04**	693,869.00	-	-	**693,869.00**	477,103.97	-	-	**477,103.97**
Borrowings outside India	334,890.86	-	-	**334,890.86**	96,993.65	-	-	**96,993.65**	26,243.79	-	-	**26,243.79**
Total (B) to tally with (A)	**1,445,358.90**	**-**	**-**	**1,445,358.90**	**790,862.65**	**-**	**-**	**790,862.65**	**503,347.76**	**-**	**-**	**503,347.76**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Indian Railway Finance Corporation Limited

Secured Rupee Term Loan

Rupee Term Loans availed from banks are secured by first paripassu charge on the present/future rolling stock assets/ lease receivables of the Company. Terms of repayment of secured term loans and amount outstanding as on various dates is as set out below:

Sr. No	Description	Interest Type	Terms of Repayment	Date of Maturity of Loan	31 March 2021	31 March 2020	1 April 2019
1	Bank of Baroda-IV	Overnight MCLR	17 Half yearly equal instalments of ₹ 6,667 million commencing from 12th September 2027. 18th and final instalment (Residual) of ₹ 6661 Millions	12-Sep-27	120,000.00	-	-
2	Canara Bank	Linked to 1 month MCLR	Sanctioned Amount: ₹ 50,000 Million with 10 Equal Yearly instalments of ₹ 5,000 Million each commencing 31st March 2027. Initial Drawdown: ₹ 20,000 Million Undrawn Amount: ₹ 30,000 Million	31-Mar-27	20,000.00		
3	Bank of India TL-I	REPO+SPREAD	20 Half yearly equal instalments of ₹ 1,500 million commencing from 27th July 2026	27-Jul-26	30,000.00	-	-
4	Bank of India TL-II	REPO+SPREAD	20 Half yearly equal instalments of ₹ 1,150 million commencing from 27th July 2026	27-Jul-26	23,000.00	-	
5	Punjab National Bank-VI	3Y G-Sec + SPREAD	10 Equal yearly instalments of ₹ 3,000 Millions commencing from 31st December 2026	31-Dec-26	30,000.00	-	-
6	Punjab National Bank (V)	3Y G-Sec + SPREAD	10 Equal Yearly instalments of ₹ 2,500 Million each commencing from 30th September 2026	30-Sep-26	25,000.00	-	-
7	ICICI Bank TL-IV	3M TBILL+SPREAD	20 Equal Half Yearly instalments of ₹ 1750 Million each commencing from 15th September 2026	15-Sep-26	35,000.00	-	-
8	ICICI Bank TL-III	3M TBILL+SPREAD	20 Equal Half Yearly instalments of ₹ 5000 Million each commencing from 27th May 2026	27-May-26	100,000.00	-	-
9	ICICI Bank TL-II	3M TBILL+SPREAD	20 Equal Half Yearly instalments of ₹ 2500 Million each commencing from 22nd April 2026	22-Apr-26	50,000.00	-	-
10	HDFC Bank LTD (VI)-T II	Repo Rate +	20 Half yearly equal instalments of ₹ 182.50 million commencing from 30th March 2026	30-Mar-26	3,650.00	-	-
11	HDFC Bank LTD (VI)-T I	Repo Rate +	20 Half yearly equal instalments of ₹ 817.50 million commencing from 11th March 2026	11-Mar-26	16,350.00	-	-
12	Axis Bank	Repo Rate +	20 Equal Half Yearly instalments of ₹ 2,000 Million each commencing from 28 February 2026	28-Feb-26	40,000.00	-	-
13	ICICI Bank TL-I	3M TBILL+SPREAD	20 Equal Half Yearly instalments of ₹ 2,500 Million each commencing from 19th February 2026	19-Feb-26	50,000.00	-	-
14	HDFC-V-II	Repo Rate +	16 Equal Half Yearly instalments of ₹ 1,125 Millions commencing from 30th December 2024	30-Dec-24	18,000.00	-	-
15	HDFC-V-I	Repo Rate +	16 Equal Half Yearly instalments of ₹ 3,250 Millions commencing from 30th December 2024	30-Dec-24	52,000.00	-	-
16	HDFC-IV	Repo Rate +	16 Equal Half Yearly instalments of ₹ 3,125 Millions commencing from 26th September 2024	26-Sep-24	50,000.00	50,000.00	-
17	Bank of Baroda (III) *	Linked to MCLR	Total no. of Half Yearly Instalments : 15 14 Equal Half Yearly instalments of ₹ 3,333.40 Millions commencing from 17th February 2024 15th Half Yearly instalment (Residual) of ₹ 3,332.40 Millions	17-Feb-24	-	50,000.00	-
18	Oriental bank of commerce	3Y G-Sec + SPREAD	Total no. of Half Yearly Instalments : 14 13 Equal Half Yearly instalments of ₹ 1,071.40 Millions commencing from 17th August 2023 14th Half Yearly instalment (Residual) of ₹ 1,071.80 Millions	17-Aug-23	15,000.00	15,000.00	-
19	Bank of Baroda (II) **	Linked to MCLR	Total no. of Half Yearly Instalments : 14 13 Equal Half Yearly instalments of ₹ 2,142.90 Millions commencing from 21st July 2023 14th Half Yearly instalment (Residual) of ₹ 2,142.30 Millions	21-Jul-23	-	30,000.00	-
20	Punjab National Bank(IV)	3Y G-Sec + SPREAD	9 Equal yearly instalments of ₹ 1,000 Millions commencing from 30th March 2022	30-Mar-22	9,000.00	10,000.00	-

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Sr. No	Description	Interest Type	Terms of Repayment	Date of Maturity of Loan	31 March 2021	31 March 2020	1 April 2019
21	Canara Bank ***	Linked to MCLR	16 Equal half yearly instalments of ₹ 625 Millions commencing from 30th March 2022	30-Mar-22	-	10,000.00	-
22	Punjab National Bank(III)	3Y G-Sec + SPREAD	9 Equal yearly instalments of ₹ 3,000 Millions commencing from 17th February 2022	17-Feb-22	27,000.00	30,000.00	-
23	HDFC-I	3M TBILL+SPREAD	17 Equal Half Yearly instalments of ₹ 500 Million each commencing from 30 September 2021	30-Sep-21	8,500.00	9,500.00	-
24	State bank of India (V) Tranch I & II	Linked to MCLR	Total no. of Half Yearly Instalments : 18 17 Equal Half Yearly instalments of ₹ 3,890 Millions commencing from 23rd September 2021 18th Half Yearly instalment (Residual) of ₹ 3,870 Millions	23-Sep-21	70,000.00	70,000.00	-
25	State Bank of India (III)	Linked to MCLR	Sanctioned Amount: ₹ 90,000 Million with 20 Equal Half Yearly instalments of ₹ 4,500 Million each commencing 3 July 2019 Initial Drawdown: ₹ 80,000 Million Final Drawdown: ₹ 10,000 Million on 26.12.2019 Balance Instalments: 13 Equal Half Yearly instalments ₹ 4500 Million commencing from 3rd July 2021. 14th Half Yearly instalment (Residual) of ₹ 1,268 millions.	3-Jul-21	59,768.00	81,000.00	80,000.00
26	HDFC-III	3M TBILL+SPREAD	18 Equal Half Yearly instalments of ₹ 1,000 Million each commencing from 24 June 2021	24-Jun-21	18,000.00	20,000.00	-
27	HDFC-II	3M TBILL+SPREAD	18 Equal Half Yearly instalments of ₹ 1,000 Million each commencing from 4 May 2021	4-May-21	18,000.00	20,000.00	-
28	Bank of India-II#	Linked to MCLR	18 Equal Half Yearly instalments of ₹ 1000 Million each commencing from 15 October 2020	15-Oct-20	-	19,000.00	20,000.00
29	Bank of India-I##	Linked to MCLR	16 Equal Half Yearly instalments of ₹ 500 Million each commencing from 15 October 2020	15-Oct-20	-	8,500.00	9,500.00
30	State Bank of India (II)###	Linked to MCLR	16 Equal Half Yearly instalments of ₹ 1500 Million each commencing from 15 October 2020	15-Oct-20	-	25,500.00	28,500.00
31	Bank of Baroda (I)*#	Linked to MCLR	20 Equal Half Yearly instalments of ₹ 1,000 Million each commencing from 28 May 2020	28-May-20	-	20,000.00	-
32	Punjab National Bank (II)	Linked to MCLR	Bullet Repayment	29-Apr-20	-	10,000.00	10,000.00
33	Canara Bank	Linked to MCLR	Bullet Repayment	29-Apr-20	-	-	5,000.00
34	Allahabad Bank	Linked to MCLR	Bullet Repayment	28-Apr-20	-	-	13,000.00
35	Corporation Bank	Linked to MCLR	Bullet Repayment	26-Apr-20	-	11,500.00	11,500.00
36	Corporation Bank	Linked to MCLR	Bullet Repayment	19-Apr-20	-	6,250.00	7,500.00
37	State Bank of India (IV)	Linked to MCLR	Bullet Repayment	2-Feb-20	-	-	10,000.00
38	State Bank of India (IV)	Linked to MCLR	Bullet Repayment	29-Jan-20	-	-	20,000.00
39	J&K Bank	Linked to MCLR	Bullet Repayment	1-Dec-19	-	-	5,000.00
40	J&K Bank	Linked to MCLR	Bullet Repayment	29-Nov-19	-	-	5,000.00
41	Andhra Bank	Linked to MCLR	Bullet Repayment	10-Sep-19	-	-	14,905.00
42	Punjab National Bank	Linked to MCLR	Bullet Repayment	10-Sep-19	-	-	10,000.00
43	State Bank of India	Linked to MCLR	Bullet Repayment	22-Apr-19	-	-	28,000.00
	Total				**888,268.00**	**496,250.00**	**277,905.00**

Note-1 Date of Maturity indicates the date of payment of next instalment.

* Prepaid on 19th August 2020 & 11th September 2020 of amount ₹ 35,650 & ₹ 14,350 respectively.

** Prepaid on 6th July 2020, 20th July 2020 & 19th August 2020 of amount ₹ 4,650, 18,000 & 7,350 respectively.

*** Prepaid on 12th May 2020 of amount ₹ 10,000.

\# Prepaid on 16th October 2020 & 22nd October 2020 of amount ₹ 350 & 16,650 respectively.

\#\# Prepaid on 16th October 2020 of amount ₹ 7,500.

\#\#\# Prepaid on 1st December 2020 of amount ₹ 22,500.

*\# Prepaid on 5th June 2020 & 6th July 2020 of amount ₹ 13,650 & 5,350 respectively.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Secured foreign currency term loan

Foreign Currency Loan are secured by first paripassu charge on the present/ future rolling stock assets/ lease receivables of the Company. Terms of Repayment of the foreign currency term loan and amount outstanding as on various dates is as set out below:

Sr. No	Description	Interest Type	Interest payment frequency	Terms of Repayment	Date of Maturity of Loan	31 March 2021	31 March 2020	1 April 2019
1	Bank of India	6M USD LIBOR+1.25%	Semi Annual	Semi Annual	30-Apr-21	221.73	-	-
2	Bank of India	6M USD LIBOR+1.25%	Semi Annual	Semi Annual	30-Apr-20	-	455.40	-
3	Bank of India	6M USD LIBOR+1.25%	Semi Annual	Semi Annual	30-Apr-19	-	-	626.67
4	SBI USD 2BN-II MAR'21-7 YRS	6M USD LIBOR+1.30% pa	Semi Annual	Bullet Repayment	24-Mar-28	16,260.20	-	-
Total as per IGAAP						**16,481.93**	**455.40**	**626.67**
Less: Unamortised transaction cost						(131.29)	(0.82)	(1.23)
Secured Foreign Currency Term Loan as per Ind AS						**16,350.64**	**454.58**	**625.44**

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Secured Rupee Term Loan from National Small Saving Fund (NSSF)

Rupee term loan from National Small Saving fund is secured by the first pari passu charge on the present/ future rolling stock assets/ lease receivables of the Company. Terms of repayment and the amount outstanding as on various dates is as set out below:

Sr. No	Description	Interest rate (p.a.)	Interest payment frequency	Terms of Repayment	Date of Maturity of Loan	31 March 2021	31 March 2020	1 April 2019
1	National Small Saving Fund (NSSF)-II	8.11%	Semi Annual	Bullet Repayment	7-Feb-29	75,000.00	75,000.00	75,000.00
2	National Small Saving Fund (NSSF)-I	8.01%	Semi Annual	Bullet Repayment	28-Mar-28	100,000.00	100,000.00	100,000.00
Total						**175,000.00**	**175,000.00**	**175,000.00**

Note-1 Date of Maturity indicates the date of payment of next instalment.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Unsecured Rupee Term Loan

Terms of repayment of the Unsecured Rupee Term Loans from banks and amount outstanding as on various dates is as set out below:

Sr. No	Description	Interest rate	Interest Type	Terms of Repayment	Date of Maturity of Loan	31 March 2021	31 March 2020	1 April 2019
1	Axis Bank	3.89%	Fixed Rate	Bullet Repayment	23-Jun-21	6,950.00	-	-
2	Axis Bank	3.89%	Fixed Rate	Bullet Repayment	22-Jun-21	6,050.00	-	-
3	Axis Bank	3.92%	Fixed Rate	Bullet Repayment	17-Jun-21	10,000.00	-	-
4	Union Bank of India	3.94%	Fixed Rate	Bullet Repayment	3-Jun-21	23,350.00	-	-
5	IndusInd Bank	3.90%	Fixed Rate	Bullet Repayment	29-Apr-21	850.00	-	-
6	HDFC Bank	4.00%	Fixed Rate	Bullet Repayment	27-Apr-21	0.04	-	-
7	HDFC Bank	6.10%	Fixed Rate	Bullet Repayment	29-Apr-20	-	3,160.00	-
8	HDFC Bank	6.10%	Fixed Rate	Bullet Repayment	26-Apr-20	-	4,080.00	-
9	HDFC Bank	6.10%	Fixed Rate	Bullet Repayment	22-Apr-20	-	2,009.00	-
10	Corporation Bank	6.10%	Fixed Rate	Bullet Repayment	15-Apr-20	-	40.00	-
11	Axis Bank	6.05%	Fixed Rate	Bullet Repayment	10-Apr-20	-	150.00	-
12	Corporation Bank	6.10%	Fixed Rate	Bullet Repayment	8-Apr-20	-	150.00	-
13	Corporation Bank	6.10%	Fixed Rate	Bullet Repayment	5-Apr-20	-	10.00	-
14	Corporation Bank	6.10%	Fixed Rate	Bullet Repayment	4-Apr-20	-	5,520.00	-
15	Karnataka Bank	5.90%	Fixed Rate	Bullet Repayment	4-Apr-20	-	7,500.00	-
16	State Bank of India	8.25%	Linked to MCLR	Bullet Repayment	12-Apr-19	-	-	9,198.97
17	Karnataka Bank	8.14%	T-bill plus spread	Bullet Repayment	12-Apr-19	-	-	2,500.00
18	Karnataka Bank	8.19%	T-bill plus spread	Bullet Repayment	12-Apr-19	-	-	2,500.00
19	United Bank of India	8.15%	Linked to MCLR	Bullet Repayment	12-Apr-19	-	-	10,000.00
Total						**47,200.04**	**22,619.00**	**24,198.97**

Note-1 Date of Maturity indicates the date of payment of next instalment

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Unsecured foreign currency term loan

Terms of repayment of the unsecured rupee term loan from banks and amount outstanding as on various dates is as set out below:

Sr. No	Description	Interest rate (p.a.)	Interest payment frequency	Terms of Repayment	Date of Maturity of Loan	31 March 2021	31 March 2020	1 April 2019
1	SYND FCL JPY-IV EQ USD 325M MAR'21	6M USD LIBOR+0.85% pa	Semi Annual	Bullet Repayment	31-Mar-31	23,775.06	-	-
2	SBI USD 1BN-MAR'21-10 YRS	6M USD LIBOR+1.35% pa	Semi Annual	Bullet Repayment	10-Mar-31	73,910.00	-	-
3	Syndicated Foreign Currency Loan-JPY 33,189 Mio SBI-SMBC (Equivalent to USD 300M)	6M JPY LIBOR + 0.935% pa	Semi Annual	Bullet Repayment	31-Mar-30	22,289.73	23,414.84	-
4	Foreign Currency Loan-USD 300M-SBI BAHRAIN	6M USD LIBOR + 1.30% pa	Semi Annual	Bullet Repayment	26-Mar-30	22,173.00	22,770.00	-
5	Syndicated Foreign Currency Loan-JPY 26231.25 Mio (Equivalent to USD 250M)	6M JPY LIBOR+0.80%	Semi Annual	Bullet Repayment	28-Mar-28	17,616.91	18,506.15	16,604.38
6	SBI USD 2BN-II MAR'21-7 YRS	6M USD LIBOR+1.30% pa	Semi Annual	Bullet Repayment	24-Mar-28	131,559.80	-	-
7	Syndicated Foreign Currency Loan-JPY 32,856 (Equivalent to USD 300M)	6M JPY LIBOR + 0.90% pa	Semi Annual	Bullet Repayment	4-Jun-26	22,066.09	23,179.91	-
8	Loan From AFLAC-2 (Equivalent to JPY 3 Bn)	2.90%	Semi Annual	Bullet Repayment	30-Mar-26	2,737.41	2,811.11	2,578.89
9	Loan From AFLAC-1 (Equivalent to JPY 12 Bn)	2.85%	Semi Annual	Bullet Repayment	10-Mar-26	10,783.22	11,073.56	10,158.78
Total as per IGAAP						**326,911.22**	**101,755.57**	**29,342.05**
Less: Unamortised transaction cost						(5,231.52)	(2,126.28)	(617.75)
Less: Fair value hedge adjustment- recoverable from Ministry of Railways						(3,139.48)	(3,090.22)	(3,105.95)
Unsecured Foreign Currency Term Loan as per Ind AS						**318,540.22**	**96,539.07**	**25,618.35**

Note: Prepayment option on unsecured loans wherever applicable do not attract any additional charges when applied subject to the prepayment being done at the end of interest terms.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 17 : Other Financial Liabilities

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Interest accrued but not due	122,137.27	101,319.74	72,918.18
Lease Liabilities*	345.88		
Liability for matured and unclaimed bonds and interest accrued thereon	86.90	96.82	80.91
Liability for unclaimed dividend	7.99	-	-
Dividend payable	-	-	-
Dividend tax payable	-	-	-
Amount payable to Ministry of Railways - Leased Assets	49,498.30	1,956.62	-
Earnest money deposit	0.52	0.49	0.33
Total	**172,076.86**	**103,373.67**	**72,999.42**
*** In respect of premises taken on lease viz (i) Gift City and (ii) Ashoka Hotel**			
The Component of Lease Liabilities			
Opening Balance	-	-	-
Additions	379.33	-	-
Interest Expenses	6.79	-	-
Rent Paid	(40.24)	-	-
Deletions	-	-	-
Closing Balance	**345.88**	**-**	**-**

Note 18 : Provisions

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Provision for employee benefits	14.58	18.52	19.36
Provision for corporate social responsibility	276.64	78.94	78.94
Provision on interest payable on income tax	-	40.57	19.66
Total	**291.22**	**138.03**	**117.96**
Provision on asset as per Reserve Bank of India norms presented as a reduction being impairment loss allowance from			
- Note 7 - Loans	279.91	257.97	236.77
- Note 8 - Investments	0.05	0.09	-
- Note 9 - Other financial assets	44.04	38.79	38.67
Total	**324.00**	**296.85**	**275.44**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 19 : Deferred Tax Liabilities (net)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Deferred tax liability (net) (Refer accounting policy Note no. 2.7)	-	-	-
Less: Adjusted in retained earnings due to change in accounting policy			
Total	**-**	**-**	**-**

Note 20 : Other Non-Financial Liabilities

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Statutory dues	543.20	176.86	1.05
GST Payable under RCM*	10,660.19	-	-
Tax deducted at source payable-Income Tax	1,337.09	145.33	47.10
Tax deducted at source payable-GST	1,259.12	-	-
Total	**13,799.60**	**322.19**	**48.15**

* On account of Project Infrastructure Asset under Finance Lease Arrangements-EBR Special

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 21: Share Capital

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Authorised Share Capital			
No. of shares	25,000,000,000	15,000,000,000	15,000,000,000
Par value per share (₹)	10.00	10.00	10.00
Amount (in millions)	**250,000.00**	**150,000.00**	**150,000.00**

The authorised share capital of the Company was enhanced from ₹ 150,000 millions comprising 15,000 millions share of ₹ 10 each to ₹ 250,000 millions comprising 25,000 millions share of ₹ 10 each in the annual general meeting held on 30th September 2020.

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Issued, Subscribed and Fully Paid-Up			
No of Shares	11,880,460,000	9,380,460,000	9,380,460,000
Issued during the period	1,188,046,000	2,500,000,000	-
Total no of shares	13,068,506,000	11,880,460,000	9,380,460,000
Par value per share (₹)	10.00	10.00	10.00
Amount (in millions)	**130,685.06**	**118,804.60**	**93,804.60**

(i) Reconciliation of the number of shares outstanding is set out below

Particulars	As at 31 March 2021		As at 31 March 2020		As at 01 April 2019	
	Number of shares	Amount (in millions)	Number of shares	Amount (in millions)	Number of shares	Amount (in millions)
Shares outstanding at the beginning of the period	11,880,460,000	118,804.60	9,380,460,000	93,804.60	9,380,460,000	93,804.60
Shares issued during the period	1,188,046,000	11,880.46	2,500,000,000	25,000.00	-	-
Shares outstanding at the end of the period	**13,068,506,000**	**130,685.06**	**11,880,460,000**	**118,804.60**	**9,380,460,000**	**93,804.60**

(ii) The Company has only one class of equity shares having face value of ₹ 10 each and the holder of the equity share is entitled to one vote per share. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.

(iii) Details of shares held by shareholders holding more than 5% of shares:

Particulars	As at 31 March 2021		As at 31 March 2020		As at 01 April 2019	
	Number of shares	% Holding	Number of shares	% Holding	Number of shares	% Holding
The President of India and his nominees (through Ministry of Railways)	11,286,437,000	86.36%	11,880,460,000	100.00%	9,380,460,000	100.00%

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

(iv) The company has not, for a period of 5 years immediately preceeding the balance sheet date
- issued equity share without payment being received in cash.
- issued equity share by way of bonus share.
- bought back any of its share.

(v) The company has no equity share reserve for issue under options/contracts

(vi) The Company has completed its Initial Public Offering (IPO) of 1,78,20,69,000 equity shares of face value of ₹ 10/- each at an issue price of ₹ 26/- per equity share aggregating to ₹ 46,333.79 millions, consisting of fresh issue of 1,18,80,46,000 equity shares aggregating to ₹ 30,889.20 millions and an offer for sale of 59,40,23,000 equity shares aggregating to ₹ 15,444.60 millions by the Government of India. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on 29th January 2020.

The utilisation of IPO proceeds is summarised as below:

Particulars	**Upto the date of Board Meeting approving these results**		
	Amount Raised	**Utilised**	**Unutilised**
Augmenting our equity capital base to meet our future capital requirement arising out of growth in our business	30,118.76	30,118.76	-
General Corporate Purpose	500.00	303.24	196.76
Net Proceeds*	**30,618.76**	**30,422.00**	**196.76**

* Net of Issue expense of ₹ 270.44 millions (Utilised till the date of board meeting ₹ 190.69 millions).

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 22 : Other Equity

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Share issue expenses	(376.84)	(169.80)	-
Securities Premium Reserve-Equity	19,008.74	-	-
Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	20,726.61	11,894.35	4,509.50
Bond redemption reserve	-	-	57,145.59
General reserve	174,032.28	174,032.28	30,327.36
Retained earnings	14,980.31	(1,626.82)	62,807.86
Equity instruments through other comprehensive income	77.66	62.91	68.08
Total	**228,448.76**	**184,192.92**	**154,858.39**

Note 22.1: Share Issue Expenses

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Balance at the beginning of the period (as per audited accounts)	(169.80)	-	-
Addition during the period*	(207.04)	(169.80)	-
Restated balance at the end of the period	**(376.84)**	**(169.80)**	**-**

*Share issue expenses includes stamp duty fees and listing fees for the amount of ₹ 123.84 millions (As at 31 March 2020: ₹ 118.80 Million; As at 1 April 2019: Nil Millions) and ₹ 253.00 millions (As at 31 March 2020: ₹ 51.00 millions; As at 1 April 2019: NIL Millions) respectively.

Note 22.2: Securities Premium Reserve-Equity

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Balance at the beginning of the period (as per audited accounts)	-	-	-
Addition during the period	19,008.74	-	-
Restated balance at the end of the period	**19,008.74**	**-**	**-**

Securities Premium Reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares, writing off the preliminary expenses in accordance with the provisions of the Companies Act, 2013.

Note 22.3: Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934*

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Balance at the beginning of the period (as per audited accounts)	11,894.35	4,509.50	4,509.50
Addition during the period	8,832.26	7,384.85	-
Restated balance at the end of the period	**20,726.61**	**11,894.35**	**4,509.50**

* Refer Note 42 (a) (ii)

Note 22.4: Bond Redemption Reserve

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Balance at the beginning of the period (as per audited accounts)	-	57,145.59	57,145.59
Addition/(deletion) during the period	-	(57,145.59)	-
Restated balance at the end of the period	**-**	**-**	**57,145.59**

The Ministry of Corporate Affairs has notified the Companies (Share Capital and Debentures) Amendments Rules, 2019 on 16th August 2019 which exempts NBFC listed companies registered with Reserve Bank of India u/s 45-IA of the RBI Act, 1934 from creation of Debenture Redemption reserve. Accordingly, the balance outstanding against Bond Redemption Reserve as on 01-04-2019 amounting to ₹ 57,145.59 million has been transferred to retained earnings.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 22.5: General Reserve

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Balance at the beginning of the period (as per audited accounts)	174,032.28	30,327.36	30,327.36
Addition during the period	-	143,704.92	-
Restated balance at the end of the period	**174,032.28**	**174,032.28**	**30,327.36**

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of other equity to another and is not an item of other comprehensive income.

Note 22.6: Retained Earnings

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Balance at the beginning of the period (as per audited accounts)	5,000.00	62,807.86	64,431.40
Add/(Less) : Prior Period Adjustments (Refer Note No 46 (e))	(6,626.82)	-	(1,623.54)
Restated balance at the beginning of the period	**(1,626.82)**	**62,807.86**	**62,807.86**
Profit for the year	44,161.32	31,920.61	-
Add/(Less) : Prior Period Adjustments	-	-	-
Profit After Prior Period Adjustment	**44,161.32**	**31,920.61**	**-**
Transfer from (to) bond redemption reserve.	-	57,145.59	-
Transfer from (to) general reserve.	-	(143,704.92)	-
Transfer to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	(8,832.26)	(7,384.85)	-
Final Dividend	(5,000.00)	(2,000.00)	-
Interim Dividend	(13,721.93)	-	
Dividend tax	-	(411.11)	-
Restated balance at the end of the period	**14,980.31**	**(1,626.82)**	**62,807.86**

The Board of Directors of the Company have declared that the interim dividend of ₹ 13,721.93 Million paid on 4th March 2021 shall be considered as the final dividend (31st March 2020: ₹ 5,000 Million; 1st April 2019: ₹ NIL Million) in the Board Meeting held on 29th June 2021 subject to the approval of shareholders in the forthcoming Annual General Meeting.

Note 22.7: Equity instruments Through Other Comprehensive Income

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Balance at the beginning of the period (as per audited accounts)	62.91	68.08	68.08
Total comprehensive income for the period	14.75	(5.17)	-
Restated balance at the end of the period	**77.66**	**62.91**	**68.08**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 23 : Interest Income

Particulars	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
On financial assets measured at amortised cost :		
- Interest on loans	5,956.70	5,548.60
- Interest income from deposits	163.22	282.16
- Interest income from investments	3.26	5.05
- Pre commencement lease - Interest Income	33,290.38	21,599.06
- Interest income on application money	23.03	45.11
Total	**39,436.59**	**27,479.98**

Note 24 : Lease Income

Particulars	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
Lease income	118,265.62	106,724.27
Total	**118,265.62**	**106,724.27**

Note 25 : Other Income

Particulars	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
Profit on sale of fixed assets	0.01	-
Interest Income on security deposit given towards lease	0.37	-
Miscellaneous income	3.52	0.73
Total	**3.90**	**0.73**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 26: Finance Cost

Particulars	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
Interest on debt securities	123,263.43	103,631.72
Interest on borrowings	52,112.37	38,307.45
Discount on commercial paper	505.55	1,358.05
Interest on delayed payments to Ministry of Railways	1,036.17	4,971.55
Interest to Income Tax Authorities	5.33	20.91
Interest Expenses Accrued on Lease Liabilities	6.79	-
Other borrowing cost	145.62	100.58
Sub-Total	**177,075.26**	**148,390.26**
Less: Borrowing costs capitalized on Railway Infrastructure Assets	64,704.73	46,763.64
Total	**112,370.53**	**101,626.62**

Note 27: Impairment on Financial Instruments Measured at Amortised Cost

Particulars	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
Loans & Interest accrued thereon	27.15	21.41
Total	**27.15**	**21.41**

* The Company being a government owned NBFC, hitherto exempt, is subject to provisioning norms vide Reserve Bank of India circular no. RBI/2017-18/181_DNBR (PD) CC. No. 092/03.10.001/2017-18 dated 31 May 2018. Income Recognition and Asset Classification (IRAC) norms to be complied by 31 March 2019. However RBI had vide letter no DNRB (PD). CO.No.1271/03.10.001/2018-19 dated 21 December 2018 had exempted the Company from the aforesaid requirements to the extent of its direct exposure on the sovereign. Therefore the company had not applied impairment requirements to its exposure with MOR. The computation of impairment is as under:

Particulars	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
Loan to IRCON International Limited	18,459.20	24,612.27
Loan to Rail Vikas Nigam Limited	51,518.86	39,879.41
Debt Securities*	12.14	22.23
Interest accrued on above	11,011.46	9,698.37
Total	**81,001.66**	**74,212.28**
Provision @ 0.4%	324.00	296.85
Less: ECL already created	296.85	275.44
Change in impairment	**27.15**	**21.41**

The Company apart from the above is of the view that no further impairment is required as per expected credit loss model prescribed in IND AS 109, Financial Instruments as IRCON International Limited and Rail Vikas Nigam Limited, both, are under the Ministry of Railways, Government of India and the Company do not expect any concern in the repayment of aforesaid loans.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 28 : Employee Benefit Expense

Particulars	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
Salaries and wages	62.33	52.08
Contribution to provident and others funds	13.28	9.88
Staff welfare expenses	2.86	0.69
Total	**78.47**	**62.65**

Note 29: Depreciation, Amortisation and Impairment

Particulars	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
Depreciation of property, plant and equipment	4.58	4.43
Depreciation on ROU Assets	39.61	-
Amortisation of intangible assets	0.13	0.15
Total	**44.32**	**4.58**

Note 30 : Other Expenses

Particulars	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
Bank charges	0.78	0.34
Fee & subscription	2.49	2.66
Travelling	1.11	14.65
Conveyance	0.03	0.95
Rent	12.07	0.14
Printing & stationery	1.43	1.93
Postage, telegram & telephone	0.23	0.50
Director's fees, allowances and expenses	1.60	2.31
Transport hire charges	5.05	3.25
Insurance	3.18	0.06
Manpower Services	19.95	15.12
Vehicle expenses	0.75	0.12
Legal & professional charge	17.32	8.53
Loss on sale of fixed assets	0.25	0.07
Payment to auditors (refer note (i) below)	3.56	4.44
Property tax	0.28	0.28
Office maintenance charges	4.01	2.20
Office equipment maintenance	2.22	3.43
Advertisement & publicity	3.73	3.08
Sponsorship/Donation	-	0.20
Newspaper, books and periodicals	0.15	0.18
Electricity charges	2.37	2.58
Exchange rate variation	0.12	3.30
Miscellaneous expenses	9.71	9.87
Corporate social responsibility expenses (Refer note no. 49)	934.45	494.49
Total	**1,026.84**	**574.68**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

(i) Payment to the Auditors Comprises net of GST input credit, where applicable)

(a) Annual Audit fees	1.53	1.00
(b) Tax audit fees	0.33	0.38
(c) Quarterly Review fees	0.79	0.88
(d) Internal Audit Fees	0.44	0.23
(e) Certification fees	0.47	1.92
(f) GST Audit Fees	-	0.03
Total	**3.56**	**4.44**

Note 31: Income Taxes

Particulars	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
Income Taxes Recognised in Profit and Loss		
Current Tax		
In respect of the current period	-	-
Adjustments for prior periods	-	-
	-	-
Deferred Tax		
In respect of the current period	-	-
	-	-
Total Income Tax Expense Recognised in the Current Period	**-**	**-**

The Company has decided to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 on 20th September, 2019. After exercising the option of Section 115BAA, the taxable income under the provisions of Income Tax Act, 1961 comes to nil. Further after adoption of Section 115BAA, the Company will be outside the scope and applicability of MAT provisions under Section 115JB of Income Tax Act, 1961. Hence, no provision for tax has been made in the financial statements for the year ended 31 March 2021.

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
Profit before tax	**44,161.31**	**31,920.96**
Tax rate	25.168%	25.168%
Tax thereon	11,114.52	8,033.87
Tax impact on account of unabsorbed depreciation as per computation under normal provisions of the Income tax Act, 1961 under the head 'Profit and Gains of Business'	-11,114.52	-8,033.87
Minimum alternate tax on book profits as per section 115JB(1) of Income Tax Act, 1961 (see note 1 below) (Not applicable as the Company has opted for the provisions of section 115BAA of the Income - tax Act, 1961.	-	-
Proportionate minimum alternate tax on accretion to other equity on date of transition to Ind AS as per Section 115JB (2C) of the Income Tax Act, 1961 (see note 2 below)	-	-
Tax on items recognised in other comprehensive income	-	-
Tax on adjustment for earlier years on finalization of assessments by the assessing authorities	-	-
Total tax expense	**-**	**-**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note - 1

Particulars	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
Profit for the period as per Ind AS	As the Company has opted for section 115BAA of the Income - tax Act, 1961, the MAT provisions of section 115JB of the Income - tax Act, 1961 are no longer applicable to the Company	As the Company has opted for section 115BAA of the Income - tax Act, 1961, the MAT provisions of section 115JB of the Income - tax Act, 1961 are no longer applicable to the Company
Less: Ind AS adjustments		
Total (A)		
Add:		
Expenses u/s 14A of Income Tax Act		
Interest u/s 234 B & C		
Provision for post retirement employee benefits		
Standard asset provision		
Total (B)		
Total (A+B)		
Less:		
Dividend income		
Total (C)		
Book Profit((A+B)-C)		
Tax rate		
Tax thereon		

Note - 2

Particulars	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
Other equity as per Ind AS on date of conversion i.e., 01 April 2018	-	-
Adjustment on account of fair value change in the value of investments measured at FVTOCI	-	-
Total	**-**	**-**
Other equity as per AS on date of conversion i.e., 01 April 2018	-	-
Difference	-	-
Tax rate	-	-
Tax thereon	-	-
Proportionate amount of tax payable during the period ended	**-**	**-**

Income Tax Recognised in Other Comprehensive Income

Particulars	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
Remeasurements of defined benefit obligation	-	-
Total Income Tax Recognised in Other Comprehensive Income	**-**	**-**

Note 32: Earning Per Share

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Particulars	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
Net Profit	44,161.31	31,920.96
Weighted average number of equity shares outstanding		
Opening balance at the beginning of the period	11,880,460,000.00	9,380,460,000.00
Issued during the period	201,805,074	13,661,202
Brought back during the period	-	-
Add: Number of potential equity shares on account of receipt of share application money pending allotment	-	-
Weighted average number of equity shares [including diluted equity share] outstanding at the end of the period	12,082,265,074	9,394,121,202
Earning per share- Basic [Face value of ₹ 10/- per share]	3.66	3.40
Earning per share- Diluted [Face value of ₹ 10/- per share]	3.66	3.40

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 33: Leases

Receivables (Note No. 6) include lease receivables representing the present value of future Lease Rentals receivables on the finance lease transactions entered into by the Company.

The lease agreement in respect of these assets is executed at the year-end based on the lease rentals and Implicit rate of return (IRR) with reference to average cost of annual incremental borrowings plus margin decided at that time. Any variation in the lease rental rate or the implicit rate of return for the year is accordingly adjusted at the year end.

Reconciliation of the lease receivable amount on the gross value of leased assets worth ₹ 25,23,718.69 millions (31 March 2020: ₹ 22,38,107.84, 1st April 2019: ₹ 19,02,666.75 millions) owned by the Company and leased to the Ministry of Railways(MoR) is as under:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Gross value of assets acquired & leased upto the end of previous financial year	2,238,107.84	1,902,666.75	1,662,115.90
Less: Capital recovery provided upto last Year	(752,309.84)	(652,401.63)	(567,399.34)
Capital recovery outstanding on leased assets as at the end of last year	**1,485,798.00**	**1,250,265.12**	**1,094,716.56**
Add: Gross value of assets acquired and leased during the period	285,610.85	335,441.09	240,550.85
	1,771,408.85	**1,585,706.21**	**1,335,267.41**
Less: Capital recovery for the period	(115,718.94)	(99,908.21)	(85,002.29)
Net investment in Lease Receivables	**1,655,689.91**	**1,485,798.00**	**1,250,265.12**

The value of contractual maturity of leases as per Ind AS–116 is as under:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Gross investment in lease	2,401,254.93	2,185,188.13	1,842,569.01
Unearned finance income	745,565.02	699,390.13	592,303.89
Present value of minimum lease payment (MLP)	1,655,689.91	1,485,798.00	1,250,265.12

Gross investment in lease and present value of minimum lease payments (MLP) for each of the periods are as under

Gross investment in lease

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Not later than one year	248,964.10	223,394.28	190,228.01
Later than one year and not later than two years	244,209.35	218,765.03	186,567.68
Later than two but not later than three years	237,024.05	214,010.29	181,938.43
Later than three but not later than four years	226,892.15	206,824.99	177,183.69
Later than four but not later than five years	216,737.21	196,693.09	169,998.39
Later than five years	1,227,428.07	1,125,500.45	936,652.81
Total	**2,401,254.93**	**2,185,188.13**	**1,842,569.01**

Present Value of MLP

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Not later than one year	129,055.37	112,525.68	95,104.40
Later than one year and not later than two years	134,587.64	117,498.21	99,676.79
Later than two but not later than three years	138,709.77	122,194.13	103,622.03
Later than three but not later than four years	140,261.08	125,419.42	107,208.40
Later than four but not later than five years	140,680.22	126,008.98	109,235.28
Later than five years	972,395.83	882,151.58	735,418.22
Total	**1,655,689.91**	**1,485,798.00**	**1,250,265.12**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Unearned Finance Income & Unguaranteed Residual Income

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Unearned finance income	745,565.02	699,390.13	592,303.89
Unguaranteed residual income	NIL	NIL	NIL

The Company has leased rolling stock assets to the Ministry of Railways (MOR). Besides, the Company has funded Railway projects during the year 2011-12, in respect of which the lease had commenced during the year 2015-16. A separate lease agreement for each year of lease has been executed and as per the terms of the lease agreements, lease rentals are received half yearly in advance. The leases are non-cancellable and shall remain in force until all amounts due under the lease agreements are received.

Note 33.1

Company as a lessee

The Company has lease contracts for office premises. The Company has recognised Right of Use Asset and Lease Liability for all the leases. Refer to Note 2.14 significant accounting policy on leases.

The escalation clause includes escalations generally ranging from 7% to 10%. Lease term includes the renewal term wherever the lessee has the option to renew the lease as it is reasonably certain for the lessee to exercise the option. However, the Company is not reasonably certain to exercise the termination option after the expiry of lock in period. There are no restrictions imposed by lease arrangements.

Particulars	Right of use asset As at 31 March 2021	Depreciation charged during the FY 2020-21	Right of use asset As at 31 March 2020	Depreciation charged during the FY 2019-20
Buildings	383.32	39.61	-	-
Total	**383.32**	**39.61**	-	-

Lease Liability	As at 31 March 2021	As at 31 March 2020
Current	112.35	-
Non-current	233.53	-
Total	**345.88**	-

The following are the amounts recognised in profit or loss:

Particulars	As at 31 March 2021	As at 31 March 2020
Depreciation expense of right-of-use asset	39.61	-
Interest expense on lease liabilities	6.79	-
Total	**46.40**	-

Additions to the right-of-use assets during the year ended 31 March 2021 : ₹ 383.32 millions (31 March 2020 : ₹ Nil millions) (1 April 2019 : ₹ Nil millions)

The total cash outflow for leases during the year ended 31 March 2021 : ₹ 40.24 Millions (31 March 2020 : ₹ Nil millions) (1 April 2019 : ₹ Nil millions)

The table below summarises the maturity profile of the Company's future lease liabilities based on contractual undiscounted payments

Particulars	Less than 12 months	1 to 3 years	3 to 5 years	> 5 years	Total
Year ended 31 March 2021					
Lease Liabilities	128.84	227.45	10.19	12.50	378.98
	128.84	**227.45**	**10.19**	**12.50**	**378.98**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Particulars	Less than 12 months	1 to 3 years	1 to 5 years	> 5 years	Total
Year ended 31 March 2020					
Lease Liabilities	-	-	-	-	-
	-	-	-	-	-

Particulars	Less than 12 months	1 to 3 years	1 to 5 years	> 5 years	Total
Year ended 1 April 2019					
Lease Liabilities	-	-	-	-	-
	-	-	-	-	-

Note 34: Contingent liabilities and Commitments

Contingent liabilities

a.

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Claims against the Company not acknowledged as debt – Claims by bondholders in the consumer / civil courts	4.22	4.27	4.27

b. Claims against the Company not acknowledged as debt – relating to service matter pending with Hon'ble Supreme Court - amount not ascertainable.

c. The procurement/acquisition of assets leased out by the Company to the Indian Railways is done by Ministry of Railways (MOR), Government of India. As per the lease agreements entered into between the Company and MOR, the Sales Tax/ VAT liability, if any, on procurement/acquisition and leasing is recoverable from MOR. Since, there is no sales tax/ VAT demand and the amount is unascertainable, no provision is considered necessary.

d. Director-General of GST Intelligence (DGGI), Chennai Zonal unit has served a show cause notice dated 16-4-2019 on the company alleging contravention of the provision of sec 67,68 and 70 of the Finance Act, 1994 by the company and as to why service tax of ₹ 26,537.65 million along with interest and penalty be not demanded from the company. The company has submitted reply against the Show Cause notice stating that there is no contravention of the provision of any of the above-stated section of the Finance Act, 1994. Against the reply given by the company, vide letter dt 21-10-20, Commissioner, CGST, Delhi East, seeking comments given by the DGGI, Chennai Zonal unit and the company filed the counter comments to the department and the company is not liable to pay the tax. However, if any liability arises that would be recoverable from the Ministry of Railways, Government of India.

e. The income tax assessments of the Company have been completed up to the Assessment Year 2018-19. The disputed demand of tax including interest thereon for the AY 2015-16 was ₹ 9.48 million. Against the said demand, the company has filed a rectification application u/s 154. Based on the decisions of the Appellate Authority in similar matters and interpretation of relevant provisions, the Company is confident that the demands will be either deleted or substantially reduced, and accordingly, no provision is considered necessary. However, the said demand of ₹ 9.48 million has been adjusted by the department, out of the refund to IRFC for the AY 2016-17.

Note 35: Expenditure in Foreign Currency

Particulars	As at 31 March 2021	As at 31 March 2020
a) Interest/Swap Cost on foreign currency borrowings	7,432.11	3,958.38
b) Processing agent/ fiscal Agent/ admin fees	-	966.29
c) Underwriting/ arranger fees	2,945.10	-
d) International credit rating agencies fees	91.37	32.83
e) Others	32.36	5.47
Total	**10,500.94**	**4,962.97**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 36: Segment reporting

The Company has identified "Leasing and Finance"as its sole reporting segment. Thus, there is no inter-segment revenue and the entire revenue is presented in the statement of profit and loss is derived from external customers all of whom are domiciled in India, the Company's country of domicile.

All non-current assets other than financial instruments are also located in India.

The Company derives more than 10% of its revenue from a single customer (ie. Ministry of Railways , Government of India (MOR) and entities under the control of MOR). The break up of the revenue is as under:

Particulars	As at 31 March 2021	As at 31 March 2020
Revenue from MOR & entities under the control of MOR		
- Lease Income	118,265.62	106,724.27
- Interest Income	5,956.70	5,548.60
- Pre Commencement lease interest income	33,290.38	21,599.06
Total	**157,512.70**	**133,871.93**

Note 37: Employee benefits

37.1

Particulars	As at 31 March 2021	As at 31 March 2020
Contribution to provident fund	5.56	3.13
Contribution to gratuity	0.54	0.93
Contribution to leave enchasement	0.46	3.93
Contribution to post retirement medical and pension	2.77	1.89
Contribution to family benefit scheme	3.94	-

37.2 The Company operates a funded gratuity benefit plan.

A) Actuarial Assumptions

Particulars	As at 31 March 2021	As at 31 March 2020
Economic Assumptions		
Discount rate	6.55% p.a.	6.55% p.a.
Salary escalation	6.00% p.a	6.00% p.a
Demographic Assumptions		
Retirement age	60	60
Attrition rate	0.00%	0.00%
Mortality table used	100% of IALM (2012-14)	100% of IALM (2012-14)

Notes:

1. The discount rate is based on the prevailing market yield of India Government securities as at the balance sheet date for the estimated term of obligations.
2. The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and in the employment market.
3. The expected return is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

B) Movements in present value of the defined benefit obligation

Particulars	As at 31 March 2021	As at 31 March 2020
Present value of obligation as at the beginning of the year	10.26	9.57
Acquisition adjustment out	2.57	-
Interest cost	0.63	0.73
Past service cost	-	-
Current service cost	1.01	0.83
Benefit paid	(1.34)	(1.14)
Components of actuarial gain/losses on obligations:		
Actuarial (gain)/loss on obligations due to change in financial assumptions	-	0.73
Actuarial (gain)/loss on obligations- due to experience	0.12	(0.45)
Actuarial (gain)/loss on obligations- demographic changes	-	(0.01)
Liability at the end of the year	**13.25**	**10.26**

C) Movements in the fair value of plan assets

Particulars	As at 31 March 2021	As at 31 March 2020
Fair value of plan assets at the beginning of the year	17.04	7.78
Contribution from the employer	4.98	8.72
Interest income	1.10	0.61
Return on plan assets excluding amounts included in interest income	0.13	(0.07)
Benefits paid	-	-
Reimbursement paid by the insurer	-	-
Actuarial gain/(loss) for the year on asset	-	-
Fair value of the plan assets for the period ending	**23.25**	**17.04**

D) Amount recognised in the Balance Sheet

Particulars	As at 31 March 2021	As at 31 March 2020
Present value of funded obligation at the end of the year	13.25	10.26
Fair value of plan assets at the end of the year	(23.25)	(17.04)
Net liability/ (assets) recognised in the Balance Sheet	**(10.00)**	**(6.78)**

E) Expenses recognised in the Statement of Profit and Loss during the year:

Particulars	As at 31 March 2021	As at 31 March 2020
Current service cost	1.01	0.83
Past service cost	-	-
Net interest cost (Income)	(0.47)	0.10
Expected return on plan assets	-	-
Expense recognised in the Statement of Profit and Loss	**0.54**	**0.93**

F) Expenses recognised in Other Comprehensive Income during the year:

Particulars	As at 31 March 2021	As at 31 March 2020
Net cumulative unrecognised actuarial gain/(loss) opening		
Actuarial (gain) / loss for the year on PBO	0.12	0.27
Actuarial (gain) / loss for the year on Asset	(0.13)	0.07
Unrecognised actuarial gain / (loss) for the period ending	**(0.01)**	**0.34**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

G) Composition of the plan assets:

Particulars	As at 31 March 2021	As at 31 March 2020
Policy of insurance	100.00%	100.00%

H) Change in Net benefit obligations

Particulars	As at 31 March 2021	As at 31 March 2020
Net defined benefit liability at the start of the year	(6.78)	1.80
Acquisition adjustment	2.57	-
Total service cost	0.54	0.93
Net interest cost (income)	-	-
Re-measurements	(0.01)	0.34
Reimbursement paid by the insurer	-	-
Contribution to the plan assets	(4.98)	(8.71)
Benefit paid directly by the enterprise	(1.34)	(1.14)
Net defined benefit liability/ (assets) for the period ending	**(10.00)**	**(6.78)**

I) Bifurcation of PBO at the end of year as current and non current:

Particulars	As at 31 March 2021	As at 31 March 2020
Current liability (Amount due within one year)	(1.29)	(1.36)
Non-Current liability (Amount due over one year)	(8.71)	(5.42)
Total PBO at the end of year	**(10.00)**	**(6.78)**

J) Bifurcation of defined benefit obligation

Particulars	As at 31 March 2021	As at 31 March 2020
Vested	12.45	9.67
Non-Vested	0.80	0.59
	13.25	**10.26**

K) Sensitivity analysis of the defined benefit obligation

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Particulars	As at 31 March 2021	As at 31 March 2020
a) Impact of the change in discount rate		
- Impact due to increase of 0.50 %	12.75	9.86
- Impact due to decrease of 0.50 %	13.78	10.67
b) Impact of the change in salary increase		
- Impact due to increase of 0.50 %	13.53	10.51
- Impact due to decrease of 0.50 %	13.04	10.07

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

L) The employer 's best estimate of contribution expected to be paid during the next year:

Particulars	As at 31 March 2021	As at 31 March 2020
Expected contribution of the next year	1.29	0.79

M) These plans typically expose the Company to Actuarial Risks such as Investment Risk, Liquidity Risk, Market Risk and Legislative Risk.

Actuarial Risk	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: **Adverse Salary Growth Experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. **Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. **Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.
Investment Risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity Risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.
Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
Legislative Risk	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

37.3 Actuarial Assumptions for unfunded Post Retirement Medical Benefits:

Particulars	As at 31 March 2021	As at 31 March 2020
Compensated absences		
Discount rate	6.55% p.a	6.55% p.a
Future salary increase	N/A	N/A
Medical inflation Rate	8.90%p.a	8.90%p.a
Retirement age	60 years	60 years
Mortality table	100% of IALM (2012-14)	100% of IALM (2012-14)

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

These plans typically expose the Company to Actuarial risks such as Investment Risk, Liquidity Risk and Market Risk.

Actuarial Risk	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: **Adverse Salary Growth Experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. **Variability in morbidity rates:** If actual morbidity rates are higher than assumed morbidity rate assumption than the Post Retirement Medical Benefits will be paid earlier than expected. **Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Post Retirement Medical Benefits will not be paid earlier than expected. This will lead to an actuarial gain in the year of such experience.
Investment Risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity Risk	Employees with high treatment costs and long durations of treatments, accumulate significant level of benefits. Such benefits can lead to strain on the cashflows.
Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

37.4 The Company operates a funded leave benefit plan.

A) Actuarial Assumptions

Particulars	As at 31 March 2021	As at 31 March 2020
Economic Assumptions		
Discount rate	6.55% p.a	6.55% p.a.
Salary escalation	6.00% p.a	6.00% p.a.
Demographic Assumptions		
Retirement age	60 Years	60 Years
Attrition rate	0.00% p.a.	0.00% p.a.
Mortality table used	100% of IALM (2012-14)	100% of IALM (2012-14)
Leave Availment and Encashment Rate		
Leave Availment Rate	10% p.a.	10% p.a.
Encashment in service	0.00% p.a.	0.00% p.a.

B) Movements in present value of the defined benefit obligation

Particulars	As at 31 March 2021	As at 31 March 2020
Present value of obligation as at the beginning of the year	12.21	9.86
Acquisition adjustment out	6.88	-
Interest cost	0.69	0.70
Past service cost	-	-
Current service cost	1.61	1.22
Benefit paid	(5.54)	(2.10)
Actuarial (gain)/loss on obligations- due to change in financial assumptions	-	0.51
Actuarial (gain)/loss on obligations- due to experience adjustments	(1.13)	2.02
Actuarial (gain)/loss on obligations- due to change in demographic assumption	-	-
Liability at the end of the year	**14.72**	**12.21**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

C) Movements in the fair value of plan assets

Particulars	As at 31 March 2021	As at 31 March 2020
Fair value of plan assets at the beginning of the year	9.29	6.19
Contribution by employer	5.06	2.66
Interest income	0.63	0.47
Return on plan assets excluding amounts included in interest income	0.08	(0.03)
Benefits paid	-	-
Actuarial gain/(loss) for the year on asset	-	-
Fair value of the plan assets at the end of the year	**15.06**	**9.29**

D) Amount recognised in the Balance Sheet

Particulars	As at 31 March 2021	As at 31 March 2020
Present value of funded obligation at the end of the year	14.72	12.21
Fair value of plan assets at the end of the year	15.06	9.29
Net liability recognised in the Balance Sheet	**(0.34)**	**2.92**

E) Expenses recognised in the Statement of Profit and Loss during the year:

Particulars	As at 31 March 2021	As at 31 March 2020
Current service cost	1.61	1.22
Past service cost	-	-
Net interest cost (Income)	0.06	0.22
Net value of re measurements on the obligation and planned assets	(1.21)	2.56
Expense recognised in the Statement of Profit and Loss	**0.46**	**4.00**

F) Components of actuarial gain/loss on obligation

Particulars	As at 31 March 2021	As at 31 March 2020
Due to change in financial assumptions	-	0.51
Due to change in demographic assumption	-	-
Due to experience adjustments	(1.12)	2.02
Return on plan assets excluding amounts included in interest income	(0.08)	0.03
	(1.20)	**2.56**

G) Composition of the plan assets:

Particulars	As at 31 March 2021	As at 31 March 2020
Policy of insurance	100%	100%

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

H) Change in Net benefit obligations

Particulars	As at 31 March 2021	As at 31 March 2020
Net defined benefit liability at the start of the year	2.92	3.67
Acquisition adjustment	6.88	-
Total service cost	1.61	1.22
Net interest cost (Income)	0.63	0.22
Re-measurements	(1.78)	2.56
Contribution paid to the fund	(5.06)	(2.65)
Benefit paid directly by the enterprise	(5.55)	(2.10)
Net defined benefit liability at the end of the year	**(0.35)**	**2.92**

I) Bifurcation of PBO at the end of year as current and non current:

Particulars	As at 31 March 2021	As at 31 March 2020
Current liability (Amount due within one year)	(0.34)	1.61
Non-Current liability (Amount due over one year)	-	1.31
Total PBO at the end of year	**(0.34)**	**2.92**

K) Sensitivity analysis of the defined benefit obligation

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Particulars	As at 31 March 2021	As at 31 March 2020
a) Impact of the change in discount rate		
- Impact due to increase of 0.50%	14.37	11.93
- Impact due to decrease of 0.50%	15.09	12.49
b) Impact of the change in salary increase		
- Impact due to increase of 0.50%	15.09	12.49
- Impact due to decrease of 0.50%	14.36	11.93

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

L) These plans typically expose the Company to actuarial risks such as Investment Risk, Liquidity Risk and Market Risk.

Actuarial Risk	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: **Adverse Salary Growth Experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the leave benefit will be paid earlier than expected. The acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. **Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption than the leave benefit will be paid earlier than expected. The impact of this will depend on the relative values of the assumed salary growth and discount rate. **Variability in availment rates:** If actual availment rates are higher than assumed availment rate assumption then leave balances will be utilised earlier than expected. This will result in reduction in leave balances and Obligation.
Investment Risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity Risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.
Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

37.5 The Company operates a Family Benefit Scheme Plan.

A) Actuarial Assumptions

Particulars	As at 31 March 2021	As at 31 March 2020
Economic Assumptions		
Discount rate	6.55% p.a	NA
Salary escalation	6.00% p.a	NA
Demographic Assumptions		
Retirement age	60 Years	NA
Attrition rate	0.00% p.a.	NA
Mortality table used	100% of IALM (2012-14)	NA

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

B) Movements in present value of the defined benefit obligation

Particulars	As at 31 March 2021	As at 31 March 2020
Present value of obligation as at the beginning of the year	-	-
Acquisition adjustment out	-	-
Interest cost	-	-
Past service cost	-	-
Current service cost	3.94	-
Benefit paid	-	-
Actuarial (gain)/loss on obligations- due to change in financial assumptions	-	-
Actuarial (gain)/loss on obligations- due to experience adjustments	-	-
Actuarial (gain)/loss on obligations- due to change in demographic assumption	-	-
Liability at the end of the year	**3.94**	**-**

C) Movements in the fair value of plan assets

Particulars	As at 31 March 2021	As at 31 March 2020
Fair value of plan assets at the beginning of the year	-	-
Contribution by employer	-	-
Interest income	-	-
Return on plan assets excluding amounts included in interest income	-	-
Benefits paid	-	-
Actuarial gain/(loss) for the year on asset	-	-
Fair value of the plan assets at the end of the year	**-**	**-**

D) Amount recognised in the Balance Sheet

Particulars	As at 31 March 2021	As at 31 March 2020
Present value of funded obligation at the end of the year	3.94	-
Fair value of plan assets at the end of the year	-	-
Net liability recognised in the Balance Sheet	**3.94**	**-**

E) Expenses recognised in the Statement of Profit and Loss during the year:

Particulars	As at 31 March 2021	As at 31 March 2020
Current service cost	3.94	-
Past service cost	-	-
Net interest cost (Income)	-	-
Net value of re measurements on the obligation and planned assets	-	-
Expense recognised in the Statement of Profit and Loss	**3.94**	**-**

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(All amounts in millions of INR, unless stated otherwise)

F) Components of actuarial gain/loss on obligation

Particulars	As at 31 March 2021	As at 31 March 2020
Due to change in financial assumptions	-	-
Due to change in demographic assumption	-	-
Due to experience adjustments	-	-
Return on plan assets excluding amounts included in interest income	-	-
	-	-

G) Composition of the plan assets:

Particulars	As at 31 March 2021	As at 31 March 2020
Policy of insurance	0%	0%

H) Change in Net benefit obligations

Particulars	As at 31 March 2021	As at 31 March 2020
Net defined benefit liability at the start of the year	-	-
Acquisition adjustment	-	-
Total service cost	3.94	-
Net interest cost (Income)	-	-
Re-measurements	-	-
Contribution paid to the fund	-	-
Benefit paid directly by the enterprise	-	-
Net defined benefit liability at the end of the year	**3.94**	**-**

I) Bifurcation of PBO at the end of year as current and non current:

Particulars	As at 31 March 2021	As at 31 March 2020
Current liability (Amount due within one year)	0.85	-
Non-Current liability (Amount due over one year)	3.09	-
Total PBO at the end of year	**3.94**	**-**

K) Sensitivity analysis of the defined benefit obligation

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Particulars	As at 31 March 2021	As at 31 March 2020
a) Impact of the change in discount rate		
- Impact due to increase of 0.50%	3.77	-
- Impact due to decrease of 0.50%	4.11	-
b) Impact of the change in salary increase		
- Impact due to increase of 0.50%	4.02	-
- Impact due to decrease of 0.50%	3.85	
c) Impact of the change in withdrawal rate		
- Impact due to increase of 0.50%	3.94	-
- Impact due to decrease of 0.50%	3.94	-

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

L) These plans typically expose the Company to actuarial risks such as Investment Risk, Liquidity Risk and Market Risk.

Actuarial Risk	It is the risk that benefits will cost more than expected.This can arise due to one of the following reasons: **Adverse Salary Growth Experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. **Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption than the Employees' Family Benefit Scheme will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. **Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Employees' Family Benefit Scheme will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.
Investment Risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity Risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.
Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
Legislative Risk	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

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Note 38: Financial Instruments

38.1: Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximizing the return to shareholders and also complying with the ratios stipulated in the loan agreements through the optimization of the debt and equity balance.

The capital structure of the Company consists of net debt (Debt Securities & Borrowings as detailed in Note 15 & 16 offset by cash and bank balances as detailed in Note 3) and total equity of the Company.

The Company is not subject to any externally imposed capital requirements.

38.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Debt (See note 'i' below)	3,231,106.79	2,343,767.21	1,739,326.75
Cash and cash equivalents	2,971.91	13.80	37.07
Net debt	3,228,134.88	2,343,753.41	1,739,289.68
Total equity	359,133.82	302,997.52	248,662.99
Net debt to equity ratio (in times)	**8.99**	**7.74**	**6.99**

38.1.2 Net Worth

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Total Assets	3,780,517.18	2,755,041.29	2,064,382.95
Total Liabilities	3,421,383.36	2,452,043.77	1,815,719.96
Net Worth	**359,133.82**	**302,997.52**	**248,662.99**

38.1.3 Debt Equity Ratio

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Debt	3,231,106.79	2,343,767.21	1,739,326.75
Equity	359,133.82	302,997.52	248,662.99
	9.00	**7.74**	**6.99**

Note:

i) Debt computed as under:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Debt Securities (Note 15)	1,785,747.89	1,552,904.56	1,235,978.99
Borrowing(other than debt securities) (Note 16)	1,445,358.90	790,862.65	503,347.76
Total Debt	**3,231,106.79**	**2,343,767.21**	**1,739,326.75**

38.2 Financial Instruments - Accounting classification and fair value measurement

38.2.1 Categories of financial instruments

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Financial assets			
Measured at amortised cost			
Cash and cash equivalents	2,971.91	13.80	37.07
Bank balance other than above	1,617.33	993.83	773.59
Investments (Pass through certificates)	12.09	22.14	33.30
Loans	69,698.15	64,233.71	58,954.87

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Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Other financial assets	1,971,282.49	1,182,742.54	738,239.44
Receivables (Lease Receivables)	1,655,689.91	1,485,798.00	1,250,265.12
Measured at fair value through Profit and Loss			
Derivative financial instruments	760.14	-	466.90
Measured at fair value through Other Comprehensive Income			
Investments (IRCON)	107.73	92.98	98.15
Financial liabilities			
Measured at amortised cost			
Payables			
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises	3.78	0.50	0.08
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	503.83	377.02	121.65
Debt securities	1,785,747.89	1,552,904.56	1,235,978.99
Borrowings (Other than debt securities)	1,445,358.90	790,862.65	503,347.76
Other financial liabilities (Interest accured but not due, amount payable to MoR etc.)	172,076.86	103,373.67	72,999.42
Measured at fair value through Profit and Loss			
Derivative financial instruments	3,601.28	4,065.15	3,105.95

38.2.2: Fair value measurements

Fair value hierarchy

The fair value hierarchy reflects the significance of the inputs used in making the measurements and has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices in markets that are not active) or indirectly (i.e. quoted prices for similar assets or liabilities);

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2021:

Particular	As at 31 March 2021	Fair Value measurement at end of the reporting period/ year using		
		Level 1	Level 2	Level 3
Investment in IRCON International Limited	107.73	107.73	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2020:

Particular	As at 31 March 2020	Fair Value measurement at end of the reporting period/ year using		
		Level 1	Level 2	Level 3
Investment in IRCON International Limited	92.98	92.98	-	-

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(All amounts in millions of INR, unless stated otherwise)

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 01 April 2019:

Particular	As at 01 April 2019	Fair Value measurement at end of the reporting period/ year using		
		Level 1	Level 2	Level 3
Investment in IRCON International Limited	98.15	98.15	-	-

Valuation technique used to determine fair value

The Company maintains policies and procedures to value financials assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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. The following methods and assumptions were used to estimate the fair values:

The Company holds nominal Equity (less than 0.26%) in IRCON International Limited. The equity shares of IRCON International Limited were listed on National Stock Exchange (NSE) with effect from 28 September 2018. The Company had elected to classify its investment in IRCON International Limited as fair value through other comprehensive income(OCI). The fair value as on 31 March 2021, 31 March 2020, 1st April 2019 has been measured as per the quoted on National Stock Exchange (Level 1 Input).

Dividend received

Particulars	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Dividend received (IRCON International Limited)	2.51	5.92

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate to their fair values.

38.3 Financial risk management

The Company's activities expose it to a variety of financial risks which includes market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company's focus is to ensure liquidity which is sufficient to meet the Company's operational requirements. The Company monitors and manages key financial risks so as to minimise potential adverse effects on its financial Proformance. The Company has a risk management policy which covers the risks associated with the financial assets and liabilities. The details for managing each of these risks are summarised ahead.

38.4: Market risk

Market risk is the risk that the expected cash flows or fair value of a financial instrument could change owing to changes in market prices.The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Company use derivative instruments to manage market risk against the volatility in foreign exchange rates and interest rates in order to minimize their impact on its results and financial position. Company policy is not to utilize any derivative financial instruments for trading or speculative purposes.

38.5: Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

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(All amounts in millions of INR, unless stated otherwise)

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars	Liabilities as at			Assets as at		
	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Secured foreign currency term loan	16,350.64	454.58	625.44	-	-	-
Unsecured bonds from overseas capital market	203,025.44	151,671.11	69,571.19	-	-	-
Unsecured foreign currency term loans	318,540.22	96,539.07	25,618.35	-	-	-
Total	**537,916.30**	**248,664.76**	**95,814.98**	**-**	**-**	**-**

Foreign currency sensitivity analysis

The following table details the company's sensitivity to a 10% increase and decrease in the INR against the relevant outstanding foreign currency denominated monetary items. 10% sensitivity indicates management's assessment of the reasonable possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where Rupee appreciates 10% against the relevant currency. A negative number below indicates a decrease in profit or equity where the Rupee depreciates 10% against the relevant currency.

Particulars	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
	INR strengthens by 10%	INR weakening by 10%	INR strengthens by 10%	INR weakening by 10%	INR strengthens by 10%	INR weakening by 10%
Profit or (loss)	53,791.63	(53,791.63)	24,866.48	(24,866.48)	9,581.50	(9,581.50)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

38.6: Interest rate risk management

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. Company use financial instruments to manage its exposure to changing interest rates and to adjust its mix of fixed and floating interest rate debt on long-term borrwing.

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/ lower and all other variables were held constant, the Company's:

i) Profit for the year ended 31 March 2021 would decrease/increase by ₹ 8,346.63 millions (31 March 2020: decrease/ increase ₹ 6,972.21 millions). This is mainly attributable to the Company's exposure to interest rates on its variable rate debt securities;

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ii) Profit for the year ended 31 March 2021 would decrease/increase by ₹ 5,590.55 million (31 March 2020: decrease/increase ₹ 3,253.53 millions). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Interest Rate Benchmark Reform:

Following the request received by the Financial Stability Board from the G20, a fundamental review and reform of the major interest rate benchmarks is underway across the world's largest financial market, This reform was not contemplated when Ind AS 107 & Ind AS 109 were notified and consequently the Ministry of Corporate Affairs, Government of India has notified a set of temporary exceptions from applying specific hedge accounting requirements to provide clarifications on how the standard should be applied in these circumstances.

Following are the temporary exceptions provided from applying specific hedge accounting requirements:

(i) For assessing highly probable requirement for cash flow hedges: For the purpose of determining whether a forecast transaction (or a component thereof) is highly probable, an entity shall assume that the interest rate benchmark on which the hedged cash flows (contractually or non-contractually specified) are based is not altered as a result of interest rate benchmark reform.

(ii) Reclassifying the amount accumulated in the cash flow hedge reserve: For the purpose of determining whether the hedged future cash flows are expected to occur, an entity shall assume that the interest rate benchmark on which the hedged cash flows (contractually or non-contractually specified) are based is not altered as a result of interest rate benchmark reform.

(iii) Assessing the economic relationship between the hedged item and the hedging instrument: An entity shall assume that the interest rate benchmark on which the hedged cash flows and/or the hedged risk (contractually or non-contractually specified) are based, or the interest rate benchmark on which the cash flows of the hedging instrument are based, is not altered as a result of interest rate benchmark reform.

(iv) Designating a component of an item as a hedged item: Subject to certain exemptions, for a hedge of a non-contractually specified benchmark component of interest rate risk, an entity shall apply the requirement – that the risk component shall be separately identifiable – only at the inception of the hedging relationship.

Under these temporary exceptions, interbank offered rates (IBORs) are assumed to continue unaltered for the purposes of hedge accounting until such time as the uncertainty is resolved. The application of this set of temporary exceptions is mandatory for accounting periods starting on or after 1st April 2020. Significant judgements will be required in determining when uncertainty is expected to be resolved and therefore when the temporary exceptions will cease to apply. However, as at 30th September 2020, the uncertainty continued to exist and so the temporary exceptions apply to the Company's hedge accounting relationships that reference benchmarks subject to reform or replacement.

The Company has cash flow and fair value hedge accounting relationships that are exposed to different IBORs, predominantly US dollar LIBOR and JPY LIBOR. The existing derivatives and some of the loans, bonds and other financial instruments designated in relationships referencing these benchmarks will transition to new risk – free rates (RFRs) in different ways and at different types. External progress on the transition to RFRs is being monitored, with the objective of ensuring a smooth transition for the Company's hedge accounting relationship. The specific issues arising will vary with the details of each hedging relationship, but may arise due to the transition of existing products included in the designation, a change in expected volumes of products to be issued, a change in contractual terms of new products issued, or a combination of these factors. Some hedges may need to be de – designated and new relationships entered into, while others may survive the market – wide benchmark reforms.

The hedge accounting relationships that are affected by the adoption of the temporary exceptions are presented in the balance sheet in note 5, 'Derivatives Financial Instruments'.

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38.7: Other price risks

The Company has a small amount of investment in equity instruments, price risk of which is not considered material.

38.8: Credit risk management

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is significant increase in credit risk, it considers reasonable and supportive forward looking information such as:

(i) Actual or expected significant adverse change in business.

(ii) Actual or expected significant changes in the operating results of the counterparty.

(iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation.

(iv) Significant increase in credit risk and other financial instruments of the same counterparty.

(v) Significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.

Credit risk is managed through approvals, establishing credit limits, continuous monitoring of creditworthiness of customers to which the company grants credit terms in the normal course of business. The company also assesses the financial reliability of customers taking into account the financial condition, current economic trends and historical bad debts and ageing of accounts receivables.

The Company's major exposure is from lease receivables from Ministry of Railways, Government of India and loans to Rail Vikas Nigam Limited and IRCON International Limited which are under the control of Ministry of Railways. There is no credit risk on lease receivables being due from sovereign. With respect to loan given to Rail Vikas Nigam Limited and IRCON International Limited, the company considers the Reserve Bank of India directions in terms of its circular no. RBI/2017-18/181_DNBR (PD) CC. No. 092/03.10.001/2017-18 dated 31-May-2018 read with letter no. DNRB (PD). CO.No.1271/03.10.001/2018-19 dated 21-December-2018, to be adequately compliant with the impairment norms as per Ind AS 109, Financial Instruments, as IRCON International Limited and Rail Vikas Nigam Limited, both, are under Ministry of Railways, Government of India and the Company does not expect any concern in the repayment of aforesaid loans.

38.9: Liquidity risk management

Liquidity risk is defined as the potential risk that the Company cannot meet the cash obligations as they become due.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the company's short, medium, and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Besides, there is a provision in the lease agreements with the Ministry of Railways (MOR) whereby MOR undertakes to provide lease rentals in advance (to be adjusted from future payments) in case the Company doesn't have adequate liquidity to meet its debt service obligations.

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Liquidity and interest risk tables

The following tables detail the company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the company may be required to pay.

Particulars	0-1 year	1-3 years	3-5 years	5+ years	Total	Recognition of borrowings at amortised cost using effective interest rate method	Fair value hedge adjustment-recoverable from Ministry of Railways	Carrying Amount (Balance Sheet amount as per IND AS)
31 March 2021								
Trade Payables-Other Payables	507.61	-	-	-	**507.61**	-	-	**507.61**
Other Financial Liabilities								**-**
- Interest accrued but not due	63,281.79	-	-	58,855.48	**122,137.27**	-	-	**122,137.27**
- Lease Liabilities	112.35	214.82	4.35	14.36	**345.88**			**345.88**
- Liability for unclaimed dividend	7.99				**7.99**			**7.99**
- Dividend Payable	-				**-**	-	-	**-**
- Unclaimed mature debentures and interest accrued thereon	86.90	-	-	-	**86.90**	-	-	**86.90**
- Amount Payable to MOR	49,498.30	-	-	-	**49,498.30**	-	-	**49,498.30**
- Earnest Money Deposit	0.52	-	-	-	**0.52**	-	-	**0.52**
Debt Securities								**-**
- Bonds in Domestic Market	107,158.38	223,067.11	81,165.87	1,143,275.96	**1,554,667.32**	(915.14)	-	**1,553,752.18**
- Commercial Paper	28,970.27	-	-	-	**28,970.27**	-	-	**28,970.27**
- Bonds in Overseas Market	-	36,955.00	-	166,297.50	**203,252.50**	(227.06)	-	**203,025.44**
Borrowing (Other than Debt Securities)								
Borrowings in India	72,980.04	53,702.80	86,970.60	896,814.60	**1,110,468.04**	-	-	**1,110,468.04**
Borrowings outside India	221.73	-	13,520.63	329,650.79	**343,393.15**	(5,362.81)	(3,139.48)	**334,890.86**
31 March 2020								
Trade Payables-Other Payables	377.52	-	-	-	**377.52**	-	-	**377.52**
Other Financial Liabilities								
- Interest accrued but not due	51,454.31	-	-	49,865.43	**101,319.74**	-	-	**101,319.74**
- Liability for matured and unclaimed bonds and interest accrued thereon	96.82	-	-	-	**96.82**	-	-	**96.82**
- Dividend Payable	-	-	-	-	**-**	-	-	**-**
- Dividend Tax Payable	-	-	-	-	**-**	-	-	**-**
- Amount Payable to MOR	1,956.62	-	-	-	**1,956.62**	-	-	**1,956.62**
- Earnest Money Deposit	0.49	-	-	-	**0.49**	-	-	**0.49**
Debt Securities								
- Bonds in Domestic Market	74,013.98	196,603.88	127,264.14	965,749.30	**1,363,631.30**	(1,031.94)	-	**1,362,599.36**
- Commercial Paper	38,634.09	-	-	-	**38,634.09**	-	-	**38,634.09**
- Bonds in Overseas Market	-	-	37,950.00	113,850.00	**151,800.00**	(128.89)	-	**151,671.11**
Borrowing (Other than Debt Securities)								
Borrowings in India	76,369.00	69,430.56	98,591.24	449,478.20	**693,869.00**	-	-	**693,869.00**
Borrowings outside India	227.70	227.70	-	101,755.57	**102,210.97**	(2,127.10)	(3,090.22)	**96,993.65**

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Particulars	0-1 year	1-3 years	3-5 years	5+ years	Total	Recognition of borrowings at amortised cost using effective interest rate method	Fair value hedge adjustment-recoverable from Ministry of Railways	Carrying Amount (Balance Sheet amount as per IND AS)
01 April 2019								
Trade Payables-Other Payables	121.73	-	-	-	**121.73**	-	-	**121.73**
Other Financial Liabilities					**-**	-	-	**-**
- Interest accrued but not due	39,266.31	26,497.39	7,154.47	-	**72,918.17**	-	-	**72,918.17**
- Unclaimed mature debentures and interest accrued thereon	80.91	-	-	-	**80.91**	-	-	**80.91**
- Dividend Payable	-	-	-	-	**-**	-	-	**-**
- Dividend Tax Payable	-	-	-	-	**-**	-	-	**-**
- Amount Payable to MOR	-	-	-	-	**-**	-	-	**-**
- Earnest Money Deposit	0.33	-	-	-	**0.33**	-	-	**0.33**
Debt Securities								
- Bonds in Domestic Market	76,152.10	189,172.40	161,167.10	711,184.27	**1,137,675.87**	(1,127.84)	-	**1,136,548.03**
- Commercial Paper	29,859.77	-	-	-	**29,859.77**	-	-	**29,859.77**
- Bonds in Overseas Market	-	-	34,815.00	34,815.00	**69,630.00**	(58.81)	-	**69,571.19**
Borrowing (Other than Debt Securities)								
Borrowings in India	132,104.00	77,000.00	28,000.00	239,999.97	**477,103.97**	-	-	**477,103.97**
Borrowings outside India	208.89	417.78	-	29,342.05	**29,968.72**	(618.98)	(3,105.95)	**26,243.79**

38.10: Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The objective of hedges is to minimize the volatility of INR cash flows of highly probable forecast transaction.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

As on 31 March 2021

Types of hedge and risks	Nominal value (Foreign Currency)		Carrying amount of hedging instruments	Maturity date	Hedge ratio	Weighted average strike price/rate
	USD					USD
	No. of Outstanding Contracts	Amount				
Forward Contract						
1. Sell	-	-	-	-	-	-
Swap Contracts						
1. Buy	2	291.79	2,367.91	10th March, 2026	1:1	N/A
2. Buy	2	74.07	834.11	30th March, 2026	1:1	N/A
3. Buy	1	25.00	66.84	26th March, 2030	1:1	N/A
4. Buy	1	25.00	62.98	26th March, 2030	1:1	N/A
5. Buy	1	25.00	69.51	26th March, 2030	1:1	N/A
6. Buy	1	25.00	62.87	26th March, 2030	1:1	N/A
7. Buy	1	25.00	64.88	26th March, 2030	1:1	N/A
8. Buy	1	25.00	33.80	26th March, 2030	1:1	N/A

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

As on 31 March 2020

Types of hedge and risks	Nominal value (Foreign Currency)		Carrying amount of hedging instruments	Maturity date	Hedge ratio	Weighted average strike price/rate
	USD					USD
	No. of Outstanding Contracts	Amount				
Forward Contract						
1. Sell	-	-	-	-	-	-
2. Buy	-	-	-	-	-	-
Swap Contracts						
1. Buy	2	291.79	3,217.10	10th March, 2026	1:1	N/A
2. Buy	2	74.07	848.05	30th March, 2026	1:1	N/A

As on 1 April 2019

Types of hedge and risks	Nominal value (Foreign Currency)		Carrying amount of hedging instruments	Maturity date	Hedge ratio	Weighted average strike price/rate
	USD					USD
	No. of Outstanding Contracts	Amount				
Forward Contract						
1. Sell	-	-	-	-	-	-
Swap Contracts						
1. Buy	2	291.79	2,080.28	10th March, 2026	1:1	N/A
2. Buy	2	74.07	558.77	30th March, 2026	1:1	N/A

Disclosure of effects of hedge accounting on financial performance

Cash Flow hedge	Opening	Changes during the year	Closing	Receivables/ (Payables) from MOR	Impact on financial performance
31st March 2021	(974.93)	1,273.27	298.34	(1,273.27)	
31st March 2020	466.90	(1,441.83)	(974.93)	1,441.83	
1st April 2019	968.47	(501.57)	466.90	501.57	-

Note 39: Capital Funds, Risk Weighted Assets and Capital Risk Adjusted Ratio (CRAR) of Company are given below:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Capital Fund-Tier I	359,049.13	302,993.35	248,658.31
Capital Fund-Tier II			
Risk weighted assets along-with adjusted value of off balance sheet items	85,394.56	76,631.72	71,629.96
CRAR			
CRAR-Tier I Capital	420.46%	395.39%	347.14%
CRAR-Tier II Capital	420.46%	395.39%	347.14%
Amount of subordinated debt raised as Tier-II capital			
Amount raised by issue of Perpetual Debt Instruments			

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 40: The particulars of loans given as required to be disclosed by section 186 (4) of Companies Act, 2013 are as below:

Sl. No.	Name of Party	As at 31 March 2021				As at 31 March 2020				As at 1 April 2019			
		Amount of loan outstanding	Loan Given during the year	Terms	Purpose of Utilization by Recipient	Amount of loan outstanding	Loan Given during the year	Terms	Purpose of Utilization by Recipient	Amount of loan outstanding	Loan Given during the year	Terms	Purpose of Utilization by Recipient
1	Rail Vikas Nigam Limited (RVNL)-I	41,858.86	14,296.90	3 + 12 years	Regular Project Work	30,219.41	14,079.60	3 + 12 years	Regular Project Work	18,766.30	800.00	3 + 12 years	Regular Project Work
2	IRCON International Limited	18,459.20	-	5 years	Station Development	24,612.27	-	5 years	Station Development	30,765.34	-	5 years	Station Development
3	Rail Vikas Nigam Limited (RVNL)-II	9,660.00	-	3 + 12 years	Regular Project Work	9,660.00	-	3 + 12 years	Regular Project Work	9,660.00	9,660.00	3 + 12 years	Regular Project Work
	Total	**69,978.06**	**14,296.90**			**64,491.68**	**14,079.60**			**59,191.64**	**10,460.00**		

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 41: Other Disclosures

(a) Lease rental is charged on the assets leased from the first day of the month in which the Rolling Stock assets have been identified and placed on line as per the Standard Lease Agreements executed between the Company and MOR from year to year.

(b) Ministry of Railways (MOR) charges interest on the value of the assets identified prior to the payments made by the Company, from the first day of the month in which the assets have been identified and placed on line to the first day of the month in which the money is paid to the MOR. However, no interest is charged from the MOR on the amount paid by the company prior to identification of Rolling stock by them.

(c) (i) Interest rate variation on the floating rate linked rupee borrowings and interest rate and exchange rate variations on interest payments in the case of foreign currency borrowings are adjusted against the lease income/ pre-commencement lease income in terms of the variation clauses in the lease agreements for Rolling Stock/ memorandum of understanding (MoU) for funding of Infrastructure assets executed with the Ministry of Railways. During the year ended 31 March 2021, such differential has resulted in an amount of ₹ 1,198.93 millions refundable by the Company (31 March 2020: ₹ 583.35 millions, 1 April 2019: ₹ 707.98 millions accruing to the Company) which has been accounted for in the lease income/pre-commencement lease income.

(ii) In respect of foreign currency borrowings, which have not been hedged, variation clause have been incorporated in the lease agreements specifying notional hedging cost adopted for working out the cost of funds on the leases executed with MOR. Hedging cost in respect of these foreign currency borrowings is compared with the amount recovered by the company on such account on notional cost basis and accordingly, the same is adjusted against the lease income. During the year ended 31 March 2021 in respect of these foreign currency borrowings, the Company has recovered a sum of ₹ 5,254.72 millions (31 March 2020: ₹ 4344.84 millions, 1 April 2019: ₹ 2,269.78 millions) on this account from MOR against a sum of ₹ NIL millions (31 March 2020 :₹ NIL millions, 1 April 2019: ₹ 1,732.43 millions) incurred towards hedging cost and the balance amount of ₹ 5,254.72 millions (31 March 2020: ₹ 4344.84 millions, 1 April 2019: ₹ 537.35 millions) is refundable to MOR.

(d) For computing the Lease Rental in respect of the rolling stock assets acquired and leased to the Ministry of Railways amounting to ₹ 2,85,610.85 millions during the year ended 31st March 2021 (Previous year ended 31 March 2020: ₹ 3,35,441.09 millions, 1 April 2019: ₹ 2,40,550.85 millions), the Lease Rental Rate and the Internal Rate of Return have been worked out with reference to the average cost of incremental borrowings made during the current year plus the margin equivalent to the previous year. The lease agreement in respect of these assets will be executed at the year end based on the lease rentals and IRR with reference to average cost of annual incremental borrowings during the year plus margin decided at that time. Any variation in the lease rental rate or the internal rate of return for the year will be accordingly adjusted at the year end.

(e) The Leases executed for Rolling Stock in the year 1990-91, 1989-90 ,1988-89 & 1987-88 for ₹ 11,700.35 millions, ₹ 10,725.60 millions, ₹ 8607.27 millions & ₹ 7,703.27 millions have expired on 31 March 2021, 31 March 2020, 31 March 2019 & 31 March 2018 respectively. During the primary and secondary lease periods full value of assets (including interest) has been recovered from the lessee (MOR). These assets have outlived their useful economic life. Formalities for the transfer of these assets to MOR are under progress and neccessary adjustments in the accounts if required, will be carried out on transfer of Rolling Stock to MOR.

Note 42:

(a) (i) The Reserve Bank of India has issued Master Direction – Non- Banking Financial Company- Systemically Important Non Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 vide notification DNBR.PD.008/03.10.119/2016-17 dated 1st September 2016 as amended from time to time have become mandatory with effect from 31 May 2018. The Reserve Bank of India has granted exemption to the Company in respect of classification of asset, provisioning norms and credit concentration norms to the extent of direct exposure to sovereign.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

(ii) Till the financial year 2017-18, the Company, being a government NBFC, was exempt from creation and maintenance of Reserve Fund as specified u/s 45-IC of Reserve Bank of India Act, 1934. However, the said exemption has been withdrawn by the Reserve Bank of India (RBI) vide Notification No. DNBR (PD) CC.NO.092/0310.001/2017-18 dated 31st May 2018. Accordingly, the Company is now creating the Reserve Fund as required u/s 45IC of RBI Act, 1934, wherein at least 20% of net profit every year will be transferred before the declaration of dividend. No appropriation is allowed to be made from the reserve fund except for the purpose as may be specified by the Bank from time to time and further, any such appropriation is also required to be reported to the Bank within 21 days from the date of such withdrawal. The Company created a reserve of ₹ 8,832.26 millions for the year ended 31st March 2021 u/s 45IC.

(b) In terms of the Ministry of Corporate Affairs circular dated 18th April 2002, the Company, being a Non-Banking Finance Company registered with RBI, is required to create Bond Redemption Reserve equivalent to 50% of the value of the bonds raised through Public issue by the redemption date of such Bonds. Subsequently, the requirement for creation of Bond Redemption Reserve in case of Public Issue of bonds by Non-Banking Finance Company registered with RBI was brought down to 25% by MCA vide their circular dated 11th February 2013. Further, the Companies (Share Capital and Debentures) Rules, 2014 dated 3rd April 2014 also mandates the Non- Banking Finance Companies registered with RBI to create Bond Redemption Reserve equivalent to 25% of the value of the Bonds raised through public issue by the redemption dates of such bonds. Accordingly, the Company was required to transfer 50% of the value of the bonds raised through public issue during FY 2011-12 and 25% of the value of Bonds raised through Public Issue during 2012-13, FY 2013-14 and FY 2015-16 to Bond Redemption Reserve by the redemption dates of such Bonds. The Company has raised ₹ 2,48,816.74 millions through public issue of bonds in FY 2011-12, FY 2012-13, FY 2013-14 and FY 2015-16. The average residual maturity of the above mentioned bonds is more than 7 years as on 31st March 2019. The Company had transferred an amount of ₹ 57,145.59 millions to the Bond Redemption Reserve till the end of F.Y. 2018-19.

The Ministry of Corporate Affairs has notified the Companies (Share Capital and Debentures) Amendments Rules, 2019 on 16th August, 2019 which exempts NBFC listed companies registered with Reserve Bank of India u/s 45-IA of the RBI Act, 1934 from creation of Debenture Redemption reserve. Accordingly, the balance outstanding against Bond Redemption Reserve as on 31st March 2019 amounting to ₹ 57,145.59 million has been transferred to retained earnings.

(c) The Comptroller & Auditor General of India (C&AG) during the course of their supplementary review of accounts for the Financial year 2018-19 had made an observation that the 'Advance against the Railway infrastructure Assets to be leased.' should have been classified under other non financial assets. Based on the reply furnished by the Company, the C&AG had decided to drop the observation. However, as agreed, during the course of discussion with the C&AG, it was decided to refer the aforesaid matter to the Expert Advisory Committee(EAC) of the Institute of Chartered Accountants of India(ICAI) for an expert opinion. The EAC, ICAI has since furnished its opinion and upheld the accounting classification of 'Advance against the Railway infrastructure Assets to be leased.' as other financial assets currently being shown by the Company in the financial statements

Note 43:

i The Finance Act, 2001 provides for levy of service tax on the finance and interest charges recovered through lease rental installments on the Financial Leases entered on or after 16 July 2001. The Central Government vide Order No.1/1/2003-ST dated 30 April 2003 and subsequent clarification dated 15 December 2006 issued by Ministry of Finance has exempted the Lease Agreements entered between the Company and Ministry of Railways from levy of Service Tax thereon u/s 93(2) of Finance Act, 1994.

ii The GST Council in their meeting held on 19 May, 2017 has exempted the services of leasing of assets (rolling stock assets including wagons, coaches, locos) by Indian Railways Finance Corporation to Indian Railways from the levy of Goods & Service Tax (GST), Notification No. 12/2017 (Heading 9973) which has been made applicable with effect from 1 July 2017.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

iii. The Company had deposited a sum of ₹ 14,664.47 million towards GST under reverse charge mechanism for funds transferred to MoR for making payments on behalf of Company to contractors for construction of projects for the period November 2017 to June 2018. As opined by the tax consultant, the above transaction did not involve any supply from MoR to the company and accordingly, no GST under RCM was payable by the Company and hence, refund applications were filed with the GST department for the refund of said deposit of ₹ 14,664.47 millions. However, vide orders dated 22 September 2020 and 30 September 2020, the said refund applications have been rejected by the additional commissioner (Department of Trade and Taxes), GNCT of Delhi. The Company has filed 6 appeals before first appelate authority through its attorney, New Delhi against the rejection of refund orders on 24 December 2020 and 29 December 2020.

In the ultimate event of non-admissibility of refund claims by the GST department, the amount would be adjusted by the Company against the GST liability on lease rentals from infrastructure assets to be lease to MoR or other GST liability in future.

Further, an amount of ₹ 6,32,384.00 million was transferred to MoR between July 2018 and March 2021 for making payments on behalf of Company to the contractors for construction of projects. GST under RCM of ₹ 75,886.08 million thereon has not been deposited as the funds transfer does not involve any supply from MOR as per the opinion of GST consultant.

Note 44:

Increase/(Decrease) in liability due to exchange rate variation on foreign currency loans for purchase of leased assets/ creation of Infrastructure assets amounting to (₹ 3,009.70 millions) (31 March 2020 : ₹ 16,784.85 million, 1 April, 2019: ₹ 2,670.04 millions) has not been charged to the Statement of Profit and Loss as the same is recoverable from the Ministry of Railways (lessee) separately as per lease agreements in respect of rolling stock assets/memorandum of understanding (MoU) for funding of Infrastructure assets to be leased. The notional hedging cost on external commercial borrowings inbuilt into the Lease Rentals amounting to ₹ 8,145.93 millions (31 March 2020 : ₹ 4,344.84 millions, 1 April 2019: ₹ 537.35 millions) is refundable to Ministry of Railways for the year ended 31 March 2021 (Ref of Note 41 C (ii)). Further, a sum of ₹ 106.82 Millions (31 March 2020 : ₹ 92.86 million, 1 April 2019: ₹ 2,664.02 million) has been recovered towards crystallised exchange rate variation on foreign currency loans repaid during the year ended 31st March 2021. The amount recoverable from MoR on account of exchange rate variation net of notional hedging cost and crystallised exchange rate variation is ₹ 5,796.59 million (31 March 2020: ₹ 17,059.04 million, 1st April 2019: ₹ 4,711.88 million).

Effective portion of (loss)/gain on account of decrease/increase in the fair value of the derivative assets (hedging instruments) amounting to ₹ 1,273.27 million (March, 2021),(₹ (1441.83) million) (March 2020), ((₹ 501.57) millions) (April 2019) classified as cash flow hedges has not been recognised in the other comprehensive income as the same is recoverable/refundable to the MOR (Lessee) since the derivatives have been contracted to hedge the financial risk of MOR (Lessee).

Note 45:

The Ministry of Railways (MOR) vide letter dated 23 July 2015 had authorized the Company to draw funds from Life Insurance Corporation of India (LIC) in consultation with MOR for funding of Railway Projects in line with finance leasing methodology adopted by Company for funding Railway Projects in past. In addition to funds raised from LIC, the Company has also funded MoR from other borrowings and internal accruals. Pending execution of the Lease Documents, the Company had entered into a Memorandum of Understanding with the Ministry of Railways on 23 May 2017 containing principal terms of the lease transactions. The Company has now entered a fresh Memorandum of Understanding with Ministry of Railways on 2 March 2021 superseding all earlier MoU/arrangement.

The total sum of ₹ 11,54,949.70 millions disbursed to MOR till the end of 31 March 2021 (31 March 2020 :₹ 9,36,552.90 millions, 1 April 2019 : ₹ 5,97,152.90 million) is recognised as 'Advance against Railway Infrastructure Assets to be Leased'.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

During the year ended 31 March 2021 a sum of ₹ 58,203.09 millions (31 March 2020: ₹ 42,706.88 millions, 31st March 2019 : ₹ 27,283.86 millions) incurred by the Company on account of interest cost on the funds borrowed for the purpose of making aforesaid advances has been capitalised and added to the Advance paid against Infrastructure assets to be leased out to MOR.

Further, during the current year ended 31 March 2021, in addition to above, the Company has also disbursed ₹ 5,05,509.51 millions to MOR in line with the aforesaid finance leasing methodology for Railway Infrastructure Projects under a similar arrangement and recognised as 'Advance against Railway Infrastructure Assets –Special - to be leased'. The Company capitalised therein a sum of ₹ 1,578.88 millions on account of interest cost on the funds borrowed for the purpose of making aforesaid advance.

The Company is now in receipt of certain information and details of the utilization of advance to MOR for creation of infrastructure assets to be leased for which advance funding has been made to MOR as mentioned above. As per these details certain infrastructure projects have been completed and already commissioned by MoR. Complete information/details are being sought from MoR. These are still awaited. Pending above information & based on the utilization details, the Company has transferred ₹ 13,07,795.17 millions from 'Advance against Railway Infrastructures EBR-IF Projects to be leased' and ₹ 5,07,088.39 millions for 'Advance against Railway Infrastructures Projects – Special – to be Leased' to 'Project Infrastructure Asset under lease arrangement EBR-IF' and "Project Infrastructure Asset under lease arrangement EBR Special", respectively. Project Infrastructure asset under lease arrangements EBR-IF & EBR-S is measured at amount transferred for advance against railway infrastructure projects EBR-IF/EBR-S to be leased, subject to adjustment of Input Tax Credit under GST and actual utilization by MOR.

Advance against Railway Infrastructures Projects to be leased

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Opening Balance	1,031,195.28	649,088.40	398,250.55
Add: Advance paid against infrastructure assets to be leased	218,396.80	339,400.00	223,554.00
Add: Borrowing cost capitalised on borrowed funds	58,203.09	42,706.88	27,283.85
Total	**1,307,795.17**	**1,031,195.28**	**649,088.40**
Less: Transferred to Project Infrastructure Assets under leasing arrangement	1,307,795.17	-	-
Total	**-**	**1,031,195.28**	**649,088.40**

Advance against Railway Infrastructures Projects – Special - to be leased

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Opening Balance	-	-	-
Add :Advance paid against infrastructure assets to be leased	505,509.51	-	-
Add: Borrowing cost capitalised on borrowed funds	1,578.88	-	-
Total	**507,088.39**	**-**	**-**
Less: Transferred to Project Infrastructure Assets under leasing arrangement	507,088.39	-	-
Total	**-**	**-**	**-**

The requisite Lease Agreement(s) between MOR and the Company with respect to aforesaid infrastructure assets is (are) yet to be executed as certain key terms and conditions are being finalised. The accounting as per Ind AS 116, Leases and other applicable Ind AS can be proceeded with only on execution of lease agreement(s). On application of Ind AS 116 / other applicable standards, there will be accounting and disclosure implications in the financial statements. In the absence of complete information / details as mentioned above, the impact whereof on these financial statements presently cannot be ascertained. The Company expects to execute necessary agreements / documents within the current financial year.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

In respect of National Project, a total sum of ₹ 84,815.82 millions disbursed to MoR under finance lease methodology till the end of 31 March 2021 (31 March 2020: 79,884.94 millions, 1 April 2019 : ₹ 50,828.17 milions) has been shown as 'Advance funding against National Project' on which a sum of ₹ 4,930.88 millions (31 March 2020: 4,056.77 millions, 1 April 2019: ₹ 41.17 milions) has been incurred by the Company on account of interest cost on the funds borrowed for the purpose of making aforesaid advances has been capitalised and added to the Advance funding against National Project to be leased out to MoR. The same would be recovered through lease rentals in future over the life of the leases as per lease agreement(s) to be entered. Details are as under:

National Projects

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Opening Balance	79,884.94	50,828.17	-
Advance funding against National Project	-	25,000.00	50,787.00
Add: Borrowing cost capitalised during the year on borrowed funds	4,930.88	4,056.77	41.17
Total	**84,815.82**	**79,884.94**	**50,828.17**

Capitalisation rate used to determine the borrowing cost for 'Advance against Railway Infrastructure Projects to be leased' & Advance against Railway Infrastructure Projects – Special - to be leased' & 'National Projects':

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Capitalisation rate	**5.95%**	**7.47%**	**8.01%**

Note 46:

(a) Office building including parking area has been capitalised from the date of taking possession. However, the sale/ transfer deed is still pending for execution in favour of the Company. Stamp duty payable on the registration of office building works out to about ₹ 9.15 millions(as certified by approved valuer) (31 March 2020: ₹ 9.15 millions, 1 April 2019: ₹ 9.15 millions), which will be accounted for on registration.

(b) An amount of ₹ 72.45 millions on account of the benefit accruing due to reduction in the interest rate pertaining to the financial year 2017-18 has been passed on to MOR during the year ended on 31st March 2020, by way of reduction of equivalent amount from the Lease Income instead of recognising the same as a prior period item.The amount involved is not considered material in terms of the extant policy of the Company and accordingly, the effect of the same has been considered in the current reporting period.

(c) The Company has made a provision of ₹ 118.80 millions in the financial statements for the year ended on 31st March 2020 towards the stamp duty on account of increase in the Equity Capital infused by MOR from time to time in the earlier years. The aforesaid stamp duty has been computed at the basic rate. The Company is in the process of getting the stamp duty adjudicated by the Collector of Stamps. The actual liability will be known upon receipt of adjudication order and differential amount, if any, will be provided for and paid in the year of adjudication.

(d) The Company leases rolling stock to MOR under a finance lease model. In the recent past the Company has also entered into an arrangement with MOR whereby leasing of Railway Infrastructure asset is undertaken again under a finance lease model (for details refer note 45). In addition to transactions with MoR related to receipt of lease rentals, advance or reimbursements for acquisition of rolling stock & project infrastructure assets, amounts are payable to / receivable from MOR on account of exchange and MCLR variations. These amounts are settled on periodic basis through finance lease rentals adjustments. The aforesaid transactions are based on memorandum of understanding, lease agreements and other formal communications with the MOR. The Company in this financial year undertook a reconciliation of these transactions that required adjustments in the financial statements (refer note 9) which were made in accordance with applicable Ind AS. However, the reconciliation exercise could not be concluded due to massive disruptions caused by Covid 19 pandemic in the form of extended lockdowns when offices were closed and key staff members responsible for the reconciliation got effected by Covid 19 virus and suffered, severe post Covid 19 complications & unfortunately despite best efforts could not conclude the reconciliation. The Company expects to conclude the exercise within the current financial year. The Company also expects no material adjustments in the financial statements on conclusion of the reconciliation.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

(e) **Impact of material prior period adjustments**

The Company during the current financial year initiated a detailed reconciliation of various ledgers of Ministry of Railways, Government of India (MoR) maintained in its books of accounts. The reconciliation could not be completed earlier owing to unprecedented situation arising out of Covid 19 and for want of additional information from MoR. The Company noted certain items that required adjustments in financial statements / information of earlier years as per Ind AS 8, Accounting Policies, Changes in Accounting Estimates & Errors as under:

Particulars	Impact on Profit Before Tax being Decrease in Profits	Impact u/s 115JB of the Income – tax Act, 1961	Impact on Other Equity as on 31st March 2020
As on 1st April 2019	(2,067.90)	444.36	(1,623.54)
For the year ended 31 March 2020	(5,003.28)	Nil*	(5,003.28)
Grand Total	**(7,071.18)**	**444.36**	**(6,626.82)**

* IRFC has opted for taxation under section 115BAA of the Income – tax Act, 1961 for financial year 2019 – 20 & onwards. Hence, the provisions of minimum alternate tax under section 115JB of the Income – tax Act, 1961 are no longer applicable to the Company.

(f) **Estimation of uncertainty relating to the Global Health Pandemic COVID-19**

The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has adopted measures to curb the spread of infection in order to protect the health of our employees and ensure business continuity with minimal disruption.

The Company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there is no significant Impact on its financial results. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue monitoring any material changes to future economic conditions.

Note 47:

(a) The Company discharges its obligation towards payment of interest and redemption of bonds, for which warrants are issued, by depositing the respective amounts in the designated bank accounts. Reconciliation of such accounts is an ongoing process and has been completed upto 31 March 2021. The Company does not foresee any additional liability on this account. The total balance held in such specified bank accounts as on 31 March 2021 is ₹ 86.90 millions (31 March 2020: ₹ 96.82 millions, 1 April, 2019: ₹ 80.91 millions).

(b) The Company is required to transfer any amount remaining unclaimed and unpaid in such interest and redemption accounts after completion of 7 years to Investor Education Protection Fund (IEPF) administered by the Ministry of Corporate Affairs, Government of India. During the year ended 31 March 2021, a sum of ₹ 0.15 millions was deposited in IEPF (31 March 2020: ₹ NIL million, 1 April, 2019: ₹ 0.07 millions.)

Note 48:

The Company, in the earlier years, had executed Asset Securitisation Transactions by securitising an identified portion of future lease rentals originating on its assets leased to Ministry of Railways. As part of the securitisation transaction, future lease rentals were transferred to a bankruptcy remote Special Purpose Vehicle (SPV) which, in turn, issued Pass Through Certificates (PTCs) to the investors. The lease receivables, accordingly, were derecognised in the books of account of the company.

In terms of the Reserve Bank of India (RBI) Guidelines on Minimum Retention Requirement issued by the Reserve Bank of India as applicable to the Non-Banking Finance Companies, the company being the originator, had opted to retain a minimum of 5% of the book value of the receivables being securitised. Accordingly, the Company had invested ₹ 169.77 millions in the Pass Through Certificates (PTCs) issued by the 'Special Purpose Vehicle' towards Minimum Retention Requirement. Out of the amount invested in Pass Through Certificates (PTCs), ₹ 157.63 millions have matured till 31

Notes to Financial Statements for the year ended 31 March 2021

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March 2021 (31 March 2020: ₹ 147.54 millions, 1 April 2019: ₹ 136.48 millions) leaving a balance of ₹ 12.14 millions (31 March 2020: 22.23 millions, 1 April 2019: ₹ 33.30 millions). Details of the amount invested in Pass Through Certificates (PTCs) and outstanding as on 31st March, 2021 is as follows:

As on 31 March 2021

Series	Date of Maturity	Nos of PTC	Face value per PTC	Total amount
U	15 April 2021	5	0.94	4.71
V	15 October 2021	5	0.90	4.50
W	15 April 2022	5	0.59	2.93
Total *		**15**		**12.14**

* Impairment loss as per Ind AS 109 has been made for an amount of ₹ 0.05 millions

As on 31 March 2020

Series	Date of Maturity	Nos of PTC	Face value per PTC	Total amount
S	15 April 2020	5	1.03	5.16
T	15 October 2020	5	0.99	4.93
U	15 April 2021	5	0.94	4.71
V	15 October 2021	5	0.90	4.50
W	15 April 2022	5	0.59	2.93
Total*		**25**		**22.23**

* Impairment loss as per Ind AS 109 has been made for an amount of ₹ 0.09 millions

As on 1 April 2019

Series	Date of Maturity	Nos of PTC	Face value per PTC	Total amount
Q	15 April 2019	5	1.13	5.67
R	15 October 2019	5	1.08	5.40
S	15 April 2020	5	1.03	5.16
T	15 October 2020	5	0.99	4.93
U	15 April 2021	5	0.94	4.71
V	15 October 2021	5	0.90	4.50
W	15 April 2022	5	0.59	2.93
Total		**35**		**33.30**

Note 49: Corporate Social Responsibility

As per Section 135 of Companies Act 2013 a Corporate Social Responsibility Committee has been formed by the Company. During the year the Company has undertaken Corporate Social Responsibility activities as approved by the CSR Committee which are specified in Schedule VII of the Companies Act 2013.

During the year, Ministry of Corporate Affairs (MCA) has notified the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("amendment") and has also notified the effective date as 22.01.2021 for the amendments of section 135 of the Companies Act made vide Companies Amendment Act, 2019 and Companies Amendment Act, 2020.

In accordance with the amendment under the said notifications, any unspent CSR amount, other than for any ongoing project, shall be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Any unspent amount pursuant to any ongoing project must be transferred to unspent CSR Account in any scheduled bank within a period of thirty days from the end of the financial year, to be utilised within a period of three financial years, failing which it shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year. Further, if the company spends an amount in excess of the requirement under statute, the excess amount may be set off for three succeeding financial years against the amount to be spent.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

As the notification is made effective during FY 2020-21, the Company is complying with the amended provisions of Section 135 of the Companies Act, 2013 with effect from the current financial year. accordingly, the company created provision towards unspent amount for ongoing projects amounting to ₹ 197.71 million for the FY 2020-21.

i) Gross amount paid by the company for the year ended 31st March 2021 is ₹ 729.18 million (₹ 314.06 million pertains to prior years) ; 31st March 2020 ₹ 454.44 million (₹ 113.39 million pertains to prior years) ; Gross amount required to be spent for the year ended 31st March 2021 ₹ 612.30 million against which the Board approved total CSR projects for amounting to ₹ 612.83 million (As on 31st March 2020, Gross amount required to be spent by the company was ₹ 505.24 million against which the Board approved total CSR projects for amounting to ₹ 505.29 million). As on 31st March 2021, CSR Unspent amount for the Financial Year(s) 2017-18, 2018-19, 2019-20 and 2020-21 are ₹ 203 million, ₹ 178.94 million, ₹ 96.12 million, and ₹ 197.71 million, respectively.

ii) **Amount spent during the year on:**

As on 31 March 2021

Sl. No	Particulars	In cash	Yet to be paid in cash	Total
i)	**Construction/Acquisition of any assets**			-
ii)	**On Purpose other than (i) above**	**720.09**	**214.36**	**934.45**
iia)	Sanitation and safe drinking water (Item No. (i) of Schedule - VII)	-	-	**-**
iib)	Health Care (Item No. (i) of Schedule - VII)	25.87	50.93	**76.80**
iic)	Promoting Education (Item No. (ii) of Schedule – VII)	13.84	0.12	**13.96**
iid)	Social Welfare (Item No.(iii) of Schedule-VII)	-	-	**-**
iie)	Forest & Environment,animal welfare etc. (Item No. (iv) of Schedule-VII)	232.63	163.30	**395.93**
iif)	Contribution to'Clean Ganga Fund' (Item No.(iv) of Schedule-VII)	-	-	**-**
iig)	Ensuring environment sustainability (item No. (iv) of Schedule - VII)	-	-	**-**
iih)	Measures for armed forces veterans, (Item No. (vi) of ScheduleVII)	10.00	-	**10.00**
iii)	Contribution to the prime minister's CARE fund (Item No (viii) of Schedule-VII)*	437.75	-	**437.75**
	Grand total (i+ii)	**720.09**	**214.36**	**934.45**

* ₹ 9.09 million returned by Implementing agency against which expense booked in earlier years, transferred to PM CARES.

Details in respect of amount deposited in Specified Fund of Schedule VII , for the financial year as per section 135 (5) of the Companies Act, 2013.

Opening Balance	Amount deposited in Specified Fund of Schedule VII within 6 Months	Amount required to be spent during the year	*Amount spent during the year	Closing Balance
NIL	NIL	612.30	612.83	NIL

* excess amount spent against the statutory requirement is ₹ 0.53 million

Details in respect of excess amount spent for the financial year as per section 135 (5) of the Companies Act, 2013.

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
NIL	612.30	612.83	0.53

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Details in respect of ongoing projects for the financial year as per section 135 (5) of the Companies Act, 2013.

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	*with Company	In Separate CSR Unspent A/c
NIL	NIL	612.30	415.12	NIL	197.18	NIL

* Gross amount required to be spent for the year ended 31 March 2021 ₹ 612.30 million against which the Board approved total CSR projects for amounting to ₹ 612.83 million against which ₹ 415.12 million paid in the financial year and balancing ₹ 197.71 million CSR Unspent amount against ongoing projects for the financial year is transferred to separate bank A/c on 30 April 2021.

As on 31 March 2020

Sl. No	Particulars	In cash	Yet to be paid in cash	Total
i)	**Construction/Acquisition of any assets**	-	-	-
ii)	**On Purpose other than (i) above**	**454.44**	**40.04**	**494.48**
iia)	Sanitation and safe drinking water (Item No. (i) of Schedule - VII)	389.51	22.97	**412.48**
iib)	Promoting Education (Item No. (ii) of Schedule – VII)	51.19	4.87	**56.06**
iic)	Social Welfare (Item No.(iii) of Schedule-VII)	-	-	**-**
iid)	Forest & Environment,animal welfare etc. (Item No. (iv) of Schedule-VII)	-	-	**-**
iie)	Contribution to'Clean Ganga Fund' (Item No.(iv) of Schedule-VII)	-	-	**-**
iif)	Ensuring environment sustainability (Item No. (iv) of Schedule - (VII)	13.74	12.20	**25.94**
iig)	Measures for armed forces veterans, (Item No. (vi) of ScheduleVII)	-	-	**-**
iih)	Contribution to the prime minister's national relief fund (Item No (viii) of Schedule-VII)	-	-	**-**
	Grand Total (i+ii)	**454.44**	**40.04**	**494.48**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

As on 1 April 2019

Sl. No	Particulars	In cash	Yet to be paid in cash	Total
i)	**Construction/Acquisition of any assets**	-	-	-
ii)	**On Purpose other than (i) above**	**71.98**	**12.80**	**84.78**
iia)	Sanitation and safe drinking water (Item No. (i) of Schedule - VII)	29.54	-	**29.54**
iib)	Promoting Education (Item No. (ii) of Schedule – VII)	-	-	**-**
iic)	Social Welfare (Item No.(iii) of Schedule-VII)	-	-	**-**
iid)	Forest & Environment,animal welfare etc. (Item No. (iv) of Schedule-VII)	-	-	**-**
iie)	Contribution to'Clean Ganga Fund (Item No.(iv) of Schedule-VII)	-	-	**-**
iif)	Ensuring environment sustainability (Item No. (iv) of Schedule - (VII)	32.44	12.80	**45.24**
iig)	Measures for armed forces veterans, (Item No. (vi) of ScheduleVII)	10.00	-	**10.00**
iih)	Contribution to the prime minister's national relief fund (Item No (viii) of Schedule-VII)	-	-	**-**
	Grand Total (i+ii)	**71.98**	**12.80**	**84.78**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 50 : Interest on deposit & Investment include Tax Deducted at Source amounting to ₹ 0.45 millions for the year ended 31 March 2021 (31 March 2020: ₹ 3.78 Millions, 1 April 2019: ₹ 3.46 millions). Ministry of Railways has also deducted tax at source amounting to ₹ 3,232.85 millions (31 March 2020: ₹ 4,051.72 millions, 1 April 2019: ₹ 3,705.12 millions) on lease rentals.

Note 51 : Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Principal amount remaining unpaid as at year end	3.78	0.50	0.08
Interest due thereon remaining unpaid as at year end	-	-	-
Interest paid by the company in terms of Section 16 of MSME Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-	-
Interest due and payable for the period of delay in making payment but without adding the interest specified under MSME Development Act, 2006.	-	-	-
Interest accrued and remaining unpaid as at year end.	-	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises.	-	-	-

Note 52 : In respect of physical verification of assets given on lease, Ministry of Railways (Lessee) is required to maintain the leased assets in good working condition as per laid down norms, procedures and standards, as detailed & agreed in standard lease agreement. In the opinion of the management, the aforesaid system is satisfactory considering the fact that the assets are maintained and operated by the Central Government.

53 Related party disclosures

53.1 Related parties and their relationships

i. Transaction with Key Management personnel

Key Management Personnel

Relationship:

As on 31.03.2021

Designation	Name	Period
Chairman & Managing Director	Sh. Amitabh Banerjee	(From 12 October 2019)*
Director - Finance	Sh. Niraj Kumar	(Upto 31st July 2020)**
Director - Finance	Mrs. Shelly Verma	(From 1 September 2020)***
Company Secretary	Sh. Vijay Babulal Shirode	(From 9 March 2018)

* Shri Amitabh Banerjee was appointed as Managing Director on the IRFC Board on 12th October, 2019. He took over the charge of Chairman & Managing Director on the IRFC Board on 21st May, 2020.

**Shri Niraj Kumar was superannuated as on 31st July 2020.

***Mrs. Shelly Verma has been appointed as Director Finance from 1st September 2020

As on 31.03.2020

Designation	Name	Period
Chairman & Managing Director	Sh. Amitabh Banerjee	(From 12 October 2019)*
Managing Director	Sh. Vijay Kumar	(From 26 July 2018 to 11 October 2019)
Director - Finance	Sh. Niraj Kumar	(From 1 July 2015)
Company Secretary	Sh. Vijay Babulal Shirode	(From 9 March 2018)

* Shri Amitabh Banerjee was appointed as Managing Director on the IRFC Board on 12th October, 2019. He took over the charge of

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Chairman & Managing Director on the IRFC Board on 21st May, 2020.

As on 01 April 2019

Designation	Name	Period
Managing Director	Sh. S.K Pattanayak	(From 9 March 2017 to 26 July 2018)
Managing Director	Sh. Vijay Kumar	(From 26 July 2018)
Director - Finance	Sh. Niraj Kumar	(From 1 July 2015)
Company Secretary	Sh. Vijay Babulal Shirode	(From 9 March 2018)

Transactions :

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Salary/Allowances	12.46	9.39	6.46
Reimbursments	0.42	0.26	0.30
Incentives	2.54	6.55	1.44
Total	**15.42**	**16.20**	**8.20**

ii. Details of significant transactions and outstanding balances with Ministry of Railways are as under :

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Lease Receivables	1,655,689.91	1,485,798.00	1,250,265.12
Project Infrastructure Asset under Finance Lease Arrangements-EBR-IF	1,314,317.90	-	-
Project Infrastructure Asset under Finance Lease Arrangements-EBR Special	476,267.59	-	-
Advance for Railways Infrastructure Assets	-	1,031,195.28	649,088.40
Advance for National Project	84,815.82	79,884.94	50,828.17
Interest accrued but not due on advance for railway project to be leased	79,282.72	43,945.37	21,340.11
Other (Payable)	(49,498.30)	(1,956.62)	-
Other Receivables	5,498.25	18,033.97	7,306.71

Particulars	As at 31 March 2021	As at 31 March 2020
- Lease Income	118,265.62	106,724.27
- Pre-commencement Lease-interest income	33,290.38	21,599.06

53.2 Transaction with Government related entities

i. The Company is a Government related entity as the entire equity shareholding of the Company is held by the President of India through Ministry of Railways, Government of India. The Company is also related to Rail Vikas Nigam Limited and IRCON International Limited which are also government related entities and with whom the Company has transactions. The Company has exempted from disclosure in para 25 of Ind AS 24, 'Related Party Transactions' being a government related entity.

ii. Details of significant transactions with Rail Vikas Nigam Limited and IRCON International Limited.

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
- Closing Balances of Loan to Rail Vikas Nigam Ltd	51,518.86	39,879.41	28,426.30
- Closing Balances of Loan to IRCON International Ltd.	18,459.20	24,612.27	30,765.34
- Interest Income received thereon	5,956.70	5,548.60	5,251.05
- Interest Receivables	10,993.24	9,669.86	9,669.11

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 54: Additional disclosures in accordance with RBI directions on Corporate Governance

54.1: Investments

Particulars			As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
1	Value of investments				
	i	Gross value of investments			
		(a) In India	119.87	115.21	131.45
		(b) Outside India	-	-	-
	ii	Provisions for depreciation			
		(a) In India	0.05	0.09	-
		(b) Outside India	-	-	-
	iii	Net value of investments			
		(a) In India	119.82	115.12	131.45
		(b) Outside India	-	-	-
2	Movement of provisions held towards depriciation on investments				
	i	Opening balance	0.09	-	-
	ii	Add: Provisions made during the year	(0.04)	0.09	-
	iii	Less: Write-off/ write-back of excess provisions during the year	-	-	-
	iv	Closing balance	0.05	0.09	-

54.2: Derivatives

54.2.1: Forward rate agreement/ Interest rate swap

Particulars		As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
i	The notional principal of swap agreements	38,127.76	27,769.33	25,475.35
ii	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	760.14	-	466.90
iii	Collateral required by the NBFC upon entering into swaps	-	-	-
iv	Concentration of credit risk arising from the swaps	-	-	-
v	The fair value of the swap book	(2,841.14)	(4,065.16)	(2,639.05)

54.2.2: Disclosure of risk exposure in derivatives

Qualitative disclosure

The Company enters into derivatives for the purpose of hedging and not for trading/speculation purposes.

The Company has framed a risk management policy duly approved by the board in respect of its External Commercial Borrowings (ECBs). A risk management committee comprising the Managing Director and Director Finance has been formed to monitor, analyze and control the currency and interest rate risk in respect of ECBs.

The Company avails various derivative products like currency forwards, Cross Currency swap, Interest rate swap etc. for hedging the risks associated with its ECBs.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Quantitative disclosures

As at 31 March 2021

Particulars		Currency derivatives	Cross Currency & Interest Rate Derivatives	Interest rate derivatives
i	Derivatives (notional principal amount)	-	24,607.13	13,520.63
	For hedging			
ii	Marked to market positions			
	a) Asset	-	-	298.34
	b) Liability	-	3,139.48	-
iii	Credit exposure	-	3,375.92	534.46
iv	Unhedged exposure	-	-	522,038.52

As at 31 March 2020

Particulars		Currency derivatives	Cross Currency & Interest Rate Derivatives	Interest rate derivatives
i	Derivatives (notional principal amount)	-	13,884.67	13,884.67
	For hedging			
ii	Marked to market positions			
	a) Asset	-	-	-
	b) Liability	-	3,090.22	974.93
iii	Credit exposure	-	2,082.70	416.54
iv	Unhedged exposure	-	-	240,126.29

As at 01 April 2019

Particulars		Currency derivatives	Cross Currency & Interest Rate Derivatives	Interest rate derivatives
i	Derivatives (notional principal amount)	-	12,737.67	12,737.67
	For hedging			-
ii	Marked to market positions			-
	a) Asset	-	-	466.90
	b) Liability	-	3,105.95	-
iii	Credit exposure	-	1,910.65	849.03
iv	Unhedged exposure	-	-	86,861.05

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

54.2.3. Derivative Instruments

The Company judiciously contracts financial derivative instruments in order to hedge currency and / or interest rate risk. All derivative transactions contracted by the Company are in the nature of hedging instruments with a defined underlying liability. The Company does not deploy any financial derivative for speculative or trading purposes.

(a) The Company uses foreign currency forward contracts to hedge its risk associated with foreign currency fluctuations in respect its External Commercial Borrowings.

Outstanding foreign exchange forward contracts entered into by the Company which have been used for hedging the foreign currency risk on repayment of external commercial borrowings (principal portion):

As at 31 March 2021			As at 31 March 2020			As at 01 April 2019		
No. of Contracts	Borrowing outstanding in foreign Currency (USD Million)	INR equivalent (million)	No. of Contracts	Borrowing outstanding in foreign Currency (USD Million)	INR equivalent (million)	No. of Contracts	Borrowing outstanding in foreign Currency (USD Million)	INR equivalent (million)
-	-	-	-	-	-	-	-	-

(b) In respect of following External Commercial Borrowings, the Company has executed cross currency swap to hedge the foreign exchange exposure in respect of both principal outstanding and interest payments and converted its underlying liability from one foreign currency to another:

As at 31 March 2021			As at 31 March 2020			As at 01 April 2019			Remarks
No. of Contracts	Borrowing outstanding in foreign Currency	Notional USD equivalent	No. of Contracts	Borrowing outstanding in foreign Currency	Notional USD equivalent	No. of Contracts	Borrowing outstanding in foreign Currency	Notional USD equivalent	
1	JPY 12000 Million	145.90 Million	1	JPY 12000 Million	145.90 Million	1	JPY 12000 Million	145.90 Million	Back to back recovery of INR/USD exchanges rate variation from MOR.
1	JPY 3000 Million	37.04 Million	1	JPY 3000 Million	37.04 Million	1	JPY 3000 Million	37.04 Million	Back to back recovery of INR/USD exchange rate variation from MOR.
1	USD 25 Million	25 Million	-	-	-	-	-	-	Back to back recovery of INR/USD exchange rate variation from MOR.
1	USD 25 Million	25 Million	-	-	-	-	-	-	Back to back recovery of INR/USD exchange rate variation from MOR.
1	USD 25 Million	25 Million	-	-	-	-	-	-	Back to back recovery of INR/USD exchange rate variation from MOR.
1	USD 25 Million	25 Million	-	-	-	-	-	-	Back to back recovery of INR/USD exchange rate variation from MOR.
1	USD 25 Million	25 Million	-	-	-	-	-	-	Back to back recovery of INR/USD exchange rate variation from MOR.
1	USD 25 Million	25 Million	-	-	-	-	-	-	Back to back recovery of INR/USD exchange rate variation from MOR.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

(c) The foreign currency borrowings which have not been hedged, are as follows:

As at 31 March 2021		As at 31 March 2020		As at 01 April 2019		Remarks
No. of Contracts	Borrowing outstanding in foreign Currency	No. of Contracts	Borrowing outstanding in foreign Currency	No. of Contracts	Borrowing outstanding in foreign Currency	
1	USD 3 Million	1	USD 6.00 Million	1	USD 9.00 Million	Back to back recovery of exchange rate variation from MOR.
1	USD 500 Million	1	USD 500 Million	1	USD 500 Million	
1	USD 500 Million	1	USD 500 Million	1	USD 500 Million	
1	JPY 26,231.25 Million (Equivalent to USD 250 Million)	1	JPY 26,231.25 Million (Equivalent to USD 250 Million)	1	JPY 26,231.25 Million (Equivalent to USD 250 Million)	
1	JPY 32,856 Million (Equivalent to USD 300 Million)	1	JPY 32,856 Millions (Equivalent to USD 250 Million)			
1	USD 300 Million	1	USD 300 Million			
1	USD 700 Million	1	USD 700 Million			
1	USD 150 Million	1	USD 300 Million			
1	JPY 33,189 million (Equivalent to USD 300 Million)	1	JPY 33,189 million (Equivalent to USD 300 Million)			
1	USD 750 Million					
1	USD 1 Billion					
1	USD 2 Billion					
1	JPY 35,400.63 Million (Equivalent to USD 325 Million)					

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

(d) Other than currency forward contracts, the Company also resorts to interest rate derivatives like Cross Currency Interest Rate Swap and Interest Rate Swap for hedging the interest rate risk associated with its external commercial borrowings.

The Company recognizes these derivatives in its Financial Statements at their Fair Values. Further, in view of the fact that these derivatives are Over the Counter (OTC) contracts customized to match the residual tenor and value of the underlying liability, the Company relies on the valuations done by the counter parties to the derivative transactions using the theoretical valuation models.

No. of transaction	Description of Derivative	Notional Principal	Fair Value Asset/ (liability) at 31 March 2021	Fair Value Asset/ (liability) at 31 March 2020	Fair Value Asset/ (liability) at 1 April 2019
2	Cross Currency Interest Rate Swap (JPY Fixed Interest Rate Liability to USD Floating Rate Liability)	JPY 12 Bn. / USD Mio 145.90; JPY 3 Bn. / USD Mio 37.04	(3,500.36)	(3,090.22)	(3,105.95)
2	Foreign Currency Interest Rate Swap (Floating Rate USD Libor to Fixed Rate)	JPY 12 Bn. / USD Mio 145.90; JPY 3 Bn. / USD Mio 37.04	298.34	(974.93)	466.90
1	Cross Currency Interest Rate Swap (USD Floating to INR Fixed)	USD 25 Million	66.84	-	-
1	Cross Currency Interest Rate Swap (USD Floating to INR Fixed)	USD 25 Million	62.98	-	-
1	Cross Currency Interest Rate Swap (USD Floating to INR Fixed)	USD 25 Million	69.51	-	-
1	Cross Currency Interest Rate Swap (USD Floating to INR Fixed)	USD 25 Million	62.87	-	-
1	Cross Currency Interest Rate Swap (USD Floating to INR Fixed)	USD 25 Million	64.88	-	-
1	Cross Currency Interest Rate Swap (USD Floating to INR Fixed)	USD 25 Million	33.80	-	-

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

54.3: Disclosures relating to securitisation

The Company has not entered into any securitization transaction during the year. However, the Company had entered into two securitization transactions in respect of its lease receivables from MoR on 25 January 2010 and 24 March 2011. As per IND AS 109, financial instruments, the gain on these transactions was recognised in the year of transactions, itself.

54.3.1: In terms of the Minimum Retention Requirement (MRR) as contained in the draft guidelines issued by RBI in April 2010, the Company had invested 5% of the total securitized amount towards MMR in respect of its second securitization transaction executed in 2011. The present exposure on account of securitization transaction at 31 March 2021 is ₹ 12.14 millions (31 March 2020: ₹ 22.23 millions; 1 April 2019: ₹ 33.30 millions). The details are as below:

Particulars			As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
1	No. of SPVs sponsored by the NBFC for securitisation transactions		2	2	2
2	Total amount of securitised asset as per books of the SPVs sponsored		513.88	991.25	1,511.66
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet *		12.14	22.23	33.30
	a)	Off-balance sheet exposures			-
		First loss	-	-	-
		Others	12.14	22.23	33.30
	b)	On-balance sheet exposures			-
		First loss	-	-	-
		Others	-	-	-
4	Amount of exposures to securitisation transactions other than MRR		NIL	NIL	NIL

* Impairment loss as per Ind AS 109 has been made for an amount of ₹ (0.05 million) for the year ended 31 March 2021 (31 March 2020: ₹ 0.09 millions; 1 April, 2019: NIL)

54.3.2: Company has not sold any financial assets to Securitization / Reconstruction Company for asset construction during the year ended on 31 March 2021. (31 March 2020: ₹ NIL, 1 April 2019: ₹ Nil).

54.3.3: Company has not undertaken any assignment transaction during the year ended on 31 March 2021. (31 March 2020: ₹ NIL, 1 April 2019: ₹ Nil).

54.3.4 : Company has neither purchased nor sold any non-performing financial assets during the year ended on 31 March 2021. (31 March 2020: ₹ NIL, 1 April 2019: ₹ Nil)

54.4 : Asset liability management maturity pattern of certain items of Assets and Liabilities

Refer financial instrument notes 38.9

54.5: Exposures

54.5.1: Exposure to real Estate sector

The Company does not have any exposure to real estate sector.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

54.5.2: Exposure to capital market

	Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
i	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt (includes investment in fully convertible preference shares)			
	- At Cost	19.99	19.99	19.99
	- At Fair Value	107.73	92.98	98.15
ii	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	-	-	-
iii	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-	-
iv	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances (excluding loans where security creation is under process)	-	-	-
v	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-	-
vi	Loans sanctioned to corporates against the security of shares/ bonds / debentures or other securities or on clean basis for meeting promoters contribution to the equity of new companies in anticipation of raising resources	-	-	-
vii	Bridge loans to companies against expected equity flows / issues	-	-	-
viii	All exposures to Venture Capital Funds (both registered and unregistered)	-	-	-
	Total exposure to capital market	**107.73**	**92.98**	**98.15**

54.5.4: Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Reserve Bank of India has issued Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 vide notification no.DNBR.009/CGM(CDS)-2015 dated 27th March 2015. The Company, being a Government Company, these Directions, except the provisions contained in Paragraph 25 thereof, are not applicable to the Company.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

54.5.5: Unsecured advances

The outstanding amounts against unsecured loans, advances & lease receivables are as under:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Ministry of Railways, Government of India			
- Lease receivables	1,655,689.91	1,485,798.00	1,250,265.12
- Other receivables/(payables)	-	-	-
Rail Vikas Nigam Limited, a wholly owned entity of Ministry of Railways, Govt. of India	51,518.86	39,879.41	28,426.30
IRCON International Limited	18,459.20	24,612.27	30,765.34
Interest accrued thereon(RVNL & IRCON)	10,993.24	9,669.86	9,669.11
Total	**1,736,661.21**	**1,559,959.54**	**1,319,125.87**

54.6: Miscellaneous

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
54.6.1: Registration obtained from other financial sector regulators	NIL	NIL	NIL

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
54.6.2: Disclosure of Penalties imposed by RBI and other regulators	NIL	NIL	NIL

54.6.3: Ratings assigned by credit rating agencies and migration of ratings during the year

a. Rating assigned by credit rating agencies and migration of ratings during the year:

S. No	Rating Agencies	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
	Long Term Rating			
1	CRISIL	CRISIL AAA / Stable	CRISIL AAA / Stable	CRISIL AAA
2	ICRA	ICRA AAA / Stable	ICRA AAA / Stable	ICRA AAA
3	CARE	CARE AAA / Stable	CARE AAA / Stable	CARE AAA
	Short Term Rating			
1	CRISIL	CRISIL A1+	CRISIL A1+	CRISIL A1+
2	ICRA	ICRA A1+	ICRA A1+	ICRA A1+
3	CARE	CARE A1+	CARE A1+	CARE A1+

b. Long term foreign currency issuer rating assigned to the Company

S. No	Rating Agencies	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
	Long Term Rating			
1	Fitch Rating	BBB-/ Negative	BBB-/Stable	BBB-/Stable
2	Standard & Poor	BBB-/ Stable	BBB-/Stable	BBB-/Stable
3	Moody's	Baa3/Negative	Baa3/Stable	Baa2/Stable
4	Japanese Credit Rating Agency	BBB+/Stable	BBB+/Stable	BBB+/Stable

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Particulars	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020	As at 1 April 2019
54.6.4 (a) : Net Profit or Loss for the period	(6,626.83)	(5,003.27)	(1,623.56)
54.6.4 (b) : Prior period items (Refer Note No. (d))	(6,626.81)	(5,003.27)	(1,623.54)
54.6.4 (c): Changes in accounting policies	-	64,431.40	-

Note 54.7

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
54.7.1: Provisions and Contigencies	Refer Note 34	Refer Note 34	Refer Note 34
54.7.2: Drawn down from reserves	NIL	NIL	NIL

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
54.7.3: Concentration of Deposits, Advances, Exposures and NPAs			
54.7.3.1: Concentration of Deposits (for deposit taking NBFCs)	Company is a non deposit accepting NBFC	Company is a non deposit accepting NBFC	Company is a non deposit accepting NBFC

54.7.3.2: Concentration of advances

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Total advances to twenty largest borrowers	1,810,203.88	2,661,111.93	2,009,136.56
Percentage of advances to twenty largest borrowers to total advances of the NBFC	100%	100%	100%

54.7.3.3: Concentration of exposures

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Total exposure to twenty largest borrowers/ customers	1,810,311.61	2,661,204.91	2,009,234.71
Percentage of exposure to twenty largest borrowers/ customers to total exposure of the NBFC on borrowers/customers	100%	100%	100%

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
54.7.3.4: Concentration of NPAs	NIL	NIL	NIL
54.7.3.5: Sector-wise NPAs	NIL	NIL	NIL
54.7.4: Movement of NPAs	NIL	NIL	NIL
54.7.5: Overseas Assets	NIL	NIL	NIL
54.7.6: Off-balance sheet SPVs sponsored	NIL	NIL	NIL

54.8: Disclosure of complaints

54.8.1: Investor complaints

S. No	Rating Agencies	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
(a)	No. of complaints pending at the beginning of the year	-	-	-
(b)	No. of complaints received during the year	4,693	1,345	1,073
(c)	No. of complaints redressed during the year	4,693	1,345	1,073
(d)	No. of complaints pending at the end of the year	-	-	-

Note: The above figure includes complaints lodged by Equity Shareholders also post listing of the Company.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 55: Current and non current classification

As required by the paragraph 61 of Ind As 1, Presentation of financial statements, the classification into current and non current of line item of assets and liabilities as in the balance sheet is as under :

a) Classification of balance sheet as at 31 March 2021

Particulars	As at 31 March 2021		
Line Item	Amount	Current	Non-current
Assets			
Financial Assets			
Cash and cash equivalents	2,971.91	2,971.91	-
Bank balance other than (a) above	1,617.33	1,617.33	-
Derivative financial instruments	760.14	-	760.14
Receivables			-
- Trade receivables	-	-	-
- Lease receivables	1,655,689.91	129,055.37	1,526,634.54
Loans	69,698.15	8,422.10	61,276.05
Investments	119.82	9.17	110.65
Other financial assets	1,971,282.49	3,821.36	1,967,461.13
Total financial assets	**3,702,139.75**	**145,897.24**	**3,556,242.51**
Non-financial assets			
Current tax assets (net)	9,303.25	9,303.25	-
Deferred tax assets (net)	-	-	-
Property, plant and equipment	453.16	-	453.16
Other Intangible assets	0.41	-	0.41
Other non-financial assets	68,620.61	68,586.60	34.01
Total non-financial assets	**78,377.43**	**77,889.85**	**487.58**
Total Assets	**3,780,517.18**	**223,787.09**	**3,556,730.09**
Liabilities			
Financial liabilities			
Derivative financial instruments	3,601.28	-	3,601.28
Trade payable	507.61	507.61	-
Debt securities	1,785,747.89	136,119.71	1,649,628.18
Borrowings (other than debt securities)	1,445,358.90	77,201.36	1,368,157.54
Other financial liabilities	172,076.86	112,987.86	59,089.00
Total financial liabilities	**3,407,292.54**	**326,816.54**	**3,080,476.00**
Non-financial liabilities			
Current tax liabilities (net)	-	-	-
Provisions	291.22	288.13	3.09
Deferred tax liabilities (net)	-	-	-
Other non-financial liabilities	13,799.60	13,799.60	-
Total non-financial liabilities	**14,090.82**	**14,087.73**	**3.09**
Total liabilities	**3,421,383.36**	**340,904.27**	**3,080,479.09**
Equity			
Equity share capital	130,685.06	-	130,685.06
Other equity	228,448.76	-	228,448.76
Total equity	**359,133.82**	**-**	**359,133.82**
Total Liabilities and Equity	**3,780,517.18**	**340,904.27**	**3,439,612.91**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

b) Classification of balance sheet as at 31 March 2020

Particulars	As at 31 March 2020		
Line Item	**Amount**	**Current**	**Non-current**
Assets			
Financial Assets			
Cash and cash equivalents	13.80	13.80	-
Bank balance other than (a) above	993.83	993.83	-
Derivative financial instruments	-	-	-
Receivables	-		-
- Lease receivables	1,485,798.00	112,525.68	1,373,272.32
Loans	64,233.71	8,810.51	55,423.20
Investments	115.12	10.05	105.07
Other financial assets	1,182,742.54	4,599.95	1,178,142.59
Total financial assets	**2,733,897.00**	**126,953.82**	**2,606,943.18**
Non-financial assets			
Current tax assets (net)	6,308.41	6,308.41	-
Deferred tax assets (net)	-	-	-
Property, plant and equipment	110.04	-	110.04
Other Intangible assets	0.43	-	0.43
Other non-financial assets	14,725.41	14,700.11	25.30
Total non-financial assets	**21,144.29**	**21,008.52**	**135.77**
Total Assets	**2,755,041.29**	**147,962.34**	**2,607,078.95**
Liabilities			
Financial liabilities			
Derivative financial instruments	4,065.15	-	4,065.15
Trade payable	377.52	377.52	-
Debt securities	1,552,904.56	112,291.99	1,440,612.57
Borrowings (other than debt securities)	790,862.65	154,346.29	636,516.36
Other financial liabilities	103,373.67	53,519.21	49,854.46
Total financial liabilities	**2,451,583.55**	**320,535.01**	**2,131,048.54**
Non-financial liabilities			
Current tax liabilities (net)	-	-	-
Provisions	138.03	121.14	16.89
Deferred tax liabilities (net)	-	-	-
Other non-financial liabilities	322.19	322.19	-
Total non-financial liabilities	**460.22**	**443.33**	**16.89**
Total liabilities	**2,452,043.77**	**320,978.34**	**2,131,065.43**
Equity			
Equity share capital	118,804.60	-	118,804.60
Other equity	184,192.92	-	184,192.92
Total equity	**302,997.52**	**-**	**302,997.52**
Total Liabilities and Equity	**2,755,041.29**	**320,978.34**	**2,434,062.95**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

c) Classification of balance sheet as at 1 April 2019

Particulars	As at 1 April 2019		
Line Item	**Amount**	**Current**	**Non-current**
Assets			
Financial Assets			
Cash and cash equivalents	37.07	37.07	-
Bank balance other than (a) above	773.59	773.59	-
Derivative financial instruments	466.90	-	466.90
Receivables		-	-
- Lease receivables	1,250,265.12	95,104.40	1,155,160.72
Loans	58,954.87	8,779.57	50,175.30
Investments	131.45	11.06	120.39
Other financial assets	738,239.44	8,599.99	729,639.45
Total financial assets	**2,048,868.44**	**113,305.68**	**1,935,562.76**
Non-financial assets			
Current tax assets (net)	414.67	414.67	-
Deferred tax assets (net)	-	-	-
Property, plant and equipment	112.25	-	112.25
Other Intangible assets	0.50	-	0.50
Other non-financial assets	14,987.09	14,961.79	25.30
Total non-financial assets	**15,514.51**	**15,376.46**	**138.05**
Total Assets	**2,064,382.95**	**128,682.14**	**1,935,700.81**
Liabilities			
Financial liabilities			
Derivative financial instruments	3,105.95	-	3,105.95
Trade payable	121.73	121.73	-
Debt securities	1,235,978.99	106,011.36	1,129,967.63
Borrowings (other than debt securities)	503,347.76	124,312.45	379,035.31
Other financial liabilities	72,999.42	38,511.05	34,488.37
Total financial liabilities	**1,815,553.85**	**268,956.59**	**1,546,597.26**
Non-financial liabilities			
Current tax liabilities (net)	-	-	-
Provisions	117.96	80.98	36.98
Deferred tax liabilities (net)	-	-	-
Other non-financial liabilities	48.15	48.15	-
Total non-financial liabilities	**166.11**	**129.13**	**36.98**
Total liabilities	**1,815,719.96**	**269,085.72**	**1,546,634.24**
Equity			
Equity share capital	93,804.60	-	93,804.60
Other equity	154,858.39	-	154,858.39
Total equity	**248,662.99**	**-**	**248,662.99**
Total Liabilities and Equity	**2,064,382.95**	**269,085.72**	**1,795,297.23**

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

For the purpose of this note:-

i) The Company classify an assets as current when,

- It expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- It holds the asset primarily for the purpose of trading;
- It expects to realise the asset within twelve months after the reporting period or;
- The asset is cash or a cash equivalents (as defined in Ind AS 7) unless the asset is restricted from been exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non current.

ii) The Company classify a liability as current when,

- It expects to settle the liability in its normal operating cycle;
- It holds the liability primarily for the purpose of trading;
- The liability is due to be settled within twelve months after the reporting period or;
- It does not have an unconditional right to defer settlements of the liability for at least twelve months after the reporting period (see paragraph 73). Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not affects its classification.

All other liabilities are classified as non current

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 56 : SCHEDULE TO THE BALANCE SHEET OF A NON-BANKING FINANCIAL COMPANY AS REQUIRED UNDER MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016

S. No	Particulars	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
Liabilities Side:							
1)	**Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:**						
	(a) Debentures/ Bonds :						
	- Secured	1,339,542.75	-	1,157,742.13	-	974,691.31	-
	- Unsecured	417,234.87	-	356,528.34	-	231,427.91	-
	(b) Deferred Credits	-	-	-	-		-
	(c) Term Loans	1,445,358.90	-	790,862.65	-	503,347.76	-
	(d) Inter-corporate loans and Other Borrowings	-	-	-	-		-
	(e) Commercial Paper	28,970.27	-	38,634.09	-	29,859.77	-
	(f) Public Deposits	-	-	-	-	-	-
	(g) Fixed Deposits accepted from Corporates	-	-	-	-	-	-
	(h) FCNR Loans	-	-	-	-	-	-
	(i) External Commercial Borrowings	-	-	-	-	-	-
	(j) Associated liabilities in respect of securitization transactions	-	-	-	-	-	-
	(k) Subordinate debt (including NCDs issued through Public issue)	-	-	-	-	-	-
	(l) Other Short Term Loans and credit facilities from banks	-	-	-	-	-	-
2)	**Break-up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**						
	(a) In the form of Unsecured debentures -	-	-	-	-	-	-
	(b) In the form of partly secured debentures i.e. Debentures where there is a shortfall in the value of security	-	-	-	-	-	-
	(c) Other public deposits	-	-	-	-	-	-
Asset side:							
3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :**						
	(a) Secured	-	-	-	-	-	-
	(b) Unsecured	250,244.21	-	1,246,924.45	-	797,148.70	-
4)	**Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities :**						
	(i) Lease assets including lease rentals under sundry debtors :						
	(a) Financial lease	1,655,689.91	-	1,485,798.00	-	1,250,265.12	-

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

S. No	Particulars	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	(b) Operating lease	-	-	-	-	-	-
	(ii) Stock on hire including hire charges under sundry debtors :						
	(a) Assets on hire	-	-	-	-	-	-
	(b) Repossessed Assets	-	-	-	-	-	-
	(iii) Other loans counting towards AFC activities:					-	-
	(a) Loans where assets have been repossessed	-	-	-	-	-	-
	(b) Loans other than (a) above	-	-	-	-	-	-
5)	**Break-up of Investments :**						
	Current Investments :						
	1. Quoted :						
	(i) Shares: (a) Equity	-	-	-	-	-	-
	(b) Preference	-	-	-	-	-	-
	(ii) Debentures and Bonds	-	-	-	-	-	-
	(iii) Units of mutual funds	-	-	-	-	-	-
	(iv) Government Securities	-	-	-	-	-	-
	2. Unquoted :						
	(i) Shares: (a) Equity	-	-	-	-	-	-
	(b) Preference	-	-	-	-	-	-
	(ii) Debentures and Bonds	-	-	-	-	-	-
	(iii) Units of mutual funds	-	-	-	-	-	-
	(iv) Government Securities	-	-	-	-	-	-
	(v) Investments in Pass Through Certificates under securitization transactions	-	-	-	-	-	-
	(vi) Commercial Papers	-	-	-	-	-	-
	(vii) Investments in Pass Through Certificates under securitization transactions	-	-	-	-	-	-
	Long Term Investments :						
	1. Quoted :						
	(i) Shares: (a) Equity	107.73	-	92.98	-	98.15	-
	(b) Preference	-	-	-	-	-	-
	(ii) Debentures and Bonds	-	-	-	-	-	-
	(iii) Units of mutual funds	-	-	-	-	-	-
	(iv) Government Securities	-	-	-	-	-	-
	2. Unquoted :						
	(i) Shares: (a) Equity	-	-	-	-	-	-
	(b)Preference	-	-	-	-	-	-
	(ii) Debentures and Bonds	-	-	-	-	-	-
	(iii) Units of mutual funds	-	-	-	-	-	-
	(iv) Government Securities	-	-	-	-	-	-
	(v) Investments in Pass Through Certificates under securitization transactions	12.14	-	22.23	-	33.30	-

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

6) Borrower group-wise classification assets financed as in (3) and (4) above :

Category	As at 31 March 2021 Amount of Net provision			As at 31 March 2020 Amount of Net provision			As at 1 April 2019 Amount of Net provision		
	Secured	Unsecured	Total	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties									
(a) Subsidiaries	-	-	-	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-	-	-	-
(c) Other related parties	-	1,905,934.12	1,905,934.12	-	2,732,722.45	2,732,722.45	-	2,047,413.82	2,047,413.82
2. Other than related parties	-	-	-	-	-		-	-	-
Total	**-**	**1,905,934.12**	**1,905,934.12**	**-**	**2,732,722.45**	**2,732,722.45**	**-**	**2,047,413.82**	**2,047,413.82**

7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
	Market value/ Break up/or fair value of NAV	Book value (net of provision)	Market value/ Break up/or fair value of NAV	Book value (net of provision)	Market value/ Break up/or fair value of NAV	Book value (net of provision)
1. Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	107.73	107.73	92.98	92.98	98.15	98.15
2. Other than related parties	12.14	12.09	22.23	22.14	33.30	33.30
Total	**119.87**	**119.82**	**115.21**	**115.12**	**131.45**	**131.45**

8) Other information:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
i) Gross Non-Performing Assets :			
(a) Related parties	-	-	-
(b) Other than related parties	-	-	-
ii) Net Non-Performing Assets :			
(a) Related parties	-	-	-
(b) Other than related parties	-	-	-
iii) Assets acquired in satisfaction of debt :	-	-	-

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 57 : DISCLOSURE AS REQUIRED UNDER RBI NOTIFICATION NO. RBI/2019-20/170 DOR (NBFC).CC.PD.NO .109/22.10.106/2019-20 DATED 13 MARCH 2020 ON IMPLEMENTATION OF INDIAN ACCOUNTING STANDARDS

(i) A comparison between provisions required under extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109 for the year ended 31 March 2021.

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard *	Stage 1	1,736,799.30	324.00	1,736,475.30	324.00	-
	Stage 2	-	-	-	-	-
Subtotal for standard		**1,736,799.30**	**324.00**	**1,736,475.30**	**324.00**	**-**
Non-Performing Assets (NPA)						
Substandard	Stage 3					
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful						
Loss	Stage 3					
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2					
	Stage 3					
Subtotal		-	-	-	-	-
Total	Stage 1	**1,736,799.30**	**324.00**	**1,736,475.30**	**324.00**	**-**
	Stage 2	-	-	-	-	
	Stage 3	-	-	-	-	-
Total		**1,736,799.30**	**324.00**	**1,736,475.30**	**324.00**	**-**

* Standard assets includes amount recoverable from ministry of railways being due from sovereign. The Reserve Bank of India has granted exemption to the Company in respect of classification of asset, provisioning norms and credit concentration norms to the extent of direct exposure to sovereign (refer note no. 42(a) (i))

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

(ii) A comparison between provisions required under extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109 for the year ended 31 March 2020.

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard *	Stage 1	1,560,103.26	296.85	1,559,806.41	296.85	-
	Stage 2	-	-	-	-	-
Subtotal for standard		**1,560,103.26**	**296.85**	**1,559,806.41**	**296.85**	**-**
Non-Performing Assets (NPA)						
Substandard	Stage 3					
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful						
Loss	Stage 3					
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2					
	Stage 3					
Subtotal		-	-	-	-	-
Total	Stage 1	**1,560,103.26**	**296.85**	**1,559,806.41**	**296.85**	**-**
	Stage 2	-	-	-	-	
	Stage 3	-	-	-	-	-
Total		**1,560,103.26**	**296.85**	**1,559,806.41**	**296.85**	**-**

* Standard assets includes amount recoverable from ministry of railways being due from sovereign. The Reserve Bank of India has granted exemption to the Company in respect of classification of asset, provisioning norms and credit concentration norms to the extent of direct exposure to sovereign (refer note no. 42(a) (i))

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

(iii) A comparison between provisions required under extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109 for the year ended 1 April 2019.

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard *	Stage 1	1,319,293.36	275.44	1,319,017.92	275.44	-
	Stage 2	-	-	-	-	-
Subtotal for standard		**1,319,293.36**	**275.44**	**1,319,017.92**	**275.44**	**-**
Non-Performing Assets (NPA)						
Substandard	Stage 3					
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful						
Loss	Stage 3					
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2					
	Stage 3					
Subtotal		-	-	-	-	-
Total	Stage 1	**1,319,293.36**	**275.44**	**1,319,017.92**	**275.44**	**-**
	Stage 2	-	-	-	-	
	Stage 3	-	-	-	-	-
Total		**1,319,293.36**	**275.44**	**1,319,017.92**	**275.44**	**-**

* Standard assets includes amount recoverable from ministry of railways being due from sovereign. The Reserve Bank of India has granted exemption to the Company in respect of classification of asset, provisioning norms and credit concentration norms to the extent of direct exposure to sovereign (refer note no. 42(a) (i))

Since the total impairment allowances under Ind AS 109 is equal to the total provisioning required under IRACP (including standard asset provisioning) as at 31 March 2021, no amount is required to be transferred to 'Impairment Reserve'. The gross carrying amount of asset as per Ind AS 109 and Loss allowances (Provisions) thereon includes interest accrual on net carrying value of stage - 3 assets as permitted under Ind AS 109. While, the provisions required as per IRACP norms does not include any such interest as interest accrual on NPAs is not permitted under IRACP norms.

The balance in the 'Impairment Reserve' (as and when created) shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

(ii) In terms of recommendations as per above referred notification, the Company has adopted the same definition of default for accounting purposes as guided by the definition used for regulatory purposes.

As at 31 March 2021, there are no loan accounts that are past due beyond 90 days but not treated as impaired.

Note 58 : DISCLOSURES AS REQUIRED UNDER COVID 19 REGULATORY PACKAGE - ASSET CLASSIFICATION AND PROVISIONING ISSUED BY RBI VIDE NOTIFICATION NO. RBI/2019-20/220 DOR.No. BO.BC.63/21/04.048/2019 -20 DATED 17 APRIL 2020.

S. No.	Pariculars	Amount
i	Respective amounts in SMA / overdue categories, where the moratoriun / deferment was extended in terms of pararaph 2 & 3 of the aforesaid notification	Nil
ii	Respective amount where asset classfication benefit is extended	Nil
iii	Provisions made during quarter 4 of Financial year 2020 - 21	Nil
iv.	Provisions adjusted during the respective accounting periods against slippages and residual provisions in terms of paragraph 6 of the aforesaid notification	Nil

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 59 DISCLOSURES AS REQUIRED UNDER GUIDELINES ON LIQUIDITY RISK MANAGEMENT FRAMEWORK FOR NBFCs ISSUED BY RBI VIDE NOTIFICATION NO. RBI/2019-20/88 DOR.NBFC (PD) CC. NO. 102 /03.10.001/2019-20 DATED 4 NOVEMBER 2019

Public Disclosures on Liquidity Risk:

A. Funding Concentration based on significant counterparty

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Number of Significant Counterparties*	-	-	-
Amount in (Millions)	-	-	-
Percentage of Funding Concentration of Total Deposits	N/A	N/A	N/A
Percentage of Funding Concentration of Total Liabilities	N/A	N/A	N/A
Total Liabilities	**3,421,383.36**	**2,452,043.77**	**1,815,719.96**

As per RBI Notification No. RBI/2019-20/88 DOR.NBFC (PD) CC. NO. 102 /03.10.001/2019-20 DATED 4 November 2019 A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

B. Top 10 Borrowings

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Total Amount of Top 10 Borrowings	973,584.08	608,608.43	561,965.15
Percentage of Amount of Top 10 Borrowings to total borrowings (%)	30.13%	25.97%	32.31%
Total Borrowings	3,231,106.79	2,343,767.21	1,739,326.75

C. Funding Concentration based on significant instrument/product

Particular	As at 31 March 2021	Percentage (%) of Total Liabilities	As at 31 March 2020	Percentage (%) of Total Liabilities	As at 1 April 2019	Percentage (%) of Total Liabilities
Significant instrument/Product						
Non-convertible debentures	1,553,752.18	45.41%	1,362,599.36	55.57%	1,136,548.03	62.59%
Term loan from Banks (including FCNR loans)	888,268.00	25.96%	496,250.00	20.24%	277,905.00	15.31%
External Commercial Borrowings	537,916.30	15.72%	248,664.76	10.14%	95,814.98	5.28%
Associated liabilities in respect of securitization transactions	-	-	-	-	-	-
Public deposits	-	-	-	-	-	-
Subordinated redeemable non-convertible debentures	-	-	-	-	-	-

As per RBI Notification No. RBI/2019-20/88 DOR.NBFC (PD) CC. NO. 102 /03.10.001/2019-20 DATED 4 November 2019 A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

D. Stock Ratios

Particular	As at 31 March 2021	Percentage(%) of Total Public Funds	Percentage(%) of Total Assets	Percentage(%) of Total Liabilities
Commercial Papers (CPs)	28,970.27	NA	0.77%	0.85%
Non-convertible debentures (NCDs) with original maturity of less than one year	-	NA	NA	NA
Other short-term liabilities	47,200.04	NA	1.25%	1.38%

Particular	As at 31 March 2020	Percentage(%) of Total Public Funds	Percentage(%) of Total Assets	Percentage(%) of Total Liabilities
Commercial Papers (CPs)	38,634.09	NA	1.40%	1.58%
Non-convertible debentures (NCDs) with original maturity of less than one year	-	NA	NA	NA
Other short-term liabilities	22,619.00	NA	0.82%	0.92%

Particular	As at 1 April 2019	Percentage(%) of Total Public Funds	Percentage(%) of Total Assets	Percentage(%) of Total Liabilities
Commercial Papers (CPs)	29,859.77	NA	1.45%	1.64%
Non-convertible debentures (NCDs) with original maturity of less than one year	-	NA	NA	NA
Other short-term liabilities	24,198.97	NA	1.17%	1.33%

As per RBI Notification No. RBI/2019-20/88 DOR.NBFC (PD) CC. NO. 102 /03.10.001/2019-20 DATED 4 November 2019 A "Other short-term liabilities" is defined as a all short-term borrowings other than CPs and NCDs with original maturity less than 12 months.

E. Institutional set-up for liquidity risk management

Refer Note no. 38.9

Notes to Financial Statements for the year ended 31 March 2021

(All amounts in millions of INR, unless stated otherwise)

Note 60:

a) Previous year figures have been regrouped/ rearranged, whenever necessary, in order to make them comparable with those of the current year.

Note 61: Approval of financial statements

a) The financial statements for the year ended 31 March 2021 were approved by the Board of Directors on 29th June 2021.

For M/s. KBDS & Co.
Chartered Accountants
(FRN 323288E)

Sd/-
(Dashrath Kumar Singh)
(Partner)
M.No. 060030
UDIN:21060030AAAAEK2554

Place: New Delhi
Date: 29th June 2021

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

Sd/-	Sd/-	Sd/-
(Vijay Babulal Shirode)	**(Shelly Verma)**	**(Amitabh Banerjee)**
Company Secretary & JGM (Law)	Director Finance	Chairman & Managing Director
FCS: 6876	DIN: 07935630	DIN: 03315975

Independent Auditor's Report

To

The Board of Directors,
Indian Railways Finance Corporation Limited,

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Indian Railway Finance Corporation Limited ("the Company"), which comprise the balance sheet as at 31st March, 2021 and the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, 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 , 2021, and the profit and total comprehensive income, changes in equity, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 there-under, 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.

Emphasis of Matters

We draw attention towards Amount payable to or receivable from Ministry of Railways in respect of Liabilities and Assets against transactions of Financial Statement are subject to reconciliation and confirmation by the Ministry of Railways (MoR). Please refer to Note 46(d).

We have determined the matters described below to be the Key Audit Matters to be communicated:-

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

Sr. No.	Key Audit Matters	Auditor's Response
1	The government has introduced new section 115BAA by the Taxation Law (Amendment) Ordinance, 2019 w.e.f F.Y. 2019-20, which provides an option to opt for a income tax rate of 22%, Surcharge 10% & Health and Education Cess at 4% by any domestic company. By opting this total effective tax rate will be at 25.17% (under normal provision of income tax) as against earlier effective tax rate of 34.95% (under normal provision of income tax). However, the earlier effective tax rate under MAT was 21.55% which was applicable on the company.	After adoption of Section 115BAA, the taxable income under the normal provision income tax may become NIL. Further after adoption of section 115BAA, the company will be outside the scope and applicability of MAT Provision under section 115JB of Income Tax Act, 1961. Hence, no tax liability may be there for the F.Y 2020-21 on the company. Hence, no tax provision has been created for the year ended 31.03.2021.

2	In terms of the revised arrangement with the Ministry of Railways, the contractors appointed for undertaking Railway Infrastructure Projects funded by the Company to be leased to Indian Railways, have started raising the invoices in the name of the Company for the expenditures incurred / payments made to Suppliers and Vendors by Ministry of Railway (MoR) for the aforesaid projects with effect from May 1, 2020. Accordingly, the Company is entitled to claim Goods and Service Tax (GST) Input Tax Credit (ITC) from 1st May, 2020. Earlier ITC credit was not claimed and availed by IRFC Ltd on Railway Projects.	• A total sum of Rs. 5,05,509.51 million has been incurred towards expenditure made / payments made to suppliers and vendors in respect of Railway Infrastructure Projects as per the details received from the Ministry of Railways during the period from 1st May , 2020 to 31st March , 2021. • The Company is entitled to claim GST Input Tax Credit (ITC) of Rs 53,770.59 million on the aforesaid expenditures incurred on the Railway Infrastructure Projects. Please refer Note 13.
3	Prior period adjustments have been done during the Financial period ended Sept 2020 to the extent of Rs. 7071.18 million on account of previous years transactions.	The prior period adjustments of Rs. 7071.18 million arising during the year ended 31st March, 2021 has been duly adjusted in the years to which it pertains. Out of the total sum of Rs.7071.18 million, the sum of Rs. 605.49 million, Rs. 1462.42 million, Rs.844.02 Million and Rs. 5003.27 million pertains to the years ending 31st March, 2018, 31st March, 2019, 31st March, 2020 and 31st March, 2021 respectively. As a result of the aforesaid adjustment, there is reduction in ''Retained Earnings'' by Rs.6,626.82 million. Correspondingly, there is a decrease in 'Amount Recoverable from Ministry of Railways on account of Exchange Rate Variation' by Rs. 6,242.29 Million, increase 'Tax Refund Receivable' by Rs. 444.36 million, increase in Interest Accrued but not due on Borrowings by Rs.828.95 million and decrease in Other Payables by Rs. 0.06 million.
4	Compliance in respect of Companies Act for Appointment of Independent Director	Appointment of Independent Director: As per sub section 4 of Section 149 of Companies Act 2013, every listed company is mandatorily required to have at least one-third of the total number of directors as independent directors which comes to two independent directors . But presently , only one independent director is available in Board of directors.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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 Responsibilities for the Audit of the 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 except mentioned under the head of Basis for Opinion above.

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) There is no branch office of the company.

d) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of changes of Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

f) In terms of Notification No. GSR 463(E) dated 05.06.2015 issued by Ministry of Corporate Affairs, Government of India, provisions of Sub-section 2 of Section 164 of the Act, are not applicable to the Company, being a government company.

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, as referred to "Annexure B" of Audit Report.

h) The company being the government company wholly owned by the Central Govt., therefore section 197 (16) of the Companies Act 2013 shall not apply vide Notification no. GSR 463(E) dated 5th June 2015.

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 to the financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 38 to the financial statements;

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

For KBDS & Co.
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 21060030AAAAEK2554
Date: 29.06.2021
Place: New Delhi

Annexure "A" to the Independent Auditor's Report on the financial statements

(Referred to in Para 1 under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Indian Railway Finance Corporation Limited on the standalone financial statements for the year ended 31st March , 2021)

1. a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

However, these Records do not include the particulars of Property, Plant and Equipment leased to Ministry of Railways as the same are shown as lease receivables in the books of accounts.

(B) The company is maintaining proper records showing full particulars of Intangible assets but the same is subject to verification.

b) The Company has a regular programme of physical verification of its Plant, Property and Equipment by which all fixed assets are verified except leased fixed assets but the same has not been provided to us for verification. In accordance with this programme physical verification is reasonable having regard to the size of the Company and the nature of its assets.

However, Leased assets have not been certified by the Lessee (Ministry of Railways) as to their physical existence and good working condition.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of all the 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 except the title deed of office building is yet to be executed in favour of the company also the same has been disclosed in Note 46 of the financial statements.

Description of property	Gross carrying value	Held in name of	Whether promotor, director or their relative or employee	Period held	Reason for not being held in name of Company
Office Building at NBCC Palace including parking area	112.32 million (as per book value)	Occupied by IRFC Ltd on the basis of Agreement to Sale under lease hold from NBCC Ltd.	NA	Since 2000-01	Property held by NBCC Ltd under leasehold agreement from DDA. Thereafter, DDA constructed building and given to IRFC Ltd on lease basis under Agreement to Sale / Transfer. It will be transferred as and when it will be freehold in the hand of NBCC Ltd.

d) According to the information and explanation given to us, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year ended 31st March , 2021.

e) According to the information and explanation given to us, there has not been any proceeding 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;

f) The company has given an amount of Rs. 726404.30 million during year ended 31st March, 2021 (Previous Year- Rs 364300.00 Million) to Ministry of Railways under leased arrangement for financing the Railway Infrastructure Projects. However, agreement for the same is yet to be executed and list of the projects financed is yet to be received from Ministry of Railways. (Refer Note No. 45)

2. (a) The Company is a Non-Banking Finance Company and not in the business of any trading, manufacturing, mining or processing. Accordingly, it does not hold any inventory. Therefore, the provisions of paragraph 3 (ii)(a) of the Order are not applicable to the Company.

(b) According to the information and explanation given to us, during year ended 31st March , 2021, the company has not been sanctioned working capital limits in excess of five crores rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.

3. According to information and explanations given to us, during the year ended 31st March, 2021 the Company has not made investments in, provided any granted 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. Therefore, the provisions of paragraph 3 (iii) of the Companies (Auditor's Report) Order, are not applicable to the Company.

4. According to information and explanations given to us and based on audit procedures performed, the company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities provided by the Company as specified under sections 185 and 186 of the Companies Act, 2013. Therefore, the provisions of paragraph 3 (iv) of the Order are not applicable to the Company.

5. As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the companies (Acceptance of Deposit) Rules, 2015 and the rules made thereunder.

6. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, for any of the services rendered by the Company. Accordingly, clauses 3(vi) of the Companies (Auditor's Report) Order are not applicable to the Company.

7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including 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 other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. (Refer Note 34 of the financial Statement)

b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Custom, Duty of excise, VAT, Cess and other material statutory dues were in arrears as at 31st March, 2021 for a period of more than six months from the date they became payable.

c) According to the information and explanations given to us, there are no disputed statutory dues referred to in sub-clause (a) have not been deposited with the appropriate authorities. However, the demands of Income tax which has not been deposited by the company on account of dispute as the company is confident that the demands will be either deleted or substantially reduced and proper disclosure regarding the same has been given in Note No. 34 of the financial Statement.

8. According to the information and explanations given to us, no transactions 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).

9. a) In our opinion, and according to information and explanations given by the management, the company has not defaulted in making repayment of loans or borrowing from a Financial Institution, Banks or dues to debenture holders/bond holders or government as at Balance Sheet date

b) According to the information and explanations given to us, the company is not declared willful defaulter by bank or financial institution or other lender.

c) According to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.

d) According to the information and explanations given to us, funds raised on short term basis have not been utilized for long term purposes.

e) According to the information and explanations given to us, the 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. Therefore, the provisions of paragraph 3 (ix) (e) are not applicable to the Company.

f) According to the information and explanations given to us, the company has not raised loans during the year ended 31st March, 2021 on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Therefore, the provisions of paragraph 3 (ix) (e) are not applicable to the Company.

10. a) According to the information and explanations given by the management and based on our audit procedures performed we report that equity capital raised by way of initial public offer (IPO) and the funds also raised by way of issue of debt instruments were applied for the purposes for which those funds were raised.

b) According to the information and explanations given by the management, and based on our examination of records, the Company has not raised money through private placement of Equity Shares from Ministry of Railways during the year ended. Further, the company has not made any preferential or private placement of convertible debentures (fully, partially or optionally convertible) during the year.

11. a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud on the company has been noticed or reported during the year.

b) There is no report under sub-section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors Rules), 2014 with the Central Government.

c) According to the information and explanations given by the management, there has not been whistle-blower complaints received by company during the year ended 31st March, 2021.

12. According to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii)(a) of the Order is not applicable.

13. According to the information and explanations given by the management, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

14. a) According to the information and explanations given by the management, the company has internal audit system on the basis of Quarter which commensurate with the size and nature of its business.

b) Audit Report of Quarter ended June, 2020, Sept 2020 , Dec 2020 & March 2021 Quarter have been considered during conducting Statutory Audit.

15. According to the information and explanations given to us and based on audit procedures performed, the Company has not entered into any non-cash transactions with directors or persons connected with him which are covered under Section 192 of Companies Act. Accordingly, paragraph 3(xv) of the Order is not applicable;

16. a) According to the information and explanations given to us, the Company is a Non-Banking Finance Company and is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the registration has been obtained;

b) As per information and explanations available, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from Reserve Bank of India as per the Reserve Bank of India Act 1934;

c) Since the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. So this clause is not applicable.

17. According to the information and explanations given to us, company has not incurred cash losses in the year ended 31st March, 2021 also in preceding financial year.

18. According to information and explanation received to us, there is no resignation of the statutory auditors during the year ended 31st March, 2021.

19. According to information and explanation received to us and on the basis of our examination of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, Board of Directors and management plans, there is no material uncertainty exists as on the date of the audit report that 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.

20. a) According to information and explanation received to us, the company has assured to transfer unspent amount if any 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;

b) According to information and explanation received to us the remaining unspent amount, if any , under sub-section (5) of the Companies Act, pursuant to any ongoing project, shall be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act .

For KBDS & Co.
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 21060030AAAAEK2554
Date: 29.06.2021
Place: Delhi

Annxure "B" to the independent auditor's report

Referred to in Para 2(g) under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Indian Railway Finance Corporation Limited on the standalone financial statements for the year ended 31st March , 2021)

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 Indian Railway Finance Corporation Limited ("the company") as of 31 March, 2021 in conjunction with our audit of the Standalone 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, to the extent applicable to an 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. 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 procedure selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that :

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the 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, to the best of our information and according to explanation given to us, 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 31 March 2021, 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 issued by the Institute of Chartered Accountants of India except the following area where the internal control system required to be improved:

Amount payable to or receivable from Ministry of Railways in respect of Liabilities and Assets against transactions of Financial Statement are subject to reconciliation and confirmation by the Ministry of Railways (MoR). Please refer to Note 46(d).

For KBDS & Co.
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 21060030AAAAEK2554
Date: 29.06.2021
Place: Delhi

Annexure C to the Independent Auditor's Report on the financial statements

Direction under section 143(5) of the new Companies Act, 2013

Sr. No.	Particulars	Reply
1	Whether the company has system in place to process all the accounting transactions through IT system? If Yes, the implication of processing of accounting transaction outside IT system on the integrity of the accounts along with the financial implication, if any, may be stated	The company has an IT system to process its accounting transactions. The company follows accounting software Tally to record its accounting transactions.
2	Whether there is any restructuring if 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 reply the loan ? If yes the financial impact may be stated	There is no case of waiver /write off of any debts/loan/interest etc. made by a lender to the company due to the company's inability to repay the loan.
3	Whether funds received/ receivable for specific schemes from central/state agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.	No grants received during the year. The company has not received any grants form CENTRAL/STATE agencies unutilized funds pending with the company are being utilized as per terms & conditions of grants.

For KBDS & Co.
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 21060030AAAAEK2554
Date: 29.06.2021
Place: Delhi

Non-Banking Financial Companies Auditors' Report for the Year Ended 31st March 2021

To
The Board of Directors,
Indian Railways Finance Corporation Limited

Dear Sir,

As required by the " Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India on the matters specified in Para 3 and 4 of the said Directions to the extent applicable to the Corporation, We report that:

1. The Company is engaged in the business of non-banking financial institution, having valid Certificate of Registration as an Infrastructure Finance Company issued by Reserve Bank of India vide No is B-14.00013 dated 22.11.2010. Further , the Company is entitled to continue to hold such registration in terms of its asset / income pattern as on 31.03.2021.

2. The Company is meeting the requirement of net owned funds applicable to an Infrastructure Finance Company as contained in Master Direction-Non Banking Financial Company-Systemically Important Non Deposit taking Company and deposit taking Company (Reserve Bank) Direction 2016.

3. According to the information and explanation given to us , the RBI Directions as to deposits are not applicable to the Company. Therefore, the Board of Directors of the Company has passed any resolution for non-acceptance of any public deposits during the year 2020-21.

4. The Company has not accepted any public deposits during the financial year 2020-21.

5. For the Financial Year ending 31 March, 2021, the Company has complied with the Accounting Standards, Income recognition norms as per the RBI Master Directions on Non-Banking Financial Company –Systematically Important Non-Deposit taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 vide No. DNBR.008/03.10.119/2016-17 dated September 1, 2016. Further , the Company , has followed the Accounting Standards, Income Recognition, asset classification and provisioning for Bad and Doubtful Debts/ being a Government Non-Banking Financial Company as defined under clause (45) of Section 2 of the Companies Act ,2013 (18 of 2013) except the income recognition and assets classification (IRAC) norms, standard assets provisioning and exposure norms to Ministry of Railways , Government of India granted by RBI vide their letter no DNBR(PD) CO. No. 1271/03.10.001/2018-19 dated 21.12.2018.

6. As per the information and explanation given to us , the Statement of Capital Funds , Risk Assets/exposures and risk ratio (DNBS-03 Return) has been filed by the Company for the quarter ended 31.03.2021 on the basis of the provisional financial results.

For KBDS & Co.
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 21060030AAAAEK2554
Date: 29.06.2021
Place: New Delhi

Revised Independent Auditor's Report

To

The Board of Directors,
Indian Railways Finance Corporation Limited,

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Indian Railway Finance Corporation Limited ("the Company"), which comprise the balance sheet as at 31st March, 2021 and the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, 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 , 2021, and the profit and total comprehensive income, changes in equity, and its cash flows for the year ended on that date.

This report has been revised consequent upon observations of Comptroller of Auditor General of India during the course of audit u/s 139(5) of the Companies Act, 2013 as amended, for the year ended on 31st March, 2021, and this report supersedes our earlier report dated 29th June, 2021 under section 143 of the Companies Act, 2013.

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 there-under, 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.

Emphasis of Matters

We draw attention towards Amount payable to or receivable from Ministry of Railways in respect of Liabilities and Assets against transactions of Financial Statement are subject to reconciliation and confirmation by the Ministry of Railways (MoR). Please refer to Note 46(d).

We have determined the matters described below to be the Key Audit Matters to be communicated:-

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

Sr. No.	Key Audit Matters	Auditor's Response
1	The government has introduced new section 115BAA by the Taxation Law (Amendment) Ordinance, 2019 w.e.f F.Y. 2019-20, which provides an option to opt for a income tax rate of 22%, Surcharge 10% & Health and Education Cess at 4% by any domestic company. By opting this total effective tax rate will be at 25.17% (under normal provision of income tax) as against earlier effective tax rate of 34.95% (under normal provision of income tax). However, the earlier effective tax rate under MAT was 21.55% which was applicable on the company.	After adoption of Section 115BAA, the taxable income under the normal provision income tax may become NIL. Further after adoption of section 115BAA, the company will be outside the scope and applicability of MAT Provision under section 115JB of Income Tax Act, 1961. Hence, no tax liability may be there for the F.Y 2020-21 on the company. Hence, no tax provision has been created for the year ended 31.03.2021.

2	In terms of the revised arrangement with the Ministry of Railways, the contractors appointed for undertaking Railway Infrastructure Projects funded by the Company to be leased to Indian Railways, have started raising the invoices in the name of the Company for the expenditures incurred / payments made to Suppliers and Vendors by Ministry of Railway (MoR) for the aforesaid projects with effect from May 1, 2020. Accordingly, the Company is entitled to claim Goods and Service Tax (GST) Input Tax Credit (ITC) from 1st May, 2020. Earlier ITC credit was not claimed and availed by IRFC Ltd on Railway Projects.	• A total sum of Rs. 5,05,509.51 million has been incurred towards expenditure made / payments made to suppliers and vendors in respect of Railway Infrastructure Projects as per the details received from the Ministry of Railways during the period from 1st May , 2020 to 31st March , 2021. • The Company is entitled to claim GST Input Tax Credit (ITC) of Rs 53,770.59 million on the aforesaid expenditures incurred on the Railway Infrastructure Projects. Please refer Note 13.
3	Prior period adjustments have been done during the Financial period ended Sept 2020 to the extent of Rs. 7071.18 million on account of previous years transactions.	The prior period adjustments of Rs. 7071.18 million arising during the year ended 31st March, 2021 has been duly adjusted in the years to which it pertains. Out of the total sum of Rs.7071.18 million, the sum of Rs. 605.49 million, Rs. 1462.42 million, Rs. 844.02 Million and Rs. 5003.27 million pertains to the years ending 31st March, 2018, 31st March, 2019, 31st March, 2020 and 31st March, 2021 respectively. As a result of the aforesaid adjustment, there is reduction in ''Retained Earnings '' by Rs.6,626.82 million. Correspondingly, there is a decrease in 'Amount Recoverable from Ministry of Railways on account of Exchange Rate Variation' by Rs. 6,242.29 Million, increase 'Tax Refund Receivable' by Rs. 444.36 million, increase in Interest Accrued but not due on Borrowings by Rs. 828.95 million and decrease in Other Payables by Rs. 0.06 million.
4	Compliance in respect of Companies Act for Appointment of Independent Director	Appointment of Independent Director: As per sub section 4 of Section 149 of Companies Act 2013, every listed company is mandatorily required to have at least one-third of the total number of directors as independent directors which comes to two independent directors . But presently , only one independent director is available in Board of directors.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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 Responsibilities for the Audit of the 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 except mentioned under the head of Basis for Opinion above.

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) There is no branch office of the company.

d) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of changes of Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

f) In terms of Notification No. GSR 463(E) dated 05.06.2015 issued by Ministry of Corporate Affairs, Government of India, provisions of Sub-section 2 of Section 164 of the Act, are not applicable to the Company, being a government company.

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, as referred to "Annexure B" of Audit Report.

h) The company being the government company wholly owned by the Central Govt., therefore section 197 (16) of the Companies Act 2013 shall not apply vide Notification no. GSR 463(E) dated 5th June 2015.

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 to the financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 38 to the financial statements;

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

For KBDS & Co.
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 21060030AAAAES5791
Date: 27.08.2021
Place: New Delhi

Annexure "A" to the Independent Auditor's Report on the financial statements

(Referred to in Para 1 under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Indian Railway Finance Corporation Limited on the standalone financial statements for the year ended 31st March , 2021)

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   However, these Records do not include the particulars of fixed assets leased to Ministry of Railways as the same are shown as lease receivables in the books of accounts.

   b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified except leased fixed assets. In accordance with this programme physical verification is reasonable having regard to the size of the Company and the nature of its assets.

   However, Leased assets have not been certified by the Lessee (Ministry of Railways) as to their physical existence and good working condition.

   c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of all the 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 except the title deed of office building is yet to be executed in favour of the company also the same has been disclosed in Note 46 of the financial statements.

   d) The company has given an amount of Rs. 726404.30 millions during year ended 31st March, 2021 (Previous Year- Rs 364300.00 Millions) to Ministry of Railways under leased arrangement for financing the Railway Infrastructure Projects. However, agreement for the same is yet to be executed and list of the projects financed is yet to be received from Ministry of Railways. (Refer Note No. 45)

2. The Company is a Non-Banking Finance Company and not in the business of any trading, manufacturing, mining or processing. Accordingly, it does not hold any inventory. Therefore, the provisions of paragraph 3 (ii) of the Order are not applicable to the Company.

3. According to information and explanations given to us, during the year ended 31st March, 2021 the Company has not made investments in, provided any granted 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. Therefore, the provisions of paragraph 3 (iii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

4. According to information and explanations given to us and based on audit procedures performed, the company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities provided by the Company as specified under sections 185 and 186 of the Companies Act, 2013. Therefore, the provisions of paragraph 3 (iv) of the Order are not applicable to the Company.

5. As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the companies (Acceptance of Deposit) Rules, 2015 and the rules made thereunder.

6. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, for any of the services rendered by the Company. Accordingly, clauses 3(vi) of the Companies (Auditor's Report) Order are not applicable to the Company.

7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including 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 other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. (Refer Note 34 of the financial Statement)

   b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Custom, Duty of excise, VAT, Cess and other material statutory dues were in arrears as at 31st

March, 2021 for a period of more than six months from the date they became payable.

c) According to the information and explanations given to us, there are no disputed statutory dues referred to in sub-clause (a) have not been deposited with the appropriate authorities. However, the demands of Income tax which has not been deposited by the company on account of dispute as the company is confident that the demands will be either deleted or substantially reduced and proper disclosure regarding the same has been given in Note No. 34 of the financial Statement.

8. In our opinion, and according to information and explanations given by the management, the company has not defaulted in making repayment of loans or borrowing from a Financial Institution, Banks or dues to debenture holders/bond holders or government as at Balance Sheet date.

9. According to the information and explanations given by the management and based on our audit procedures performed we report that equity capital raised by way of initial public offer (IPO) and the funds also raised by way of issue of debt instruments were applied for the purposes for which those funds were raised.

10. To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud on the company has been noticed or reported during the year.

11. The Company being the Government Company wholly owned by the Central Govt., therefore section 197 read with schedule V of the Companies Act 2013 shall not apply vide Notification no GSR 463(E) dated 5th June 2015.

12. According to the information and explanations given to us, the Company is not a nidhi company.

    Accordingly, paragraph 3(xii) of the Order is not applicable.

13. According to the information and explanations given by the management, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

14. According to the information and explanations given by management , and based on our examination of records , the Company has raised money through private placement of Equity Shares from Ministry of Railways during the year. Further , the company has not made any preferential or private placement of fully or partly convertible debentures during the year.

15. According to the information and explanations given to us and based on audit procedures performed , the Company has not entered into any non-cash transactions with directors or persons connected with him which are covered under Section 192 of Companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.

16. According to the information and explanations given to us, the Company is a Non-Banking Finance Company and is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the registration has been obtained;

For KBDS & Co.
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 21060030AAAAES5791
Date: 27.08.2021
Place: Delhi

Annxure "B" to the independent auditor's report

Referred to in Para 2(g) under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Indian Railway Finance Corporation Limited on the standalone financial statements for the year ended 31st March , 2021)

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 **Indian Railway Finance Corporation Limited** ("the company") as of 31st March, 2021 in conjunction with our audit of the Standalone 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, to the extent applicable to an 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. 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 procedure selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that:

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the 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, to the best of our information and according to explanation given to us, 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, 2021, 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 issued by the Institute of Chartered Accountants of India except the following area where the internal control system required to be improved :

Amount payable to or receivable from Ministry of Railways in respect of Liabilities and Assets against transactions of Financial Statement are subject to reconciliation and confirmation by the Ministry of Railways (MoR). Please refer to Note 46(d).

For KBDS & Co.
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 21060030AAAAES5791
Date: 27.08.2021
Place: Delhi

Annexure C to the Independent Auditor's Report on the financial statements

Direction under section 143(5) of the new Companies Act, 2013

Sr. No.	Particulars	Reply
1	Whether the company has system in place to process all the accounting transactions through IT system? If Yes, the implication of processing of accounting transaction outside IT system on the integrity of the accounts along with the financial implication, if any, may be stated	The company has an IT system to process its accounting transactions. The company follows accounting software Tally to record its accounting transactions.
2	Whether there is any restructuring if 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 reply the loan ? If yes the financial impact may be stated	There is no case of waiver /write off of any debts/loan/interest etc. made by a lender to the company due to the company's inability to repay the loan.
3	Whether funds received/ receivable for specific schemes from central/state agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.	No grants received during the year. The company has not received any grants form CENTRAL/STATE agencies unutilized funds pending with the company are being utilized as per terms & conditions of grants.

For KBDS & Co.
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 21060030AAAAES5791
Date: 27.08.2021
Place: Delhi

Non-Banking Financial Companies Auditors' Report for the Year Ended 31st March 2021

To
The Board of Directors,
Indian Railways Finance Corporation Limited

Dear Sir,

As required by the " Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India on the matters specified in Para 3 and 4 of the said Directions to the extent applicable to the Corporation, We report that:

1. The Company is engaged in the business of non-banking financial institution, having valid Certificate of Registration as an Infrastructure Finance Company issued by Reserve Bank of India vide No is B-14.00013 dated 22.11.2010. Further , the Company is entitled to continue to hold such registration in terms of its asset / income pattern as on 31.03.2021.

2. The Company is meeting the requirement of net owned funds applicable to an Infrastructure Finance Company as contained in Master Direction-Non Banking Financial Company-Systemically Important Non Deposit taking Company and deposit taking Company (Reserve Bank) Direction 2016.

3. According to the information and explanation given to us , the RBI Directions as to deposits are not applicable to the Company. Therefore, the Board of Directors of the Company has not passed any resolution for non-acceptance of any public deposits during the year 2020-21.

4. The Company has not accepted any public deposits during the financial year 2020-21.

5. For the Financial Year ending 31st March, 2021, the Company has complied with the Accounting Standards, Income recognition norms as per the RBI Master Directions on Non-Banking Financial Company – Systematically Important Non-Deposit taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 vide No. DNBR.008/03.10.119/2016-17 dated September 1, 2016. Further, the Company, has followed the Accounting Standards, Income Recognition, asset classification and provisioning for Bad and Doubtful Debts/ being a Government Non-Banking Financial Company as defined under clause (45) of Section 2 of the Companies Act, 2013 (18 of 2013) except the income recognition and assets classification (IRAC) norms, standard assets provisioning and exposure norms to Ministry of Railways, Government of India granted by RBI vide their letter no DNBR (PD) CO. No. 1271/03.10.001/2018-19 dated 21.12.2018.

6. As per the information and explanation given to us, the Statement of Capital Funds, Risk Assets/exposures and risk ratio (DNBS-03 Return) has been filed by the Company for the quarter ended 31.03.2021 on the basis of the provisional financial results.

For KBDS & Co.
Chartered Accountants
Firm Reg. No: 323288E

Sd/-
(CA Dashrath Kumar Singh)
Partner
M. No. - 060030
UDIN: 21060030AAAAES5791
Date: 27.08.2021
Place: New Delhi

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF INDIAN RAILWAY FINANCE CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of financial statements of **INDIAN RAILWAY FINANCE CORPORATION LIMITED** for the period ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are 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 27.08.2021 which supersedes their earlier Audit Report dated 29.06.2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **INDIAN RAILWAY FINANCE CORPORATION LIMITED** for the period ended 31 March 2021 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 auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6) (b) of the Act.

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

Sd/-
(K.S. Ramuwalia)
Principal Director of Audit
Railway Commercial, New Delhi

Place: New Delhi
Date: 02.09.2021

Independence Day

Constitution Day

Vigilance Day

Celebration of 34th annual day

Inauguration of Gift city office

Inauguration of new office at Ashok

IPO listing ceremony

IPO celebration

IPO listing ceremony

INDIAN RAILWAY FINANCE CORPORATION

Indian Railway Finance Corporation Limited

CIN – L65910DL1986GOI026363

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Diplomatic Enclave, 50-B, Chanakyapuri
New Delhi 110021

Phone: +91 011 – 24100385

Email: investors@irfc.nic.in

Website: www.irfc.nic.in

a K&A creation | www.kalolwala.co.in

Indian Railway Finance Corporation Limited
CIN – U65910DL1986GOI026363
UG – Floor, East Tower, NBCC
Place, Bhisham Pitamah Marg, Lodhi Road , Pragati Vihar, New
Delhi, Delhi 110003
+91 011 – 24369766-69 info@irfc.nic.in
Website: http://irfc.nic.in/

33rd ANNUAL REPORT 2019-20

INDIAN RAILWAY FINANCE CORPORATION

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INDIAN RAILWAY FINANCE CORPORATION LIMITED

Chairman's Statement

Dear Shareholders,

It gives me great pleasure to welcome you all to the Thirty Third Annual General meeting of your company, Indian Railway Finance Corporation Limited (IRFC). We, as IRFC, have come a long way, in the service of the nation by supporting developmental needs of the Indian Railways. The audited accounts of your company for the year ended 31st March, 2020, along with the Director's Report and its accompaniments are with you. I trust I have your consent to take them as read.

I am delighted to share that the financial year 2019-20 has been a landmark and an eventful year, wherein the cumulative funding to the railway sector crossed a monumental figure of INR 3.39 lakh crore. The Company has met the highest ever annual borrowing target of Rs.70,471.96 crore mandated by the Ministry of Railways (MoR) during the FY 2019-20, registering a year-to-year growth of more than 34%, that is further complemented with the reduced cost of financing (from 8.20% in 2018-19 to 7.37% in 2019-20) to MoR. Our company unwaveringly has been true to its *vision* of establishing itself as a pivotal & premier financial services company for meeting, in the most competitive manner, the gamut of developmental requirements of Ministry of Railways for its Rolling Stocks Assets, Project Assets, as well as Projects of National Importance. Over the past three decades, we have evolved as a key player for investment in the Railways' Infrastructure.

There has been an impressive increase of 67% in the net worth of the company as compared to the previous year, that now stands at INR 30,962.43 crore. This is primarily attributed to the reversal of Deferred Tax Liability pursuant to the recent clarification issued by the Ministry of Corporate Affairs after consistent follow-ups and efforts. Further, highlighting the accolades, our performance vis-à-vis the targets set out in the MoU for the year 2019-20, the Company is expected to be accorded *'Excellent'* grading from the Department of Public Enterprises (DPE). I am immensely proud of what we have accomplished together, this past year and I am even more zestful about the opportunities ahead.

Before, I share further light on our Company's accomplishments and an account of our Company's financial performance during the year, I would like to recapitulate briefly, some of the important developments and trends, both globally and nationally, that have a bearing on the performance and prospects of our Company.

Economic Overview:

The year 2019 was a difficult year for the global economy with world output growing at its slowest pace of 2.9%, since the global financial crisis in 2009, declining from a subdued 3.6 per cent in 2018 and 3.8 per cent in 2017. Amidst the weak global environment of

manufacturing, trade and demand, the Indian economy too experienced a slowdown in growth.

The GDP growth rate in 2019-20 was 4.2%, as compared to 6.1% in 2018-19. In 2020-21, India's GDP growth rate was expected to be in the range of 6.0%-6.5%. However, due to the ongoing pandemic and its adverse impact on the national as well as global economy, the GDP is now anticipated to contract to unprecedented levels.

Nevertheless, India aspires to become a $5 trillion-dollar economy by 2025, that has invited planning for targeted interventions aimed at strengthening the trust in the market with pro-business policies, raising capital expenditure (and reducing revenue expenditure), that leads to asset creation. India has also jumped from 142 in 2014 to 63 in 2019, in 'ease of doing business' rankings.

The Monetary policy remained accommodative in 2019-20. The Reserve Bank of India changed its monetary policy stance to *accommodative* in order to give a boost to growth and the repo rate was cut by 110 basis points in four consecutive Monetary Policy Committee meetings in the financial year. Liquidity conditions were tight for initial two months of 2019-20; but subsequently, it has remained comfortable. The financial flows to the economy however, remained constrained as credit growth declined for both banks and Non-Banking Financial Corporations, on account of lower investment growth and rising NPAs. The interest rate has turned more benign and there is huge liquidity in the system due to monetary stimulus announced by RBI with Repo Rate cut by 115 bps during the current fiscal and infusion of additional liquidity through announcement of Targeted Long Term Repo Operations (TLTRO).

During the first half of 2019-20, the 10- year benchmark G-Sec yield mostly softened, tracking subdued crude oil prices, surplus liquidity, and four consecutive policy rate cuts. Thereafter, it largely followed a downward trend, attributed to change in monetary policy stance of the U.S. Fed (on global growth concerns and ongoing trade tensions), easing of liquidity condition of the banking system, consecutive policy rate cuts by the RBI, along with change of stance from neutral to accommodative. The 'Special Open Market Operation' by RBI, which means purchase of long-term securities and simultaneous sale of short-term securities helped bring down the yield slightly on 10-year G-Secs. This is expected to bring down the term premium by reducing the differential between the long and short-term bond yields. Reflecting the market sentiment, the 10-year benchmark Government yield averaged at 6.64% in the year 2019-20, as against 7.72% in the year 2018-19.

Railway Sector:

The Indian Railway system has played a pivotal role in our country's economic progress by transporting a high level of passenger and freight in an energy efficient & cost-effective manner, throughout its vast territory and thereby integrating markets, connecting communities, enabling productive investments and job creation.

Rising incomes and populations in developing & emerging economies, like ours, where cities are growing exponentially, are set to lead to a strong demand for more efficient, faster & cleaner transport. Growing economies also drive demand growth in freight, wherein higher incomes sharply increase the demand for rapid delivery of higher value and lighter goods. The strategic importance and advantage of railways aided by additional investments in rail infrastructure & technological innovations, makes Indian Railways a propeller for such necessitated growth.

Consequently, there has been a consistent increase in Government's resolve for increased developmental expenditure for railways and the Annual Plan outlay of 2019-20 was pegged at INR 1,60,176 crore. In 2020-21, the Railways' Operating Ratio is estimated to be 96.2%. This is marginally better than the revised estimates of 2019-20 at 97.4%.

Furthermore, the positive externalities and the multiplier effect of investment in Infrastructure for economic growth is a well acknowledged and established fact. India, in its vision to achieve a GDP of $5 trillion by 2024-25, needs to spend about 100 lakh crore, over these years on infrastructure. And it plans to do so, under its ambitious National Investment Plan (NIP), of which Railways has a sizeable share of around 13%. NIP will enable well-prepared infrastructure projects that in turn will create jobs, improve ease of living, and provide equitable access to infrastructure for all, thereby making growth more inclusive. NIP also intends to facilitate supply side interventions in infrastructure development to boost short-term as well as the potential GDP growth. Improved infrastructure capacities are also expected to drive competitiveness of the Indian economy.

Contribution to Railway Capital Outlay:

Over the last three decades of our Company's existence, it has played a significant role in supporting the capacity enhancement of the Indian Railways, by financing a notable proportion of its annual plan outlay.

The Company has met the highest ever annual borrowing target of Rs.70,471.96 Crore mandated by the MoR during the FY 2019-20. The single year annual borrowing target during the period from 2014-15 to 2019-20 has gone up by around 5.4 times from Rs.11,044 Crore in 2014-15 to Rs.70,471.96 crore in 2019-20, achieving a CAGR of around

45% in the last five years ending March 2020, as against a CAGR of 12.08%, since inception (1987-88) till 2013-14.

The borrowing target of Rs.70,471.96 Crore comprised Rs.32,624 Crore for funding Rolling Stock Assets, Rs.33,940 Crore for financing Railway Projects under EBR-IF, Rs.2500 Crore for funding National Railway Projects and Rs.1407.96 crore for meeting the debt financing needs of RVNL. The share of IRFC in the Annual Plan Outlay of Indian railways has increased to 44% in 2019-20, and has seen an increase of 13%, as compared to the share of the preceding year.

Our company owns more than 80% of Indian Railways' Rolling Stock fleet, comprising 11,332 locomotives, 64,642 passenger coaches, 2,41,082 freight wagons and 85 cranes & track machines, valued at INR 2.28 lakh crore, of which rolling stock assets worth INR 33,544.11 crore were acquired in 2019-20.

Additionally, the cumulative funding made by IRFC to the Rail Sector since its inception to the end of 31 Mar, 2020, is of the order of Rs.3.39 lakh crore, out of which Rs.2.33 lakh crore has been funded during the period from 2014-15 to 2019-20, constituting about 69% of its overall contribution. Further, your Company cumulatively has funded a sum of Rs. 93,655.49 Crore for Railway Projects under EBR-IF to the end of March, 2020.

Operational and Financial Performance during 2019-20:

I would now like to share with you some of the highlights of your Company's performance since the last Annual General Meeting held in September, 2019. Your Company was mandated highest ever single year borrowing target of Rs. 70,471.96 Crore, including financing of Rolling stock to the extent of Rs 32,624 Crore, financing of Railway Projects under EBR-IF to the tune of Rs. 33,940 Crore, meeting the debt financing requirements of RVNL amounting to Rs. 1407.96 crore and financing of National Projects amounting to Rs. 2500 crore by MoR. Your Company successfully met the aforesaid targets by transferring the required amount of funds before the closure of the fiscal.

The entire requirement of funds was met out of a mix of borrowings both from the domestic and international financial markets. The borrowings made during the year include Taxable Bonds worth Rs.30,095.73 crore (LIC Bonds Rs.4300 crore), External Commercial Borrowings (ECB) of Rs.13,783.85 Crore at exchange rate prevailing on the draw down date, Rupee Term Loans of Rs.25,745.13 Crore and 54EC bonds of Rs.847.25 crore. The weighted average cost and tenor of the pool of borrowings made by the Company during the year 2019-20 remained at 7.37% (semi-annual) as against 8.20% (semi Annual) during the previous year 2018-19, thus registering a decline of 83 bps over previous year, which in turn, has reduced the cost to MoR.

The interest rate remained benign during the major part of the year, due to change in monetary policy stance from calibrated tightening to neutral, in Feb, 2019 and then to

accommodative from June, 2019. During the period up to Dec, 2019, policy repo rate was cumulatively cut by 135 bps. However, during the latter part of the year, the market remained highly volatile due to the pandemic COVID-19, which led to unprecedented liquidity crunch, temporary spike in the interest rate and widening of corporate spreads. In spite of the fact that your Company was mandated a mammoth final borrowing target in excess of Rs.70,000 Crore and upward revision in the mandate from the original target of Rs.55,471 Crore was communicated to the Company only towards the end of the financial year, the Company had to manoeuvre its borrowing programme meticulously in an adverse macroeconomic environment, which helped maintain its unflinching commitment to making funds available to the Railways, at the most competitive possible pricing.

Your Company constantly diversifies its borrowing portfolio to meet the target of borrowings mandated by MoR, which helps it to raise higher volume of funds at competitive rates and terms. It was able to do so, due to constant monitoring of the markets, proper timing of borrowing, appropriate selection of instruments and strong confidence reposed by domestic and overseas investors in your Company. This has led to minimisation of the cost of borrowings and in turn has reduced the cost to MoR.

In its endeavour towards further diversification of its borrowing portfolio, your Company upgraded its Euro Medium Term Note (EMTN) programme to Global Medium Term Note (GMTN) Programme which facilitated its maiden issuance of bonds under Rule 144A / Reg S route. The bonds under the GMTN Programme were issued in two tranches of USD 700 Million and USD 300 Million with tenor of 10 years and 30 years, carrying coupon of 3.249% (Benchmark US Treasury plus 160 bps) and 3.95% (Benchmark US Treasury plus 184 bps), respectively. These were considered as benchmark deals from India. The coupons obtained by your Company were one of the lowest amongst the issuances, during 2019-20. Besides, the 30-year tenor issuance was the maiden issue by an Indian CPSE. Further, IRFC had raised a sum of USD 300 Million through 10-year USD Dollar denominated loan from SBI at an All-in-cost of 150 bps over 6 M USD LIBOR. IRFC is the first CPSE in recent years to tap the domestic capital market with 15-year bond issuance and raised an aggregate sum of Rs. 6682.60 Crore. Further, after constant effort, Multilateral Investment Guarantee Agency (MIGA), a subsidiary of the World Bank, accorded their in-principle approval for extending guarantee to the extent of USD 1 Billion to your Company for its foreign currency borrowing up to 15-year tenor. This would help your Company in the credit enhancement and enable it to raise foreign currency loans with longer tenors of up to 15 years. Your Company was the first entity in India to be accorded this guarantee under the Non-Sovereign window by MIGA.

I am happy to report that your Company continues to enjoy the highest credit rating from the three leading domestic credit rating agencies. During the financial year 2019-20, the Company's long-term domestic borrowing programme was awarded the highest credit rating of "CRISIL AAA/Stable", "[ICRA] AAA (Stable)" and "CARE AAA [Triple A]" by

CRISIL, ICRA and CARE respectively. The Company also got its short-term borrowing programme rated, obtaining the highest rating of ''CRISIL A1+'', ''[ICRA] A1+'', and "CARE A1+ [A One Plus]" by CRISIL, ICRA and CARE. Further, During the financial year 2019-20, three international credit rating agencies – Standard & Poor's, Fitch and Moody's – have awarded "BBB- with Stable Outlook", "BBB- with Negative Outlook" and "Baa3 with Negative Outlook" ratings respectively, to your Company. Besides, the Company obtained an issuer specific credit rating of "BBB+ with Stable Outlook" from Japanese Credit Rating Agency. Each of the four credit ratings is equivalent to India's sovereign rating, and is of investment grade.

I now turn to the financial performance of your Company. Even if the entities operating in the financial sector have remained under tremendous stress, IRFC continued to exhibit healthy financial performance for FY 2019-20. Revenue of your Company has increased by Rs. 2,704.86 crore from Rs. 11,133.60 crore in 2018-19 to Rs.13,838.46 crore in 2019-20 showing a growth of 24.29%., Profit before Tax (PBT) of your Company for the year ending 31st March 2020, was Rs. 3,692.42 crore as compared to Rs. 2,901.58 crore for the previous year, registering a growth of 27.26%. and Profit after Tax (PAT) for the year ending 31st March, 2020 was Rs 3,692.42 crore, which is the same as Profit Before Tax (PBT), as the Company has not made any provision for tax in its books, pursuant to its decision to exercise the option of lower tax rate permitted u/s 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019, dated 20th September, 2019. The Company's taxable income was nil and it did not have to pay Minimum Alternate Tax (MAT) with reference to its Book Profit. MAT payable u/s 115 JB was outside the ambit of the newly introduced 115 BAA. Thus, on adoption of Section 115 BAA of the Income Tax Act, 1961, the Company was outside the scope and applicability of MAT provisions and there was a zero-tax liability in the financial year 2019-20. Thus, the Profit After Tax for the year ending 31st March, 2020 was Rs.3,692.42 Crore, as compared to Rs. 2,254.75 crore for the previous year, up by an impressive 63.76%. This has enabled the Company to augment its net worth and improve the D/E ratio.

Memorandum of Understanding:

The Members are aware that your Company enters into a Memorandum of Understanding (MOU) with the Ministry of Railways each year, which sets out the financial performance and efficiency parameters. Based on the actual achievements vis-à-vis the parameters set out in the MOU, the performance of your Company is evaluated. Your Company's performance has since been rated 'Excellent' with a score of 91.82 (Excellent) for the year 2018-19. Your Company is likely to secure Excellent rating for the year 2019-20 also.

CSR Activities:

As a responsible corporate citizen, your Company attaches high importance to activities related to Corporate Social Responsibility (CSR) and has strictly adhered to the relevant provisions of the Companies Act, 2013, in this regard. During the year 2019-20, the Company was required to spend Rs. 50.52 crore, being 2% of its average net profits of the

last three years, on CSR activities, against which the Company has disbursed a sum of Rs. 34.10 crore and the balance amount of Rs 16.42 crore would be disbursed on receipt of claims from the implementing agencies in future. The Company was committed to Education and Health care, as the theme for focused intervention, as mandated by Department of Public Enterprises.

Corporate Governance:

Your Company strives to maintain the highest standards of corporate governance and has adhered to the guidelines laid down by the law and various regulatory bodies. Your Company is adhering to the 'Guidelines on Corporate Governance for Central Public Sector Enterprises. Your Company's Non-Convertible Debt Securities are listed on the stock exchanges and Company has complied with Chapter V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Human Resources:

Performance level of your Company has been consistently high, despite the fact that it consciously maintains a very lean workforce reflected in its low overhead to turnover ratio of around 0.10%.

In order to further strengthen the Organization Structure for coping with the additional workload due to manifold increase in the annual borrowing target mandated by MOR and significant increase in the compliance requirements in the aftermath of implementation of the Companies Act, 2013, SEBI (LODR) Guidelines, migration to IND-AS and introduction of GST, the Company got a study conducted by the Management Development Institute (MDI), Gurugram. Besides, the IPO and listing of its equity shares are slated to take place shortly, which in turn, is expected to make the compliance process more stringent. Based on the report submitted by MDI, the Company is planning to increase the employee strength suitably in a phased manner to meet the new challenges.

High levels of efficiency exhibited by the Company's dedicated workforce would not have been possible, but for the Company laying deep emphasis on upgrading skills of its employees and keeping them abreast of latest developments and industry practices. The Company is committed to enhancing the professional expertise of all its employees. As a matter of general practice, the Company relies on training programmes, involving assessment of training needs and providing necessary inputs to Company personnel, including through customised training programmes.

Way Ahead:

GoI, in its Vision to achieve the GDP of $5 trillion by 2024-25, needs to spend about 100 lakh crore, over this period, on infrastructure and it plans to do so under its ambitious National Investment Plan (NIP), of which Railways has a sizeable share of around 13%. NIP will enable well-prepared infrastructure projects, that in turn, will create jobs, improve ease of living, and provide equitable access to infrastructure for all, thereby

making growth more inclusive. NIP also intends to facilitate supply side interventions in infrastructure development, to boost short-term as well as the potential GDP growth. Improved infrastructure capacities are also expected to drive competitiveness of the Indian economy.

For the current fiscal, your Company has been assigned the annual borrowing target at Rs. 58,000 crore, which includes Rs. 29,300 crore for funding of Rolling Stock assets and funding of Railway projects through Institutional Finance to the extent of Rs.28,000 crore. A target of Rs. 700 crore for meeting the debt funding requirements of RVNL has also been given.

As reported in the last meeting, Government of India (GoI) in the Union Budget for the year 2017-18, had proposed listing of IRFC's shares. Accordingly, GoI had proposed offer for sale of 5% of its present holdings and your Company has also planned additional issuance of equity through Initial Public Offerings (IPO). Your Company filed DRHP with SEBI, NSE and BSE on 17th January 2020 and UDRHP was filed on 6th of March 2020. At the High-Level Committee Meeting, held on 9th March 2020, it was decided to put on hold the ongoing IPO, due to unfavourable market condition, because of COVID 19 pandemic and other global and domestic market issues.

I am confident that the intellectual and managerial capabilities, the available skill sets and the ingenuity of the team shall prove equal to the task and ensure all round excellence in the coming years.

Acknowledgements:
Excellent performance of your Company on sustained basis would not have been possible without unqualified and constructive support and cooperation of numerous individuals and organizations including my colleagues on the Board of Directors, officers and staff of Ministry of Railways, Ministry of Finance, Ministry of Corporate Affairs, Department of Public Enterprises, C&AG of India, Statutory Auditors, Internal Auditors, Secretarial Auditors, Banks, Financial Institutions, Securities and Exchange Board of India, Reserve Bank of India, BSE, NSE, National Securities Depository Limited, Central Depository Services (India) Limited, Registrar & Share Transfer Agent, Investors and other Stakeholders. I wish to place on record my sincere gratitude to all of them. I also wish to place on record the highest appreciation for the hard work and sincere efforts put in by the small but highly effective team at IRFC. Their untiring commitment and application enabled your Company to deliver excellent results.

Sd/-

New Delhi **(Amitabh Banerjee)**

30th September, 2020 **Chairman & Managing Director**

Indian Railway Finance Corporation Limited
CIN – U65910DL1986GOI026363
UG – Floor, East Tower, NBCC Place, Bhisham Pitamah Marg,
Lodhi Road , Pragati Vihar, New Delhi, Delhi 110003
+91 011 – 24369766-69 info@irfc.nic.in
Website: http://irfc.nic.in/

No.: IRFC/33rd AGM/2020 25th September, 2020

NOTICE

Notice is hereby given that the 33rd Annual General Meeting of the Indian Railway Finance Corporation Limited will be held on Wednesday the 30th September, 2020, at 3.00 p.m. at registered office of the Company at UG – Floor, East Tower, NBCC Place, Bhisham Pitamah Marg, Lodhi Road , Pragati Vihar, New Delhi, Delhi 110003 to transact the following business :-

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31st March, 2020 together with the Reports of the Directors and Auditors thereon.

2. To declare dividend on equity shares for the financial year ended 31st March, 2020.

Special Business

3. To consider and, if deemed fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**: -

   RESOLVED THAT pursuant to Section 142 of the Companies Act, 2013, the Board of Directors of the Company be and are hereby authorized to fix a suitable remuneration for the Statutory Auditors of the Company from time to time as may be mutually agreed upon between the Board of Directors and the Statutory Auditors of the Company on their appointment by the Comptroller & Auditor General of India (C&AG).

4. To consider and, if deemed fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**: -

   "**RESOLVED THAT** Shri Amitabh Banerjee (DIN 03315975), Managing Director who was co-opted as an Additional Director designated as Managing Director of the Company by the Board of Directors under Section 161 of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting be and is hereby appointed as the Chairman & Managing Director of the Company."

5. To consider and, if deemed fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**: -

   "**RESOLVED THAT** Ms Shelly Verma (DIN 07935630), Director Finance who was co-opted as an Additional Director designated as Director Finance of the Company by the Board of Directors under Section 161 of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting be and is hereby appointed as the Director Finance of the Company."

6. To consider and, if deemed fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :-

   "RESOLVED THAT pursuant to the provisions of Section 14 and any other applicable provisions of Companies Act, 2013 read with Rules thereunder (including any statutory modifications or re-enactment thereof, for the time being in force), subject to the approval of the members of the Company, the consent of the Board of Directors of the Company be and is hereby accorded for alteration of Articles of Articles of Association of the Company in the manner set out herein below:

   The existing Article No 150, 221 & 269 are replaced with the new Articles in the Articles of Association of the Company.

   The existing Article No 150, 221 & 269 are replaced with the new Articles in the Articles of Association of the Company.

Existing Article	**New Article**
Article 150 Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act.	**Article 150** The quorum for the General Meetings shall be as provided in the Act.

However, one of the requisite member will always be a representative of the President, in the quorum.	
Article 221 The Directors shall be paid such remuneration as the President may, from time to time determine.	**Article 221** The Directors shall be paid such remuneration as the President may, from time to time determine. However, the Company may fix the sitting fees for their Independent Directors within the ceiling prescribed in the Act.
Article 269 269. Without prejudice to the generality of the above provisions, the Board of Directors shall reserve for the decision of the President any matter relating to: (a) Appointment, which term will include initial appointment, extension in service and re-employment of personnel who have attained the age of 60 years on a pay (including pension and pensionary equivalent of retirement benefits) as per Government Guidelines. (b) Appointment of any foreign national to any post in the Company. (c) Any programme of capital expenditure for an amount which exceeds Rs. 4 crores in each case. However, in regard to the sanction of expenditure on township, residential quarters etc. this limit shall be Rs. 50 lakhs only. (d) Issue of debentures. (e) Winding up of the Company. (f) Sale, lease or disposal of any property having an original book value of Rs. 10 lakhs and above. (g) The formation of a subsidiary company.	**Article 269** 269. Without prejudice to the generality of the above provisions, the Board of Directors shall reserve for the decision of the President any matter relating to: (a) Appointment, which term will include initial appointment, extension in service and re-employment of personnel who have attained the age of 60 years on a pay (including pension and pensionary equivalent of retirement benefits) as per Government Guidelines. (b) Appointment of any foreign national to any post in the Company. (c) Any programme of capital expenditure for an amount exceeding the fiduciary powers of the Board. (d) Winding up of the Company. (e) Sale, lease or disposal of any property having an original book value of above Rs. 50 crores (f) The formation of a subsidiary company. (g) Revenue Budget of the Company in case there is an clement of deficit which is proposed to be met by

(h) Company's Five Year and Annual Plans for Development and Capital Budgets. (i) Revenue Budget of the Company in case there is an clement of deficit which is proposed to be met by obtaining funds from Central Government. (j) Agreement involving foreign collaboration proposed to be entered into by the Company. (k) Purchases and contracts of a major nature involving substantial capital outlay which are in excess of the powers vested in the Company. (l) Withdrawal of an existing service. (m) Fixation, modification, increase or reduction in tariff for telecommunications services provided by the Company to the user. No action shall be taken by the Company in respect of any proposal or decision of the Board reserved for the approval of the President until his approval to the same has been obtained. The president shall have the power to modify such proposals or decision of the Board.	obtaining funds from Central Government. (h) Agreement involving foreign collaboration proposed to be entered into by the Company. (i) Purchases and contracts of a major nature involving substantial capital outlay which are in excess of the powers vested in the Company. No action shall be taken by the Company in respect of any proposal or decision of the Board reserved for the approval of the President until his approval to the same has been obtained. The president shall have the power to modify such proposals or decision of the Board.

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all the requisite, incidental, consequential steps to implement the above resolution and to perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, any question, query, or doubt that may arise in this regard, and to execute/publish all such notices, deeds, agreements, papers and writings as may be necessary and required for giving effect to this resolution."

7. To consider and, if deemed fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :-

"RESOLVED THAT pursuant to the provision of Section 61(1) (a) of the Companies Act, 2013, consent of the Company be and is hereby accorded for increasing the Authorized Share Capital of the Company from the present Rs. 15,000,00,00,000/- (Rupees Fifteen Thousand Crore) divided into 1500,00,00,000 (Fifteen Hundred Crore) Equity Shares of Rs. 10/- (Rupees Ten) each to 25,000,00,00,000/- (Rupees Twenty Five Thousand Crore) divided into 2500,00,00,000 (Two Fifty Hundred Crore) Equity Shares of Rs. 10/- (Rupees Ten) each.

RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association of the Company be and is hereby substituted by the following :-

CLAUSE V SHARE CAPITAL

The Authorized Share Capital of the Company is Rs. 25,000,00,00,000/- (Rupees Twenty Five Thousand Crore) divided into 2500,00,00,000 (Two Fifty Hundred Crore) Equity Shares of Rs. 10/- (Rupees Ten) each, with power to increase, modify and reduce or consolidate or re-classify the share capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified, or special rights, privileges or conditions as may determined under the provisions of the Companies Act 2013(including any statutory modifications or re-enactment thereto) or any other applicable Act(s), Rule(s) and Regulation(s) etc

8. To consider and, if deemed fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :-

"RESOLVED THAT subject to the approval of the shareholders of the Company and pursuant to the relevant provisions of the Companies Act, 2013 (including any statutory modification(s) or amendments, modifications or re-enactment thereof, for the time being in force) and the rules framed thereunder, (the "Companies Act, 2013") , as amended, the Securities Contracts (Regulation) Act, 1956, as amended ("SCRA"), and the rules framed thereunder, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

and other applicable law, regulations and guidelines issued by the Securities and Exchange Board of India ("SEBI"), other applicable laws, rules, regulations, policies or guidelines, including the rules, regulations, guidelines, notifications and circulars (collectively "Applicable law"), if any, prescribed by the Government of India, the Department for Promotion of Industry and Internal Trade ("DPIIT"), the Reserve Bank of India ("RBI"), SEBI, the Registrar of Companies, National Capital Territory of Delhi and Haryana ("RoC"), the stock exchanges where Equity Shares are proposed to be listed ("Stock Exchanges") or any other competent authority (collectively, the "Regulatory Authorities"), from time to time, to the extent applicable, and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to approvals, consents, permissions and sanctions as might be required from the Regulatory Authorities and other third parties, and subject to such conditions as might be prescribed by them while granting such approvals, consents, permissions and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include the IPO Committee), the consent and approval of the members of the Board and is hereby granted for an initial public offering of up to an aggregate of 1,782,069,000 equity shares of the Company and the Board be and is hereby authorized to create, offer, issue and allot up to 1,782,069,000 equity shares of the Company of face value of ₹10 (Rupees ten) each ("Equity Shares"), by way of a fresh issuance of up to 1,188,046,000 Equity Shares (the "Fresh Issue") and an offer for sale of up to 594,023,000 Equity Shares ("Offer for Sale") as approved by the President of India, acting through the Ministry of Railways, Government of India ("Selling Shareholder"), (the Fresh Issue, along with the Offer for Sale referred to as the "Issue").

The Issue shall be made at a price to be determined, in accordance with the book building process or any other method as may be prescribed by the SEBI ICDR Regulations for cash and at such premium / discount, as applicable, as the Board deems fit (provided that such number of additional equity shares to the extent of up to 10% of the net offer to the public may be issued, allotted and transferred as may be required for the purposes of rounding off, in terms of the SEBI ICDR Regulations).

RESOLVED FURTHER THAT in accordance with Applicable law, the Issue may include, without limitation, issue, transfer and allotment of Equity Shares to a stabilizing agent pursuant to a green shoe option, if any, in terms of the SEBI ICDR Regulations and reservation of a certain number of Equity Shares to be offered to such person or persons, who may or may not be the members of the Company and

as the Board may at its discretion decide in consultation with the Selling Shareholder (to the extent applicable) and the book running lead managers so appointed ("BRLMs") and as may be permissible under Applicable law. The consent of the shareholders of the Company is accorded to the Issue, transfer and allotment of the Equity Shares not exceeding 15% (fifteen percent) of the total Issue or such other percentage as may be decided by the Board in accordance with the provisions of the SEBI ICDR Regulations to the stabilization agent appointed for such purpose by the Board and the Board be and is hereby authorised on behalf of the Company to take all actions and do all such acts, deeds matters and things for complying with the applicable regulatory requirements, including inter alia negotiate, finalise and execute any agreement or document, and any amendments, supplements, notices or corrigenda thereto, with the stabilizing agent, and/ or any other entity as required or necessary, open any accounts including the "Special Accounts for Green Shoe Option shares" of the Company or the "Green Shoe Option Demat Account" or the "Special accounts for Green Shoe Option Proceeds" of the Company or the "Green Shoe Option Bank Account", notify any authority or person and seek any approval or consent as required or necessary, give directions or instructions and do such acts, deeds, matters and things that the Board may, from time to time, in consultation with the book running lead managers, think proper or desirable, and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing.

RESOLVED FURTHER THAT the Issue may be made to foreign investors such as registered foreign institutional investors and their sub-accounts, registered foreign portfolio investors, alternative investment funds, foreign venture capital investors, qualified foreign investors, non-resident Indians, as well as state industrial development corporations, venture capital funds, insurance companies registered with the Insurance Regulatory and Development Authority, insurance funds set up and managed by army, navy, air force of the Union of India, insurance funds set up and managed by the Department of Posts, systemically important non-banking financial companies, scheduled commercial banks, provident funds, pension funds, national investment fund, trusts/societies registered under the Societies Registration Act, 1860, Indian and/or multilateral and bilateral development financial institutions, mutual funds, employees and/or workers of the Company, in or out of India, Indian public, bodies corporate, any other company/companies, private or public or other body corporate(s) or entities whether incorporated or not, and such other persons, including high net worth individuals, retail individual bidders or other entities, in one or more combinations thereof and/or any other categories of investors as may be permitted under Applicable law, whether they be

holders of Equity Shares or not, in a manner, and on the terms and conditions as the Board may in its discretion, in consultation with the Selling Shareholder (to the extent applicable) and the BRLMs, decide including the price at which the Equity Shares are to be issued, at par or at premium or at discount for any category of investors or transferred for cash as determined by the book building process in accordance with the provisions of the SEBI ICDR Regulations or other considerations that the Board may, in consultation with the Selling Shareholder (to the extent applicable) and the BRLMs, deem fit.

RESOLVED FURTHER THAT the Issue Price, including the premium per Equity Share to be determined through the book building process, in the manner, and on the terms and conditions as the Board may, in its absolute sole discretion, decide, in consultation with the Selling Shareholder and the BRLMs, whether the price at which the Equity Shares are to be issued, at par or at premium and whether for cash or other consideration, including discount for any category of investors, as permitted under Applicable laws, and the decision to determine the category or categories of investors to whom the offer, issue and allotment/ transfer shall be made to the exclusion of all other categories of investors on such terms and conditions as may be finalized by the Board, in consultation with the Selling Shareholder and the BRLMs, and that the Board may finalize all matters incidental thereto as it may in its absolute discretion think fit and to list the equity shares on the stock exchanges as may be decided by the Board from time to time.

RESOLVED FURTHER THAT the Equity Shares so allotted or transferred in the Issue (including pursuant to any Reservation or green shoe option) shall be subject to the Memorandum of Association and the Articles of Association of the Company and shall rank pari-passu in all respects with existing Equity Shares, including rights in respect of dividend.

RESOLVED FURTHER THAT subject to Applicable law, the Equity Shares allotted or transferred pursuant to the Issue be listed on the Stock Exchanges and the Board be and is hereby authorized on behalf of the Company to seek listing of any or all of such Equity Shares on one or more stock exchanges in India.

RESOLVED FURTHER THAT in connection with any of the foregoing resolutions, the Board on behalf of the Company, shall have the power and the authority to execute and deliver any and all other documents, papers or instruments and to do or cause to be done any and all acts or things as may be necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing resolutions

for the Issue; and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any such document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the act and deed of the Company, as the case may be.

RESOLVED FURTHER THAT the above issue shall include, reservation of a certain number of Equity Shares for any category or categories of persons as permitted under Applicable laws, including, without limitation, eligible employees, (the "Reservation"). The Board is hereby authorized on behalf of the Company to reserve a portion of the Issue to eligible Employees of the Company on competitive basis in accordance with the SEBI Regulations (the "Reservation") or other Applicable laws, regulations, policies or guidelines; and to take any and all action in connection with any Reservation as the Board may think fit or proper in its absolute discretion, including without limitation, negotiate, finalize and execute any document or agreement, and any amendments, supplements, notices or corrigenda thereto; seek any consent or approval required or necessary; give directions or instructions and do all such acts, deeds, matters and things as the Board may, from time to time, in its absolute discretion, think necessary, proper, or desirable; and settle any question, difficulty or doubt that may arise with regard to or in relation to the foregoing.

RESOLVED FURTHER THAT the price including the premium to be determined through the book building process, in one or more tranches and in the manner, and on the terms and conditions as the Board may, in its absolute sole discretion, decide, in consultation with the selling shareholders and the BRLMs, whether the price at which the Equity Shares are to be issued, at par or at premium and whether for cash or other consideration, including discount for any category of investors, as permitted under Applicable laws, and the decision to determine the category or categories of investors to whom the offer, issue and allotment/ transfer shall be made to the exclusion of all other categories of investors on such terms and conditions as may be finalized by the Board, in consultation with the selling shareholders and the BRLMs, and that the Board may finalize all matters incidental thereto as it may in its absolute discretion think fit and to list the equity shares on the stock exchanges as may be decided by the Board from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to make any alteration, or variation in relation to the Issue, in consultation with the BRLMs or SEBI or such other authorities as may be required and without prejudice to the

generality of the aforesaid, decide the exact issue structure and the exact component of the issue structure.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment or transfer of Equity Shares pursuant to the Issue, the Board and any committee constituted by the Board in this respect and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of terms and conditions for issuance of the Equity Shares the number of Equity Shares that may be offered and proportion thereof, timing for issuance of such Equity Shares, dematerialization of equity shares and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, entering into and executing arrangements for managing, underwriting, marketing, listing, trading and providing legal advice as well as acting as depository, monitoring agency, custodian, registrar, stabilizing agent,(if any), paying and conversion agent, trustee, escrow agent and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalise, approve and issue any document(s), including but not limited to draft red herring prospectus, red herring prospectus, prospectus and/or offer documents and agreements including filing of registration statements, prospectus and other documents (in draft or final form) with any Indian or foreign regulatory authority or stock exchanges and sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment or transfer of Equity Shares pursuant to the Issue and take all steps which are incidental and ancillary in this connection, including in relation to utilization of the issue proceeds, appointment of intermediaries, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers herein conferred to any Committee or any one or more executives of the Company subject to the provisions of Companies Act, 2013.

RESOLVED FURTHER THAT Chairman & Managing Director or Director Finance or Shri N H Kannan, GM (Fin I) or Shri Prasanta Kumar Ojha, GM (Fin II) or Shri. A. Samantaray, Addl. GM (Fin) or Shri Vijay Babulal Shirode, Jt. GM (Law) & Company

Secretary be and hereby severally authorized to file necessary forms with the Registrar of Companies and execute and sign all relevant documents including but not limited to consent letters, powers of attorney, certificates etc., as may be required in order to give effect to these resolutions."

By order of the Board of Directors

Sd/-

P]ace :: New Delhi
Dated :: 25th September, 2020

(Vijay Shirode)
Company Secretary

Notes:-

a. An explanatory Statements pursuant to Section 102 of the Companies Act, 2013, in respect of Item No. 3 to 8 set out above is annexed hereto.

b. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

c. Proxy Form is enclosed.

d. A form of Attendance slip is annexed with this Notice.

e. Financial Statements of the Company, Auditors' Report thereon together with the Directors' Report are enclosed.

f. Relevant documents referred to in the accompanying notice are open for inspection by the Members at the Registered office of the Company on all working days during business hours up to the date of Annual General Meeting.

g. Consent of the Shareholders has been obtained under Section 101 of the Companies Act, 2013, to convene the Meeting at a shorter notice.

Annexure to the Notice dated 25th September, 2020
Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 3

As per Section 139(5) of the Companies Act, 2013, Statutory Auditors of a Government Company are appointed or re-appointed by the Comptroller and Auditor General of India (C&AG).

As per Section 142 of the Companies Act, 2013, the remuneration of the Statutory Auditors of a Company shall be fixed in its General Meeting or in such manner as may be determined therein.

Members hereby requested to authorise the Board of Directors of the Company to fix a suitable remuneration for the Statutory Auditors of the Company from time to time as may be mutually agreed upon between the Board of Directors and Statutory Auditors of the Company, on their appointment by the C&AG.

None of the Directors and / or Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution.

Item No. 4

Vide Order No. 2018/E(O)II/40/19 dated 12th October, 2019, Government of India, Ministry of Railways, appointed Shri Amitabh Banerjee (DIN 03315975) as Managing Director of the Company w.e.f. 12th October, 2019 till 31st December, 2023 i.e. the date of his superannuation or until further orders, whichever is earlier. Further, vide MoR Order No. No.2018/PL/47/2 dated 21.05.2020, Government of India, Ministry of Railways, had re-designated the post of Managing Director, Indian Railway Finance Corporation Limited (IRFC) as Chairman & Managing Director, IRFC. Accordingly, Shri Amitabh Banerjee had been re-designated as Chairman & Managing Director w.e.f. 21st May, 2020.

Section 152(2) of the Companies Act, 2013 (the Act) provides that "Save as expressly provided in this Act, every Director shall be appointed by the company in the general meeting. Section 161(1), inter alia, provides that the articles of a company may confer on its Board of Directors the power to appoint any person as an additional director any time who shall hold office upto the date of next annual general meeting (AGM).

Accordingly, Board has co-opted Shri Amitabh Banerjee as an Additional Director designated as Managing Director of the Company w.e.f. 12th October, 2019 and Chairman & Managing Director w.e.f. 21st May, 2020. Shareholders are requested to consider the appointment and approve the same.

None of the Directors and / or Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution.

Item No. 5

Vide Order No. 2018/E(O)II/40/8 dated 31st August, 2020, Government of India, Ministry of Railways, appointed Ms. Shelly Verma (DIN No. 07935630) as Director Finance of the Company w.e.f. 1st September, 2020 till 30th April, 2025 i.e. the date of his superannuation or until further orders, whichever is earlier.

Section 152(2) of the Companies Act, 2013 (the Act) provides that "Save as expressly provided in this Act, every Director shall be appointed by the company in the general meeting. Section 161(1), inter alia, provides that the articles of a company may confer on its Board of Directors the power to appoint any person as an additional director any time who shall hold office upto the date of next annual general meeting (AGM).

Accordingly, Board has co-opted Ms. Shelly Verma as an Additional Director designated as Director Finance of the Company w.e.f. 1st September, 2020. Shareholders are requested to consider the appointment and approve the same.

None of the Directors and / or Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution.

Item No. 6

Company in its 32nd AGM held on 26th September, 2019 had approved the IPO for divesting upto 25% by Government of India over a period of 3 (three) years and raising of additional equity of 10% by the Company. High Level Committee of Government of India (HLC) has allowed IRFC to raise additional equity to issue up to 10% of existing capital, which can be leveraged to raise more funds through borrowing and also approved the divestment of 5% of the existing capital by the GOI. Accordingly, the Ministry of Railways vide their Order No.2017/F(FEX)22/10 dated 1st November, 2017 has informed that the IRFC is to raise 10% (on pre-issue basis) of additional capital and simultaneously Government of India is to divest its shareholding of 5% (on pre-issue basis) for listing of IRFC. The Company has filed the Draft Rehearing Prospectus (DRHP) with Securities and Exchange Board of India (SEBI) on 17th January, 2020 and awaiting its approval.

Keeping in view the launching of shares of IRFC in the market, OM issued by DPE and Company has been conferred with the Mini-Ratna Status, there is requirement to align the certain Articles of the Articles of Association with the approval of the Shareholders through holding an Extra Ordinary General Meeting (EGM).

Comparative analysis of existing article with new Article is set out herein below:

Existing Article	New Article	Remarks
Article 150 Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act. However, one of the requisite member will always be a representative of the President, in the quorum.	**Article 150** The quorum for the General Meetings shall be as provided in the Act.	As the DRHP of the Company has been filed with the SEBI, there should not be any restrictive clause in Articles as per Listing Regulations.
Article 221 The Directors shall be paid such remuneration as the President may, from time to time determine.	**Article 221** The Directors shall be paid such remuneration as the President may, from time to time determine. However, the Company may fix the sitting fees for their Independent Directors within the ceiling prescribed in the Act.	The Article has been aligned with the OM issued by the department of Public Enterprises (DPE) vide OM dated 16th December, 2019 which empowered the Company to fix the sitting fees payable to the Independent Directors within the ceiling prescribed by the Act.
Article 269 (c) Any programme of capital expenditure for an amount which exceeds Rs. 4 crores in each case. However, in regard to the sanction of expenditure on township, residential quarters etc. this limit shall be Rs. 50 lakhs only. (d) Issue of debentures.	**Article 269** (c) Any programme of capital expenditure for an amount exceeding the fiduciary powers of the Board. (d) Deleted	Article has been aligned with Mini Ratna Status of the Company and considering future in view, hence it is proposed to be amended. Raising of Debentures is a regular activity of our Company, hence it is proposed to be deleted.

(f) Sale, lease or disposal of any property having an original book value of Rs. 10 lakhs and above.	(f) Sale, lease or disposal of any property having an original book value of above Rs. 50 crores	Existing limit is at the time of incorporation of the Company. Considering nature of operations and revenue, it is proposed to be amended.
(h) Company's Five Year and Annual Plans for Development and Capital Budgets.	(h) Deleted	Such powers have been delegated to Board of Directors of the Company as per Miniratna Circular (5.2), hence it is proposed to be deleted.
(l) Withdrawal of an existing service.	(l) Deleted	This is an ambiguous provision; hence it is proposed to be deleted.
(m) Fixation, modification, increase or reduction in tariff for telecommunications services provided by the Company to the user	(m) Deleted	Company is not in telecommunications services; hence it is proposed to be deleted.
		There are changes proposed in existing sub Article (c) & (f).
		There are no proposed changes in existing sub Article (a),(b), (e) (g), (i), (j) & (k).

		Existing sub Article (d), (h), (l) & (m) are proposed to be deleted.

Board of Directors recommend the Resolution for your approval. The Shareholders are requested to consider the above proposal and approve the same.

None of the Directors and / or Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution.

Item No. 7

The present Authorised Capital of the Company is Rs. 15,000 crore and the paid-up Equity share capital of the Company as on date is Rs. 11880.46 crore.

The GoI in its Union Budget 2019 has announced an estimated investment of Rs. 50 lakh crores between 2018-2030 in Railway infrastructure and to use Public Private Partnership to unleash faster development and completion of various railway projects. This would lead to heavy borrowing targets in the next few years and Company would require frequent equity infusions from MOR or through fresh equity from public, if public gets listed, in order to maintain its Debt to Equity ratio below 10 : 1. This would also enable the Company to increase its headroom for future borrowings.

It has, therefore, become necessary for the Company to increase the Authorised Share Capital of the Company to Rs. 25,000 crore. It may be mentioned that there is no cost associated with increase in Authorised Capital except filing fees & stamp duty on increased capital.

As per the provisions of the Section 61(1) of the Companies Act, 2013, any increase in the Authorised Share Capital requires approval of the Shareholders in the General Meeting. Hence, this Resolution is put up for approval.

None of the Directors and / or Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution.

Item No. 8

Government of India (GOI) in the Union Budget for the year 2017-18 had proposed listing of IRFC's shares. As a prerequisite to the listing norms, the Company is required to maintain 25% public shareholding on the total number of issued shares. However, compliance with the aforesaid norm is required to be adhered to in a

staggered manner over a period of 3 years with the target of 10% of minimum public shareholding in the year of listing itself.

Railway Board, vide its letter No. 2017/F(F.EX)/22/10 dated 6th August, 2019, has communicated its decision to go ahead with the process of disinvestment. Accordingly, the Company in consultation with BRLMs has filed its Draft Red Herring Prospectus (DRHP) with SEBI on 17th January, 2020 and received approval of SEBI on 25th February, 2020. Company has also filed updated DRHP with SEBI on 6th March, 2020 and received approval of SEBI on 9th March, 2020. High Level committee (HLC) met on 9th March 2020 at DIPAM's office for the purpose of IRFC IPO and decided that the IPO process stands deferred as on date due to volatility in stock market due to novel coronavirus outbreak a pandemic, Yes Bank crisis and further slide in global crude oil prices.

As the Member(s) are aware, the Government of India has to list the Equity Shares of the Company on the stock exchanges by divesting its holding upto 25% of the paid up share capital, over a period of three years. Further, the Company also intends to raise equity capital to enable to meet its capital requirements arising out of growth in the business.

The exact volume of equity to be divested by the Government of India has been finalized by the High Level Committee (HLC) constituted by the Government of India in their Meeting held on 24th October, 2017. Subsequent to the HLC Meeting, Ministry of Railways (MoR) vide its Order No. 2017/F(FEX)22/10 dated 1st November, 2017, has informed that the Company can raise 10% (on pre-issue basis) of additional capital and simultaneously Government of India would divest its shareholding of 5% (on pre-issue basis) for listing of IRFC.

Company in its 32nd Annual General Meeting held on 26th September, 2019 had approved the Initial Public Offerings (IPO) to raise additional capital up to 1,407,069,000 equity shares of the Company of face value of ₹10 (Rupees ten) each, by way of a fresh issuance of up to 938,046,000 Equity Shares (the "Fresh Issue") and an offer for sale of up to 469,023,000 Equity Shares ("Offer for Sale"). Company in order to maintain its debt equity ratio of 10:1 has made additional infusion of equity capital of Rs. 2500 crore on 30th March, 2020. Due to this, previous resolution in relation to the IPO was passed, fresh resolutions are required for approval of IPO by the shareholders.

In view of the above and in terms of Section 62(1)(c), and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, each as amended, the approval of the shareholders of the Company is required through a

Special Resolution.

None of the Directors and / or Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution.

By order of the Board of Directors

Sd/-

Place :: New Delhi
Dated :: 25th September, 2020

(Vijay Shirode)
Company Secretary

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 : U65910DL1986GOI026363
Name of the Company : Indian Railway Finance Corporation Limited
Registered Office : UG - Floor, East Tower
NBCC Place, Pragati Vihar, Lodhi Road,
New Delhi - 110 003.

Name of the 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
2. Name : .....
   Address :
   E-mail Id :
   Signature..... or failing him
3. Name : .....
   Address :
   E-mail Id :
   Signature : .....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 33rd Annual General Meeting of the Company, to be held on the 30th September, 2020 at 3.00 p.m. at registered office at UG – Floor, East Tower, NBCC Place, Bhisham Pitamah Marg, Lodhi Road , Pragati Vihar, New Delhi, Delhi 110003 through video conferencing and at any adjournment thereof in respect of such resolutions as are indicated below :-

Resolution No.

1 To receive, consider and adopt the Audited Financial Statement for the year ended 31st March, 2020 together with the Report of the Directors and Auditors thereon.

2 To declare dividend for the financial year 2019-20.

3 To fix remuneration of Statutory Auditors

4 Appointment of Shri Amitabh Banerjee (DIN 07502684), as Chairman & Managing Director

5 Appointment of Ms. Shelly Verma (DIN No. 07935630), Director Finance

6 Alteration of certain Articles of Articles of Association of the Company

7 Increase in authorized share capital

8 Initial Public Offerings (IPO) of equity shares by IRFC

Affix
Revenue
Stamp

Signed this ____ day of September, 2020.
Signature of Shareholder
Signature of the 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.

ADMISSION SLIP

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.

Folio No.		No. of Shares	

Name(s) and address of the member in full

_____

_____

I / we hereby record my / our presence at the 33rd Annual General Meeting of the Company being held on 30th September, 2020 at 3.00 p.m. at registered office of the Company at UG – Floor, East Tower, NBCC Place, Bhisham Pitamah Marg, Lodhi Road , Pragati Vihar, New Delhi, Delhi 110003 through video conferencing.

Please (✓) in the box

☐ MEMBER ☐ PROXY

_____

Signature of Member / Proxy

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have the pleasure in presenting the Thirty Third Annual Report of the Company along with the Audited Financial Statements, Auditor's Report and Review of the Accounts by the Comptroller & Auditor General of India for the financial year ended 31st March, 2020.

1. Financial Highlights

The highlights of financial performance of your Company for the year ended 31st March, 2020 are summarised below:

(Rs. In Millions)

	Particulars	**Year ended 31-03-2020**	**Year ended 31-03-2019**
I.	Revenue from operations	1,38,384.64	1,11,335.94
II	Other income	0.73	0.01
III.	**Total Revenue (I+II)**	**1,38,385.37**	**1,11,335.95**
IV.	Expenses:		
	Finance costs	1,00,797.81	81,830.60
	Impairment on financial instruments	21.41	275.44
	Employee benefit expense	62.65	62.51
	Depreciation and amortization expense	4.58	4.18
	Other expenses	574.68	147.37
	Total Expenses	**1,01,461.13**	**82,320,10**
V.	**Profit before tax (III-IV)**	**36,924.24**	**29,015.84**
VI.	Tax expense:		
	(1) Current tax	-	6,469.24
	(2) Tax for Earlier Years	-	(0.88)
	(3) Deferred tax	-	--
	Total Taxes	**-**	**6,468.36**
VII.	**Profit (Loss) for the current year from continuing operations (V-VI)**	**36,924.24**	**22,547.49**
VIII.	**Other Comprehensive Income**	**(5.52)**	**1.66**

Revenue from operations of your Company has increased by Rs. 2,704.87 crores from Rs. 11,133.60 crores in 2018-19 to Rs.13,838.46 crores in 2019-20, showing a growth of 24.29%.

Profit before Tax (PBT) of your Company for the year ending 31st March 2020 was Rs. 3,692.42 crore as compared to Rs. 2,901.58 crore for the previous year, registering a growth of 27.26%.

Profit after Tax (PAT) for the year ending 31st March, 2020 was Rs 3,692.42 crore which is the same as that of Profit Before Tax (PBT), as the Company has not made any provision for tax in its books pursuant to its decision to exercise the option of lower tax rate permitted u/s 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated 20th September, 2019. The Company's taxable income was nil and it did not have to pay Minimum Alternate Tax (MAT) with reference to its Book Profit. MAT payable u/s 115 JB was outside the ambit of the newly introduced 115 BAA. Thus, on adoption of Section 115 BAA of the Income Tax Act, 1961, the Company was outside the scope and applicability of MAT provisions and there was a zero-tax liability in the financial year 2019-20. Thus, the Profit After Tax for the year ending 31st March, 2020 was Rs.3,692.42 Crore as compared to Rs. 2,254.75 crore for the previous year, up by an impressive 63.76%. This has enabled the Company to augment its net worth and improve the D/E ratio.

2. Dividend

Your Company seeks to strike a judicious balance between the return to the shareholders and retaining a reasonable portion of the profit to maintain a healthy financial leverage with a view to supporting and sustaining future borrowings and growth. The overriding consideration for maintaining Debt to Equity ratio of the Company within the acceptable limits acts as a deterrent to declaration of higher amount of dividend.

It is proposed to declare a Final Dividend of Rs. 500 crore (Previous year Rs. 400 crore comprising interim and final dividend), which works out to 13.54% of the PAT (Previous year 17.74%) of the Company.

3. Reserves

As per Section 45 – IC of the RBI Act, 1934, all NBFCs are required to create a Reserve equivalent to 20% of the net profit before payment of dividend. RBI granted exemption to Government NBFCs from compliance of provisions of Section 45 – IC of the RBI Act, 1934. However, the exemption has been withdrawn by RBI w.e.f. 31st May, 2018. Accordingly, 20% of the net profit of the Company amounting to Rs. 738.48 crore has been transferred to Reserve Fund u/s Section 45 – IC of RBI Act, 1934.

A sum of Rs.241.11 Crore has been appropriated towards final dividend including dividend tax of the previous year.

Out of the remaining amount of profit, the sum of Rs.2,212.80 Crore has been transferred to General Reserve leaving a sum of Rs.500 Crore for meeting the final dividend payment for the year under review.

The Ministry of Corporate Affairs has notified the Companies (Share Capital and Debentures) Amendments Rules, 2019 on 16th August 2019 which exempts NBFC listed companies registered with Reserve Bank of India u/s 45-IA of the RBI Act, 1934 from creation of Debenture Redemption reserve. Hitherto, your Company was required to create Debenture Redemption Reserve equivalent to 25% of the outstanding non-convertible debentures raised through public issue during the maturity period of such debentures. Accordingly, the balance outstanding against Bond Redemption Reserve as on 31st March, 2019 amounting to Rs. 5,714.56 crores has been transferred to General Reserve.

Pursuant to the clarification issued by the Ministry of Corporate Affairs (MCA), the sum of Rs.6443.14 Crore outstanding against the accumulated deferred tax liability up to 31st March, 2017, has been reversed and transferred to General Reserve with retrospective effect on 1st April, 2018.

An amount of Rs.16.98 Crore has been set aside towards provision for share issue expenses, including stamp duty on enhancement of paid up equity capital and SEBI Registration fees for Initial Public Offerings of equity.

Huge accretion to Reserves on account of increase in profit after tax and reversal of Deferred Tax Liability have improved the financial gearing which will create significant headroom for debt raising.

4. Share Capital

The entire paid up capital of the Company amounting to Rs. 11,880.46 crore continues to be held by the President of India and his nominees.

Company has Issued 250,00,00,000 Equity Shares of face value of Rs.10/- each to the existing Shareholder of entire Share Capital President of India, acting through Ministry of Railways. Accordingly, the number of equity shares issued by the Company stands changed from 938,04,60,000 shares of Rs.10/- each to 1188,04,60,000 shares of Rs.10/- each.

5. Independent Evaluators' Assessment

5.1. Credit Ratings

Domestic: During the financial year 2019-20, the Company's long-term domestic borrowing programme was awarded the highest credit rating of "CRISIL AAA/Stable", "[ICRA] AAA (Stable)" and "CARE AAA [Triple A]" by CRISIL, ICRA and CARE respectively. The Company also got its short-term borrowing programme rated, obtaining the highest rating of ''CRISIL A1+'', ''[ICRA] A1+'', and "CARE A1+ [A One Plus]" by CRISIL, ICRA and CARE.

International: During the financial year 2019-20, three international credit rating agencies – Standard & Poor's, Fitch and Moody's – have awarded "BBB- with Stable Outlook", "BBB- with Stable Outlook" and "Baa2 with Negative Outlook" ratings respectively to your Company. Besides, the Company obtained an issuer specific credit rating of "BBB+ with Stable Outlook" from Japanese Credit Rating Agency. Each of the four credit ratings is equivalent to India's sovereign rating, and is of investment grade.

5.2.1. Memorandum of Understanding (MOU) with Ministry of Railways, Government of India

In terms of the MOU entered into with the Ministry of Railways (MOR) for the year 2019-20, it has been stated therein that with a view to ensuring measurability and reliability of achievements against the parameters set out in the MOU, the figures be either reflected in the Annual Report for the year 2019-20 or related information be furnished by means of providing resolution passed by the Board and / or by providing physical document. Accordingly, some of the related information is given here under: -

(i) Report on Corporate Governance for the year 2019-20 was submitted to Department of Public Enterprises (DPE) through MoR on 12th May, 2020.

(ii) Completed Data Sheet, containing PE Survey for the year 2018-19, was submitted to DPE on 22nd October, 2019.

(iii) The Company has submitted a certificate to DPE through MoR that it has complied with all the guidelines issued by DPE from time to time on various subjects.

MOU Rating: Based on its performance, the Company has been rated 'Excellent' by the Department of Public Enterprises (DPE) with a score of 91.82 (Excellent) for the year 2018-19.

Other details are mentioned in the Annual Report in relevant paras.

6. Market Borrowings during 2019-20

The Company was initially assigned a borrowing target of Rs.55,471 Crore including funding of Rolling stock to the extent of 28,400 Crore, financing of Railway Projects under EBR-IF to the tune of Rs.26,440 Crore and meeting the debt financing requirements of RVNL amounting to Rs.631 crore. During the last quarter of the financial year 2019-20, the target was revised to Rs.65,471.96 crore including Rs.32,624 crore towards Rolling Stock, Rs. 33,940 crore towards EBR-IF and Rs.1407.96 crore towards debt financing requirement of RVNL and was further increased by Rs. 2500 crore towards National Project totaling Rs.70,471.96 crore for the year 2019-20. This was the highest ever borrowing target for any financial year in the history of the Company and was an increase of 34.28% over the previous year's target of Rs.52,480.10 crore. The cumulative funding to Railway Sector has crossed Rs.3.39 lakh crore mark.

The total Capital Outlay (Capital EXPENDITURE) of MoR for the year 2019-20 was Rs.1,60,000 crore out of which IRFC's disbursement against the same was significant at Rs. 70,471.96 crore which constitutes 44.04% of total capital outlay for the year 2019-20.

Borrowings made during the year include Taxable Bonds worth Rs.30,095.73 crore (LIC Bonds Rs.4300 crore), External Commercial Borrowings (ECB) of Rs.13,783.85 Crore at exchange rate prevailing on the draw down date, Rupee Term Loans of Rs.25,745.13 Crore and 54EC bonds of Rs.847.25 crore. The weighted average cost and tenor of the pool of borrowings made by the Company during the year 2019-20 remained at 7.37%(semi-annual) as against 8.20% (semi Annual) during the previous year 2018-19, thus registering a decline of 83 bps over previous year, which in turn, has reduced the cost to MoR

The Company was able to achieve this feat through constant monitoring of the markets, proper timing of its borrowings and appropriate selection of instruments.

During the year, the Company constantly diversified its borrowing portfolio to meet the target of borrowings mandated by MoR at the most competitive rates and terms. In its endeavor towards further diversification of its borrowing portfolio, the Company upgraded its Euro Medium Term Note (EMTN) programme to Global Medium-Term Note (GMTN) Programme which facilitated its maiden issuance of bonds through Rule 144A / Reg S route. The bonds under the GMTN Programme were issued in two tranches of USD 700 Million and USD 300 Million with tenor of 10 years and 30 years carrying coupon of 3.249% (Benchmark US Treasury plus 160 bps) and 3.95% (Benchmark US Treasury plus 184 bps) respectively. These are considered as benchmark deals from India. The coupons obtained by IRFC is one of the lowest amongst the issuances, during 2019-20. Besides, the 30-year tenor issuance is the maiden issue by an Indian CPSE. Further, Your Company had raised a sum of USD 300 Million through 10-year USD Dollar denominated loan from SBI at an All-in-cost of 150 bps over 6 M USD LIBOR. IRFC is the first CPSE in recent years to tap the domestic capital market with 15-year bond issuance and raised an aggregate sum of Rs.6682.60 Crore. Further, after constant effort, Multilateral Investment Guarantee Agency (MIGA), a subsidiary of the World Bank, had accorded their in-principle approval for extending guarantee to the extent of USD 1 Billion to your Company for its foreign currency borrowing up to 15 years tenor. This would help your Company in the credit enhancement and enable it to raise foreign currency loans with longer tenors up to 15 years. Your Company was the first entity in India to be accorded this guarantee under the Non-Sovereign window by MIGA.

The Company received approval of Ministry of Finance for issue of 54EC Capital Gain Bonds in October 2017. Since then, Company is making all endeavors to increase its market share in 54EC Bond market. In 2019-20, Company mobilized around Rs.852.28 crore through 54EC Bond which was a significant jump over the mobilization of Rs.187.70 crore from 54EC Bonds in the year 2018-19.

7. Redemption of Bonds / Repayment of Loans

The Directors are pleased to report that during the year under review, your Company successfully redeemed bonds and discharged its other debt obligations amounting to 57,751.83 crore in an efficient manner, without a single instance of delay or default in debt servicing. These included Bonds valued at Rs.8415.21 crore, Term Loans worth Rs. 46,315.50 crore , External Commercial Borrowings (ECB) of Rs.21.12 crore and Commercial Papers of value Rs. 3000 Crore. Your Company is set to honour obligations towards redemption of Bonds, repayment of Loans and ECBs amounting to around Rs. 16,173.32 crore during the next fiscal.

Your Company's internal generations are adequate to meet the repayment / redemption obligations. Surplus funds, if any, after meeting the repayment obligations are invested prudently in the form of Fixed Deposits with Banks.

The Company continues to maintain its impeccable track record of servicing its debt in time and there has not been a single instance of default during the year.

8. Internal Financial Control Systems & their adequacy

The Company has in place, adequate internal control systems commensurate with the nature and volume of its business. Efficient maintenance of accounts is facilitated by the executives and employees of the Company. Thereafter, the same is audited periodically by the Internal Auditors. The function of Internal Audit has been assigned to a reputed firm of Chartered Accountants. The scope of internal audit is well defined and is very exhaustive to take care of all crucial functions and business of the Company. Based on their report, steps are taken at regular intervals to further strengthen the existing systems and procedures. Their significant observations are discussed in the Audit Committee Meetings regularly. The Statutory Auditors of the Company are appointed by Comptroller and Auditor General (C&AG) of India, and the appointment is rotated periodically. Besides, the accounts of the Company are subject

to supplementary audit by the office of C&AG, as required under the Companies Act. The C&AG also conducts propriety audit of the Company. The Company has implemented Accounts Manual and Internal Audit Manual from financial year 2016-17. The Company has also implemented Manual for Procurement of Goods, Services and Works and HR Manual. The Company has also implemented a policy for temporary placement of surplus funds with the Banks in order to strengthen its cash management system. The track record of your Company with regard to handling its operational risks has been excellent.

Besides, as mandated under Companies Act, 2013, the Statutory Auditors have certified as part of their Audit Report, the effectiveness of Internal Financial Control over financial reporting.

9. RBI Prudential Norms

Your Company is registered as a Systematically Important Non-Deposit Taking Non-Banking Finance Company with the Reserve Bank of India. Being a Government NBFC, your Company was exempted from the prudential norms prescribed by Reserve Bank of India for NBFC-ND-SI, as contained in the Master Directions issued vide Notification No. DNBR.008/CGM(CDS)-2015, dated 27th March, 2015. However, the exemption was withdrawn by Reserve Bank of India from 31st May, 2018. As such, the Company has complied with the applicable prudential norms.

The Company has obtained exemption from Reserve Bank of India from the asset classification, income recognition, credit concentration and provisioning norms on the direct exposure to Ministry of Railways, Govt. of India. The Company has also obtained relaxation in respect of lending limit applicable to Railway CPSEs from 20% of its owned funds to 100% of its owned funds.

10. Lease Arrangement with the Ministry of Railways 2019-20

As you are aware, the financial relationship of the Company with the Ministry of Railways is based on a Finance Lease arrangement which is regulated by a standard lease agreement. In respect of the incremental rolling stock assets acquired during

2019-20 through IRFC funding, lease rentals have been fixed at Rs. 54.8928 per thousand per half year (PTPH) over a primary lease tenor of 15 years. The cost (IRR) to Ministry of Railways is 7.77% p.a. payable semiannually as compared to 8.49% last year, down by 72 bps. Viewed in the context of significant increase in the annual borrowing target clocking a year-to-year growth of more than 34% and huge uncertainty prevailing in the market caused by COVID-19 pandemic during the latter part of the FY 2019-20, the pricing is considered very attractive for the Ministry.

11. Resource Mobilisation for 2020-21

In the Budget for 2020-21, the annual borrowing target for IRFC has been fixed at Rs. 58,000 crore which includes Rs. 29,300 crore for funding of Rolling Stock assets and funding of Railway projects through Institutional Finance to the extent of Rs.28,000 crore. A target of Rs. 700 crore for meeting the debt funding requirements of RVNL has also been given.

The Company is confident of meeting the challenge and hopeful to raise the required amount during the year through a judicious mix of Bonds, Loans and External Commercial Borrowings, etc., at the most competitive rates and terms.

12. Management Discussion and Analysis and Company's Outlook for the future

Your Directors take pleasure in sharing with you their perception that business of the Company stands on a sound platform and is running well. The robust business model involving strong and mutually beneficial relationship with MoR has become its unique forte. The business of the Company with the Ministry has grown considerably during the last ten years. From an annual target of Rs. 2,957 crore in 2004-05, the final borrowing target assigned for the year 2019-20 was at Rs. 70,471.96 crore. The trend characterized by around twenty-four-fold increase in annual borrowing target with a CAGR of 13.52% over the last twenty-five years is likely to continue.

Being the dedicated market borrowing arm of the Ministry of Railways, your Company constantly strives to raise funds from the financial market at the most competitive rates and terms. The interest rate remained benign during the major part of the year due to change in monetary policy stance from calibrated tightening to neutral in Feb, 2019 and then to accommodative from June, 2019. During the period up to Dec, 2019, policy repo rate was cumulatively cut by 135 bps. However, during the later part of the year, the market remained highly volatile due to the pandemic COVID-19 which led to unprecedented liquidity crunch, temporary spike in the interest rate and widening of corporate spreads. In spite of the fact that your Company was mandated a mammoth final borrowing target in excess of Rs.70,000 Crore and upward revision in the mandate from the original target of Rs.54,471 Crore was communicated to the Company only towards the end of the financial year, the Company had to manoeuvre its borrowing programme meticulously in an adverse macroeconomic environment which helped in maintain its unflinching commitment to making funds available to the Railways at the most competitive possible pricing.

In the Annual Report of Financial Year 2015-16, it was reported that MoR had tied up a loan of Rs.1,50,000 crore with Life Insurance Corporation of India (LIC), to be drawn in tranches over a period of five years for their project funding requirement. It was also reported that IRFC had been entrusted with the job of borrowing the funds from LIC on MoR's behalf.

Under the arrangement, amount totaling to only Rs. 20,500 crore, could be drawn from LIC from 2015-16 to 2019-20 due to its exposure limit constraint as per IRDAI Guidelines.

In the Union Budget for the year 2017-18, the Government had announced listing of shares of your Company on bourses. As a pre-requisite for listing, the public shareholding of such companies has to be not less than 25%, which is to be achieved within a period of three years. The Company had filed the DRHP with the Securities and Exchange Board of India and had completed the roadshows in the prominent

domestic and international financial centers. However, the IPO was postponed at the last moment, due to the unprecedented crash of the stock market in the aftermath of the COVID-19 pandemic. However, post corrections in the stock market and renewed interest of Foreign Portfolio Investors (FPIs) for investment in India, the Company has restarted the process of IPO.

13. Impact of Global Health Pandemic COVID-19

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has adopted measures to curb the spread of infection in order to protect the health of our employees and ensure business continuity with minimal disruption.

The Company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there is no significant impact on its financial results. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly, the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue monitoring any material change to future economic conditions.

14. Report on Corporate Governance

The Government considers good corporate governance practices a *sine qua non* for sustainable business that aims at generating long term value for its shareholders and all other stakeholders. Accordingly, it has been laying increasing emphasis upon development of best corporate governance practices amongst Central Public Sector Enterprises (CPSEs). In pursuance of this philosophy, your Company continues to comply with the 'Guidelines on Corporate Governance for Central Public Sector Enterprises' issued by Government of India, Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises (DPE) in May, 2010. A few items in those Guidelines, which your Company is not in a position to adopt mainly because they do not apply to it, have been outlined' together with reasons for non-compliance

thereof, in the Report on Corporate Governance. Your Company's Non-Convertible Debt Securities are listed on the stock exchanges and Company has complied with Chapter V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Report on Corporate Governance is enclosed as Annexure- I forming part of this report.

15. Corporate Social Responsibility

Activities relating to Corporate Social Responsibility (CSR) have now become an integral part of Company's operations.

In terms of Section 135 of the Companies Act, 2013 (the Act), read with Schedule VII thereof and also the CSR Rules, the Company has constituted a CSR Committee (the Committee) comprising Independent Directors, the Chairman & Managing Director and Director Finance, with an Independent Director as the Chairman of the Committee. Under the Act, the Company is required to spend at least two percent of the average of its net profits of the three immediately preceding financial years on CSR activities. The Department of Public Enterprises (DPE) has also issued guidelines in this regard which, inter alia, require the Central Public Sector Enterprises (CPSEs) to frame a 'CSR and Sustainability Policy'.

The 'CSR and Sustainability Policy' of the Company is in place and the same has also been hosted on its website. The Company, like in the past, has undertaken activities for Sustainable Development and CSR, details of which are given hereunder: -

During the year 2019-20, the Company was required to spend Rs. 50.52 crore, being 2% of its average net profits of the last three years, on CSR activities, against which the Company has disbursed a sum of Rs. 34.10 crore and the balance amount of Rs 16.42 crore would be disbursed on receipt of claims from the implementing agencies in future. The Company was committed to Education and Health care as the theme for focused intervention as mandated by Department of Public Enterprises.

Following are the details of Rs. 34.10 Crore disbursed by the Company: -

Rs 34.06 crore was contributed to PM Cares Fund and Rs. 0.04 crore was disbursed for 100 corrective cleft surgeries.

CSR Activities proposed during 2020-21

During the year 2020-21, the Company is required to spend about Rs. 61.23 crore. Preliminary study on projects is being undertaken. The details of all the projects / activities would be provided in the next Annual Report.

The details of CSR activities as required under the Companies Act are given in the Annexure – II.

16. Directors' Responsibility Statement

As required under Section 134(3)(c) of the Companies Act, 2013, it is confirmed that:

a) In the preparation of the annual accounts, the applicable Indian Accounting Standards have been followed and there are no material departures;

b) Accounting policies have been re-drafted taking into account the Ind-AS, judgments and estimates made are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;

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

d) Annual accounts have been prepared on 'going concern' basis.

e) The laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.

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

17. Human Resource Management

Performance level of your Company has been consistently high despite the fact that it consciously maintains a very lean workforce reflected in its low overhead to turnover ratio of around 0.10%.

In order to further strengthen the Organization Structure for coping with the additional workload due to manifold increase in the annual borrowing target mandated by MoR and significant increase in compliance requirements in the aftermath of implementation of the Companies Act, 2013, SEBI (LODR) Guidelines, migration to IND-AS and introduction of GST, the Company got a study conducted by the Management Development Institute (MDI). Besides, the IPO and listing of its equity shares are to take place shortly which is expected to make the compliance process more stringent. Based on the report submitted by MDI, the Company is planning to increase the employee strength suitably in a phased manner to meet the new challenges.

High levels of efficiency exhibited by the Company's dedicated workforce would not have been possible but for the Company laying deep emphasis on upgrading skills of its employees and keeping them abreast of latest developments and industry practices. The Company is committed to enhancing the professional expertise of all its employees. As a matter of general practice, the Company relies on training programmes involving assessment of training needs and providing necessary inputs to Company personnel, including through customised training programmes.

The Directors are also imparted training on a need-based manner. Shri Kishore J. Devani, Independent Director, attended workshop on 'NBFCs on 13th December, 2019, at Mumbai. The main focus of the training was to make the Directors aware of the best corporate governance practices.

While selecting the training programme, the Company lays emphasis on development of skill and knowledge of its executives in the new vistas of Finance and Information Technology, besides developing the leadership and managerial skills for the future.

18. Statutory Auditors & Secretarial Auditors

M/s KBDS & Company, Chartered Accountants, have been appointed as Statutory Auditors by Comptroller & Auditor General of India to audit the accounts of the Company for the year 2020-21.

Secretarial Audit under Section 204 of the Act has been conducted by M/s Navneet K Arora & Co LLP, Company Secretaries, the existing Secretarial Auditors.

19. Other Disclosures under the applicable provisions of the Companies Act, 2013

19.1. Number of Meetings of the Board

The details are given in Corporate Governance Report which is enclosed as Annexure-I.

19.2. Certificate of Independence by Independent Director

Smt. Aditi Sengupta Ray, Shri Chetan Venugopal and Shri Ashok Kumar Singhal, Independent Directors, have given a declaration that they meet the criteria of Independence, as laid down under Section 149 (6) of the Act.

19.3. Material changes, if any, that may affect financial position of the Company

There are no material changes which will affect financial positon of the Company.

19.4. Internal financial control systems and their adequacy

This has been discussed in Para 8.

19.5. Audit Committee

The details pertaining to composition of Audit Committee are included in the Corporate Governance Report, which is enclosed as Annexure-I.

19.6. Statutory Auditors' Report and Secretarial Auditors' Report

The Secretarial Auditor in their Secretarial Audit Report has observed as under: -

Observations		Management Reply
Company has not filed E-Form CHG-1 for registration of the Charge till date according to Section 77 of the Companies Act, 2013 in respect of Creation of Charge in favour of Government of India Ministry of Finance dated 7th December, 2018 for availing loan facilities to the tune of Rs.7,500 Crore.	:	The Company had been pursuing with Department of Economic Affairs (DEA) for filing of creation of charge with Registrar of Companies since the availment of the loan. The Company has successfully filed E-Form CHG-1 for registration of the Charge with the Registrar of Companies on 6th August, 2020 and the same has since been approved by MCA on 6th August, 2020 itself.
Filing of quarterly returns viz. NBFC-ND-SI, ALM Returns for the financial year 2019-20 with Reserve Bank of India in compliance with Non-Banking Financial Companies (Reserve Bank) Directions 2016 with the RBI Portal (COSMOS) has been delayed.	:	Filing of quarterly returns viz. NBFC-ND-SI, ALM Returns for the financial year 2019-20 with Reserve Bank of India in compliance of Non-Banking Financial Companies (Reserve Bank) Directions 2016 with the RBI Portal (COSMOS) has been delayed due to technical / validation problem in the RBI portal

Reports of the Secretarial and Statutory Auditors in this regard are enclosed as Annexure- III & Annexure- IV which form part of this Report.

Your Company complies with all applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India.

19.7. Risk Management

Effective risk management is central to ensuring a robust and healthy finance for the Company. While in risk management, credit risk is accorded high priority amongst various risk mitigation efforts of a business, this is virtually non-existent in the case of your Company, in as much as, an overwhelming segment of its assets is in the form of lease receivables from the Ministry of Railways, carrying zero risk. The Company's selective forays into other areas in the form of loans to Rail Vikas Nigam Limited and IRCON International Limited are suitably ringfenced, as the same has either the cash flows originating from the Ministry of Railways or there is a repayment assurance by Ministry of Railways.

Ordinarily, a company carrying out its business with predominantly single client, might be viewed as being faced with a potential threat. However, in the case of your Company, the single client is the owner, who also happens to be the sovereign itself. By virtue of consistently funding about 25% to 30% of plan outlay of the Ministry of Railways, IRFC commands a position of strategic importance for the Ministry. In the year 2019-20, your Company funded about 44% of plan outlay of Ministry of Railways. Funding provided by IRFC has been at a competitive cost which is considered attractive by the Ministry. Your Company has logged an annual growth rate of over 28% over a sustained period of time. With strong indications of an even larger role being expected by the Ministry from IRFC in its efforts at augmenting rail infrastructure in the country, your Directors consider the Company is comfortably placed in the matter of Business Risk it is exposed to.

Given the carefully drafted provisions in the Lease Agreement signed by IRFC with MoR every year, there is a very good matching of the interest rate sensitivity profile of its assets and liabilities. In the circumstances, exposure of the Company to Interest Rate Risk is negligible. Further, for the Railway Projects financed through Institutional

Finance, it is proposed to adopt the lease structure akin to the structure of borrowing which will minimise the liquidity and interest rate risk.

The cash flows of your Company are highly predictable, shielding it largely against liquidity related issues even in a volatile market. Besides, with the quality of credit, Company commanding a high level of respect amongst investors, both domestic and international, the Liquidity Risk in the case of IRFC is perceived at a very low level.

Although the foreign exchange fluctuation risk is pass through to MoR, still your Company has consistently been adopting prudent, efficient and cost-effective risk management strategies to safeguard its operations against Exchange Rate Variation risk on its overseas borrowings. The Company strives to eliminate at opportune time the exchange rate variation risk in respect of principal repayments. Timing is important in such hedging transactions. The Company recognises the fact that contracting a hedge at a time subsequent to the drawdown does not expose it to any undue risk because of longer maturities. The Risk Management Committee regularly monitors the Foreign Exchange Exposure. In accordance with the policy, the Company has hedged part of its foreign currency exposure thereby mitigating the exchange rate fluctuation risk to that extent.

Some of the outstanding foreign currency borrowings of the Company with tenor longer than five years are either having bullet repayment or amortised repayment in half-yearly instalments. As a result of amortized repayments, the risk gets significantly mitigated by virtue of repayments taking place progressively at different points of time. Keeping in view the volatility in the foreign exchange markets, the Company has been taking recourse to selective hedging of the ECBs outstanding both on principal and interest amount. With a view to effectively supplementing its in-house expertise on the matter, your Company usually resorts to external expert advice from reputed professional consultants, while taking hedging decisions.

Reserve Bank of India (RBI) has made it mandatory for all the Banks offering derivative products to ensure that all their clients who have business dealings must obtain certification regarding adoption of Risk Management Policy duly approved by their Board of Directors. In compliance with the RBI Guidelines, Board-approved Risk Management Policy is in place. The Company also has constituted Risk Management Committee which comprises Chairman & Managing Director and Director Finance.

The proceedings of meetings of the Risk Management Committee were regularly placed in the meetings the Board of Directors. Terms of reference of the Risk Management Committee: -

a. Carry out responsibilities as assigned by the Board.
b. Monitor and Review Risk Management Plan as approved by the Board.
c. Review and Recommend Risk Assessment Report and Risk Management Report for approval of the Board.
d. Ensure that appropriate system of risk management is in place.
e. Oversee recent developments in the Company and periodic updating of Company's Enterprise Risk Management Program for assessing, monitoring and mitigating the risks.
f. Periodically, but not less than annually, review the adequacy of the Company's resources to perform its risk management responsibilities and achieve objectives.

The Company has constituted sub-committee of Risk Management Committee to assess and mitigate the foreign exchange fluctuation risk and interest rate risk in External Commercial Borrowings. Minutes of the meetings of the Sub-committee along with the action taken are placed before the Risk Management Committee.

For effective monitoring, control and mitigation of financial risk arising due to mismatch in the Asset Liability position, the Company has formed an Asset Liability Management Committee (ALCO) comprising chairman & Managing Director, Director Finance and Senior Level Officers. The ALCO generates various reports as prescribed

by RBI for monitoring the liquidity and interest rate risks and place the same before the Risk Management Committee from time to time. The terms of reference of ALCO Committee: -

a. Balance sheet planning from risk return perspective including the strategic management of interest rate and liquidity risks.
b. Whether the limits/parameters set by Board have been breached.
c. Desired maturity profile and mix of the incremental assets and liabilities, prevailing interest rates offered by other peer NBFCs for the similar services/product, etc
d. The results of and progress in implementation of the decisions made in the previous meetings.
e. View on the current interest rate and base its decisions for future business strategy on this view
f. A view on future direction of interest rate movements and decide on funding mixes between fixed vs. floating rate funds, wholesale vs retail deposits, money market vs. capital market funding, domestic vs. foreign currency funding, etc

19.8. Particulars of loans, guarantees and investments

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

19.9. Transactions with related parties

None of the transactions with related parties falls under the scope of Section 188(1) of the Act.

19.10. Significant and Material Orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company

There are no significant and/or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

19.11. Disclosure under Foreign Exchange Management Act, 1999

The Company is in compliance with the relevant provisions of the Foreign Exchange Management Act, 1999 pertaining to external commercial borrowing and derivatives.

19.12. Extract of Annual Return

As provided under Section 92(3) of the Act, the extract of Annual Return is given in Annexure-V in the prescribed Form MGT-9, which forms part of this report.

19.13. Particulars of Employees receiving high remuneration & other particulars of employees

Since IRFC is a Government Company, provisions of Section 197 are not applicable to it. Hence, the details have not been given.

19.14. Deposits from public

As in the past, the Company has not accepted any fixed deposits during the period under review.

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

Pursuant to the Provision of Section 134(3)(m) of the Companies Act, 2013, in respect of Conservation of Energy and Technology absorption, following steps have been taken by your Company: -

To save power, the Company now purchases LED / LCD monitors while replacing the old monitors. Employees are encouraged to keep their gadgets in power saving mode, wherever possible. The Company now replaces its old electrical items, gadgets, etc. with power efficient units.

19.16 Foreign exchange earnings & outgo

The Company did not have any foreign exchange earnings during the year. Details of foreign exchange outgo have been given in the Notes on Accounts.

19.17 Expenditure on R&D

This is not applicable, as IRFC is engaged only in financial activities.

20. Compliance of MSME Guidelines

Your Company has in place, a Manual for Procurement of Goods, Services and Works which provides guidelines to expedite decision making process by way of consolidating, simplifying and streamlining the various steps to be followed in the process of award of contracts from the procurement of goods, works & services as well as during its implementation on the ground.

The procurement from MSEs in compliance to Public Procurement Policy during the financial year 2019-20 is placed below:

Sl. No.	Particulars	2019-20
1	Total annual procurement (in Rs. in crore)	4.83
2	Target %age of annual procurement (20%) (in Rs. in crore)	0.97
3	Total value of goods and services procured from MSEs (including MSEs owned by SC/ST entrepreneurs) (in Rs. in crore)	2.57
4	Total value of goods and services procured from only MSEs owned by SC/ST entrepreneurs	----
5	% age of procurement from MSEs (including MSEs owned by SC/ST entrepreneurs) out of total procurement	53.15%
6	% age of procurement from only MSEs owned by SC/ST entrepreneurs out of total procurement	---

21. Vigilance Activities

Considering the lean strength and nature of operations, the vigilance activities of the Company is being looked after by a Part-time Chief Vigilance Officer (CVO) nominated by the Ministry of Railways. The CVO carries out internal scrutiny of the activities on a random basis to ensure compliance with the laid down CVC guidelines and procedures.

During the year 2017-18 one complaint was received by the CVC with allegations of misconduct for which investigations have been carried out and memorandum of charge has been issued.

22. Official Language

The Company is committed to achieving extensive use of Hindi in transaction of its official business, and in the process also bring about compliance with provisions of Official Language Act and Official Language Policy of the Government of India. Considerable efforts were made to achieve the targets set under Annual Programme issued by Department of Official Language, Government of India. Provisions of Section 3(3) of the Official Language Act were fully complied with. Effective measures were taken to bring about progressively higher use of Hindi in day-to-day working of the Company. Ensuring more intensive use of bilingual / Hindi software, purchase of sufficient number of Hindi books, periodicals and journals for the office library in keeping with improving readership, and holding workshops to promote awareness and use of Hindi as official language formed core of the approach in the matter, even as the biggest driver has been a sense of pride inculcated amongst constituents of the Company in transacting their official work in Hindi.

During the year under review, three quarterly meetings of the Official Language Implementation Committee of the Company were held. Also, four Hindi Workshops were organised to give hands-on exposure to participants on various facets of use of Hindi in discharge of their official duties. As in the previous years, Hindi Week was celebrated, carrying out a variety of activities. Awards were given to employees making most extensive use of Hindi in their day-to-day official work. Awards were also given to winners of the Hindi Poem recitation competition.

On 21st August, 2020, the 'Parliamentary Committee on Official Language' had carried out an inspection to assess the extent of use of Hindi and compliance with the Rajbhasha Guidelines in the Company. The Committee had appreciated the use of Hindi in the Company.

The official website of your Company exists in fully bilingual form, and contains all information of interest to its stakeholders.

23. Presidential Directives

Company has not received any Presidential Directive during the year.

24. Right to Information Act, 2005

The Company follows Government instructions issued in pursuance of Right to Information Act, 2005, and has designated Public Information Officer and Appellate Authority under the Act. All relevant information has been hosted on the Company's website also.

25. Women Employees

Your Company has a very small organizational setup, presently comprising 24 employees in all, out of which there are three women employees in the executive cadre. Thus, women employees constitute 12.5% of the total employee strength at present and the Company would endeavour to further improve the number as and when an opportunity arises.

26. Information under sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013

No case of sexual harassment at the work place was reported in the last financial year.

The Company has an Internal Complaint Committee where women employees can register their complaints against sexual harassment.

27. Board of Directors and Key Managerial Personnel

Since the last Annual General Meeting in 26th September, 2019, following changes have taken place in the composition of the Board of Directors.

1. Mrs. Manjula Rangarajan, Financial Commissioner (Railways), nominated as Chairperson / IRFC on 20th November, 2019 vide Ministry of Railways (MoR) Order No. No.2009/PL/47/2 dated 20th November, 2019 from 20th November, 2019 to 20th May, 2020.
2. Shri Vijay Kumar had taken charge of the Managing Director of IRFC vide Ministry of Railways (MoR) Order No. 2015 / E (O) II / 40 / 9 dated 26th July, 2018 from 26th July, 2018 to 11th October, 2019.
3. Shri Amitabh Banerjee was appointed as the Managing Director of IRFC vide Ministry of Railways (MoR) Order No. 2018/E(O)II/40/19 dated 12th October, 2019. He took over the charge of Chairman & Managing Director on the IRFC Board on 21st May, 2020 vide MoR order No.2018/PL/47/2 dated 21.05.2020.
4. Shri Niraj Kumar, was appointed as Director Finance from 1st July, 2015 vide MoR Order No.2014/E(O)II/40/12 dated 1st April, 2015. He superannuated on 31st July, 2020.
5. Dr. Kumar Vinay Pratap was appointed as part-time Government Director vide Ministry of Railways Order No.2009/PL/47/2 dated 23rd April, 2018 from 23rd April, 2018 to 18th March, 2020.
6. Shri Kishor J. Devani was appointed as Part-time Non-official Director vide MoR Order No.2003/PL/60/1(pt.) dated 1st April, 2016. Subsequently, he was reappointed vide MoR Order No. 2009/PL/48/1 (Pt.3) dated 11th July, 2019. His tenure completed on 31st March, 2020.
7. Shri Baldeo Purushartha, Joint Secretary (IPF), Department of Economic Affairs, Ministry of Finance was appointed on the Board of the Company vide MoR Order No. 2009/PL/47/2 dated 3rd June, 2020, as part –time Government Nominee Director with effect from 3rd June, 2020 .
8. Shri Anand Prakash, EDF/B, Railway Board was appointed on the Board of the Company vide MoR Order No. 2020/PL/47/4 dated 21st July, 2020, as Nominee Director on the Board of the Company with effect from 22nd July, 2020 .

9. Ms. Shelly Verma was appointed on the Board of the Company vide MoR Order No. 2018/E(O)II/40/8 dated 31st August, 2020, as Director Finance / IRFC with effect from 1st September, 2020.

Directors place on record their appreciation of the services rendered and contributions made by Mrs. Manjula Rangarajan, Financial Commissioner (Railways), nominated as Chairperson / IRFC, Shri Vijay Kumar, Financial Commissioner (Railways), additional charge as Managing Director / IRFC, Shri Niraj Kumar, Director Finance / IRFC, Dr. Kumar Vinay Pratap, Nominee Director / IRFC and Shri Kishore J. Devani, Independent Director / IRFC of the Company during their tenure.

Pursuant to Section 203 of the Companies Act, 2013, Director Finance, also designated as CFO and Company Secretary, have been designated as Key Managerial Personnel of the Company.

28. Comments of the Comptroller & Auditor General of India

The Comptroller & Auditor General of India has undertaken supplementary audit on accounts of the Company for the year ended 31st March, 2020 and have had no comments upon or supplements to the Auditors' Report under Section 143(6) of the Companies Act, 2013.

29. Acknowledgements

Your Company is grateful to the Ministry of Railways, Ministry of Finance, Ministry of Corporate Affairs, Public Enterprises Selection Board, Department of Public Enterprises, National Informatics Centre, other Departments of the Government, Securities and Exchange Board of India and the Reserve Bank of India, for their co-operation, assistance, active and timely support, and guidance rendered from time to time. The Company is also thankful to all its Bondholders, Banks, Financial Institutions, Arrangers, Registrar and Transfer Agents, Bond Holders Trustees, National Stock Exchange, Bombay Stock Exchange and Life Insurance Corporation of India for reposing their confidence and trust in the Company. The Company looks

forward to their continued support for sustaining its excellent performance levels. The Company expresses gratitude to the Comptroller & Auditor General of India, the Statutory Auditors and the Internal Auditors for their valuable support andguidance.

The Board of Directors express their deep appreciation in recognition of the valuable contribution made by the Company's small team of officers and employees, which has enabled the Company to successfully meet the increasing level of funding targets set by the Ministry of Railways, while consolidating its position as one of the most vibrant public financial institutions in the country.

For and on behalf of Board of Directors

Place: New Delhi

Date: 29th September, 2020

Sd/-

Chairman & Managing Director

ANNEXURE – I

Report on Corporate Governance

Indian Railway Finance Corporation Limited (IRFC) is a Central Public Sector Enterprise (CPSE). Its entire paid up share capital is held by the President of India and his nominees. It is also a listed Company in the sense that its Bonds are listed on the Wholesale Debt Market (WDM) segment of the National Stock Exchange of India Limited and Bombay Stock Exchange Limited, Mumbai.

IRFC is in compliance with relevant provisions contained in the Guidelines on Corporate Governance for Central Public Sector Enterprises (hereinafter referred to as Government Guidelines), issued by Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India. The Company is also complying with the Circular, to the extent applicable, dated 1st July, 2015 issued by Reserve Bank of India under their Master Circular – "Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015". In this connection, relevant details are furnished below: -

Company's Philosophy on the Code of Governance

The Company looks upon Corporate Governance as an enterprise-wide endeavour targeted at value creation in the form of striking optimum balance between the profit it earns for its Shareholders and the spread it charges from Ministry of Railways on the cost of funds transferred to them. This is sought to be achieved by conducting the business in a professional manner, using a combination of delegation and accountability amongst key executives in the Company; focussed attention and transparency in operations of the Company; skill upgrades through need-based training, etc.; and high level of investor / lender satisfaction through timely debt servicing and grievance settlement.

To foster best Corporate Governance practices, the Company has formulated a "Code of Business Conduct and Ethics for its Board Members and Senior Management" in

June, 2008, which seeks to bring high level of ethics and transparency in managing its business affairs. The same has also been posted on the website of the Company (www.irfc.nic.in).

Affirmation by all Directors and senior Officers of the Company to the effect that they have complied with and not violated the Code is required to be obtained at the end of each year. The requirement stands fulfilled for 2019-20. A declaration to this effect, duly signed by the Managing Director (CEO), is at Annexure-VI and forms part of Directors Report.

Board of Directors

As at the end of financial year, there are 7 (Seven) Directors on the Board of the Company. Besides Managing Director and Director Finance, Four Independent Director(s), one Government Director, are also in position. As provided in the Articles of Association of IRFC, the appointment of Directors and payment of their remuneration are determined by the President of India.

Meetings of Board of Directors

The Board of Directors has been holding its meetings regularly. 9 (Nine) such meetings were held during the year under review, as listed below: -

Serial No.	Board Meeting No.	Date
1.	252	11.05.2019
2.	253	26.07. 2019
3.	254	05.09. 2019
4.	255	26.09. 2019
5.	256	11.11. 2019
6.	257	26.11. 2019
7.	258	16.01. 2020
8.	259	17.02.2020
9.	260	25.03.2020

Attendance at the Meetings of the Board of Directors during 2019-20 :-

Name of the Director	Number of meetings of BOD held during their tenure	Number of meetings attended	Attendance at the AGM	Directorship in other Companies	No. of Committee positions held in public companies including IRFC
Mrs. Manjula Rangarajan Chairperson / IRFC From 20.11.2019	4	4	NA	None	Nil[1]
Shri Vijay Kumar Managing Director/ IRFC From 26.07.2018 to 11.10.2019	4	4	Yes	None	3[2]
Shri Amitabh Banerjee *Chairman & Managing Director/ IRFC From 12.10.2019	5	5	NA	None	3[3]
Shri. Niraj Kumar **Director Finance / IRFC From 01.07.2015	9	9	Yes	None	2[4]
Shri K. V. Pratap Government Director From 23.04.2018 to 18.03.2020	8	5	No	3	1[5]
Shri Kishore J. Devani Independent Director From 01.04.2016 to 31.03.2020	8	8	Yes	None	3[6]
Smt. Aditi Sengupta Ray Independent Director From 19.09.2017	9	9	No	None	3[7]
Shri. Chetan Venugopal Independent Director From 08.03.2018	9	9	Yes	5	3[8]
Shri Ashok Kumar Singhal Independent Director From 20.07.2018	9	6	No	None	3[9]

*Took over the charge of Managing Director on 12th October, 2019 and Chairman & Managing Director on the IRFC Board on 21st May, 2020 vide MOR order No.2018/PL/47/2 dated 21.05.2020.

**Superannuated on 31st July, 2020.

1. Mrs. Manjula Rangarajan, Financial Commissioner (Railways), nominated as Chairperson / IRFC on 20th November, 2019 vide Ministry of Railways (MoR) Order No. No.2009/PL/47/2 dated 20th November, 2019. She was a Director in NRTU Foundation.

2. Shri Vijay Kumar had taken charge of the Managing Director of IRFC vide Ministry of Railways (MoR) Order No. 2015 / E (O) II / 40 / 9 dated 26th July, 2018 from 26th July, 2018 to 11th October, 2019.

   Shri Vijay Kumar, Managing Director remained a Member of the CSR Committee, Stakeholders Relationship Committee and Audit Committee.

3. Shri Amitabh Banerjee was appointed as the Managing Director of IRFC vide Ministry of Railways (MoR) Order No. 2018/E(O)II/40/19 dated 12th October, 2019. He took over the charge of Chairman & Managing Director on the IRFC Board on 21st May, 2020 vide MoR order No.2018/PL/47/2 dated 21.05.2020.

   Shri Amitabh Banerjee, Managing Director remained Member of the CSR Committee, Stakeholders Relationship Committee and Audit Committee.

4. Shri Niraj Kumar, was appointed as Director Finance from 1st July, 2015 vide MoR Order No.2014/E(O)II/40/12 dated 1st April, 2015.

   Shri Niraj Kumar remained Member of the CSR Committee and Stakeholders Relationship Committee.

5. Dr. Kumar Vinay Pratap was appointed as part-time Government Director vide Ministry of Railways Order No.2009/PL/47/2 dated 23rd April, 2018. Dr. Kumar Vinay Pratap, Joint Secretary (IPF), Department of Economic Affairs, Ministry of Finance was a Director in ONGC Videsh Limited (OVL), India

Infrastructure Finance Company Limited (IIFCL) and Indian Railway Stations Development Corporation Limited.

Dr. Kumar Vinay Pratap was a member of Nomination & Remuneration Committee in IRFC.

6. Shri Kishor J. Devani was appointed as Part-time Non-official Director vide MoR Order No.2003/PL/60/1(pt.) dated 1st April, 2016. Subsequently, he was reappointed vide MoR Order No. 2009/PL/48/1 (Pt.3) dated 11th July,2019.

   Shri Kishor J. Devani was a member of the Audit Committee, CSR Committee and Nomination & Remuneration Committee of the Company.

7. Smt. Aditi Sengupta Ray appointed as Part-time Non-official Director vide MoR Order No.2003/Pl/60/1(pt) dated 19th September.2017.

   Smt. Aditi Sengupta Ray is a Member of the Audit Committee, Stakeholders Relationship Committee and Nomination & Remuneration Committee of the Company.

8. Shri. Chetan Venugopal appointed as Part- Time Non-official Director vide MoR Order No.2003/PL/60/1(pt) dated 8th March,2018. He was a Director in Ikshu Technologies Bangalore Private Limited, Pierian Digital Private Limited, Flat World Interactive Services Private Limited, E Analytics Partners (India) Private Limited and Pierian Services Private Limited.

   Shri. Chetan Venugopal is a Member of the Audit Committee, CSR Committee and Stakeholders Relationship Committee of the Company.

9. Shri Ashok Kumar Singhal appointed as Part- Time Non-official Director vide MOR Order No. 2008/PL/48/1 (Pt.) dated 20th July,2018.

Shri. Ashok Kumar Singhal is a Member of the Audit Committee, CSR Committee and Nomination & Remuneration Committee of the Company.

Remuneration paid to Managing Director and Director Finance

Remuneration was paid by the Company during 2019-20 to its Functional Directors as follows:- (Rs. In Lakhs)

Name of the Director	Salary & Allowances	Perquisites & Benefits	Contribution to PF	Total
*Shri Vijay Kumar Managing Director From 26.07.2018 to 11.10.2019	Nil	Nil	Nil	Nil
**Shri Amitabh Banerjee Chairman & Managing Director From 12.10.2019	24.64	0.59	1.78	27.01
Shri Niraj Kumar, Director Finance	106.17	1.70	3.33	111.20

* Shri Vijay Kumar, IRAS, Additional Member (Budget) was entrusted the additional charge of the post of Managing Director / IRFC

** *Took over the charge of Chairman & Managing Director on the IRFC Board on 21st May, 2020 vie MOR order No.2018/PL/47/2 dated 21.05.2020.

The Directors are neither related to each other, nor have pecuniary relationship with the Company.

A Sitting Fee of Rs. 30,000/- per Meeting is paid to Independent Director(s) for attending Board meetings and Rs. 20,000/- per meetings of Committee(s) of the Board.

No remuneration / fee is paid to Government Nominee Directors.

Information placed before the Board

Information placed before the Board of Directors from time to time broadly includes items specified in the Government Guidelines and any other information considered relevant and useful in facilitating meaningful and focused deliberations on issues concerning the Company and taking decisions in an informed and efficient manner. Additionally, Directors on the Board are free to seek and access all information pertaining to the business of the Company, as and when required. In case of urgency, resolutions are passed by circulation, which are noted by the Board in their next Meeting. Minutes of the Meetings of the Committee(s) constituted by the Board are also placed in their next Meeting (of the Board) for their information and noting.

Audit Committee

In accordance with provisions of Section 177 of the Companies Act, 2013 read with the Government Guidelines, the Company has an Audit Committee. At the end of financial year, the Audit Committee comprises of Shri Kishor J. Devani, Non-Official / Independent Director, Ms. Aditi Sengupta Ray Non-Official / Independent Director, Shri Ashok Kumar Singhal, Non-Official / Independent Director, Shri Chetan Venugopal, Non-Official / Independent Director and Managing Director of IRFC. Shri Kishor J Devani was the Chairman of the Audit Committee. Company Secretary acts as Secretary to the Audit Committee.

As on date of this report, the Committee comprises Shri Chetan Venugopal, Non-Official / Independent Director, Ms. Aditi Sengupta Ray Non-Official / Independent Director, Shri Ashok Kumar Singhal, Non-Official / Independent Director and Chairman & Managing Director. Shri Chetan Venugopal is the Chairman of the Audit Committee.

During the financial year 2019-20, Six Meetings of the Committee were held on 10th May, 2019, 5th September, 2019, 11th November, 2019, 26th November, 2019, 16th January, 2020 and 17th February, 2020. Participation of the Members in these Meetings is outlined below: -

Sl. No.	Name of the Member of the Audit Committee	Number of Meetings held during their tenure	Number of Meetings attended
1.	Shri. Kishor J. Devani Non- Official / Independent Director	5	5
2.	Shri. Vijay Kumar Managing Director From 26.07.2018 to 11.10.2019	2	2
3	*Shri. Amitabh Banerjee Chairman & Managing Director From 12.10.2019	4	4
4	Smt. Aditi Sengupta Ray Non- Official / Independent Director	6	6
5	Shri Ashok Kumar Singhal Non-Official / Independent Director	6	3
6	Shri Chetan Venugopal Non-Official / Independent Director	5	5

**Took over the charge of Chairman & Managing Director on the IRFC Board on 21st May, 2020 vie MOR order No.2018/PL/47/2 dated 21.05.2020.

After adoption of the Government Guidelines read with the Companies Act, 2013, Terms of Reference of the Board Level Audit Committee specified by the Board are in conformity with the requirements of Section 177 of the Companies Act, 2013. The terms of reference are as follows: -

I. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

II. Taking on record the appointment of auditors of the company by the Comptroller and Auditor General of India

III. Recommendation for remuneration and terms of appointment of auditors of our Company based on the order of Comptroller & Auditor General of India;

IV. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

V. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of section 134 of the Companies Act, 2013;

b. Changes, if any, in accounting policies and practices and reasons for the same;

c. Major accounting entries involving estimates based on the exercise of judgment by management;

d. Significant adjustments made in the financial statements arising out of audit findings;

e. Compliance with listing and other legal requirements relating to financial statements;

f. Disclosure of any related party transactions;

g. Modified opinion(s) in the draft audit report;

VI. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

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

VIII. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

IX. Approval or any subsequent modification of transactions of our Company with related parties;

X. Scrutiny of inter-corporate loans and investments;

XI. Valuation of undertakings or assets of our Company, wherever it is necessary;

XII. Evaluation of internal financial controls and risk management systems;

XIII. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

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

XV. Discussion with internal auditors of any significant findings and follow up there on;

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

XVII. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

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

XIX. To review the functioning of the whistle blower mechanism;

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

XXI. Review the following information:

a. Management discussion and analysis of financial condition and results of operations;

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

c. Management letters / letters of internal control weaknesses issued by the statutory auditors;

d. Internal audit reports relating to internal control weaknesses; and

e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;

f. Statement of deviations:

XXII. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of regulation 32(1) of the SEBI Listing Regulations;

XXIII. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of regulation 32(7) of the SEBI Listing Regulations;

XXIV. To review the follow up action on the audit observations of the C&AG audit;

XXV. Recommend the appointment, removal and fixing of remuneration of Cost Auditors and Secretarial Auditors; and

XXVI. Carrying out any other function as specified by the Board from time to time.

The powers of the Audit Committee shall include the following: -

a. To investigate any activity within its terms of reference;

b. To seek information from any employee;

c. To obtain outside legal or other professional advice; and

d. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Nomination & Remuneration Committee and Stakeholders' Relationship Committee

As required in the Section 178(1) of the Companies Act, 2013, the Company is required to constitute Nomination & Remuneration Committee (the Committee) comprising three or more non-executive Directors out of which not less than half shall be independent directors. The Section further requires that Chairperson (of the Company) may be appointed as member of the Committee but shall not chair such Committee.

In compliance with the above, the Board of Directors have constituted a Nomination & Remuneration Committee of the Company. At the end of financial year, the Committee was chaired by Shri Ashok Kumar Singhal. Non- Official / Independent Director, Shri Kishor J. Devani, Non- Official / Independent Director, Smt. Aditi Sengupta Ray, Non - Official / Independent Director and Shri Kumar Vinay Pratap, part-time Government Director, are the other members.

As on date of this report, the Nomination & Remuneration Committee comprises Shri Ashok Kumar Singhal Non-Official / Independent Director, Ms. Aditi Sengupta Ray Non-Official / Independent Director and Shri Chetan Venugopal, Non-Official / Independent Director. Shri Ashok Kumar Singhal is the Chairman of the Nomination & Remuneration Committee.

During financial year 2019-20, Three Meetings of the Committee were held on 10th May, 2019, 26th September, 2019 and 11th November, 2019. Participation of the Members in these Meetings is outlined below :-

Sl. No.	Name of the Member of the Nomination & Remuneration Committee	Number of Meetings held during their tenure	Number of Meetings attended
1.	Shri. Kishor J. Devani Non- Official / Independent Director	2	2

2.	Smt. Aditi Sengupta Ray Non- Official / Independent Director	3	3
3.	Shri. Chetan Venugopal Non- Official / Independent Director	1	1
4.	Shri K. V. Pratap Government Director	3	1
5	Shri Ashok Kumar Singhal Non-Official / Independent Director	2	2

In line with Section 178(5) of the Companies Act, 2013, the Company has constituted Stakeholders Relationship Committee. As on end of the financial year, the Committee comprises Smt. Aditi Sengupta Ray, who is Chairperson of the Committee, Shri Chetan Venugopal, Managing Director / IRFC and Director Finance / IRFC are its Members.

As on the date of this report, the Committee comprises Smt. Aditi Sengupta Ray, who is Chairperson of the Committee, Shri Chetan Venugopal Non-Official / Independent Director, Chairman & Managing Director / IRFC and Director Finance / IRFC are its Members.

During financial year 2019-20, One Meeting of the Committee was held on 26th July, 2019. Participation of the Members is outlined below: -

Sl. No.	Name of the Member of the Stakeholders' Relationship Committee	Number of Meetings held during their tenure	Number of Meetings attended
1.	Shri Vijay Kumar Managing Director	1	1
2.	Smt. Aditi Sengupta Ray Non- Official / Independent Director	1	1
3.	Shri. Ashok Kumar Singhal Non- Official / Independent Director	1	1
4.	Shri Niraj Kumar Director Finance	1	1

CSR Committee

In accordance with provisions of Section 135 of the Companies Act, 2013, read with the Government Guidelines, the Company has CSR Committee. At the end of the financial year, the CSR Committee comprises five members –

Shri Chetan Venugopal, Non-Official / Independent Director is the Chairman of the CSR Committee, Shri Kishor J. Devani, Non-Official / Independent Director, Shri Ashok Kumar Singhal, Non- Official / Independent Director, Chairman & Managing Director and Director Finance are the other members of the Committee. Company Secretary acts as Secretary to the CSR Committee.

As on date of this report, Shri Chetan Venugopal, Non-Official / Independent Director is the Chairman of the CSR Committee, Shri Ashok Kumar Singhal Non-Official / Independent Director, Chairman & Managing Director and Director Finance are the other members of the Committee.

During the financial year 2019-20, Six Meetings of the Committee were held on 10th May, 2019, 26th July, 2019, 4th September, 2019, 11th November, 2019, 17th February, 2020 and 25th March, 2020. Participation of the Members in these Meetings is outlined below: -

Sl. No.	Name of the Member of the CSR Committee	Number of Meetings held during their tenure	Number of Meetings attended
1	Shri. Kishor J. Devani Non- Official / Independent Director	4	4
2	Shri. Vijay Kumar Managing Director From 26.07.2018 to 11.10.2019	3	3
3	*Shri Amitabh Banerjee Chairman & Managing Director From 12.10.2019	3	3

4	Shri Niraj Kumar, Director Finance	6	6
5	Shri. Chetan Venugopal Non- Official / Independent Director	6	6
6	Shri Ashok Kumar Singhal Non- Official / Independent Director	4	2

*Took over the charge of Chairman & Managing Director on the IRFC Board on 21st May, 2020 vie MOR order No.2018/PL/47/2 dated 21.05.2020.

Meeting of Independent Directors One meeting of Independent Directors was held during the year on 5th September, 2019.

Disclosures

The Company has not entered into any transaction, with the Directors or the Management or their relatives or the companies and the firms, etc. in which they are interested directly or through their relatives. Further, the transactions with Ministry of Railways and / or its entities are in the ordinary course of business and at arm's length.

The Company has complied with provisions of all major laws applicable to it and no penalty has been imposed or any strictures passed against the Company by the Stock Exchanges or SEBI on any matter related to capital market during the last three years.

The Company has complied with the applicable Guidelines on Corporate Governance issued by Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India.

No items of expenditure have been debited in books of accounts, which are not for the purpose of the business. Further, there was no expense which is of personal nature and incurred for the Board of Directors and / or Top Management.

During the year, the Administrative and Office expenses remained static at 0.13% of the turnover. Last year, the figure was 0.10%.

Auditors of the Company have audited and accorded an unqualified certification to its accounts for the year 2019-20.

Means of Communication

During 2019-20, Unaudited Half-yearly Financial Results for the half year periods ended 30th September, 2019 and 31st March, 2020 were subject to limited review by Auditors of the Company, and published in selected national newspapers of repute both in English and Hindi (H1 Financial Results for the period ending 30th September, 2019) besides being submitted to the National Stock Exchange and BSE Limited. Besides, the aforesaid Unaudited Half-yearly results as also Unaudited Quarterly results were, hosted on the website of the Company.

Information Memorandum in respect of issuance of the bonds of the Company has been hosted on the website of National Stock Exchange and BSE Limited. Annual Accounts of the Company for the last 10 years are also available on the website of the Company.

Website of the Company hosts all important information for investors and others interested in its business.

Training of Board Members

All Non-Executive Directors are apprised of the Company's business, nature and broad methodology of operations, and other important matters by the two whole-time Directors of the Board from time to time. The Company's Board of Directors consists of professionals with vast experience and high level of expertise in their respective fields and industry. Their professional status gives them adequate exposure to the latest trends in the financial markets & the economy, as also emerging position of relevant legislation. It shall be endeavour of the Company that the Whole-

time Directors attend training programmes in order to keep themselves abreast with the latest developments in the areas of finance, accounts, etc.

Whistle Blower Policy

In line with extant best practices and also under Section 177 of the Companies Act, 2013, the Company has framed a Whistle Blower Policy, and the same has been communicated to all employees of the Company. For convenience of all stakeholders, the said policy has also been hosted on the website of the Company. No personnel of the Company have been denied access to the Audit Committee in the context of action under the Policy.

Registrar & Transfer Agents / Investors' Grievance Committee

The Company has assigned the responsibility of transfer / transmission of Bonds to its Registrars & Transfer Agent (hereinafter referred to as Registrars), KFin Technologies' Private Ltd., Hyderabad. The Registrars have constituted a Committee to render such services to investors. The Committee meets on fortnightly basis, reviews complaints received and takes prompt and appropriate action. The work done by the Registrars is got audited by the Company periodically.

As on 31.03.2020, there were no complaints from investors pending for more than 12 days. Registrars have also confirmed that all investor grievances were redressed within 12 days of receipt of the same.

CEO / CFO Certification

As required under the Government Guidelines, a Certificate related to truthfulness of Financial Statements, bonafide nature of transactions & adequacy of internal controls, etc., duly signed by Shri Amitabh Banerjee, Chairman & Managing Director (CEO) and Ms Shelly Verma, Director Finance (CFO) was placed before the Board of Directors in their Meeting held on 29th September, 2020. The same is enclosed as Annexure-VII.

General Body Meetings: Details of venue and timing of last three Annual General Meetings (AGM) are as under: -

AGM No.	AGM Date	Location	Time
32	26th September, 2019	Committee Room (237), 2nd Floor, Rail Bhawan, New Delhi.	5.30 P.M.
31	27th September, 2018	Committee Room (237), 2nd Floor, Rail Bhawan, New Delhi.	5.00 P.M.
30	12th September, 2017	Committee Room (237), 2nd Floor, Rail Bhawan, New Delhi.	4.00 P.M.

- Six Special Resolutions were passed in the 30th Annual General Meeting held on12th September, 2017.
- Three Special Resolutions were passed in the 31st Annual General Meeting held on 27th September, 2018.
- Three Special Resolutions were passed in the 32nd Annual General Meeting held on 26th September, 2019.

General Shareholder Information

Annual General Meeting:

Date : 30th September, 2020

Day : Wednesday

Time : 3.00 p.m.

Financial Calendar

Financial year of the Company spans the period 1st April to 31st March of the following year.

Publication of Audited/Unaudited Financial Results

The Audited/Unaudited Half-yearly Financial Results were published as under:

Half year ended 30.09.2019 (Audited) Financial Express Jansatta (Hindi)	 13.11.2019 13.11.2019
Half year ended 31.03.2020	In view of the CoVID-19 pandemic, SEBI

(Unaudited)	had provided relaxation from publication of advertisements in the newspapers vide SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and accordingly results were hosted on the website of the Company and submitted to Stock Exchanges.

Dematerialisation of Bonds

All Bonds issued by the Company have been made available in dematerialized form. The same are listed with National Stock Exchange and Bombay Stock Exchnage. However, some of the investors have exercised option to retain the Bonds in physical form. The Listing Fee for the year 2019-20 has been paid to the Stock Exchanges.

Trustees of the Bonds

The Trustees appointed for the Bonds issued by the Company are as under: -

1. SBI CAP Trustee Co. Limited Apeejay House 6th Floor, 3, Dinshaw Wachh Road Churchgate, Mumbai – 400 020	For the Bonds issued under 81st Series and onwards
2. Indian Bank 254-260, Shanmugam Salai Chennai – 600 014	For the Bonds issued under 46th "EE" Series to 80th 'A' Series

Compliance Certificate on Corporate Governance

As required under the Government Guidelines, the Statutory Auditors of the Company have issued a certificate regarding compliance of conditions of Corporate Governance by the Company, which is annexed to this Report as Annexure - IV.

Company has appointed Shri. Vijay Shirode, Jt.GM (Law) & Company Secretary as the Compliance Officer of the Company.

Secretarial Audit

In terms of the Corporate Governance Voluntary Guidelines, Secretarial Audit of the Company was got conducted by an independent practicing firm of Company Secretaries, M/s Navneet K Arora & Co LLP, New Delhi, which is also required as per Section 204 of the Companies Act, 2013.

The Report was taken on record by the Board of Directors in their Meeting held on 24th August, 2020.

Corporate Governance Voluntary Guidelines issued by Ministry of Corporate Affairs – Items not adopted

The Company has not adopted the following Voluntary Guidelines as the same are not relevant to its functioning for the reasons explained against each item: -

Guideline Nos.1.A.3(i),(iii), (iv) and B.1.(i) regarding constitution of Nomination & Remuneration Committee for search and selection of Non-executive and Independent Directors.

Rationale: The Nomination & Remuneration Committee has since been constituted. Scope of work of the Committee is as envisaged under applicable provisions of the Section 178 of the Companies Act, 2013 (the Act) read with the exemptions granted by the Government of India vide their Notification dated 5th June, 2015. The scope of work of the Nomination & Remuneration Committee is, inter alia, to formulate the criteria for determining qualifications, positive attributes and independence and recommend to Board a policy, relating to the remuneration for senior management (one level below Board level) and other employees (not being Directors). Since the Directors on the Board of IRFC are appointed by the Government, the Committee will have no role in search and selection of Non-executive and Independent Directors.

Guideline No. 1.C.1containing Guiding Principles related to Linking of Corporate and Individual Performance while determining level and composition of remuneration payable to the Executive Directors and Key Executives.

Rationale: This clause is not applicable to IRFC as Executive Directors and Key Executives are on pay scale(s) prescribed by the Government. Similarly, performance related incentives are also granted in line with orders of the Government. Also, the Government Companies are exempt from applicability of Section 197 of the Act provisions of which, after exemption, inter alia, are similar to above Guidelines.

Guideline No.1.C.1.2. and 1.C.1.3 about remuneration of Non- executive Directors (NEDs) and structure of compensation to NEDs.

Rationale: These clauses are also not applicable to IRFC as NEDs are not paid any remuneration, sitting fee, etc. in line with the Government Orders.

Guideline Nos. C.2. (ii), (iii), (iv) and (v) in regard to determination of remuneration of Executive Directors and executive Chairman, etc. and informing the principles, criteria and the basis of remuneration policy of the Company to the Shareholders.

Rationale: These clauses are not applicable to IRFC as payment of remuneration to the Executive Directors and employees of the Company is governed under the Government Rules and Guidelines.

Guideline No. II. D related to Evaluation of performance of Board of Directors, Committees thereof and of individual Directors.

Rationale: This clause is not applicable to IRFC as vide notification no. G.S.R. 463(E) dated 5th June, 2015 Section 178 (2) in respect of Evaluation of performance of Board of Directors, Committees thereof and of individual Directors shall not apply to Government Company.

Guideline No. II . E (iii) related to attachment of 'Impact Analysis on Minority Shareholders' along with every agenda item at the Board Meeting.

Rationale: This is not applicable to IRFC as its entire Paid-up Share Capital is held by the Government of India.

Guideline No. III. C. i (third sub-clause) regarding recommendations by the Audit Committee in relation to the appointment, reappointment, removal and terms of engagement of the external auditor.

Rationale: This clause is not applicable in so far as appointment of the external auditor is made by the Office of the Comptroller and Auditor General of India. However, the Audit Committee gives its recommendation on fixation of external auditor's remuneration and out of pocket expenses.

Guideline No. IV.A & C related to role of Audit Committee in Appointment of the Auditors and Rotation of Audit Partners & Firms.

Rationale: This clause is not applicable as being a Government owned Company appointment of the Auditors is made by the Office of the Comptroller and Auditor General of India.

ANNEXURE – II

The Annual Report on CSR activities to be included in the Board's Report

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR Policy and project or programs.

Vision of the Company's CSR & Sustainability Policy is to address social, economic and environmental concerns of the society in a sustainable manner. This would enable the Company to achieve its mission of clean, green, educated and capable India.

Since the Company operates with nominal staff strength of 24 employees only, its endeavour would be to take up short term activities, which can be completed within one year. However, long term projects, if any, would be divided into annual plans and targets. Further, the projects would be taken on pan India basis as the Company does not have any local area of operation. For large projects having greater social, economic and environmental impact, the Company would share pool of resources with other Railway / Central Public Sector Enterprises. Due importance would be given to such activities, which are peripheral to the activities of Indian Railways.

The projects would be implemented through the entity(s) having an established track record of three years in undertaking similar programs or project but the endeavor would be to appoint Central or State Government / Agency / Department of Public Sector Undertaking for implementation. Impact Assessment shall be done where value of project is Rs. 5 crore or more.

If any amount remains unspent or surplus arises out of the CSR projects in a particular year, the same shall be carried forward to next year and shall not form part of the business profits of the Company.
Website: www.irfc.nic.in

2. The composition of CSR Committee

IRFC's CSR Committee for deciding and implementing its CSR activities. Committee comprises Shri Chetan Venugopal, Non-Official / Independent Director is the Chairman of the CSR Committee, Shri Kishor J. Devani, Non-Official / Independent Director, Shri Ashok Kumar Singhal, Non- Official / Independent Director, Chairman & Managing Director and Director Finance are the other members of the Committee. Company Secretary acts as Secretary to the CSR Committee.

As on date of this report, Shri Chetan Venugopal, Non-Official / Independent Director is the Chairman of the CSR Committee, Shri Ashok Kumar Singhal Non-Official / Independent Director, Chairman & Managing Director and Director Finance are the other members of the Committee.

Meetings of the Committee are held in need-based manner.

3. Average net profit of the Company for the last three financial years

The average net profit of the Company as worked out under the Companies Act, 2013, for last three years was Rs. 2526.18 crore.

4. Prescribed CSR Expenditure (two percent of the amount as in Item No. 3)

The Company was required to spend Rs. 50.52 crore but spent Rs. 34.10 crore towards CSR activities in financial year 2019-20.

5. Details of CSR spent during the financial year

(a) Total amount to be spent for the financial year 2019-20
Rs. 50.52 crore

(b) Amount unspent, if any

Unspent amount Rs. 16.42 crore. Out of the total commitment made for a sum of Rs. 50.52 crore for 2019-20 against 3 projects (list enclosed), a sum of Rs. 34.10 crore was actually disbursed till 31st March 2020. The balance amount though committed will actually be disbursed on receipt of claim / bills.

(c) Manner in which the amount spent during the financial year is detailed below: -

(Rs. in crore)

S.N.	CSR Project or Activity identified	Sector in which the Project is covered	Project or Programs (1) Local area or other (2) Specify the State and District where projects or	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs: Direct expendi	Cumulative expenditure up to the reporting period (excluding previous years expenditur	Amount spent: Direct (D) or through implementing agency (IA)

			programs was undertaken		ture on projects	e)	
1	2	3	4	5	6	7	8
1	100 corrective cleft surgeries	Preventive Healthcare	PAN India	0.45	0.045	0.045	IA
2	Public Toilets to be constructed in circulating areas of Railway stations	Environ-ment Sustaina-bility	PAN India	16.01	----	----	IA
3	Contribution to PM Cares Fund	Preventive health care	PAN India	34.06	34.06	34.06	D
	Total: -			50.52	34.10	34.10	

6. **In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

Against the commitment of Rs. 50.52 crore the Company has disbursed Rs. 34.10 crore during the year. The balance amount will be disbursed on receipt of claim / bills.

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.**

The CSR Committee of the Directors has confirmed that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.

Sd/-
Amitabh Banerjee
Chairman & Managing Director

Sd/-
Chetan Venugopal
Chairman, CSR Committee

Date: 29th September, 2020

Place: New Delhi

Annexure III

Secretarial Audit Report

[For the Financial Year ended on 31st March, 2020]

[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,
Indian Railway Finance Corporation Limited
Regd. Office: UG Floor, East Tower,
NBCC Place, Bhisham Pitamah Marg,
Pragati Vihar, Lodhi Road
New Delhi - 110003

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by the **Indian Railway Finance Corporation Limited (CIN NO U65910DL1986GOI026363)** (hereinafter called the Company). 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 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 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board - Processes and Compliance -Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on **31st March 2020** according to the provisions of:

(i) The Companies Act, 2013 (**the Act**) and the Rules made thereunder;

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

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

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

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - Only Debt Securities were listed on the Stock Exchanges, hence, no such transaction was held during the financial year and accordingly the Regulations were not applicable to the Company during the audit period.

(b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(c) The Securities and Exchange Board of India (Registrars to an Issue and Shares Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; The Company was not engaged in the activities relating to Registrar to a Issue and was also not acting as Share Transfer Agent, Hence the aforesaid Regulations were not applicable to the Company during the audit period;

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

(e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; -

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

Since the Equity Shares of the Company was not listed, the Regulations stated at (v) (d) to (h) above were not applicable on the Company during the audit period;

(vi) Other labour, environment and specific applicable Acts / Laws to the Company for which Secretarial Audit was conducted as an overview audit and was generally based/ relied upon the documents provided to us and Management Confirmation Certificate provided by the Management of the Company & other audit report and certificates given by other professionals, the company has complied with the following Acts / Laws applicable to the Company during the audit period:

(a) Reserve Bank of India Act read with Non-Banking Financial Companies (Reserve Bank) Directions 2016 issued by Reserve Bank of India as amended till date;

(b) Guidelines on Corporate Social Responsibility for Central Public Sector Enterprises-March 2010 issued by the Ministry of Heavy Industries & Public Enterprises (Department of Public Enterprises), Government of India;

(c) Corporate Governance Voluntary Guidelines, 2009 issued by Ministry of Corporate Affairs, Government of India;

(d) The Employees Provident Fund & Miscellaneous Provisions Act 1952 & The Employees Deposit-Linked Insurance Scheme, 1976 and Employees Provident Fund Scheme, 1952;

(e) The Contract Labour (Regulations and Abolition) Act 1970;

(f) Maternity Benefit Act 1961;

(g) Minimum Wages Act, 1948;

(h) Environment (Protection) Act 1986 read with The Environment (Protection) Rules 1986 and other Environment Laws;

(i) Indian Stamp Act 1899;

(j) The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act 2013 read with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules 2013;

(k) Right to Information Act 2005.

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

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

ii) Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 in respect of listing of bonds with BSE Ltd and National Stock Exchange of India Limited.

We have not examined the applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to the following observation:

- *Company was required but has not filed E-Form CHG-1 for registration of the Charge till date according to Section 77 of the Companies Act, 2013 in respect of Creation of Charge in favour of Government of India Ministry of Finance dated 7th December, 2018 for availing facilities to the tune of Rs.7,500 Crore till 31st March 2020 but has subsequently filed and approved by MCA on 06th August2020.*

- *Filing of quarterly returns viz. NBFC-ND-SI, ALM Returns for the financial year 2019-20 with Reserve Bank of India in compliance of Non-Banking Financial Companies (Reserve Bank) Directions 2016 with the RBI Portal (COSMOS) have been delayed.*

We further report that:

1) The Company has complied with Companies Act 2013, Corporate Governance Guidelines for Central Public Sector Enterprises, 2010 issued by Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises, Government of India in respect of constitution of the board with proper balance of Executive, Non-Executive Directors & Independent Directors.
2) Adequate notice is given to all Directors to schedule the Board Meetings atleast seven days in advance and agenda and detailed notes on agenda were also sent in advance to all the Directors subsequently, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
4) a. The Company has obtained requisite approval, permission, confirmation from Registrar of Companies, NCT of Delhi & Haryana, Securities & Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, Debenture Trustee and other regulated bodies in respect of various private placement of Secured, Redeemable, Non-Convertible, Taxable Bonds & Capital Gain Bonds in the nature of Debentures and has duly complied with the applicable provisions of the laws, rules and guidelines.
   b. Company has allotted 250,00,00,000 shares of face value of Rs. 10/- each to the President of India, the existing holder of the entire paid-up capital of the Company at Share Allotment Committee of Board of Directors held on 30th March, 2020. All the applicable compliances of the Companies Act, 2013 relating to allotment of shares duly complied by the Company.

5) There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act 2013, Depositories Act and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers
6) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.

We further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with other applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no instances of:

a) Public / Preferential Issue of Shares / Sweat Equity except as stated above in point No. 4(b);
b) Buy-back of Securities;
c) Merger / Amalgamation / Reconstruction etc. and
d) Foreign Technical Collaborations.

For Navneet K Arora & Co LLP
Company Secretaries

CS Navneet Arora
Managing Partner
CS: 3214, COP: 3005
UDIN: F003214B000610073
Place: New Delhi
Date: 24th August, 2020

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

To, **Annexure –"A"**
The Members,
Indian Railway Financial Corporation Limited
Regd. Office: UG Floor, East Tower,
NBCC Place, Bhisham Pitamah Marg,
Pragati Vihar, Lodhi Road
New Delhi - 110003

Our report of even date is to be read along with this letter as under:

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

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

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

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

5) The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.

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

For Navneet K Arora & Co LLP
Company Secretaries

CS Navneet Arora
Managing Partner
FCS: 3214, COP: 3005
UDIN: F003214B000610073
Place: New Delhi
Date: 24th August, 2020

Annexure IV

S P M G & Co.
Chartered Accountants

3322A II Floor, Karol Bagh,
NEW DELHI - 110 005
PHONE : 28728769, 28727385
Website - www.spmg.in

Auditors' Certificate on Compliance of Conditions of Corporate Governance

To,
The Members of Indian Railway Finance Corporation Limited

We have examined the compliance of the conditions of Corporate Governance by Indian Railway Finance Corporation Limited (the "Company") for the year ended March 31, 2020.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given us and the representations made by the Directors and the Management, as required in terms of Simplified Debt Listing Agreement and Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010, issued by Government of India, we certify that the Company had complied, in all material respects, with the conditions of Corporate Governance as stipulated herein.

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

For S P M G & Co.
Chartered Accountants
FRN-509249C

CA Sharad Poddar
(Partner)
Membership No. 087853
UDIN:20087853AAAAAV8198
Date: 28th August, 2020
Place: Delhi

ANNEXURE - V

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 2019-20

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	– U65910DL1986GOI026363
ii)	Registration Date	– 12.12.1986
iii)	Name of the Company	– Indian Railway Finance Corporation Limited
iv)	Category / Sub-Category of the Company	– Infrastructure Finance Company
v)	Address of the Registered office and contact details	– Indian Railway Finance Corporation Ltd. Upper Ground Floor, East Tower, NBCC Place, Pragati Vihar, Lodhi Road, New Delhi – 110 003 Contact No(s) – 011 – 2436 9766 – 69 Website – www.irfc.nic.in
vi)	Whether listed company (Yes / No)	- Yes, It is listed in Wholesale Debt Market segment of National Stock Exchange and BSE Limited.
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	- Kfin Technologies Private Limited Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1.	Lease Income	-	79.70
2	Interest Income	-	20.30

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S.No.	Name and Address of the Company	CIN / GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
		NIL			

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	
b) Central Govt	938,04,58,800	1200	938,04,60,000	100	1188,04,60,000	-	1188,04,60,000	100	26.65
c) State Govt(s)		-				-			-
d) Bodies Corp.				-	-			-	-
e) Banks / FI	-	-	-			-	-		-
f) Any Other….				-	-			-	-
	-	-	-	-	-	-	-	-	
Sub-total (A) (1):-	938,04,58,800	1,200	938,04,60,000	100	1188,04,60,000	-	1188,04,60,000	100	26.65
	-				-				-
	-								
(2) Foreign		-		-		-		-	
		-							-
a) NRIs – Individuals	-			-	-	-		-	
		-					-		
b) Other – Individuals			-	-	-	-		-	
		-							
c) Bodies Corp.		-	-	-	-	-	-	-	-
				-					
d) Banks / FI		-			-				
e) Any Other….	-		-	-		-		-	-
			-				-		
Sub-total (A) (2):-	-				-				-
	-		-						-
									-
	-								
	-								
									-
	-								

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	-	-	-	-	-	-	-	-	-
(2) Non – Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii)) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-

c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2):-	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total Public Shareholding (B)=(B)(1) + (B)(2)	-	-	-	-	-	-	-	-	-
C. **Share held by Custodian for GDRs & ADRs**	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	938,04,58,800	1,200	938,04,60,000	100	1188,04,60,000	--	1188,04,60,000	100	26.65

ii) Shareholding of Promoters

S.N.	Sharehol-der's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the share-holding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumb-ered to total shares	
1.	President of India through Ministry of Railways	938,04,60,000	100	-	1188,04,60,000	100	-	26.65
	Total	938,04,60,000	100	-	1188,04,60,000	100	-	26.65

iii) Change in Promoters' Shareholding (please specify, if there is no change)

S.N.	Promoter	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
1.	President of India through Ministry of Railways	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	938,04,60,000	100	1188,04,60,000	100
	Date wise increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/	250,00,00,000 Equity Shares of face value of Rs.10/- each were issued on 25.03.2020 to the President of India (Ministry of Railways), the			

	bonus/ sweat equity etc.	sole holder of entire existing Paid-up Share Capital of the Company			
	At the end of the year	1188,04,60,000	100	1188,04,60,000	100

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S.N.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
			NIL		

(v) Shareholding of Directors and Key Managerial Personnel:

S.N.	For each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
	At the beginning of the year	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		NIL		
	At the End of the year				

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Rs. in Lakhs)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	1,42,82,217.48	31,11,049.99	-	**1,73,93,267.47**
ii) Interest due but not paid	-	-	-	**-**
iii) Interest Accrued but not due	3,88,261.19	3,40,919.16	-	**7,29,180.35**
Total (i+ii+iii)	**1,46,70,478.67**	**34,51,969.15**	**-**	**1,81,22,447.82**
Changes in Indebtedness during the financial year				
Addition	50,11,869.41	22,09,330.94		**72,21,200.35**
Reduction	3,93,663.27	5,07,404.88		**9,01,068.15**
Net Change	**46,18,206.14**	**17,01,926.06**		**63,20,132.20**
Indebtedness at the end of the financial year				
i) Principal amount	18293039.4	5144632.7		**23437672.10**
ii) Interest due but not paid				
iii) Interest Accrued but not due	995645.41	9262.51		**1004907.92**
Total (i+ii+iii)	**19288684.81**	**5153895.21**		**24442580.02**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in lakh)

Sl. No.	Particulars of Remuneration		Name of MD / WTD / Manager		Total Amount
		Shri Vijay Kumar From 26.07.2018 till 11.10.2019	Shri Amitabh Banerjee From 12.10.2019	Shri Niraj Kumar, Director Finance	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	24.63	106.16	130.79
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	0.59	1.69	2.28
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
s					
2.	Stock option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - As % of profit - Other, specify	 - -	 - -	 - -	 - -
5.	Other, please specify	-	-	-	-
	Total (A)	**Nil**	**25.22**	**107.85**	**133.07**
	Ceiling as per the Act	-		-	-
	* Not applicable under the exemptions granted by the Government of India vide its Notification dated 5th June, 2015.				

B. Remuneration to other Directors:

(Rs. in lakh)

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
	Independent Directors	Shri Kishore J. Devani	Smt. Aditi Sengupta Ray	Shri Chetan Venugopal	Shri Ashok Kumar Singhal	
	• Fee for attending Board Committee Meetings • Commission • Others, please specify	4.80 - -	4.90	5.30	3.60	18.60 - -
	Total (1)	4.80	4.90	5.30	3.60	18.60
	Other Non-Executive Directors	Dr. Kumar Vinay Pratap	Mrs Manjula Rangarajan			
	• Fee for attending Board Committee Meetings • Commission • Others, please specify	- - -	- - -		- - -	- - -
	Total (2)	-	-		-	-
	Total (B)=(1+2)	4.80	4.90	5.30	3.60	18.60
	Total Managerial Remuneration	-	-		-	-
	Overall Ceiling as per the Act	-	-		-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

Sl. No.	Particulars of Remuneration	Company Secretary
		Shri Vijay Babulal Shirode Deputy General Manager (Law) & Company Secretary
1.	Gross salary	(Rs. in lakh)
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	22.87 2.82
2.	Stock Option	--
3.	Sweat Equity	--
4.	Commission	--
	- as % of profit	--
	- others, specify…	--
5.	Others, please specify	
	Total	**25.69**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	**Section of the Companies Act**	**Brief Description**	**Details of Penalty / Punishment/ Compounding fees imposed**	**Authority [RD / NCLT / COURT]**	**Appeal made, if any (give Details)**
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHR OFFICERS IN DEFAULT					
Penalty					
Punishment			NIL		
Compounding					

ANNEXURE-VI

Code of Business Conduct-Declaration by the Chairman & Managing Director (CEO)

I hereby affirm that all Board Members and Senior Management personnel have confirmed compliance on their part of the "Code of Business Conduct and Ethics for Board Members and Senior Management" for the year 2019-2020.

Sd/-
(Amitabh Banerjee)
Chairman & Managing Director

Place: New Delhi

Date: 29th September, 2020

ANNEXURE-VII

Chief Executive officer and Chief Financial Officer Certification

In relation to the audited financial accounts of the Company as at 31st March, 2020, we hereby certify that

a) We have reviewed Financial Statements and the Cash flow statement for the year and that to the best of our Knowledge and belief:
   i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
   ii) These statements together present a true and fair view of the Company's affairs and are in with existing accounting standards, applicable laws and regulations.

b) There are to the best of our Knowledge and belief, no transaction entered into by the company during the year which are fraudulent or illegal or violative of the Company's code of conduct.

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

d) We have indicated to the Auditors and Audit Committee :
   i) Significant changes in internal control over financial reporting during the year;
   ii) That the Company has adopted Indian Accounting Standards (Ind AS) from FY 2018-19 and hence Significant Accounting policies have been re-drafted in accordance with requirements of Ind AS: and
   iii) That we are not aware of any instance during the year of significant fraud with involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
(Shelly Verma)
Director Finance – CFO

Sd/-
(Amitabh Banerjee)
Chairman & Managing Director - CEO

Place: New Delhi
Dated: 29th September, 2020

Indian Railway Finance Corporation Limited
CIN U65910DL1986GOI026363
BALANCE SHEET AS AT 31 March 2020
(All amounts in millions of INR, unless stated otherwise)

Particulars	Notes	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
ASSETS				
Financial assets				
Cash and cash equivalents	3	13.80	37.07	11.28
Bank balance other than above	4	993.83	773.59	986.92
Derivative financial instruments	5	-	466.90	968.47
Receivables	6			
- Lease receivables		14,85,798.00	12,50,265.12	10,94,716.56
Loans	7	64,233.71	58,954.87	52,379.55
Investments	8	115.12	131.45	139.78
Other financial assets	9	11,87,487.29	7,40,307.26	4,51,076.00
Total financial assets		**27,38,641.75**	**20,50,936.26**	**16,00,278.56**
Non-financial assets				
Current tax assets (net)	10	5,864.06	-	258.44
Property, plant and equipment	11	110.04	112.25	112.69
Other Intangible assets	12	0.43	0.50	0.27
Other non-financial assets	13	14,725.41	14,987.09	14,033.30
Total non-financial assets		**20,699.94**	**15,099.84**	**14,404.70**
Total Assets		**27,59,341.69**	**20,66,036.10**	**16,14,683.26**
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Derivative financial instruments	5	4,065.15	3,105.95	7,495.79
Payables	14			
- Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
- Other payables				
(i) total outstanding dues of micro enterprises and small enterprises		0.50	0.08	2.40
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		377.08	121.71	84.75
Debt securities	15	15,52,904.56	12,35,978.99	11,08,442.46
Borrowings (other than debt securities)	16	7,90,862.65	5,03,347.76	2,31,612.82
Other financial liabilities	17	1,01,047.19	72,999.28	56,625.68
Total financial liabilities		**24,49,257.13**	**18,15,553.77**	**14,04,263.90**
Non-financial liabilities				
Current tax liabilities (net)	10	-	29.69	-
Provisions	18	138.03	117.96	108.37
Deferred tax liabilities (net)	19	-	-	-
Other non-financial liabilities	20	322.19	48.15	6,592.73
Total non-financial liabilities		**460.22**	**195.80**	**6,701.10**
Total liabilities		**24,49,717.35**	**18,15,749.57**	**14,10,965.00**
EQUITY				
Equity share capital	21	1,18,804.60	93,804.60	65,264.60
Other equity	22	1,90,819.74	1,56,481.93	1,38,453.66
Total equity		**3,09,624.34**	**2,50,286.53**	**2,03,718.26**
Total Liabilities and Equity		**27,59,341.69**	**20,66,036.10**	**16,14,683.26**

The accompanying statement of significant accounting policies and notes to the financial information are an integral part of this Balance Sheet.

For SPMG & Co.
Chartered Accountants
(FRN 509249C)

(Sharad Poddar)
(Partner)

M.No. 087853

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

(Vijay Babulal Shirode)
Company Secretary
& JGM (Law)

(Anand Prakash)
Director
DIN: 08805417

(Amitabh Banerjee)
Chairman &
Managing Director
DIN: 03315975

Place: New Delhi
Date: 28th August 2020

Indian Railway Finance Corporation Limited
CIN U65910DL1986GOI026363
Statement of profit and loss for the year ended 31 March 2020
(All amounts in millions of INR, unless stated otherwise)

Particulars	Notes	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue from operations			
Interest income	23	28,079.35	17,230.71
Dividend income		5.92	5.14
Lease income	24	1,10,299.37	94,100.09
Total revenue from operations		**1,38,384.64**	**1,11,335.94**
Other income	25	0.73	0.01
Total income		**1,38,385.37**	**1,11,335.95**
Expenses			
Finance costs	26	1,00,797.81	81,830.60
Impairment on financial instruments	27	21.41	275.44
Employee benefit expense	28	62.65	62.51
Depreciation, amortization and impairment	29	4.58	4.18
Other expenses	30	574.68	147.37
Total expenses		**1,01,461.13**	**82,320.10**
Profit before exceptional items and tax		**36,924.24**	**29,015.85**
Exceptional items		-	-
Profit before tax		**36,924.24**	**29,015.85**
Tax expense	31		
Current tax		-	6,469.24
Deferred tax		-	-
Adjustment for earlier years		-	(0.88)
Total Tax Expenses		**-**	**6,468.36**
Profit for the period from continuing operations		**36,924.24**	**22,547.49**
Profit from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit from discontinued operations (after tax)		-	-
Profit for the period		**36,924.24**	**22,547.49**
Other comprehensive income			
(A) (i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		(0.35)	(2.71)
- Remeasurement of Equity Instrument		(5.17)	3.79
(ii) Income tax relating to items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		-	0.58
- Remeasurement of Equity Instrument		-	-
Subtotal (A)		**(5.52)**	**1.66**
(B) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		-	-
Other comprehensive income (A + B)		**(5.52)**	**1.66**
Total comprehensive income for the period (comprising profit (loss) and other comprehensive income for the period)		**36,918.72**	**22,549.15**
Earnings per equity share (for continuing operations)	32		
Basic (Rs.)		3.93	3.43
Diluted (Rs.)		3.93	3.43
Earnings per equity share (for discontinued operations)			
Basic (Rs.)		-	-
Diluted (Rs.)		-	-
Earnings per equity share (for continuing and discontinued operations)	32		
Basic (Rs.)		3.93	3.43
Diluted (Rs.)		3.93	3.43

The accompanying statement of significant accounting policies and notes to the financial information are an integral part of this statement of Profit and Loss.

For SPMG & Co.
Chartered Accountants
(FRN- 509249C)

(Sharad Poddar)
(Partner)

M.No. 087853

Place: New Delhi
Date: 28th August 2020

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

(Vijay Babulal Shirode)
Company Secretary
& JGM (Law)

(Anand Prakash)
Director
DIN: 08805417

(Amitabh Banerjee)
Chairman & Managing Director
DIN: 03315975

Indian Railway Finance Corporation Limited
CIN U65910DL1986GOI026363
Statement of cash flow for the year ended 31 March 2020
(All amounts in millions of INR, unless stated otherwise)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxes	36,924.24	29,015.85
Adjustments for:		
Remeasurement of defined benefit plans	(0.35)	(2.71)
Depreciation and amortisation	4.58	4.18
Provision of interest on income tax	20.91	19.66
Loss on sale of fixed assets	0.07	0.16
Profit on sale of fixed assets	-	(0.01)
Discount of commercial paper	1,358.05	1,237.25
Adjustments towards effective interest rate	(1,482.30)	169.04
Dividend income received	(5.92)	(5.14)
Share Issue Expenses	(169.80)	-
Operating profit before working capital changes	**36,649.48**	**30,438.28**
Movements in working capital:		
Increase/(decrease) in payables	255.79	34.64
Increase/(decrease) in provisions	(0.84)	2.75
Increase/(decrease) in others non financial liabilities	274.04	(6,544.58)
Increase/(decrease) in other financial liabilities	28,047.91	16,373.60
Decrease/(increase) in receivables	(2,35,532.88)	(1,55,548.55)
Decrease/(increase) in loans and advances	(5,278.84)	(6,575.32)
Decrease/(increase) in bank balance other than cash and cash equivalents	(220.24)	213.32
Decrease/(increase) in other non financial assets	261.68	(953.79)
Decrease/(increase) in other financial assets	(4,45,738.21)	(2,88,729.70)
Cash generated from operations	**(6,21,282.11)**	**(4,11,289.35)**
Less: Direct taxes paid (net of refunds)	5,893.75	6,192.53
Net cash flow/(used) in operating activities (A)	**(6,27,175.86)**	**(4,17,481.88)**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property plant & equipement and intangible assets	(2.41)	(4.22)
Proceeds from sale of property plant & equipement	0.05	0.10
Proceeds from realization of pass through certificates / sale of investments	11.16	12.12
Dividend income received	5.92	5.14
Net cash flow/(used) in investing activities (B)	**14.72**	**13.14**
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of equity share capital	25,000.00	28,540.00
Issue of Debt Securities (Net of redemptions)	3,08,125.43	1,04,655.95
Raising of Rupee Term Loans/ Foreign Currency Borrowings (net of repayments)	2,89,007.28	2,70,172.83
Issue of commercial paper (net of repayments)	7,416.27	18,646.63
Final dividend paid	(2,000.00)	(3,750.00)
Dividend tax paid	(411.11)	(770.88)
Net cash generated by/(used in) financing activities (C)	**6,27,137.87**	**4,17,494.53**
Net increase in Cash and cash equivalents (A+B+C)	**(23.27)**	**25.79**
Cash and cash equivalents at the beginning of the period	37.07	11.28
Cash and cash equivalents at the end of the period	**13.80**	**37.07**

The accompanying statement of significant accounting policies and notes to the financial information are an integral part of this statement.

For SPMG & Co.
Chartered Accountants
(Firm Registration No. 509249C)

(Sharad Poddar)
(Partner)

M.No. 087853

Place: New Delhi
Date: 28th August 2020

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

(Vijay Babulal Shirode)
Company Secretary
& JGM (Law)

(Anand Prakash)
Director

DIN: 08805417

(Amitabh Banerjee)
Chairman & Managing Director
DIN: 03315975

Indian Railway Finance Corporation Limited
CIN U65910DL1986GOI026363
Statement of changes in equity for the year ended 31 March 2020
(All amounts in millions of INR, unless stated otherwise)

A. Equity share capital

Particulars	Notes	Amount
Balance as at 1 April 2018	**21**	**65,264.60**
Changes in equity share capital during the period		28,540.00
Balance as at 31 March 2019	**21**	**93,804.60**
Balance as at 1 April 2019		**93,804.60**
Changes in equity share capital during the period		25,000.00
Balance as at 31 March 2020	**21**	**1,18,804.60**

For SPMG & Co.
Chartered Accountants
(FRN 509249C)

(Sharad Poddar)
(Partner)

M.No. 087853

Place: New Delhi
Date: 28th August 2020

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

(Vijay Babulal Shirode)
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(Amitabh Banerjee)
Chairman & Managing
Director
DIN: 03315975

Indian Railway Finance Corporation Limited
CIN U65910DL1986GOI026363
Statement of changes in equity for the year ended 31 March 2020
(All amounts in millions of INR, unless stated otherwise)

B. Other equity

Particulars	Share issue expenses**	Reserve and surplus				Equity instruments through other comprehensive income	Total other equity
		General Reserve	Bond redemption reserve*	Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	Retained Earnings		
Balance as at 1 April 2018	-	**17,397.90**	**52,947.49**	-	**3,612.58**	64.29	**74,022.26**
Add: Deferred tax liabilty being change in accounting poicy					**64,431.40**		**64,431.40**
Restated balance as at 01 April 2018	-	**17,397.90**	**52,947.49**	-	**68,043.98**	64.29	**1,38,453.66**
Total comprehensive income for the period	-	-	-	-	22,545.36	3.79	**22,549.15**
Transfer to bond redemption reserve	-	-	4,198.10	-	(4,198.10)	-	-
Transfer to general reserve	-	12,929.46	-	-	(12,929.46)	-	-
Transfer to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	4,509.50	(4,509.50)	-	-
Dividend	-	-	-	-	(3,750.00)	-	**(3,750.00)**
Dividend tax	-	-	-	-	(770.88)	-	**(770.88)**
Balance as at 31 March 2019	-	**30,327.36**	**57,145.59**	**4,509.50**	**64,431.40**	**68.08**	**1,56,481.93**
Balance as at 1 April 2019	-	**30,327.36**	**57,145.59**	**4,509.50**	**64,431.40**	**68.08**	**1,56,481.93**
Total comprehensive income for the period	-	-	-	-	36,923.89	(5.17)	**36,918.72**
Addition during the period	(169.80)	-	-	-	-	-	**(169.80)**
Transfer to bond redemption reserve	-	-	-	-	57,145.59	-	**57,145.59**
Transfer to general reserve	-	1,43,704.92	(57,145.59)	-	(1,43,704.92)	-	**(57,145.59)**
Transfer to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	7,384.85	(7,384.85)		-
Dividend	-	-	-	-	(2,000.00)	-	**(2,000.00)**
Dividend tax	-	-	-	-	(411.11)	-	**(411.11)**
Balance as at 31 March 2020	**(169.80)**	**1,74,032.28**	-	**11,894.35**	**5,000.00**	**62.91**	**1,90,819.74**

* Refer Note 22.2

** Share issue expenses includes stamp duty fees and listing fees for the amount of Rs.118.80 millions and 51.00 millions respectively.

The accompanying statement of significant accounting policies and notes to the financial information in are an integral part of this statement.

For SPMG & Co.
Chartered Accountants
(FRN 509249C)

(Sharad Poddar)
(Partner)

M.No. 087853

Place: New Delhi
Date: 28th August 2020

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

(Vijay Babulal Shirode)
Company Secretary
& JGM (Law)

(Anand Prakash)
Director
DIN: 08805417

(Amitabh Banerjee)
Chairman & Managing Director
DIN: 03315975

Indian Railway Finance Corporation Limited
CIN U65910DL1986GOI026363
Statement of significant accounting policies

1. Background

Indian Railway Finance Corporation Ltd., referred to as "the Company" or "IRFC" was incorporated by the Government of India, Ministry of Railways, as a financing arm of Indian Railways, for the purpose of raising the necessary resources for meeting the developmental needs of Indian Railways. The Company's principal business is to borrow funds from the financial markets to finance the acquisition / creation of assets which are then leased out to the Indian Railways as finance lease. IRFC is a Schedule 'A' Public Sector Enterprise under the administrative control of the Ministry of Railways, Govt. of India. It is also registered as Systemically Important Non–Deposit taking Non Banking Financial Company (NBFC – ND-SI) and Infrastructure Finance Company (NBFC- IFC) with Reserve Bank of India (RBI).The President of India along with his nominees holds 100% of the equity share capital.

The registered address and principal place of business of the Company is Upper Ground Floor, East Tower, NBCC Place, Pragati Vihar, Lodhi Road, New Delhi - 110003.

2. Significant Accounting Policies

A summary of the significant accounting policies adopted in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

2.1 Statement of Compliance

The financial statements have been prepared on going concern basis following accrual system of accounting in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules 2015 and subsequent amendments thereto, read with Section 133 of the Companies Act, 2013 and other Accounting principles generally accepted in India.

2.2 Basis for preparation of financial statements

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Unless otherwise stated, all amounts are stated in Millions of Rupees.

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

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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, regardless of whether that price is directly observable or estimated using another valuation technique. Fair value for measurement and/or disclosure purpose in these financial statements is determined on such basis except for, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value.

In addition, for financial reporting purposes fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs for the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 -Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 -Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3- inputs are unobservable inputs for the asset or liability.

2.3 Use of estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience & other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is as under:

a) **Formulation of accounting policies**
The accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

b) **Post-employment benefit plans**
Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

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c) Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37 'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

d) Income taxes

Significant estimates are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions.

2.4 Revenue

Company's revenues arise from lease income, interest on lease advance, loans, deposits and investments. Revenue from other income comprise dividend from investment in equity shares and other miscellaneous income etc.

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Finance lease income in respect of finance leases is allocated to the accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. (Also see accounting policy on leases at 2.14).

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Pre-commencement lease-interest income is determined based on the MOU entered with Ministry of Railways and when it is probable that the economic benefits will flow to the Company and the amount can be determined reliably.

Dividend income is recognized in profit or loss only when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

2.5 Foreign Currency Transaction

Functional and presentation currency

Items included in the financial statements of entity are measured using currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is entity's functional and presentation currency.

Transactions and Balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

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Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss.

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

2.6 Employee Benefits

Defined contribution plan

A defined contribution plan is a plan under which the Company pays fixed contributions into an independent fund administered by the government/Company administrated Trust. The Company has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution.

Defined benefit plan

The defined benefit plans sponsored by the Company define the amount of the benefit that an employee will receive on completion of services by reference to length of service and last drawn salary. Gratuity is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of the plan is the present value of the defined benefit obligation net of fair value of plan assets at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated at the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of Other Comprehensive Income in the period in which such gains or losses are determined.

Other long-term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed more than one-year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the period in which such gains or losses are determined.

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Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

2.7 Taxation

Tax expense comprises Current Tax and Deferred Tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax is 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 tax is also recognised in other comprehensive income or directly in equity respectively.

The Company is exercising the irrevocable option as permitted by section 115BAA of the Income – tax Act, 1961 whereby by foregoing certain exemptions, deductions and allowances, the tax rate applicable to the Company is lower than the normal tax rate that would have been otherwise applicable to the Company. Henceforth, minimum alternate tax provisions of section 115JB of the Income – tax Act, 1961 are not applicable to the Company.

Deferred Tax

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Till 31.3.2017

Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in Other Comprehensive Income or equity, in which case it is recognized in Other Comprehensive Income or equity.

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After 31.3.2017

The Company does not recognize deferred tax asset or deferred tax liability because as per Gazette Notification no. S.O. 529(E) dated 5th February 2018 as amended by notification no. S.O. 1465 dated 2 April 2018 issued by Ministry of Corporate Affairs, Government of India, the provision of Indian Accounting Standards 12 relating to Deferred Tax Assets (DTA) or Deferred Tax Liability (DTL) does not apply to the Company w.e.f. 1 April 2017.

Change in accounting policy / retrospective application

As stated above, the Company has not recognized any deferred tax asset or liability for the accounting period commencing on or after 1st April 2017 as per Gazette Notification no. S.O. 529(E) dated 5th February 2018 as amended by notification no. S.O. 1465 dated 2 April 2018 issued by Ministry of Corporate Affairs, Government of India. However, deferred tax liability of Rs. 64,431.40 Million recognized till 31st March 2017 was not reversed and was presented under Non – Financial Liabilities in the Balance Sheet as advised by Ministry of Corporate Affairs, Government of India vide their communication no. Eoffice F.No.17/32/2017 – CL – V dated 26th November 2018. However, based on Company's request, the Ministry of Corporate Affairs, Government of India again examined the matter in consultation with Accounting Standards Board of the Institute of Chartered Accountants of India & National Financial Reporting Authority and vide their communication no. Eoffice F.No.17/32/2017 – CL – V dated 20th March 2020 advised the Company to apply paragraph 11 of Ind AS 01, First Time adoption of Ind AS read with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors. Accordingly, the Company has during the current financial year reversed the deferred tax liability of Rs. 64,431.40 million by crediting the retained earnings as at 1st April 2017 being the date of transition to Ind AS treating this as a change in accounting policy that results in the financial statements providing reliable and more relevant information about the effects of the transactions, other events or conditions on the entity's financial position, financial performance or cash flows.

This being retrospective application, therefore in accordance with paragraph 40A of Ind AS 1, Presentation of Financial Statements, the Company has presented a third balance sheet at the beginning of the preceding period.

Due to this retrospective application, in the Balance Sheet, the line item 'Deferred Tax Liability' under 'Non – Financial Liabilities' is now stated at Rs. Nil as against Rs. 64,431.40 million with a corresponding increase in 'Retained Earnings' under 'Other Equity' as at the end of the current period, comparative period & beginning of the comparative period, this retrospective applied being applied since 1st April 2017, the date of transition. There is no impact on earnings per share either of the current period or the comparative period.

The retrospective application has no impact in future periods.

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2.8 Property, Plant and Equipment (PPE)

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is 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.

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

De-recognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined by comparing the proceeds from disposal, if any, with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

Depreciation

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

2.9 Intangible assets

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

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De-recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains & losses on de-recognition of an item of intangible assets are determined by comparing the proceeds from disposal, if any, with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

Amortization

Software is amortized over 5 years on straight-line method.

2.10 Borrowing costs

Borrowing costs consist of interest expense calculated using the effective interest method as described in Ind AS 109 'Financial Instruments' and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction/development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of all borrowing that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset.

Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.

All other borrowing costs are recognized as an expense in the year in which they are incurred.

2.11 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.12 Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material,

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provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance costs.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence 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. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

2.13 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are 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. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

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An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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 amortization, if no impairment loss had been recognized.

2.14 Leases

Till 31st March 2019, the Company had adopted Ind AS 17, Leases. In March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 notifying Ind AS 116, Leases and withdrawing Ind AS 17, Leases.Ind AS 116 is effective from accounting periods beginning from 1st April 2019.

Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right of use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the erstwhile standard – i.e. lessors continue to classify leases as finance or operating leases. The Company has applied the transition provisions as mentioned in Appendix C to Ind AS 116. There is no financial impact on the Company on adoption of Ind AS 116.

At inception of a contract, the Company assesses whether the contract is, or contains a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessor

The Company classifies each of its leases as either an operating lease or a finance lease.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. The depreciation policy for depreciable underlying assets subject to operating leases is consistent with the Company's normal depreciation policy for similar assets.

Contingent rents are recognised as revenue in the period in which they are earned.

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Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Company as a lessee

At the contract commencement date, the Company recognizes right – of – use asset and a lease liability. A right – of – use asset is an asset that represents a lessee's right to use an underlying asset for the lease term. The Company has elected not to apply the aforesaid requirements to short term leases (leases which at the commencement date has a lease term of 12 months or less) and leases for which the underlying asset is of low value as described in paragraphs B3 – B9 of Ind AS 116.

A right of use asset is initially measured at cost and subsequently applies the cost mode ie less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of lease liability. Ind AS 16, Property, Plant and Equipment is applied in depreciating the right – of – use asset.

A lease liability is initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Company's incremental borrowing rate is used. Subsequently, the carrying amount of the lease liability is increased to reflect interest on lease liability; reduced to reflect the lease payments; and remeasured to reflect any reassessment or lease modifications or to reflect revised in – substance fixed lease payments.

2.15 Securitisation of Finance Lease Receivable

Lease Receivables securitised out to Special Purpose Vehicle in a securitisation transactions are de-recognised in the balance sheet when they are transferred and consideration has been received by the Company.

The resultant gain/loss arising on securitization is recognised in the Statement of Profit & Loss in the year in which transaction takes place.

Lease Receivables assigned through direct assignment route are de-recognised in the balance sheet when they are transferred and consideration has been received by the Company. Profit or loss resulting from such assignment is accounted for in the year of transaction.

2.16 Leasing of Railway Infrastructure Assets

In terms of Indian Accounting Standard 116, the inception of lease takes place at the earlier of the date of the lease agreement and the date of a commitment by the parties to the principal provisions of the lease.

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The commencement of the lease term is the date from which the lessee is entitled to exercise its right to use the leased asset. It is the date of initial recognition of the lease.

As such, in respect of Railway Infrastructure Assets, which are under construction and where the Memorandum of Understanding / terms containing the principal provisions of the lease are in effect with the Lessee, pending execution of the lease agreement, the transactions relating to the lease are presented as 'Advances against Lease of Rly. Infrastructure Assets'

2.17 Dividends

Dividends and interim dividends payable to the Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

2.18 Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

2.19 Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.20 Statement of Cash Flows

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of cash flows'.

2.21 Operating Segments

The Managing Director (MD) of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments".

The Company has identified 'Leasing and Finance' as its sole reporting segment.

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2.22 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.22.1. Financial Assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

Subsequent measurement

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at Fair value through Other Comprehensive Income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange

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gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss.

Debt instrument at Fair value through profit or loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments

All equity investments in entities other than subsidiaries and joint venture companies are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. The Company has decided to classify its investments into equity shares of IRCON International Limited through FVTOCI.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (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.

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Impairment of financial assets

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

(a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and bank balance.
(b) Financial assets that are debt instruments and are measured as at FVTOCI.
(c) Lease receivables under Ind AS 116.
(d) Loan commitments which are not measured as at FVTPL.
(e) Financial guarantee contracts which are not measured as at FVTPL.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

2.22.2. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

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Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risks are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, cross currency swaps and interest rate swaps to hedge its foreign currency risks and interest rate risks of foreign currency loans. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken to statement of profit and loss. Where the derivative is designated as a hedging instrument, the accounting for subsequent changes in fair value depends on the nature of item being hedged and the type of hedge relationship designated. Where the difference is a pass through the lessee, the amount is received/ reimbursed to the lessee.

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2.23 New amended standards:

In March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying Ind AS 116, Leases and consequential amendments to various Ind AS standards. The amendments are effective from accounting periods beginning from 1st April 2019.

Ind AS 116 Leases

The Company is required to adopt Ind AS 116, Leases from 1 April 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right of use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

The Company is a lessor wherein it has given assets on finance lease to Ministry of Railways. The lessor accounting under Ind AS 116 is similar to Ind AS 17. The Company has not taken any asset on operating lease. Introduction of Ind AS 116 has no impact on the Company with respect to recognition & measurement of finance lease except some additional disclosure requirements.

The Ministry of Corporate Affairs, Government of India in July 2020 vide Companies (Indian Accounting Standards) Rules 2020 inserted a practical expedient which permits lessees not to account for Covid – 19 related rent concessions as a lease modification. As the Company has not availed any Covid 19 related rent concessions, the practical expedient has no applicability on the Company's financial statements.

Key Amendments to other Ind AS:

Ind AS 12, Income Taxes

Recognition of income tax consequences of dividends:

Clarifies that the income tax consequences of distribution of profits (i.e. dividends), should be recognized when a liability to pay dividend is recognized. The income tax consequences should be recognized in the statement of profit and loss, other comprehensive income or equity according to where the past transactions or events that generated distributable profits were originally recognized. The Company has no impact on application of this amendment on the Company's financial statements.

Ind AS 19, Employee Benefits

Clarifies that when a plan amendment, curtailment or settlement occurs:

The updated actuarial assumptions used in remeasuring the plan are applied to determine the current service cost and net interest for the remainder of the annual reporting period and the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the

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plan and is dealt with separately in Other Comprehensive Income. The Company has no impact on application of this amendment on the Company's financial statements.

Ind AS 109, Financial Instruments

Prepayment Features with Negative Compensation:

It allows particular financial assets with prepayment features that may result in negative compensation - e.g. the lender receives less than the par-amount and accrued interest and effectively compensates the borrower for the borrower's early termination of the contract - to be measured at amortized cost or at Fair Value through Other Comprehensive Income (FVOCI) (subject to the business model assessment). Before the amendments, these instruments were measured at Fair Value through Profit and Loss (FVTPL) because the solely payment of principal and interest (SPPI) criterion would not be met when the party that chooses to terminate the contract early may receive compensation for doing so. The amendments clarify that irrespective of the event or circumstance that causes the early termination of the contract, either party may pay or receive reasonable compensation for that early termination. The amendments remove the requirement for the compensation to be 'additional'. Accordingly, a prepayment amount that is less than the unpaid amounts of principal and interest (or less than the contractual par amount plus accrued interest) may meet the SPPI criterion if it is determined to include reasonable compensation for early termination. The Company has no impact on application of this amendment on the Company's financial statements.

Ind AS 12, Income Tax

Uncertainty over Income Tax treatments:

Appendix C in Ind AS 12 is effective from 1st April 2019 and it set out the principles on recognition and measurement principle when there is uncertainty over income tax treatments. An entity shall evaluate whether it is probable that the tax authority shall accept an uncertain tax treatment. If it is probable, the tax base shall be consistent with that of the items used in its income tax filings. If not probable, the Company shall reflect the effect of uncertainty by using either the most likely amount method or expected value method. If the uncertain tax treatment affects current and deferred tax, the entity shall make consistent judgement and estimates for current and deferred tax. The interpretation is effective for annual reporting periods beginning on or after 1st April 2019, but certain transition reliefs are available. The Company will apply the interpretation from its effective date. The Company has no impact on application of this amendment on the Company's financial statements.

Ind AS 23, Borrowing Costs

Computation of capitalization cost:

The amendment clarifies that in computing the capitalization rate for funds borrowed generally, an entity should exclude borrowing costs applicable to borrowings made specifically for obtaining a qualifying asset, only until the asset is ready for its intended use or sale. Borrowing costs related to specific borrowings that remain outstanding after the related qualifying asset is ready for intended use or for sale would subsequently be considered as part of the general borrowing costs of the entity. The amendment is applicable to borrowing costs incurred on or after the beginning of the annual reporting period beginning on or after 1 April 2019. The Company has no impact on application of this amendment on the Company's financial statements.

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Ind AS 103, Business Combinations

Ind AS 111, Joint Arrangements

Remeasurement of previously held interests:

A new paragraph 42A to Ind AS 103 has been added to clarify that when an entity obtains control of a business that is a joint operation, then the acquirer would remeasure its previously held interest in that business. Such a transaction would be considered as a business combination achieved in stages and accounted for on that basis. Further, paragraph B33CA has been added to Ind AS 111 to clarify that if a party that participates in a joint operation, but does not have joint control, obtains joint control over the joint operation (which constitutes a business as defined in Ind AS 103), it would not be required to remeasure its previously held interests in the joint operation. The amendment points out that although such a transaction changed the nature of the entity's interest in the joint operation, it did not result in a change in the group boundaries. Consequently, no remeasurement of previously held interests would be required. These amendments are applicable prospectively for business acquisitions (in case of Ind AS 103) or transactions where joint control is obtained (in case of Ind AS 111) where the date of the transaction is on or after the beginning of the first annual reporting period beginning on or after 1 April 2019. Presently the provisions of Ind AS 103 and Ind AS 111 are not applicable to the Company.

Ind AS 28, Investment in Associates and Joint Ventures

Long-term interests in associates and joint ventures :

An entity's net investment in its associate or joint venture includes investment in ordinary shares, other interests that are accounted using the equity method, and other long-term interests, such as preference shares and long term receivables or loans, the settlement of which is neither planned, nor likely to occur in the foreseeable future. These long-term interests are not accounted for in accordance with Ind AS 28, instead, they are governed by the principles of Ind AS 109. As per para 10 of Ind AS 28, the carrying amount of an entity's investment in its associate and joint venture increases or decreases (as per equity method) to recognize the entity's share of profit or loss of its investee associate and joint venture. Paragraph 38 of Ind AS 28 further states that the losses that exceed the entity's investment in ordinary shares are applied to other components of the entity's interest in the associate or joint venture in the reverse order of their superiority. In this context, the amendments to Ind AS 28 clarify that the accounting for losses allocated to long-term interests would involve the dual application of Ind AS 28 and Ind AS 109. The annual sequence in which both standards are to be applied can be explained in a three step process:

Step 1 : *Apply Ind AS 109 independently:*

Apply Ind AS 109 (such as impairment, fair value adjustments, etc.) ignoring any adjustments to carrying amount of long-term interests under Ind AS 28 (such as allocation of losses, impairment

Step 2 : *True-up past allocations:*

If necessary, prior years' Ind AS 28 loss allocation is trued up in the current year, because Ind AS 109 carrying value may have changed. This may involve recognizing more prior year's losses, reversing these losses or re-allocating them between different long-term interests.

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Step 3 : *Book current year equity share:*
Any current year Ind AS 28 losses are allocated to the extent that the remaining long-term interest years' losses and then allocations are made against long-term interests.

These amendments are applicable from 1 April 2019. Ministry of Corporate Affairs has provided certain transitional provision for Ind AS 28. Presently the provisions of Ind AS 28 are not applicable to the Company.

2.24 Standards issued but not yet effective :

In July 2020, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2020 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying certain amendments, as summarized below, to various Ind AS standards. The amendments are effective from accounting periods beginning from 1st April 2020 except for insertion of a Covid 19 related practical expedient to Ind AS 116, Leases (refer 2.23 above).

Amendments to Ind AS 1, Presentation of Financial Statements and Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors

Currently Ind AS 1 defines the term 'material, as under:
'Omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make on the basis of financial statements'.

The amendment refines the definition of 'material' which is now as follows:
'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general – purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity'.

Consequential amendments have been made to the following standards due to revised definition of material:

Ind AS	Title	Description
10	Events after the Reporting Period	Modification in paragraph 21 relating to disclosures of non – adjusting events after the reporting period.
34	Interim Financial Reporting	Modification of paragraph 24 whereby reference of definition of material as given in Ind AS 1 & Ind AS 8 has been removed.
37	Provisions, Contingent Liabilities and Contingent Assets	Modification in paragraph 75 relating to restructuring plan after the reporting period.

Amendments to Ind AS 103, Business Combinations

Currently Ind AS 103 defines business as 'an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants'.

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The amendment revises the definition as under:
'Business is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities'.

The amendments also:

- Introduces an optional concentration test to permit a simplified assessment of whether an acquired set of activities and assets is a business or asset acquisition;
- Provides additional guidance on how to assess whether an acquired process is substantive, if the acquired set of activities and assets does not have outputs and if it does have outputs.

Amendments to Ind AS 107, Financial Instruments : Disclosures
Amendments to Ind AS 109, Financial Instruments
The amendment modifies Ind AS 109 with respect to some specific hedge accounting requirements to provide relief to the potential effects of uncertainty caused by the interest rate benchmark (IBOR) reform with additional disclosure requirements under Ind AS 107.

The aforesaid amendments are effective from accounting periods beginning from 1st April 2020. The Company is currently assessing the impact of application of this amendment on the Company's financial statements.

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Notes to financial statements
(All amounts in millions of INR, unless stated otherwise)

Note 3: Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Balances with banks			
- in current accounts	13.70	36.97	11.18
Balances in franking machine	-	-	-
Deposits with Reserve Bank of India			
- in public deposit account	0.10	0.10	0.10
Total	**13.80**	**37.07**	**11.28**

Note 4: Bank balances other than above

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Balances with banks			
- in interest redemption accounts*	96.82	80.91	58.16
- in escrow pool account**	897.01	692.68	928.76
Total	**993.83**	**773.59**	**986.92**

* The Company discharges its obligation towards payment of interest and redemption of bonds for which warrants are issued, by depositing the respective amounts in the designated bank accounts

** Related to allotment of Section 54EC bond: March 2020 series and February 2020 Series (31 March 2019 : March 2019 series & 01 April 2018: March 2018 series)

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Note 5: Derivative financial instruments

The Company enters into derivative contracts for Currency & Interest Rate risk. Derivative transactions include forwards, interest rate swaps, cross currency swaps, etc. to hedge the liabilities. These derivative transactions are done for hedging purpose and not for trading or speculative purposes.

	As at 31 March 2020			As at 31 March 2019			As at 01 April 2018		
PART I	Notional amounts	Fair value- assets	Fair value- liabilities	Notional amounts	Fair value- assets	Fair value- liabilities	Notional amounts	Fair value- assets	Fair value- liabilities
(i) Currency derivatives									
-Spot and forwards	-	-	-	-	-	-	42,284.86	-	5,141.60
-Currency swaps	13,884.67	-	3,090.22	12,737.67	-	3,105.95	11,982.16	-	2,354.19
Subtotal	13,884.67	-	3,090.22	12,737.67	-	3,105.95	54,267.02	-	7,495.79
(ii) Interest rate derivatives									
- Forward rate agreements and interest rate swaps	13,884.67		974.93	12,737.67	466.90	-	25,082.16	968.47	-
Subtotal	13,884.67	-	974.93	12,737.67	466.90	-	25,082.16	968.47	-
Total derivative financial instruments	27,769.34	-	4,065.15	25,475.34	466.90	3,105.95	79,349.18	968.47	7,495.79
PART II									
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:									
(i) Fair value hedging									
Currency derivatives	13,884.67	-	3,090.22	12,737.67	-	3,105.95	54,267.02	-	7,495.79
Interest rate derivatives	-	-	-	-	-	-	-	-	-
Subtotal	13,884.67	-	3,090.22	12,737.67	-	3,105.95	54,267.02	-	7,495.79
(ii) Cash flow hedging									
Currency derivatives	-	-	-	-	-	-	-	-	-
Interest rate derivatives	13,884.67	-	974.93	12,737.67	466.90	-	25,082.16	968.47	-
Subtotal	13,884.67	-	974.93	12,737.67	466.90	-	25,082.16	968.47	-
Total derivative financial instruments	27,769.34	-	4,065.15	25,475.34	466.90	3,105.95	79,349.18	968.47	7,495.79

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Note 6 : Receivables

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Trade receivables	-	-	-
Lease receivables*	14,85,798.00	12,50,265.12	10,94,716.56
(Unsecured, considered good due from Ministry of Railways, Government of India)			
Total	**14,85,798.00**	**12,50,265.12**	**10,94,716.56**

*No impairement loss has been recogonised as the entire lease receivables are from Ministry of Railways, Government of India, a sovereign receivable as per Reserve Bank of India letter no. DNRB (PD). CO.No.1271/03.10.001/2018-19 dated 21-December-2018. (Refer note- 18)

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Note 7 : Loans

	As at 31 March 2020						As at 31 March 2019						As at 01 April 2018					
		At Fair Value						At Fair Value						At Fair Value				
	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total
Loans																		
(A) Term Loans																		
-Loan to Rail Vikas Nigam Limited	39,879.41	-	-	-	-	39,879.41	28,426.30	-	-	-	-	28,426.30	20,379.55	-	-	-	-	20,379.55
-Loan to Ircon International Limited	24,612.27	-	-	-	-	24,612.27	30,765.34	-	-	-	-	30,765.34	32,000.00	-	-	-	-	32,000.00
Total (A) -Gross	**64,491.68**	-	-	-	-	**64,491.68**	**59,191.64**	-	-	-	-	**59,191.64**	**52,379.55**	-	-	-	-	**52,379.55**
Less:Impairment loss allowance*	257.97	-	-	-	-	257.97	236.77	-	-	-	-	236.77	-	-	-	-	-	-
Total (A) - Net	**64,233.71**	-	-	-	-	**64,233.71**	**58,954.87**	-	-	-	-	**58,954.87**	**52,379.55**	-	-	-	-	**52,379.55**
(B)(i) Secured by tangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii)Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii)Covered by Bank/ Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Unsecured	64,491.68	-	-	-	-	64,491.68	59,191.64	-	-	-	-	59,191.64	52,379.55	-	-	-	-	52,379.55
Total (B)-Gross	**64,491.68**	-	-	-	-	**64,491.68**	**59,191.64**	-	-	-	-	**59,191.64**	**52,379.55**	-	-	-	-	**52,379.55**
Less:Impairment loss allowance*	257.97	-	-	-	-	257.97	236.77	-	-	-	-	236.77					-	-
Total (B)-Net	**64,233.71**	-	-	-	-	**64,233.71**	**58,954.87**	-	-	-	-	**58,954.87**	**52,379.55**	-	-	-	-	**52,379.55**
(C) (I) Loans in India																		
(i) Public Sector	64,491.68	-	-	-	-	64,491.68	59,191.64	-	-	-	-	59,191.64	52,379.55	-	-	-	-	52,379.55
(ii) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (C)-Gross	**64,491.68**	-	-	-	-	**64,491.68**	**59,191.64**	-	-	-	-	**59,191.64**	**52,379.55**	-	-	-	-	**52,379.55**
Less: Impairment loss allowance*	257.97	-	-	-	-	257.97	236.77	-	-	-	-	236.77	-	-	-	-	-	-
Total(C) (I)-Net	**64,233.71**	-	-	-	-	**64,233.71**	**58,954.87**	-	-	-	-	**58,954.87**	**52,379.55**	-	-	-	-	**52,379.55**
(C)(II)Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (C)(II)- Net	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total C(I)and C(II)	**64,233.71**	-	-	-	-	**64,233.71**	**58,954.87**	-	-	-	-	**58,954.87**	**52,379.55**	-	-	-	-	**52,379.55**

* Impairment loss allowance is recognised as per Reserve Bank of India circular no. RBI/2017-18/181_DNBR (PD) CC. No. 092/03.10.001/2017-18 dated 31 May 2018 read with letter no. DNRB (PD). CO.No.1271/03.10.001/2018-19 dated 21 December 2018 which was earlier exempted vide notification DNBR.PD 008/03.10 119/2016-17 dated 1st September 2016 for all government NBFC company. (refer note-18)

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Note 8 : Investments

	As at 31 March 2020						As at 31 March 2019						As at 01 April 2018					
		At Fair Value						At Fair Value						At Fair Value				
	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total
Debt securities	22.23	-	-	-	-	22.23	33.30	-	-	-	-	33.30	45.42	-	-	-	-	45.42
Equity instruments	-	92.98	-	-	92.98	92.98	-	98.15	-	-	98.15	98.15		94.36	-	-	94.36	94.36
Total (A)	**22.23**	**92.98**	-	-	**92.98**	**115.21**	**33.30**	**98.15**	-	-	**98.15**	**131.45**	**45.42**	**94.36**	-	-	**94.36**	**139.78**
Investments Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments in India	22.23	92.98	-	-	92.98	115.21	33.30	98.15	-	-	98.15	131.45	45.42	94.36	-	-	94.36	139.78
Total (B)	**22.23**	**92.98**	-	-	**92.98**	**115.21**	**33.30**	**98.15**	-	-	**98.15**	**131.45**	**45.42**	**94.36**	-	-	**94.36**	**139.78**
Less: Allowance for Impairment '(C)	0.09	-	-	-	-	0.09	-	-	-	-	-	-	-	-	-	-	-	-
Total (A)-(C)	**22.14**	**92.98**	-	-	**92.98**	**115.12**	**33.30**	**98.15**	-	-	**98.15**	**131.45**	**45.42**	**94.36**	-	-	**94.36**	**139.78**

Details of debt securities:

Numbers of Senior Pass through Certificates of NOVO X Trust Locos	25	35	45
Fair value of Senior Pass through Certificates of NOVO X Trust Locos	22.23	33.30	45.42

Details of equity instruments:

Numbers of Equity Shares of IRCON International Limited	2,44,000	2,44,000	2,44,000
Fair value of Equity Shares of IRCON International Limited	92.98	98.15	94.36

The Company holds nominal Equity (less than 0.26%) in IRCON International Limited. The Equity shares of IRCON International Limited were listed on National Stock Exchange with effect from 28 September 2018. The Company had elected to classify its investment in IRCON International Limited as fair value through other comprehensive income. The fair value as on 31 March 2020 & 31 March 2019 has been measured as per the quotation on National Stock Exchange Limited(Level 1 Input). The fair market value as at 1 April 2019 has been determined on the basis of book value computed as per the preceding year's annual financial statement of IRCON International Limited as available with the Company (Level 3 Input).

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Note 9 : Other financial assets

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Amount recoverable from Ministry of Railways on account of exchange rate variation / derivatives#	22,778.73	4,644.90	2,675.79
Amount recoverable from Ministry of Railways - Leased Assets	-	4,729.63	33,270.51
Advance against Railway Infrastructure Assets to be leased (Refer Note No. 45)	10,31,195.28	6,49,088.40	3,98,250.55
Advance Funding Against National Project (Refer Note No. 45)	79,884.94	50,828.17	-
Interest accrued but not due on advance for railway project to be leased	43,945.37	21,340.11	9,649.87
Security deposits	1.43	0.96	1.09
House building advance (secured)*	2.96	3.26	1.01
Advance to employees	3.13	3.05	0.09
Interest accrued but not due on advance to employees**	0.77	0.51	0.83
Interest accrued but not due on loans	9,669.86	9,669.11	7,183.74
Interest accrued but not due on investment	28.51	36.04	40.90
Interest accrued but not due on 54 EC bond application money	13.09	1.33	1.39
Amount recoverable from others	2.01	0.47	0.23
Gross Total	**11,87,526.08**	**7,40,345.94**	**4,51,076.00**
Less: Impairment on interest accrued and due on loans & deposits/ investements ***	38.79	38.68	-
Net Total	**11,87,487.29**	**7,40,307.26**	**4,51,076.00**

*Includes Rs. 2.28 million for 31 March 2020, Rs. 2.47 million for 31 March 2019, Rs. 0.11 million for 01 April 2018 to Key Managerial Personnel/Officers of the Company.

**Includes Rs. 0.12 million for 31 March 2020, 0.01 million for 31 March 2019, Rs. 0.40 million for 01 April 2018 to Key Managerial Personnel/Officers of the Company.

*** As per Reserve Bank of India Circular No. RBI/2017-18/181_DNBR (PD) CC. No. 092/03.10.001/2017-18 dated 31-May-2018 (Refer Note no. 42 (a) (i))

Amount recoverable from Ministry of Railway on account of exchange rate variation / derivatives includes amount recoverable from Ministry of Railways on account of MTM derivatives of the respective period. (Refer Note No. 44)

Note 10 : Current tax assets (net)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
TDS & advance tax	31,341.51	25,447.76	23,415.73
Less: Provision for tax (Refer note no. 31)	(25,477.45)	(25,477.45)	(23,157.29)
Total	**5,864.06**	**(29.69)**	**258.44**

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Note 11 : Property, plant and equipment

Particulars	Building	Office Equipment	Computer	Furniture and fixtures	Plant and equipment	Vehicles	Total
Gross block							
Balance as at 1 April 2018	**112.32**	**1.24**	**0.83**	**1.20**	**0.03**	**0.25**	**115.87**
Additions	-	0.76	0.85	0.03	-	2.25	**3.89**
Disposals	-	(0.32)	(0.09)	-	-	-	**(0.41)**
Balance as at 31 March 2019	**112.32**	**1.68**	**1.59**	**1.23**	**0.03**	**2.50**	**119.35**
Balance as at 1 April 2019	**112.32**	**1.68**	**1.59**	**1.23**	**0.03**	**2.50**	**119.35**
Additions	-	0.82	1.40	0.11	-	-	**2.33**
Disposals	-	(0.19)	-	-	-	-	**(0.19)**
Balance as at 31 March 2020	**112.32**	**2.31**	**2.99**	**1.34**	**0.03**	**2.50**	**121.49**
Accumulated depreciation							
Balance as at 1 April 2018	**2.55**	**0.16**	**0.24**	**0.11**	**0.03**	**0.09**	**3.18**
Depreciation expense	3.05	0.35	0.35	0.13	-	0.21	**4.09**
Adjusments	-	-	-	-	-	-	-
Elimination on disposals of assets	-	(0.13)	(0.04)	-	-	-	**(0.17)**
Balance as at 31 March 2019	**5.60**	**0.38**	**0.55**	**0.24**	**0.03**	**0.30**	**7.10**
Balance as at 1 April 2019	**5.60**	**0.38**	**0.55**	**0.24**	**0.03**	**0.30**	**7.09**
Depreciation expense	3.05	0.34	0.54	0.14	-	0.36	**4.43**
Adjusments	-		-		-	-	-
Elimination on disposals of assets	-	(0.07)	-		-	-	**(0.07)**
Balance as at 31 March 2020	**8.65**	**0.65**	**1.09**	**0.38**	**0.03**	**0.66**	**11.45**
Carrying amount							
Balance as at 1 April 2018	**109.77**	**1.08**	**0.59**	**1.09**	-	**0.16**	**112.69**
Additions	-	0.76	0.85	0.03	-	2.25	**3.89**
Disposals	-	(0.19)	(0.05)	-	-	-	**(0.24)**
Depreciation expense	(3.05)	(0.35)	(0.35)	(0.13)	-	(0.21)	**(4.09)**
Balance as at 31 March 2019	**106.72**	**1.30**	**1.04**	**0.99**	-	**2.20**	**112.25**
Balance as at 1 April 2019	**106.72**	**1.30**	**1.04**	**0.99**	-	**2.20**	**112.26**
Additions	-	0.82	1.40	0.11	-	-	**2.33**
Disposals	-	(0.12)	-	-	-	-	**(0.12)**
Depreciation expense	(3.05)	(0.34)	(0.54)	(0.14)	-	(0.36)	**(4.43)**
Balance as at 31 March 2020	**103.67**	**1.66**	**1.90**	**0.96**	-	**1.84**	**110.04**

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Note 12 : Other intangible assets

Particulars	Software
Gross block	
Balance as at 1 April 2018	**0.34**
Additions	0.32
Disposals	-
Balance as at 31 March 2019	**0.66**
Balance as at 1 April 2019	**0.66**
Additions	0.08
Disposals	-
Balance as at 31 March 2020	**0.74**
Accumulated depreciation	
Balance as at 1 April 2018	**0.07**
Depreciation expense	0.09
Elimination on disposals of assets	-
Balance as at 31 March 2019	**0.16**
Balance as at 1 April 2019	**0.16**
Depreciation expense	0.15
Elimination on disposals of assets	-
Balance as at 31 March 2020	**0.31**
Carrying amount	
Balance as at 1 April 2018	**0.27**
Additions	0.32
Disposals	-
Depreciation expense	(0.09)
Balance as at 31 March 2019	**0.50**
Balance as at 1 April 2019	**0.50**
Additions	0.08
Disposals	-
Depreciation expense	(0.15)
Balance as at 31 March 2020	**0.43**

Note 13 : Other non-financial assets

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Capital Advances			
Advance to FA & CAO, Northern Railway	25.30	25.30	25.30
Advances other than capital advances			
Advance to others	1.67	1.67	1.67
Others			
Prepaid expenses	3.74	4.18	4.88
Tax refund receivable	20.10	249.71	3.66
GST recoverable	14,667.82	14,706.23	13,997.79
Gratuity Funded Assets (Net)	6.78	-	-
Total	**14,725.41**	**14,987.09**	**14,033.30**

Note 14 : Payables

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises (Refer Note No. 51)	0.50	0.08	2.40
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	377.08	121.71	84.75
Total	**377.58**	**121.79**	**87.15**

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Note 15 : Debt Securities

	As at 31 March 2020				As at 31 March 2019				As at 01 April 2018			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Others												
Bonds from domestic capital market	13,62,599.36	-	-	13,62,599.36	11,36,548.03	-	-	11,36,548.03	10,35,886.91	-	-	10,35,886.91
Bonds from overseas capital market	1,51,671.11	-	-	1,51,671.11	69,571.19	-	-	69,571.19	62,579.67	-	-	62,579.67
Commercial Paper	38,634.09	-	-	38,634.09	29,859.77	-	-	29,859.77	9,975.88	-	-	9,975.88
Total	15,52,904.56	-	-	15,52,904.56	12,35,978.99	-	-	12,35,978.99	11,08,442.46	-	-	11,08,442.46
Debt securities in India	14,01,233.45	-	-	14,01,233.45	11,66,407.80	-	-	11,66,407.80	10,45,862.79	-	-	10,45,862.79
Debt securities outside India	1,51,671.11	-	-	1,51,671.11	69,571.19	-	-	69,571.19	62,579.67	-	-	62,579.67
Total	15,52,904.56	-	-	15,52,904.56	12,35,978.99	-	-	12,35,978.99	11,08,442.46	-	-	11,08,442.46

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Secured bonds from domestic capital market

The secured bonds issued in the domestic capital market are secured by first pari passu charge on the present/ future rolling stock assets/ lease receivables of the Company. Maturity profile and rate of interest of the bonds issued in the domestic capital market and amount outstanding as on various dates is as set out below:

S.No	Series	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2020	31 March 2019	1 April 2018
1	104th 'A' Series Tax Free Bonds Public Issue	7.50%	Annual	Bullet Repayment	21-Dec-35	3,696.34	3,696.34	3,696.34
2	104th Series Tax Free Bonds Public Issue	7.25%	Annual	Bullet Repayment	21-Dec-35	2,944.16	2,944.16	2,944.16
3	71st "E" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-35	2,200.00	2,200.00	2,200.00
4	70th "E" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	04-May-35	150.00	150.00	150.00
5	141th Taxable Non-Cum. Bonds	7.48%	Annual	Bullet Repayment	29-Aug-34	21,070.00	-	-
6	139th Taxable Non-Cum. Bonds	7.54%	Annual	Bullet Repayment	29-Jul-34	24,556.00	-	-
7	138th Taxable Non-Cum. Bonds	7.85%	Annual	Bullet Repayment	01-Jul-34	21,200.00	-	-
8	71st "D" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-34	2,200.00	2,200.00	2,200.00
9	70th "D" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	04-May-34	150.00	150.00	150.00
10	71st "C" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-33	2,200.00	2,200.00	2,200.00
11	70th "C" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	04-May-33	150.00	150.00	150.00
12	71st "B" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-32	2,200.00	2,200.00	2,200.00
13	70th "B" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	04-May-32	150.00	150.00	150.00
14	71st "A" Taxable Non-Cum. Bonds	8.83%	Semi Annual	Bullet Repayment	14-May-31	2,200.00	2,200.00	2,200.00
15	76th "B" Taxable Non-Cum. Bonds	9.47%	Semi Annual	Bullet Repayment	10-May-31	9,950.00	9,950.00	9,950.00
16	70th "A" Taxable Non-Cum. Bonds	8.72%	Semi Annual	Bullet Repayment	04-May-31	150.00	150.00	150.00
17	108th 'A' Series Tax Free Bonds Public Issue	7.64%	Annual	Bullet Repayment	22-Mar-31	11,943.13	11,943.13	11,943.13
18	108th Series Tax Free Bonds Public Issue	7.35%	Annual	Bullet Repayment	22-Mar-31	10,163.76	10,163.76	10,163.76
19	103rd 'A' Series Tax Free Bonds Public Issue	7.53%	Annual	Bullet Repayment	21-Dec-30	10,742.17	10,742.17	10,742.17
20	103rd Series Tax Free Bonds Public Issue	7.28%	Annual	Bullet Repayment	21-Dec-30	20,573.10	20,573.10	20,573.10
21	70th "AA" Taxable Non-Cum. Bonds	8.79%	Semi Annual	Bullet Repayment	04-May-30	14,100.00	14,100.00	14,100.00
22	144th Series Taxable Bonds (ETF)	7.55%	Semi Annual	Bullet Repayment	12-Apr-30	15,800.00	-	-
23	146th Series Taxable Bonds	7.08%	Annual	Bullet Repayment	20-Feb-30	30,000.00	-	-
24	67th "B" Taxable Non-Cum. Bonds	8.80%	Semi Annual	Bullet Repayment	03-Feb-30	3,850.00	3,850.00	3,850.00
25	143rd Taxable Non-Cum. Bonds	7.55%	Semi Annual	Bullet Repayment	06-Nov-29	24549.00	-	-
26	142th Taxable Non-Cum. Bonds	7.50%	Annual	Bullet Repayment	09-Sep-29	27,070.00	-	-
27	140th Taxable Non-Cum. Bonds	7.48%	Annual	Bullet Repayment	13-Aug-29	25,920.00	-	-
28	136th Series Taxable Bonds	7.95%	Annual	Bullet Repayment	12-Jun-29	30,000.00	-	-
29	135 Series Taxable Bonds	8.23%	Annual	Bullet Repayment	29-Mar-29	25,000.00	25,000.00	-
30	96th Series Tax Free Bonds Public Issue	8.63%	Annual	Bullet Repayment	26-Mar-29	9,479.13	9,479.13	9,479.13
31	96th A Series Tax Free Bonds Public Issue	8.88%	Annual	Bullet Repayment	26-Mar-29	4,364.14	4,364.14	4,364.14
32	134 Series Taxable Bonds	8.30%	Annual	Bullet Repayment	25-Mar-29	30,000.00	30,000.00	-
33	133 Series Taxable Bonds	8.35%	Annual	Bullet Repayment	13-Mar-29	30,000.00	30,000.00	-
34	131St Series Taxable Bonds	8.55%	Annual	Bullet Repayment	21-Feb-29	22,365.00	22,365.00	-
35	92nd Series Tax Free Bonds Public Issue	8.40%	Annual	Bullet Repayment	18-Feb-29	10,901.87	10,901.87	10,901.87
36	92nd A Series Tax Free Bonds Public Issue	8.65%	Annual	Bullet Repayment	18-Feb-29	6,883.59	6,883.59	6,883.59
37	94th A Series Tax Free Non-Cum Bonds	8.55%	Annual	Bullet Repayment	12-Feb-29	130.00	130.00	130.00
38	93rd A Series Tax Free Non-Cum Bonds	8.55%	Annual	Bullet Repayment	10-Feb-29	16,500.00	16,500.00	16,500.00
39	130Th Series Taxable Bonds	8.40%	Annual	Bullet Repayment	08-Jan-29	28,454.00	28,454.00	-
40	129th Series Taxable Bonds	8.45%	Annual	Bullet Repayment	04-Dec-28	30,000.00	30,000.00	-
41	90th A Series Tax Free Non-Cum Bonds	8.48%	Annual	Bullet Repayment	27-Nov-28	550.00	550.00	550.00
42	89th A Series Tax Free Non-Cum Bonds	8.48%	Annual	Bullet Repayment	21-Nov-28	7,380.00	7,380.00	7,380.00
43	87th 'A' Series (Non-Retail), Tax Free Bonds Public Issue	7.04%	Annual	Bullet Repayment	23-Mar-28	2,220.94	2,211.40	2,203.56
44	87th 'A' Series (Retail), Tax Free Bonds Public Issue	7.54%	Annual	Bullet Repayment	23-Mar-28	417.90	427.44	435.27
45	86th 'A' Series (Non-Retail), Tax Free Bonds Public Issue	7.34%	Annual	Bullet Repayment	19-Feb-28	23,198.91	23,147.42	23,082.43
46	86th 'A' Series (Retail), Tax Free Bonds Public Issue	7.84%	Annual	Bullet Repayment	19-Feb-28	2,390.20	2,441.68	2,506.68
47	83rd 'A' Tax Free Non-Cum. Bonds	7.39%	Annual	Bullet Repayment	06-Dec-27	950.00	950.00	950.00
48	82nd 'A' Tax Free Non-Cum. Bonds	7.38%	Annual	Bullet Repayment	30-Nov-27	300.00	300.00	300.00

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49	81st 'A' Tax Free Non-Cum. Bonds	7.38%	Annual	Bullet Repayment	26-Nov-27	667.00	667.00	667.00
50	124th Series Taxable Non-Cum Bonds	7.54%	Annual	Bullet Repayment	31-Oct-27	9,350.00	9,350.00	9,350.00
51	123rd Series Taxable Non-Cum Bonds	7.33%	Annual	Bullet Repayment	28-Aug-27	17,450.00	17,450.00	17,450.00
52	121st Taxable Non Cum - Bonds	7.27%	Annual	Bullet Repayment	15-Jun-27	20,500.00	20,500.00	20,500.00
53	54th "B" Taxable Non-Cum. Bonds	10.04%	Semi Annual	Bullet Repayment	07-Jun-27	3,200.00	3,200.00	3,200.00
54	120th Taxable Non Cum - Bonds	7.49%	Annual	Bullet Repayment	30-May-27	22,000.00	22,000.00	22,000.00
55	118th Taxable Non Cum - Bonds	7.83%	Annual	Bullet Repayment	21-Mar-27	29,500.00	29,500.00	29,500.00
56	80th 'A' Series (Non-Retail), Tax Free Bonds Public Issue	8.10%	Annual	Bullet Repayment	23-Feb-27	27,816.25	27,749.81	27,665.14
57	80th 'A' Series (Retail), Tax Free Bonds Public Issue	8.30%	Annual	Bullet Repayment	23-Feb-27	3,140.27	3,206.71	3,291.38
58	53rd "C" Taxable Non-Cum. Bonds	8.75%	Semi Annual	Bullet Repayment	29-Nov-26	4,100.00	4,100.00	4,100.00
59	79th "A" Tax Free Non-Cum. Bonds	7.77%	Annual	Bullet Repayment	08-Nov-26	1,915.10	1,915.10	1,915.10
60	76th "A" Taxable Non-Cum. Bonds	9.33%	Semi Annual	Bullet Repayment	10-May-26	2,550.00	2,550.00	2,550.00
61	75th Taxable Non-Cum. Bonds	9.09%	Semi Annual	Bullet Repayment	31-Mar-26	1,500.00	1,500.00	1,500.00
62	74th Taxable Non-Cum. Bonds	9.09%	Semi Annual	Bullet Repayment	29-Mar-26	10,760.00	10,760.00	10,760.00
63	107th 'A' Series Tax Free Bonds Public Issue	7.29%	Annual	Bullet Repayment	22-Mar-26	1,907.14	1,907.14	1,907.14
64	107th Series Tax Free Bonds Public Issue	7.04%	Annual	Bullet Repayment	22-Mar-26	485.97	485.97	485.97
65	106th Series Tax Free Bonds Public Issue	7.04%	Annual	Bullet Repayment	03-Mar-26	10,500.00	10,500.00	10,500.00
66	102nd 'A' Series Tax Free Bonds Public Issue	7.32%	Annual	Bullet Repayment	21-Dec-25	3,689.49	3,689.49	3,689.49
67	102nd Series Tax Free Bonds Public Issue	7.07%	Annual	Bullet Repayment	21-Dec-25	3,674.74	3,674.74	3,674.74
68	100th Series Tax Free Non-Cum Bonds	7.15%	Annual	Bullet Repayment	21-Aug-25	3,290.00	3,290.00	3,290.00
69	99th Series Tax Free Non-Cum Bonds	7.19%	Annual	Bullet Repayment	31-Jul-25	11,390.00	11,390.00	11,390.00
70	147th Series Taxable Bonds	6.99%	Annual	Bullet Repayment	19-Mar-25	8,470.00	-	-
71	69th Taxable Non-Cum. Bonds	8.95%	Semi Annual	Bullet Repayment	10-Mar-25	6,000.00	6,000.00	6,000.00
72	67th "A" Taxable Non-Cum. Bonds	8.65%	Semi Annual	Bullet Repayment	03-Feb-25	2,000.00	2,000.00	2,000.00
73	65th "O" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-24	600.00	600.00	600.00
74	95th Series Tax Free Bonds Public Issue	8.19%	Annual	Bullet Repayment	26-Mar-24	2,311.52	2,311.52	2,311.52
75	95th A Series Tax Free Bonds Public Issue	8.44%	Annual	Bullet Repayment	26-Mar-24	1,297.38	1,297.38	1,297.38
76	132 Series Taxable Bonds	8.25%	Annual	Bullet Repayment	28-Feb-24	25,000.00	25,000.00	-
77	91st Series Tax Free Bonds Public Issue	8.23%	Annual	Bullet Repayment	18-Feb-24	17,783.21	17,783.21	17,783.21
78	91st A Series Tax Free Bonds Public Issue	8.48%	Annual	Bullet Repayment	18-Feb-24	5,262.55	5,262.55	5,262.55
79	63rd "B" Taxable Non-Cum. Bonds	8.65%	Semi Annual	Bullet Repayment	15-Jan-24	3,150.00	3,150.00	3,150.00
80	62nd "B" Taxable Non-Cum. Bonds	8.50%	Semi Annual	Bullet Repayment	26-Dec-23	2,850.00	2,850.00	2,850.00
81	90th Series Tax Free Non-Cum Bonds	8.35%	Annual	Bullet Repayment	27-Nov-23	570.00	570.00	570.00
82	89th Series Tax Free Non-Cum Bonds	8.35%	Annual	Bullet Repayment	21-Nov-23	4,870.00	4,870.00	4,870.00
83	61st "A" Taxable Non-Cum. Bonds	10.70%	Semi Annual	Bullet Repayment	11-Sep-23	6,150.00	6,150.00	6,150.00
84	65th "N" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-23	600.00	600.00	600.00
85	145th Series Taxable Bonds	6.59%	Annual	Bullet Repayment	14-Apr-23	30,000.00	-	-
86	88th Taxable Non-Cum. Bonds	8.83%	Annual	Bullet Repayment	25-Mar-23	11,000.00	11,000.00	11,000.00
87	87th Series (Non-Retail), Tax Free Bonds Public Issue	6.88%	Annual	Bullet Repayment	23-Mar-23	1,373.50	1,366.17	1,361.09
88	87th Series (Retail), Tax Free Bonds Public Issue	7.38%	Annual	Bullet Repayment	23-Mar-23	278.20	285.53	290.61
89	86th Series (Non-Retail), Tax Free Bonds Public Issue	7.18%	Annual	Bullet Repayment	19-Feb-23	26,667.46	26,638.41	26,609.55
90	86th Series (Retail), Tax Free Bonds Public Issue	7.68%	Annual	Bullet Repayment	19-Feb-23	1,477.34	1,506.39	1,535.26
91	126th Taxable Non-Cum. Bonds*	7.63%	Annual	Bullet Repayment	25-Jan-23	30,000.00	30,000.00	30,000.00
92	85th Tax Free Non-Cum. Bonds	7.19%	Annual	Bullet Repayment	14-Dec-22	950.00	950.00	950.00
93	84th Tax Free Non-Cum. Bonds	7.22%	Annual	Bullet Repayment	07-Dec-22	4,999.00	4,999.00	4,999.00
94	83rd Tax Free Non-Cum. Bonds	7.22%	Annual	Bullet Repayment	06-Dec-22	300.00	300.00	300.00
95	82nd Tax Free Non-Cum. Bonds	7.22%	Annual	Bullet Repayment	30-Nov-22	410.00	410.00	410.00
96	81st Tax Free Non-Cum. Bonds	7.21%	Annual	Bullet Repayment	26-Nov-22	2,560.00	2,560.00	2,560.00
97	58th "A" Taxable Non-Cum. Bonds	9.20%	Semi Annual	Bullet Repayment	29-Oct-22	5,000.00	5,000.00	5,000.00
98	54th "A" Taxable Non-Cum. Bonds	9.95%	Semi Annual	Bullet Repayment	07-Jun-22	1,500.00	1,500.00	1,500.00
99	55th "O" Taxable Non-Cum. Bonds	9.86%	Semi Annual	Bullet Repayment	07-Jun-22	330.00	330.00	330.00
100	65th "M" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-22	600.00	600.00	600.00
101	80th Series (Non-Retail) Tax Free Bonds Public Issue	8.00%	Annual	Bullet Repayment	23-Feb-22	28,367.53	28,301.10	28,215.91
102	80th Series (Retail) Tax Free Bonds Public Issue	8.15%	Annual	Bullet Repayment	23-Feb-22	3,364.85	3,431.28	3,516.47
103	115th Taxable Non Cum - Bonds	6.73%	Annual	Bullet Repayment	23-Jan-22	-	8,000.00	8,000.00

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104	53rd "B" Taxable Non-Cum. Bonds	8.68%	Semi Annual	Bullet Repayment	29-Nov-21	2,250.00	2,250.00	2,250.00
105	114th Taxable Non Cum - Bonds	6.70%	Annual	Bullet Repayment	24-Nov-21	20,000.00	20,000.00	20,000.00
106	113th Taxable Non Cum - Bonds	7.24%	Annual	Bullet Repayment	08-Nov-21	6,500.00	6,500.00	6,500.00
107	79th Tax Free Non-Cum. Bonds	7.55%	Annual	Bullet Repayment	08-Nov-21	5,396.00	5,396.00	5,396.00
108	78th Taxable Non-Cum. Bonds	9.41%	Semi Annual	Bullet Repayment	28-Jul-21	15,000.00	15,000.00	15,000.00
109	55th "N" Taxable Non-Cum. Bonds	9.86%	Semi Annual	Bullet Repayment	07-Jun-21	330.00	330.00	330.00
110	77th Taxable Non-Cum. Bonds	9.57%	Semi Annual	Bullet Repayment	31-May-21	12,450.00	12,450.00	12,450.00
111	52nd "B" Taxable Non-Cum. Bonds	8.64%	Semi Annual	Bullet Repayment	17-May-21	7,000.00	7,000.00	7,000.00
112	76th Taxable Non-Cum. Bonds	9.27%	Semi Annual	Bullet Repayment	10-May-21	3,900.00	3,900.00	3,900.00
113	65th "L" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-21	600.00	600.00	600.00
114	127th Taxable Non-Cum. Bonds	7.65%	Annual	Bullet Repayment	15-Mar-21	25,000.00	25,000.00	25,000.00
115	51st Taxable Non-Cum. Bonds	7.74%	Semi Annual	Bullet Repayment	22-Dec-20	4,500.00	4,500.00	4,500.00
116	73rd "B" Tax Free Non-Cum. Bonds	6.72%	Semi Annual	Bullet Repayment	20-Dec-20	8,359.10	8,359.10	8,359.10
117	57th Taxable Non-Cum. Bonds	9.66%	Semi Annual	Redeemable in three Equal instalments commencing from 28-09-2020	28-Sep-20	6,000.00	8,000.00	10,000.00
118	49th "O" - FRB Taxable Non-Cum. Bonds	7.68%^	Semi Annual	Bullet Repayment	22-Jun-20	100.00	100.00	100.00
119	72nd Taxable Non-Cum. Bonds	8.50%	Semi Annual	Bullet Repayment	22-Jun-20	8,000.00	8,000.00	8,000.00
120	55th "M" Taxable Non-Cum. Bonds	9.86%	Semi Annual	Bullet Repayment	07-Jun-20	330.00	330.00	330.00
121	119th Taxable Non - Cum Bonds	7.20%	Annual	Bullet Repayment	31-May-20	23,750.00	23,750.00	23,750.00
122	65th "K" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-20	600.00	600.00	600.00
123	68th "B" Tax Free Non-Cum. Bonds	6.70%	Semi Annual	Bullet Repayment	08-Mar-20	-	9,272.10	9,272.10
124	67th Taxable Non-Cum. Bonds	8.55%	Semi Annual	Bullet Repayment	03-Feb-20	-	1,750.00	1,750.00
125	112th Taxable Non - Cum Bonds	6.92%	Annual	Bullet Repayment	10-Nov-19	-	15,000.00	15,000.00
126	48th "JJ" Taxable Non-Cum. Bonds	6.85%	Semi Annual	Bullet Repayment	17-Sep-19	-	500.00	500.00
127	111th Taxable Non Cum - Bonds	7.65%	Annual	Bullet Repayment	30-Jul-19	-	10,000.00	10,000.00
128	49th "N" - FRB Taxable Non-Cum. Bonds	8.13%^^	Semi Annual	Bullet Repayment	22-Jun-19	-	100.00	100.00
129	66th Taxable Non-Cum. Bonds	8.60%	Semi Annual	Bullet Repayment	11-Jun-19	-	5,000.00	5,000.00
130	128th Taxable Non-Cum. Bonds	7.72%	Annual	Bullet Repayment	07-Jun-19	-	26,000.00	26,000.00
131	55th "L" Taxable Non-Cum. Bonds	9.86%	Semi Annual	Bullet Repayment	07-Jun-19	-	330.00	330.00
132	65th "AA" Taxable Non-Cum. Bonds	8.19%	Semi Annual	Bullet Repayment	27-Apr-19	-	5,600.00	5,600.00
133	65th "J" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-19	-	600.00	600.00
134	105th Series Taxable Non-Cum Bonds	8.33%	Annual	Bullet Repayment	26-Mar-19	-	-	15,000.00
135	47th "O" Taxable Non-Cum. Bonds	5.99%	Semi Annual	Bullet Repayment	26-Mar-19	-	-	100.00
136	63rd "A" Taxable Non-Cum. Bonds	8.55%	Semi Annual	Bullet Repayment	15-Jan-19	-	-	17,050.00
137	62nd "A" Taxable Non-Cum. Bonds	8.45%	Semi Annual	Bullet Repayment	26-Dec-18	-	-	5,000.00
138	48th "II" Taxable Non-Cum. Bonds	6.85%	Semi Annual	Bullet Repayment	17-Sep-18	-	-	500.00
139	117th Taxable Non Cum - Bonds	7.15%	Annual	Bullet Repayment	16-Sep-18	-	-	14,800.00
140	61st Taxable Non-Cum. Bonds	10.60%	Semi Annual	Bullet Repayment	11-Sep-18	-	-	8,550.00
141	116th Taxable Non Cum - Bonds	7.00%	Annual	Bullet Repayment	10-Sep-18	-	-	21,650.00
142	46th "EE" Taxable Non-Cum. Bonds	6.20%	Semi Annual	Bullet Repayment	12-Aug-18	-	-	250.00
143	46th "O" Taxable Non-Cum. Bonds	6.25%	Semi Annual	Bullet Repayment	12-Aug-18	-	-	130.00
144	49th "M" - FRB Taxable Non-Cum. Bonds	7.11%^^^	Semi Annual	Bullet Repayment	22-Jun-18	-	-	100.00
145	55th "K" Taxable Non-Cum. Bonds	9.86%	Semi Annual	Bullet Repayment	07-Jun-18	-	-	330.00
146	60th Taxable Non-Cum. Bonds	9.43%	Semi Annual	Bullet Repayment	23-May-18	-	-	6,040.00
147	45th "OO" Taxable Non-Cum. Bonds	6.39%	Semi Annual	Bullet Repayment	13-May-18	-	-	70.00
148	65th "I" Taxable Non-Cum. Bonds	8.20%	Semi Annual	Bullet Repayment	27-Apr-18	-	-	600.00
	Total					**11,46,906.94**	**9,72,424.04**	**8,73,775.04**

* Put/Call option available at the end of 3rd Year

^ Applicable interest rate as on 31 March 2020, interest rate is floating linked to Indian Benchmark (INBMK) Yield and reset at half year rest. All other interest rates are fixed.

^^ Applicable interest rate as on 31 March 2019, interest rate is floating linked to Indian Benchmark (INBMK) Yield and reset at half year rest. All other interest rates are fixed.

^^^ Applicable interest rate as on 1 April 2018, interest rate is floating linked to Indian Benchmark (INBMK) Yield and reset at half year rest. All other interest rates are fixed.

54 EC Bonds Secured in markets

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The S4 EC bonds issued in the domestic capital market are secured by first pari passu charge on the present/ future rolling stock assets/ lease receivables of the Company. Maturity Profile and Rate of Interest of the S4EC secured bonds issued in the domestic capital market and amount outstanding as on various dates is as set out below:-

S.No	Description	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2020	31 March 2019	1 April 2018
1	S4 EC, Mar 2020 Bond Series*	5.75%	Annual	Bullet Repayment	31-Mar-25	1,429.69	-	-
2	S4 EC, Feb 2020 Bond Series*	5.75%	Annual	Bullet Repayment	28-Feb-25	881.04	-	-
3	S4 EC, Jan 2020 Bond Series	5.75%	Annual	Bullet Repayment	31-Jan-25	823.75	-	-
4	S4 EC, Dec 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-Dec-24	926.28	-	-
5	S4 EC, Nov 2019 Bond Series	5.75%	Annual	Bullet Repayment	30-Nov-24	711.59	-	-
6	S4 EC, Oct 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-Oct-24	669.18	-	-
7	S4 EC, Sep 2019 Bond Series	5.75%	Annual	Bullet Repayment	30-Sep-24	543.41	-	-
8	S4 EC, August 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-Aug-24	571.15	-	-
9	S4 EC, July 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-Jul-24	633.99	-	-
10	S4 EC, June 2019 Bond Series	5.75%	Annual	Bullet Repayment	30-Jun-24	596.14	-	-
11	S4 EC, May 2019 Bond Series	5.75%	Annual	Bullet Repayment	31-May-24	436.60	-	-
12	S4 EC, Apr 2019 Bond Series	5.75%	Annual	Bullet Repayment	30-Apr-24	249.71	-	-
13	S4EC Bond Mar 2019 Series	5.75%	Annual	Bullet Repayment	31-Mar-24	692.68	692.68	-
14	S4EC Bond Feb 2019 Series	5.75%	Annual	Bullet Repayment	29-Feb-24	145.31	145.31	-
15	S4EC Bond Jan 2019 Series	5.75%	Annual	Bullet Repayment	31-Jan-24	133.35	133.35	-
16	S4 EC, Dec 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-Dec-23	135.12	135.12	-
17	S4 EC, Nov 2018 Bond Series	5.75%	Annual	Bullet Repayment	30-Nov-23	98.69	98.69	-
18	S4 EC, Oct 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-Oct-23	116.94	116.94	-
19	S4 EC, Sep 2018 Bond Series	5.75%	Annual	Bullet Repayment	30-Sep-23	71.01	71.01	-
20	S4 EC, Aug 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-Aug-23	81.17	81.17	-
21	S4 EC, July 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-Jul-23	137.02	137.02	-
22	S4 EC, June 2018 Bond Series	5.75%	Annual	Bullet Repayment	30-Jun-23	127.56	127.56	-
23	S4 EC, May 2018 Bond Series	5.75%	Annual	Bullet Repayment	31-May-23	83.58	83.58	-
24	S4 EC, Apr 2018 Bond Series	5.75%	Annual	Bullet Repayment	30-Apr-23	54.52	54.52	-
25	S4 EC, Mar 2018 Bond Series	5.25%	Annual	Bullet Repayment	31-Mar-21	928.76	928.76	928.76
26	S4 EC, Feb 2018 Bond Series	5.25%	Annual	Bullet Repayment	28-Feb-21	248.95	248.95	248.95
27	S4 EC, Jan 2018 Bond Series	5.25%	Annual	Bullet Repayment	29-Jan-21	104.70	104.70	104.70
28	S4 EC, Dec 2017 Bond Series	5.25%	Annual	Bullet Repayment	31-Dec-20	82.68	82.68	82.68
29	S4 EC, Nov 2017 Bond Series	5.25%	Annual	Bullet Repayment	30-Nov-20	9.79	9.79	9.79
	Total					**11,724.36**	**3,251.83**	**1,374.88**

* Deemed Date of allotment as per resolution taken in Board Committee meeting held on 15th May 2020, 25th June 2020 and 28th July 2020.

Unsecured bonds from domestic capital market

The Unsecured bonds issued in the domestic capital market and outstanding as on various dates is as set out below:-

S.No	Series	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2020	31 March 2019	1 April 2018
1	148th Series Taxable Bonds	6.58%	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 October 2030	31-Mar-50	25,000.00	-	-
2	137th Series Taxable Bonds	7.30% p.a.	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 April 2030	18-Jun-49	18,000.00	-	-

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3	125th Series Taxable Bonds	7.41% p.a.	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 April 2028	22-Dec-47	21,000.00	21,000.00	21,000.00
4	122nd Series Taxable Bonds	6.77% p.a.	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 April 2028	27-Jun-47	41,000.00	41,000.00	41,000.00
5	110th Series Taxable Bonds	7.80% p.a.	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 April 2027	22-Jun-46	30,000.00	30,000.00	30,000.00
6	109th Series Taxable Bonds	8.02% p.a.	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 April 2026	30-Mar-46	50,000.00	50,000.00	50,000.00
7	101st Series Taxable Bonds	7.87% p.a.	Semi Annual	Redeemable in forty equal half yearly instalments commencing from 15 April 2026	27-Oct-45	20,000.00	20,000.00	20,000.00
	Total					**2,05,000.00**	**1,62,000.00**	**1,62,000.00**

Reconciliation

Particulars	**31 March 2020**	**31 March 2019**	**1 April 2018**
Secured Bonds from Domestic Capital Market	11,46,906.94	9,72,424.04	8,73,775.04
54EC Bonds Secured in Market	11,724.36	3,251.83	1,374.88
Unsecured Bonds from Domestic Capital Market	2,05,000.00	1,62,000.00	1,62,000.00
Bonds in Domestic Market as per IGAAP	**13,63,631.30**	**11,37,675.87**	**10,37,149.92**
Less: Unamortised transaction cost	(1,031.94)	(1,127.84)	(1,263.01)
Bonds in Domestic Market as per Ind AS	**13,62,599.36**	**11,36,548.03**	**10,35,886.91**

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Unsecured bonds from overseas capital market

The Unsecured bonds issued from overseas capital market and outstanding as on various dates is as set out below:-

S.No	Series	Interest rate	Interest payment frequency	Terms of Repayment	Date of Maturity of Bond	31 March 2020	31 March 2019	1 April 2018
1	REG-S/144A BONDS USD 300M 3.95% GMTM-2050	3.95% P.a	Semi Annual	Bullet Repayment	13-Feb-50	22,770.00	-	-
2	REG-S/144A BONDS USD 700M 3.249% GMTM-2030	3.249% P.a	Semi Annual	Bullet Repayment	13-Feb-30	53,130.00	-	-
3	Reg-S Bonds Green Bond 1st Series (USD 500 Million)	3.835% p.a	Semi Annual	Bullet Repayment	13-Dec-27	37,950.00	34,815.00	32,750.00
4	Reg S Bonds USD 500M-EMTN	3.73% p.a	Semi Annual	Bullet Repayment	29-Mar-24	37,950.00	34,815.00	-
5	Reg-S Bonds 3rd Series (USD 500 Million)	3.92% p.a.	Semi Annual	Bullet Repayment	26-Feb-19	-	-	32,750.00
Total Overseas bonds as per IGAAP						**1,51,800.00**	**69,630.00**	**65,500.00**
Less: Unamortised transaction cost						(128.89)	(58.81)	(21.18)
Less: Fair value hedge adjustment- recoverable from Ministry of Railways						-	-	(2,899.15)
Total Overseas bonds as per IND AS						**1,51,671.11**	**69,571.19**	**62,579.67**

Commercial Paper (Unsecured)

Details of Commercial Paper outstanding as on various dates is as set out below:

S.No	s	Discount Rate	Date of Maturity of Bond	31 March 2020	31 March 2019	1 April 2018
1	Commercial Paper Series- XVIII	5.50%	21-Apr-20	38,750.00	-	-
2	Commercial Paper Series- XIII	7.23%	25-Apr-19	-	30,000.00	-
3	Commercial Paper Series- X	7.40%	13-Apr-18	-	-	10,000.00
Less: Unexpired discount				(115.91)	(140.23)	(24.12)
Total				**38,634.09**	**29,859.77**	**9,975.88**

Total Indian Bonds	13,62,599.36	11,36,548.03	10,35,886.91
Total Overseas Bonds	1,51,671.11	69,571.19	62,579.67
Commercial Paper	38,634.09	29,859.77	9,975.88
Total Debt Borrowings	**15,52,904.56**	**12,35,978.99**	**11,08,442.46**

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Note 16: Borrowings (other than debt securities)

	As at 31 March 2020				As at 31 March 2019				As at 01 April 2018			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
Term loans												
Secured Loans												
(i) from banks (Indian)	4,96,250.00	-	-	4,96,250.00	2,77,905.00	-	-	2,77,905.00	42,000.00	-	-	42,000.00
(ii) from bank (Foreign)	454.58	-	-	454.58	625.44	-	-	625.44	784.36	-	-	784.36
(ii)from other parties- National small saving fund	1,75,000.00	-	-	1,75,000.00	1,75,000.00	-	-	1,75,000.00	1,00,000.00	-	-	1,00,000.00
Unsecured Loans												
(i) from banks (indian)	22,619.00	-	-	22,619.00	24,198.97	-	-	24,198.97	39,692.00	-	-	39,692.00
(ii) from banks (foreign)	96,539.07	-	-	96,539.07	25,618.35	-	-	25,618.35	49,136.46	-	-	49,136.46
Total (A)	7,90,862.65	-	-	7,90,862.65	5,03,347.76	-	-	5,03,347.76	2,31,612.82	-	-	2,31,612.82
Borrowings in India	6,93,869.00	-	-	6,93,869.00	4,77,103.97	-	-	4,77,103.97	1,81,692.00	-	-	1,81,692.00
Borrowings outside India	96,993.65	-	-	96,993.65	26,243.79	-	-	26,243.79	49,920.82	-	-	49,920.82
Total (B) to tally with (A)	7,90,862.65	-	-	7,90,862.65	5,03,347.76	-	-	5,03,347.76	2,31,612.82	-	-	2,31,612.82

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Secured Rupee Term Loan

Rupee Term Loans availed from banks are secured by first paripassu charge on the present/future rolling stock assets/ lease receivables of the Company. Terms of repayment of secured term loans and amount outstanding as on various dates is as set out below :-

S.No	Description	Interest rate	Interest Type	Terms of Repayment	Date of Maturity of Loan	31 March 2020	31 March 2019	01 April 2018
1	HDFC-IV	7.35%	Repo Rate +	16 Equal Half Yearly instalments of Rs. 3,125 Millions commencing from 26th September 2024	26-Sep-24	50,000.00	-	-
2	Bank of Baroda (III)	7.55%	Linked to MCLR	Total no. of Half Yearly Instalments : 15 14 Equal Half Yearly Instalments of Rs. 3,333.40 Millions commencing from 17th February 2024 15th Half Yearly instalment (Residual) of Rs. 3,332.40 Millions	17-Feb-24	50,000.00	-	-
3	Oriental bank of commerce	7.50%	Linked to MCLR	Total no. of Half Yearly Instalments : 14 13 Equal Half Yearly instalments of Rs. 1,071.40 Millions commencing from 17th August 2023 14th Half Yearly instalment (Residual) of Rs. 1,071.80 Millions	17-Aug-23	15,000.00	-	-
4	Bank of Baroda (II)	7.55%	Linked to MCLR	Total no. of Half Yearly Instalments : 14 13 Equal Half Yearly instalments of Rs. 2,142.90 Millions commencing from 21st July 2023 14th Half Yearly instalment (Residual) of Rs. 2,142.30 Millions	21-Jul-23	30,000.00	-	-
5	Canara Bank ***	7.65%	Linked to MCLR	16 Equal half yearly instalments of Rs. 625 Millions commencing from 30th March 2022	30-Mar-22	10,000.00	-	-
6	State bank of India (V) Tranch I & II	7.45%	Linked to MCLR	Total no. of Half Yearly Instalments : 18 17 Equal Half Yearly instalments of Rs. 3,890 Millions commencing from 23rd September 2021 18th Half Yearly instalment (Residual) of Rs. 3,870 Millions	23-Sep-21	70,000.00	-	-
7	Punjab National Bank(IV)	7.50%	Linked to MCLR	10 Equal yearly instalments of Rs. 1,000 Millions commencing from 30th March 2021	30-Mar-21	10,000.00	-	-

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8	Punjab National Bank(III)	7.50%	Linked to MCLR	10 Equal yearly instalments of Rs. 3,000 Millions commencing from 17th February 2021	17-Feb-21	30,000.00	-	-
9	HDFC-I	7.29%	3M TBILL+SPREAD	19 Equal Half Yearly instalments of Rs. 500 Million each commencing from 29 Sep 2020	29-Sep-20	9,500.00	-	-
10	Bank of Baroda (I)	7.55%	Linked to MCLR	20 Equal Half Yearly instalments of Rs. 1,000 Million each commencing from 28 May 2020	28-May-20	20,000.00	-	-
11	HDFC-II	7.43%	3M TBILL+SPREAD	20 Equal Half Yearly instalments of Rs. 1000 Million each commencing from 4 May 2020	04-May-20	20,000.00	-	-
12	HDFC-III	7.32%	3M TBILL+SPREAD	20 Equal Half Yearly instalments of Rs. 1000 Million each commencing from 24 June 2020	24-Jun-20	20,000.00	-	-
13	State Bank of India (III)	7.89%	Linked to MCLR	**Sanctioned Amount:** Rs. 90,000 Million with 20 Equal Half Yearly instalments of Rs. 4500 Million each commencing 3 July 2019 **Initial Drawdown:** Rs. 80,000 Million **Final Drawdown:** Rs. 10,000 Million on 26.12.2019 **Balance Instalments:** 18 Equal Half Yearly instalments Rs. 4500 Million commencing from 3rd July 2020	03-Jul-20	81,000.00	80,000.00	-
14	Punjab National Bank (II)	7.50%	Linked to MCLR	Bullet Repayment	29-Apr-20	10,000.00	10,000.00	-
15	Allahabad Bank*	8.25%	Linked to MCLR	Bullet Repayment	28-Apr-20	-	13,000.00	-
16	Corporation Bank	7.55%	Linked to MCLR	Bullet Repayment	26-Apr-20	11,500.00	11,500.00	-
17	Corporation Bank	7.55%	Linked to MCLR	Bullet Repayment	19-Apr-20	6,250.00	7,500.00	-
18	Bank of India-II	7.65%	Linked to MCLR	19 Equal Half Yearly instalments of Rs.1000 Million each commencing from 15 April 2020	15-Apr-20	19,000.00	20,000.00	-
19	Bank of India-I	7.65%	Linked to MCLR	17 Equal Half Yearly instalments of Rs.500 Million each commencing from 15 April 2020	15-Apr-20	8,500.00	9,500.00	-
20	State Bank of India (II)	7.85%	Linked to MCLR	17 Equal Half Yearly instalments of Rs.1500 Million each commencing from 15 April 2020	15-Apr-20	25,500.00	28,500.00	-
21	State Bank of India (IV) **	8.25%	Linked to MCLR	Bullet Repayment	02-Feb-20	-	10,000.00	-
22	State Bank of India (IV) **	8.25%	Linked to MCLR	Bullet Repayment	29-Jan-20	-	20,000.00	-
23	J&K Bank	8.20%	Linked to MCLR	Bullet Repayment	01-Dec-19	-	5,000.00	-
24	J&K Bank	8.20%	Linked to MCLR	Bullet Repayment	29-Nov-19	-	5,000.00	-
25	Andhra Bank	8.25%	Linked to MCLR	Bullet Repayment	10-Sep-19	-	14,905.00	-
26	Punjab National Bank	8.10%	Linked to MCLR	Bullet Repayment	10-Sep-19	-	10,000.00	-
27	State Bank of India	8.15%	Linked to MCLR	Bullet Repayment	22-Apr-19	-	28,000.00	30,000.00
28	Canara Bank	8.35%	Linked to MCLR	Bullet Repayment	11-Apr-19	-	5,000.00	12,000.00
	Total					**4,96,250.00**	**2,77,905.00**	**42,000.00**

Note-1 Date of Maturity indicates the date of payment of next instalment.

* Prepaid on 16th March 2020

** Prepaid on 21st January 2020

*** Prepaid on 12th May 2020

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Secured foreign currency term loan							
Foreign Currency Loan are secured by first paripassu charge on the present/ future rolling stock assets/ lease receivables of the Company. Terms of Repayment of the foreign currency term loan and amount outstanding as on various dates is as set out below:-							
S.No	Description	Interest rate	Interest payment frequency	Date of Maturity of Loan	31 March 2020	31 March 2019	01 April 2018
1	Bank of India	6M USD LIBOR+1.25%	Semi Annual	30-Apr-20	455.40	-	-
2	Bank of India	6M USD LIBOR+1.25%	Semi Annual	30-Apr-19	-	626.67	-
3	Bank of India	6M USD LIBOR+1.25%	Semi Annual	30-Apr-18	-	-	786.00
Total as per IGAAP					**455.40**	**626.67**	**786.00**
Unamortised transaction cost					(0.82)	(1.23)	(1.64)
Secured Foreign Currency Term Loan as per Ind AS					**454.58**	**625.44**	**784.36**

Note-1 Date of Maturity indicates the date of payment of next instalment.

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Secured Rupee term loan from National Small Saving Fund (NSSF)

Rupee term loan from National Small Saving fund is secured by the first pari passu charge on the present/ future rolling stock assets/ lease receivables of the Company. Terms of repayment and the amount outstanding as on various dates is as set out below:-

S.No	Description	Interest rate (p.a.)	Interest payment frequency	Terms of Repayment	Date of Maturity of Loan	31 March 2020	31 March 2019	01 April 2018
1	National Small Saving Fund (NSSF)-II*	8.11%	Semi Annual	Bullet Repayment	07-Feb-29	75,000.00	75,000.00	-
2	National Small Saving Fund (NSSF)-I	8.01%	Semi Annual	Bullet Repayment	28-Mar-28	1,00,000.00	1,00,000.00	1,00,000.00
	Total					1,75,000.00	1,75,000.00	1,00,000.00

* Pending registration of charge with the Registrar of Companies ('ROC') as on 31 March 2019

Unsecured Rupee Term Loan

Terms of repayment of the Unsecured Rupee Term Loans from banks and amount outstanding as on various dates is as set out below:-

S.No	Description	Interest rate	Interest Type	Terms of Repayment	Date of Maturity of Loan	31 March 2020	31 March 2019	01 April 2018
1	Axis Bank	6.05%	Fixed Rate	Bullet Repayment	10-Apr-20	150.00	-	-
2	Corporation Bank	6.10%	Fixed Rate	Bullet Repayment	04-Apr-20	5520.00	-	-
3	Corporation Bank	6.10%	Fixed Rate	Bullet Repayment	05-Apr-20	10.00	-	-
4	Corporation Bank	6.10%	Fixed Rate	Bullet Repayment	08-Apr-20	150.00	-	-
5	Corporation Bank	6.10%	Fixed Rate	Bullet Repayment	15-Apr-20	40.00	-	-
6	HDFC Bank	6.10%	Fixed Rate	Bullet Repayment	22-Apr-20	2009.00	-	-
7	HDFC Bank	6.10%	Fixed Rate	Bullet Repayment	26-Apr-20	4080.00	-	-
8	HDFC Bank	6.10%	Fixed Rate	Bullet Repayment	29-Apr-20	3160.00	-	-
9	Karnataka Bank	5.90%	Fixed Rate	Bullet Repayment	04-Apr-20	7500.00	-	-
10	State Bank of India	8.25%	Linked to MCLR	Bullet Repayment	12-Apr-19	-	9,198.97	-
11	Karnataka Bank	8.14%	T-bill plus spread	Bullet Repayment	12-Apr-19	-	2,500.00	-
12	Karnataka Bank	8.19%	T-bill plus spread	Bullet Repayment	12-Apr-19	-	2,500.00	-
13	United Bank of India	8.15%	Linked to MCLR	Bullet Repayment	12-Apr-19	-	10,000.00	-
14	Allahabad Bank	7.85%	Linked to MCLR	Bullet Repayment	02-May-18	-	-	12,984.00
15	Vijaya Bank	7.90%	Linked to MCLR	Bullet Repayment	13-Apr-18	-	-	708.00
16	Bank of Baroda	7.85%	Linked to MCLR	Bullet Repayment	11-Apr-18	-	-	20,000.00
17	J&K Bank	7.60%	Linked to MCLR	Bullet Repayment	01-Apr-18	-	-	6,000.00
	Total					22,619.00	24,198.97	39,692.00

Unsecured foreign currency term loan

Terms of repayment of the unsecured rupee term loan from banks and amount outstanding as on various dates is as set out below:

S.No	Description	Interest rate (p.a.)	Interest payment frequency	Terms of Repayment	Date of Maturity of Loan	31 March 2020	31 March 2019	01 April 2018
1	Syndicated Foreign Currency Loan-JPY 3,31,890 Mio SBI-SMBC (Equivalent to USD 300M)	6M JPY LIBOR + 0.935% pa	Semi Annual	Bullet Repayment	31-Mar-30	23,414.84	-	-
2	Foreign Currency Loan-USD 300M-SBI BAHRAIN	6M USD LIBOR + 1.30% pa	Semi Annual	Bullet Repayment	26-Mar-30	22,770.00	-	-
3	Syndicated Foreign Currency Loan-JPY 26231.25 Mio	6M JPY LIBOR+0.80%	Semi Annual	Bullet Repayment	28-Mar-28	18,506.15	16,604.38	16,239.77
4	Syndicated Foreign Currency Loan-JPY 32,856 (Equivalent to USD 300M)	6M JPY LIBOR + 0.90% pa	Semi Annual	Bullet Repayment	03-Jun-26	23,179.91	-	-
5	Loan From AFLAC-2	2.90%	Semi Annual	Bullet Repayment	30-Mar-26	2,811.11	2,578.89	2,425.93
6	Loan From AFLAC-1	2.85%	Semi Annual	Bullet Repayment	10-Mar-26	11,073.56	10,158.78	9,556.23
7	Syndicated Foreign Currency Loan-USD 400 Mio	6M USD LIBOR+0.60%	Semi Annual	Bullet Repayment	03-Dec-18	-	-	26,200.00
	Total as per IGAAP					1,01,755.57	29,342.05	54,421.93
	Less: Unamortised transaction cost					(2,126.28)	(617.75)	(688.83)
	Less: Fair value hedge adjustment- recoverable from Ministry of Railways					(3,090.22)	(3,105.95)	(4,596.64)
	Unsecured Foreign Currency Term Loan as per Ind AS					96,539.07	25,618.35	49,136.46

Note: Prepayment option on unsecured loans wherever applicable do not attract any additional charges when applied subject to the prepayment being done at the end of interest terms.

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Note 17 : Other financial liabilities

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Interest accrued but not due	1,00,490.79	72,918.04	56,567.19
Liability for matured and unclaimed bonds and interest accrued thereon	96.82	80.91	58.16
Amount payable to Ministry of Railways - Leased Assets	459.09	-	-
Earnest money deposit	0.49	0.33	0.33
Total	**1,01,047.19**	**72,999.28**	**56,625.68**

Note 18 : Provisions

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Provision for employee benefits	18.52	19.36	16.61
Provision for corporate social responsibility	78.94	78.94	78.94
Provision on interest payable on income tax	40.57	19.66	12.82
Total	**138.03**	**117.96**	**108.37**
Provision on asset as per Reserve Bank of India norms presented as a reduction being impairment loss allowance from			
- Note 7 - Loans	257.97	236.77	-
- Note 8 - Investments	0.09	-	-
- Note 9 - Other financial assets	38.79	38.68	-
Total	**296.85**	**275.45**	**-**

Note 19 : Deferred tax liabilities (net)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Deferred tax liability (net) (Refer accounting policy Note no. 2.7)	-	-	64,431.40
Less: Adjusted in retained earnings due to change in accounting poicy (Refer accounting policy note no. 2.7)			-64,431.40
Total	-	-	-

Note 20 : Other non-financial liabilities

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Statutory dues	176.86	1.05	6,477.59
Tax deducted at source payable	145.33	47.10	115.14
Unamortised Portion of Securitisation Gain	-	-	
Total	**322.19**	**48.15**	**6,592.73**

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Note 21: Share capital

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Authorised share capital			
No. of shares	15,00,00,00,000	15,00,00,00,000	15,00,00,00,000
Par value per share (Rs.)	10.00	10.00	10.00
Amount (in millions)	**1,50,000.00**	**1,50,000.00**	**1,50,000.00**
Issued, subscribed and fully paid-up			
No of Shares	9,38,04,60,000	6,52,64,60,000	6,52,64,60,000
Issued during the period	2,50,00,00,000	2,85,40,00,000	-
Total no of shares	11,88,04,60,000	9,38,04,60,000	6,52,64,60,000
Par value per share (Rs.)	10.00	10.00	10.00
Amount (in millions)	**1,18,804.60**	**93,804.60**	**65,264.60**

(i) Reconciliation of the number of shares outstanding is set out below

Particulars	As at 31 March 2020		As at 31 March 2019		As at 01 April 2018	
	Number of shares	Amount (in millions)	Number of shares	Amount (in millions)	Number of shares	Amount (in millions)
Shares outstanding at the beginning of the period	9,38,04,60,000	93,804.60	6,52,64,60,000	65,264.60	6,52,64,60,000	65,264.60
Shares issued during the period	2,50,00,00,000	25,000.00	2,85,40,00,000	28,540.00	-	-
Shares outstanding at the end of the period	**11,88,04,60,000**	**1,18,804.60**	**9,38,04,60,000**	**93,804.60**	**6,52,64,60,000**	**65,264.60**

(ii) The Company has only one class of equity shares having face value of ` 10 each and the holder of the equity share is entitled to one vote per share. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.

(iii) Details of shares held by shareholders holding more than 5% of shares:

Particulars	As at 31 March 2020		As at 31 March 2019		As at 01 April 2018	
	Number of shares	% Holding	Number of shares	% Holding	Number of shares	% Holding
The President of India and his nominees (through Ministry of Railways)	11,88,04,60,000	100%	9,38,04,60,000	100%	6,52,64,60,000	100%

(iv) The company has not, for a period of 5 years immediately preceedings the balance sheet date:- issued equity share without paymnet being received in cash.
- issued equity share by way of bonus share.
- bought back any of its share.

(v) The company has no equity share reserve for issue under options/contracts

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Note 22 : Other Equity

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Share issue expenses	(169.80)	-	-
Bond redemption reserve	-	57,145.59	52,947.49
General reserve	1,74,032.28	30,327.36	17,397.90
Retained earnings	5,000.00	64,431.40	68,043.98
Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	11,894.35	4,509.50	-
Equity instruments through other comprehensive income	62.91	68.08	64.29
Total	**1,90,819.74**	**1,56,481.93**	**1,38,453.66**

Note 22.1: Share issue expenses

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Balance at the beginning of the period	-	-	-
Addition during the period*	(169.80)	-	-
Restated balance at the end of the period	**(169.80)**	**-**	**-**

* Share issue expenses includes stamp duty fees and listing fees for the amount of Rs.118.80 million and Rs. 51.00 million respectively.

Note 22.2: Bond redemption reserve

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Balance at the beginning of the period	57,145.59	52,947.49	48,749.39
Addition/(deletion) during the period	(57,145.59)	4,198.10	4,198.10
Restated balance at the end of the period	**-**	**57,145.59**	**52,947.49**

The Ministry of Corporate Affairs has notified the Companies (Share Capital and Debentures) Amendments Rules, 2019 on 16th August 2019 which exempts NBFC listed companies registered with Reserve Bank of India u/s 45-IA of the RBI Act, 1934 from creation of Debenture Redemption reserve. Accordingly, the balance outstanding against Bond Redemption Reserve as on 31-03-2019 amounting to Rs. 57,145.59 million has been transferred to retained earnings.

Note 22.3: General reserve

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Balance at the beginning of the period	30,327.36	17,397.90	6,039.87
Addition during the period	1,43,704.92	12,929.46	11,358.03
Restated balance at the end of the period	**1,74,032.28**	**30,327.36**	**17,397.90**

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of other equity to another and is not an item of other comprehensive income.

Note 22.4: Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Balance at the beginning of the period	4,509.50	-	-
Addition during the period	7,384.85	4,509.50	-
Restated balance at the end of the period	**11,894.35**	**4,509.50**	**-**

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Note 22.5: Retained earnings

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Balance at the beginning of the period	64,431.40	68,043.98	1,432.03
Add: Deferred tax liabilty due to change in accounting policy (Refer accounting policy note no. 2.7)*	-	-	64,431.40
	64,431.40	**68,043.98**	**65,863.43**
Profit for the year	36,923.89	22,545.36	20,547.33
Transfer from (to) bond redemption reserve.	57,145.59	(4,198.10)	(4,198.10)
Transfer from (to) general reserve.	(1,43,704.92)	(12,929.46)	(11,358.03)
Transfer to Reserve Fund u/s 45-IC of Reserve Bank of India Act, 1934	(7,384.85)	(4,509.50)	-
Dividend	(2,000.00)	(3,750.00)	(2,335.25)
Dividend tax	(411.11)	(770.88)	(475.40)
Restated balance at the end of the period	**5,000.00**	**64,431.40**	**68,043.98**

* Vide Letter No. Eoffice F.No.17/32/2017-CL-V dated 20th March 2020, MCA has advised the company to apply paragraph 11 of Ind AS 01, First time adoption of Ind AS read with Ind AS 8, Accounting Policies, changes in Accounting Estimates and Errors. Accordingly, the company has during the current financial year reversed the deferred tax liability of Rs. 64431.40 million by crediting the retained earnings (Refer Note-46).

The Board of Directors of the Company have proposed a final dividend of Rs. 5,000.00 Million (31st March 2019: Rs. 2,000.00 Million; 1st April 2018: Rs. 1,750.00 Million) subject to Corporate Dividend Tax in the board meeting held on 28th August 2020 (31st March 2019: 5th September 2019 ; 1st April 2018: 10th September 2018) subject to approval of shareholders in the forthcoming Annual General Meeting.

Note 22.6: Equity instruments through other comprehensive income

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Balance at the beginning of the period	68.08	64.29	56.95
Total comprehensive income for the period	(5.17)	3.79	7.34
Restated balance at the end of the period	**62.91**	**68.08**	**64.29**

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Note 23 : Interest income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
On financial assets measured at amortised cost :		
- Interest on loans	5,548.60	5,251.05
- Interest income from deposits	282.16	202.55
- Interest income from investments	5.05	6.67
- Pre commencement lease - Interest Income	22,198.43	11,757.72
- Interest income on application money	45.11	12.72
Total	**28,079.35**	**17,230.71**

Note 24 : Lease income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Lease income	1,10,299.37	94,100.09
Total	**1,10,299.37**	**94,100.09**

Note 25 : Other income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Profit on sale of fixed assets	-	0.01
Miscellaneous income	0.73	-
Total	**0.73**	**0.01**

Note 26: Finance cost

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest on debt securities	1,02,799.80	85,514.61
Interest on borrowings	38,310.56	19,276.33
Discount on commercial paper	1,358.05	1,237.25
Interest on delayed payments to Ministry of Railways	4,971.55	2,993.49
Interest to Income Tax Authorities	20.91	19.66
Other borrowing cost	100.58	114.29
Sub-Total	**1,47,561.45**	**1,09,155.63**
Less: Borrowing costs capitalized on Railway Infrastructure Assets	46,763.64	27,325.03
Total	**1,00,797.81**	**81,830.60**

Note 27: Impairment on financial instruments measured at amortised cost

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Loans & Interest accrued thereon	21.41	275.44
Total	**21.41**	**275.44**

* The Company being a government owned NBFC, hitherto exempt, is subject to provisioning norms vide Reserve Bank of India circular no. RBI/2017-18/181_DNBR (PD) CC. No. 092/03.10.001/2017-18 dated 31 May 2018. Income Recogonition and Asset Classification (IRAC) norms to be complied by 31 March 2019. However RBI had vide letter no DNRB (PD). CO.No.1271/03.10.001/2018-19 dated 21 December 2018 had exempted the Company from the aforesaid requirements to the extent of its direct exposure on the sovereign. Therefore the company had not applied impairement requirements to its exposure with MOR. The computation of impairment is as under:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Loan to IRCON International Limited	24,612.27	**28,426.30**
Loan to Rail Vikas Nigam Limited	39,879.41	**30,765.34**
Debt securities	22.23	-
Interest accrued on above	9,698.37	**9,669.11**
Total	**74,212.28**	**68,860.75**
Provision @ 0.4%	**296.85**	**275.44**

The Company apart from the above is of the view that no furthur impairement is required as per expected credit loss model prescribed in IND AS 109, Financial Instruments as Ircon International Limited and Rail Vikas Nigam Limited, both, are under the Ministry of Railways, Government of India and the Company do not expect any concern in the repayment of aforesaid loans.

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Note 28 : Employee benefit expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries and wages	52.08	54.78
Contribution to provident and others funds	9.88	7.32
Staff welfare expenses	0.69	0.41
Total	**62.65**	**62.51**

Note 29: Depreciation, amortisation and impairment

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation of property, plant and equipment	4.43	4.09
Amortisation of intangible assets	0.15	0.09
Total	**4.58**	**4.18**

Note 30 : Other expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Bank charges	0.34	0.37
Fee & subscription	2.66	2.01
Filing fees	-	0.02
Travelling	14.65	4.86
Conveyance	0.95	0.74
Ground rent	0.14	0.14
Printing & stationery	1.93	1.77
Postage, telegram & telephone	0.50	0.29
Director's fees, allowances and expenses	2.31	2.24
Transport hire charges	3.25	2.70
Insurance	0.06	0.02
Manpower Services	15.12	9.49
Vehicle expenses	0.12	0.09
Legal & professional charge	8.53	8.08
Loss on sale of fixed assets	0.07	0.16
Payment to auditors (refer note (i) below)	4.44	4.28
Property tax	0.28	0.28
Office maintenance charges	2.20	3.72
Office equipment maintenance	3.43	2.54
Advertisement & publicity	3.08	5.47
Sponsorship/Donation	0.20	0.62
Newspaper, books and periodicals	0.18	0.23
Electricity charges	2.58	2.19
Exchange rate variation	3.30	0.23
Miscellaneous expenses	9.87	10.05
Corporate social responsibility expenses (Refer note no. 49)	494.49	84.78
Total	**574.68**	**147.37**

(i) Payment to the Auditors Comprises net of GST input credit, where applicable)		
(a) Annual Audit fees	1.00	1.00
(b) Tax audit fees	0.38	0.33
(c) Quarterly Review fees	0.88	0.69
(d) Internal Audit Fees	0.23	0.23
(e) Certification fees	1.92	1.88
(f) GST Audit Fees	0.03	0.15
Total	**4.44**	**4.28**

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Note 31: Income taxes

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Income taxes recognised in profit and loss		
Current tax		
In respect of the current period	-	6,469.24
Adjustments for prior periods	-	(0.88)
	-	6,468.36
Deferred tax		
In respect of the current period	-	-
	-	6,468.36
Total income tax expense recognised in the current period	-	6,468.36

The Company has decided to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 on 20th September, 2019. After exercising the option of Section 115BAA, the taxable income under the provisions of Income Tax Act, 1961 comes to nil. Further after adoption of Section 115BAA, the Company will be outside the scope and applicability of MAT provisions under Section 115JB of Income Tax Act, 1961. Hence, no provision for tax has been made in the financial statements for the year ended 31st March 2020.

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Profit before tax	**36,924.24**	**29,015.85**
Tax rate	25.1680%	34.9440%
Tax thereon	9,293.09	10,139.30
Tax impact on account of unabsorbed depreciation as per computation under normal provisions of the Income tax Act, 1961 under the head 'Profit and Gains of Business'	(9,293.09)	(10,139.30)
Minimum alternate tax on book profits as per section 115JB(1) of Income Tax Act, 1961 (see note 1 below) (Not applicable for half year ended 30th September 2019 as the Company has opted for the provisions of section 115BAA of the Income - tax Act, 1961.	-	6,314.78
Proportionate minimum alternate tax on accretion to other equity on date of transition to Ind AS as per Section 115JB (2C) of the Income Tax Act, 1961 (see note 2 below)	-	153.88
Tax on items recogonised in other comprehensive income	-	0.58
Tax on adjustment for earlier years on finalization of assesments by the assessing authorities	-	(0.88)
Total tax expense	-	6,468.36

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Note -1

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Profit for the period as per Ind AS		**29,015.85**
Less: Ind AS adjustments		2.71
Total (A)		**29,013.14**
Add:-		
Expenses u/s 14A of Income Tax Act	As the Company has opted for section 115BAA of the Income - tax Act, 1961, the MAT provisions of section 115JB of the Income - tax Act, 1961 are no longer applicable to the Company	0.20
Interest u/s 234 B & C		19.66
Provision for post retirement employee benefits		1.24
Standard asset provision		275.44
Total (B)		**296.54**
Total (A+B)		**29,309.68**
Less:-		
Dividend income		5.14
Total (C)		**5.14**
Book Profit((A+B)-C)		**29,304.54**
Tax rate		**21.5488%**
Tax thereon		**6,314.78**

Note -2

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Other equity as per Ind AS on date of conversion i.e, 01 April 2018		74,022.26
Adjustment on account of fair value change in the value of investments measured at FVTOCI		64.29
Total		**73,957.97**
Other equity as per AS on date of conversion i.e, 01 April 2018		70,387.50
Difference		**3,570.47**
Tax rate		**21.5488%**
Tax thereon		769.39
Proportionate amount of tax payable during the period ended		**153.88**

Income tax recognised in other comprehensive income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Remeasurements of defined benefit obligation	-	0.58
Total income tax recognised in other comprehensive income	-	**0.58**

Note 32: Earning per share

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Net Profit	36,924.24	22,547.49
Weighted average number of equity shares outstanding		
Opening balance at the beginning of the period	9,38,04,60,000.00	6,52,64,60,000.00
Issued during the period	1,36,61,202.19	4,69,15,068.00
Brought back during the period	-	-
Add: Number of potential equity shares on account of receipt of share application money pending allotment	-	-
Weighted average number of equity shares [including diluted equity share] outstanding at the end of the period	9,39,41,21,202.19	6,57,33,75,068.00
Earning per share- Basic [Face value of Rs. 10/- per share]	3.93	3.43
Earning per share- Diluted [Face value of Rs. 10/- per share]	3.93	3.43

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Note 33: Leases

Receivables (Note No. 6) include lease receivables representing the present value of future Lease Rentals receivables on the finance lease transactions entered into by the Company.

The lease agreement in respect of these assets is executed at the year-end based on the lease rentals and implicit rate of return (IRR) with reference to average cost of annual incremental borrowings plus margin decided at that time. Any variation in the lease rental rate or the implicit rate of return for the year is accordingly adjusted at the year end.

Reconciliation of the lease receivable amount on the gross value of leased assets worth Rs. 22,38,107.84 millions (31 March 2019: Rs.19,02,666.75 millions, 1st April 2018: Rs. 16,62,115.90 millions) owned by the Company and leased to the Ministry of Railways(MoR) is as under:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Gross value of assets acquired & leased upto the end of previous financial year	19,02,666.75	16,62,115.90	14,75,417.30
Less: Capital recovery provided upto last Year	(6,52,401.63)	(5,67,399.34)	(4,93,355.40)
Capital recovery outstanding on leased assets as at the end of last year	**12,50,265.12**	**10,94,716.56**	**9,82,061.90**
Add: Gross value of assets acquired and leased during the period	3,35,441.09	2,40,550.85	1,86,698.60
	15,85,706.21	**13,35,267.41**	**11,68,760.50**
Less: Capital recovery for the period	(99,908.21)	(85,002.29)	(74,043.94)
Net investment in Lease Receivables	**14,85,798.00**	**12,50,265.12**	**10,94,716.56**

The value of contractual maturity of leases as per Ind AS–17 is as under:-

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Gross investment in lease	21,85,188.13	18,42,569.01	16,09,327.00
Unearned finance income	6,99,390.13	5,92,303.89	5,14,610.44
Present value of minimum lease payment (MLP)	14,85,798.00	12,50,265.12	10,94,716.56

Gross investment in lease and present value of minimum lease payments (MLP) for each of the periods are as under

Gross investment in lease

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Not later than one year	2,23,394.28	1,90,228.01	1,65,821.30
Later than one year and not later than two years	2,18,765.03	1,86,567.68	1,62,738.26
Later than one year and not later than three years	2,14,010.29	1,81,938.43	1,59,077.93
Later than one year and not later than four years	2,06,824.99	1,77,183.69	1,54,448.68
Later than one year and not later than five years	1,96,693.09	1,69,998.39	1,49,693.93
Later than five years	11,25,500.45	9,36,652.81	8,17,546.90
Total	**21,85,188.13**	**18,42,569.01**	**16,09,327.00**

Present value of MLP

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Not later than one year	1,12,525.68	95,104.40	82,368.50
Later than one year and not later than two years	1,17,498.21	99,676.79	86,272.27
Later than one year and not later than three years	1,22,194.13	1,03,622.03	90,088.10
Later than one year and not later than four years	1,25,419.42	1,07,208.40	93,211.97
Later than one year and not later than five years	1,26,008.98	1,09,235.28	95,906.66
Later than five years	8,82,151.58	7,35,418.22	6,46,869.06
Total	**14,85,798.00**	**12,50,265.12**	**10,94,716.56**

Unearned Finance Income & Unguaranteed Residual Income

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Unearned finance income	6,99,390.13	5,92,303.89	5,14,610.44
Unguaranteed residual income	NIL	NIL	NIL

The Company has leased rolling stock assets to the Ministry of Railways (MOR). Besides, the Company has funded Railway projects during the year 2011-12, in respect of which the lease had commenced during the year 2015-16. A separate lease agreement for each year of lease has been executed and as per the terms of the lease agreements, lease rentals are received half yearly in advance. The leases are non-cancellable and shall remain in force until all amounts due under the lease agreements are received.

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Note 34: Contingent liabilities and Commitments

Contigent liabilities

a.

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Claims against the Company not acknowledged as debt – Claims by bondholders in the consumer / civil courts	4.27	4.27	0.87

b. Claims against the Company not acknowledge as debt – relating to service matter pending in Hon'ble Supreme Court - amount not ascertainable.

c. The procurement/acquisition of assets leased out by the Company to the Indian Railways is done by Ministry of Railways (MOR), Government of India. As per the lease agreements entered into between the Company and MOR, the Sales Tax/ VAT liability, if any, on procurement/acquisition and leasing is recoverable from MOR. Since, there is no sales tax/ VAT demand and the amount is unascertainable, no provision is considered necessary.

d. Directorate General of GST Intelligence (DGGI), Chennai, Zonal Unit has served a show cause notice dated 16 April 2019 on the Company alleging contravention of provisions of Section 67, 68 and 70 of the Finance Act, 1994 by the Company and as to why service tax of Rs. 2,65,37.65 millions along with interest and penalty be not demanded from the Company.

The Company has submitted reply against the Show Cause notice stating that there is no contravention of provisions of any of the above stated Sections of the Finance Act,1994 and the Company is not liable to pay the tax. However, if any liability arises that would be recoverable from the Ministry of Railways, India.

Note 35: Expenditure in Foreign Currency

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
a) Interest/Swap Cost on foreign currency borrowings	3,958.38	4,641.21	3,232.57
b) Processing agent/ fiscal Agent/ admin fees	966.29	8.55	2.90
c) Underwriting/ arranger fees	-	-	486.21
d) International credit rating agencies fees	32.83	11.38	28.90
e) Others	5.47	4.46	14.67
Total	**4,962.97**	**4,665.60**	**3,765.25**

Note 36: Segment reporting

The Company has identified "Leasing and Finance"as its sole reporting segment. Thus there is no inter-segment revenue and the entire revenue is presented in the statement of profit and loss is derived from external customers all of whom is domiciled in India, the Company's country of domicile.

All non-current assets other than financial instruments are also located in India.

The Company derives more than 10% of its revenue from a single customer (ie. Ministry of Railways , Government of India (MOR) and entities under the control of MOR). The break up of the revenue is an under:

Particulars	As at 31 March 2020	As at 31 March 2019
Revenue from MOR & entities under the control of MOR		
- Lease Income	1,10,299.37	94,100.09
- Interest Income	5,548.60	5,251.05
- Pre Commencement lease interest income	22,198.43	11,757.72
Total	**1,38,046.40**	**1,11,108.86**

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Note 37: Employee benefits

37.1

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Contribution to provident fund	3.13	2.41	2.50
Contribution to gratuity	0.93	0.66	2.13
Contribution to leave enchasement	3.93	3.01	2.61
Contribution to post retirement medical and pension	1.89	1.24	3.43

37.2 **The Company operates a funded gratuity benefit plan.**

A) **Actuarial Assumptions**

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Economic Assumptions			
Discount rate	6.55% p.a	7.50% p.a	7.60% p.a
Salary escalation	6.00% p.a	6.00% p.a	6.00% p.a
Demographic Assumptions			
Retirement age	60	60	60
Attrition rate	0.00%	0.00%	0.00%
Mortality table used	100% of IALM (2012-14)	100% of IALM (2006-08)	100% of IALM (2006-08)

Notes:

1. The discount rate is based on the prevailing market yield of India Government securities as at the balance sheet date for the estimated term of obligations.

2. The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and in the employment market.

3. The expected return is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations

B) **Movements in present value of the defined benefit obligation**

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Present value of obligation as at the beginning of the year	9.57	7.65	5.90
Acquisition adjustment out	-		-
Interest cost	0.73	0.58	0.42
Past service cost	-	-	1.73
Current service cost	0.83	0.65	0.46
Benefit paid	(1.14)	(2.00)	-
Actuarial (gain)/loss on obligations due to change in financial assumptions	0.73	0.07	(0.28)
Actuarial (gain)/loss on obligations- due to experience	(0.45)	2.62	(0.58)
Actuarial (gain)/loss on obligations- demographic changes	(0.01)	-	
Liability at the end of the year	**10.26**	**9.57**	**7.65**

C) **Movements in the fair value of plan assets**

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Fair value of plan assets at the beginning of the year	7.78	7.21	6.41
Contribution from the employer	8.72	-	0.32
Interest income	0.61	0.57	0.48
Return on plan assets excluding amounts included in interest income	(0.07)	(0.01)	0.01
Benefits paid	-	-	-
Reimbursement paid by the insurer	-	-	-
Actuarial gain/(loss) for the year on asset	-	-	-
Fair value of the plan assets for the period ending	**17.04**	**7.77**	**7.22**

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D) Amount recognised in the Balance Sheet

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Present value of funded obligation at the end of the year	10.26	9.57	7.65
Fair value of plan assets at the end of the year	17.04	7.77	7.22
Net liability/ (assets) recognised in the Balance Sheet	**(6.78)**	**1.80**	**0.43**

E) Expenses recognised in the Statement of Profit and Loss during the year:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Current service cost	0.83	0.65	0.46
Past service cost	-	-	1.73
Net interest cost (Income)	0.10	0.01	(0.05)
Expected return on plan assets	-	-	-
Expense recognised in the Statement of Profit and Loss	**0.93**	**0.66**	**2.14**

F) Expenses recognised in Other Comprehensive Income during the year:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Net cumulative unrecognised actuarial gain/(loss) opening			
Actuarial (gain) / loss for the year on PBO	0.27	2.70	(0.86)
Actuarial (gain) / loss for the year on Asset	0.07	0.01	(0.01)
Unrecognised actuarial gain / (loss) for the period ending	**0.34**	**2.71**	**(0.87)**

G) Composition of the plan assets:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Policy of insurance	100.00%	100.00%	100.00%

H) Change in Net benefit obligations

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Net defined benefit liability at the start of the year	1.80	0.43	(0.51)
Acquisition adjustment		-	-
Total service cost	0.93	0.66	2.18
Net interest cost (income)	-	-	(0.05)
Re-measurements	0.34	2.71	(0.87)
Reimbursement paid by the insurer	-	-	
Contribution to the plan assets	(8.71)	-	(0.32)
Benefit paid directly by the enterprise	(1.14)	(2.00)	-
Net defined benefit liability/ (assets) for the period ending	**(6.78)**	**1.80**	**0.43**

I) Bifurcation of PBO at the end of year as current and non current:

Particluars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Current liability (Amount due within one year)	(1.36)	0.83	0.41
Non-Current liability (Amount due over one year)	(5.42)	0.97	0.02
Total PBO at the end of year	**(6.78)**	**1.80**	**0.43**

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J) Bifurcation of defined benefit obligation

Particluars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Vested	9.67	8.83	7.47
Non- Vested	0.59	0.74	0.18
	10.26	**9.57**	**7.65**

K) Sensitivity analysis of the defined benefit obligation

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
a) Impact of the change in discount rate			
-Impact due to increase of 0.50 %	9.86	9.23	7.36
-Impact due to decrease of 0.50 %	10.67	9.94	7.95
b) Impact of the change in salary increase			
-Impact due to increase of 0.50 %	10.51	9.73	7.88
-Impact due to decrease of 0.50 %	10.07	9.27	7.42

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

L) The employer 's best estimate of contribution expected to be paid during the next year:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Expected contribution of the next year	0.79	0.83	0.41

M) These plans typically expose the Company to Actuarial Risks such as Investment Risk, Liquidity Risk, Market Risk and Legislative Risk.

Actuarial Risk	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. **Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. **Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.
Investment Risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity Risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.
Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
Legislative Risk	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

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37.3 Actuarial Assumptions for unfunded Post Retirement Medical Benefits:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Compensated absences			
Discount rate	6.55% p.a	7.50% p.a	7.60% p.a
Future salary increase	N/A	N/A	N/A
Medical inflation Rate	8.90%p.a	8.90%p.a	8.90%p.a
Retirement age	60 years	60 years	60 years
Mortality table	100% of IALM (2012-14)	100% of IALM (2006-08)	100% of IALM (2006-08)

These plans typically expose the Company to Actuarial risks such as Investment Risk, Liquidity Risk and Market Risk.

Actuarial Risk	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: **Adverse Salary Growth Experience**: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. **Variability in morbidity rates:** If actual morbidity rates are higher than assumed morbidity rate assumption than the Post Retirement Medical Benefits will be paid earlier than expected. **Variability in withdrawal rates**: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Post Retirement Medical Benefits will not be paid earlier than expected. This will lead to an actuarial gain in the year of such experience.
Investment Risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity Risk	Employees with high treatment costs and long durations of treatments, accumulate significant level of benefits. Such benefits can lead to strain on the cashflows.
Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

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37.4 The Company operates a funded leave benefit plan.

A) Actuarial Assumptions

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Economic Assumptions			
Discount rate	6.55% p.a.	7.50% p.a.	7.60% p.a.
Salary escalation	6.00% p.a.	6.00% p.a.	6.00% p.a.
Demographic Assumptions			
Retirement age	60	60 Years	60 Years
Attrition rate	0.00%	0.00% p.a.	0.00% p.a.
Mortality table used	100% of IALM (2012-14)	100% of IALM (2006-08)	100% of IALM (2006-08)
Leave Availment and Encashment Rate			
Leave Availment Rate	10% p.a.	10% p.a.	10% p.a.
Encashment in service	0.00% p.a.	0.00% p.a.	0.00% p.a.

B) Movements in present value of the defined benefit obligation

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Present value of obligation as at the beginning of the year	9.86	9.17	7.16
Acquisition adjustment out	-	-	-
Interest cost	0.70	0.70	0.51
Past service cost		-	1.38
Current service cost	1.22	1.12	1.47
Benefit paid	(2.10)	-2.75	(0.97)
Actuarial (gain)/loss on obligations- due to change in financial assumptions	0.51	0.04	(0.19)
Actuarial (gain)/loss on obligations- due to experience adjustments	2.02	1.58	(0.19)
Actuarial (gain)/loss on obligations- due to change in demographic assumption	-	-	-
Liability at the end of the year	**12.21**	**9.86**	**9.17**

C) Movements in the fair value of plan assets

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Fair value of plan assets at the beginning of the year	6.19	5.76	3.41
Contribution by employer	2.66	-	1.98
Interest income	0.47	0.48	0.30
Return on plan assets excluding amounts included in interest income	(0.03)	(0.05)	0.07
Benefits paid	-	-	-
Actuarial gain/(loss) for the year on asset	-	-	-
Fair value of the plan assets at the end of the year	**9.29**	**6.19**	**5.76**

D) Amount recognised in the Balance Sheet

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Present value of funded obligation at the end of the year	12.21	9.86	9.17
Fair value of plan assets at the end of the year	9.29	6.19	5.76
Net liability recognised in the Balance Sheet	**2.92**	**3.67**	**3.41**

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E) Expenses recognised in the Statement of Profit and Loss during the year:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Current service cost	1.22	1.12	1.47
Past service cost		-	1.38
Net interest cost (Income)	0.22	0.22	0.22
Net value of re measurements on the obligation and planned assets	2.56	1.67	(0.46)
Expense recognised in the Statement of Profit and Loss	**4.00**	**3.01**	**2.61**

F) Components of actuarial gain/loss on obligation

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Due to change in financial assumptions	0.51	0.04	(0.19)
Due to change in demographic assumption	-	-	-
Due to experience adjustments	2.02	1.58	(0.19)
Return on plan assets excluding amounts included in interest income	0.03	0.05	(0.07)
	2.56	**1.67**	**(0.45)**

G) Composition of the plan assets:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Policy of insurance	100%	100%	100%

H) Change in Net benefit obligations

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Net defined benefit liability at the start of the year	3.67	3.41	3.75
Acquisition adjustment			-
Total service cost	1.22	1.12	2.85
Net interest cost (Income)	0.48	0.22	0.22
Re-measurements	2.30	1.67	(0.45)
Contribution paid to the fund	(2.65)	-	(1.99)
Benefit paid directly by the enterprise	(2.10)	(2.75)	(0.97)
Net defined benefit liability at the end of the year	**2.92**	**3.67**	**3.41**

I) Bifurcation of PBO at the end of year as current and non current:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Current liability (Amount due within one year)	1.61	1.22	1.12
Non-Current liability (Amount due over one year)	1.31	2.45	2.29
Total PBO at the end of year	**2.92**	**3.67**	**3.41**

K) Sensitivity analysis of the defined benefit obligation

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
a) Impact of the change in discount rate			
-Impact due to increase of 0.50 %	11.93	9.64	8.97
-Impact due to decrease of 0.50 %	12.49	10.09	9.38
b) Impact of the change in salary increase			-
-Impact due to increase of 0.50 %	12.49	10.09	9.39
-Impact due to decrease of 0.50 %	11.93	9.64	8.96

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.
Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

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L) These plans typically expose the Company to actuarial risks such as Investment Risk, Liquidity Risk and Market Risk.

Actuarial Risk	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: **Adverse Salary Growth Experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the leave benefit will be paid earlier than expected. The acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. **Variability in withdrawal rates**: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the leave benefit will be paid earlier than expected. The impact of this will depend on the relative values of the assumed salary growth and discount rate. **Variability in availment rates**: If actual availment rates are higher than assumed availment rate assumption then leave balances will be utilised earlier than expected. This will result in reduction in leave balances and Obligation.
Investment Risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity Risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.
Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

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Note 38: Financial instruments

38.1: Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximizing the return to shareholders and also complying with the ratios stipulated in the loan agreements through the optimization of the debt and equity balance.

The capital structure of the Company consists of net debt (Debt Securities & Borrowings as detailed in Note 15 & 16 offset by cash and bank balances as detailed in Note 3) and total equity of the Company.

The Company is not subject to any externally imposed capital requirements.

38.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Debt (See note 'i' below)	23,43,767.21	17,39,326.75	13,40,055.28
Cash and cash equivalents	13.80	37.07	11.28
Net debt	23,43,753.41	17,39,289.68	13,40,044.00
Total equity	3,09,624.34	2,50,286.53	2,03,718.26
Net debt to equity ratio (in times)	**7.57**	**6.95**	**6.58**

38.1.2 Net Worth

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Total Assets	27,59,341.69	20,66,036.10	16,14,683.26
Total Liabilities	24,49,717.35	18,15,749.57	14,10,965.00
Net Worth	**3,09,624.34**	**2,50,286.53**	**2,03,718.26**

38.1.3 Debt Equity Ratio

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Debt	23,43,767.21	17,39,326.75	13,40,055.28
Equity	3,09,624.34	2,50,286.53	2,03,718.26
	7.57	**6.95**	**6.58**

Note:
i) Debt computed as under:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Debt Securities (Note 15)	15,52,904.56	12,35,978.99	11,08,442.46
Borrowing(other than debt securities) (Note 16)	7,90,862.65	5,03,347.76	2,31,612.82
Total Debt	**23,43,767.21**	**17,39,326.75**	**13,40,055.28**

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38.2 Financial Instruments - Accounting classification and fair value measurement

38.2.1 Categories of financial instruments

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Financial assets			
Measured at amortised cost			
Cash and cash equivalents	13.80	37.07	11.28
Bank balance other than above	993.83	773.59	986.92
Investments (Pass through certificates)	22.14	33.30	45.42
Loans	64,233.71	58,954.87	52,379.55
Other financial assets	11,87,487.29	7,40,307.26	4,51,076.00
Receivables (Lease Receivables)	14,85,798.00	12,50,265.12	10,94,716.56
Measured at fair value through Profit and Loss			
Derivative financial instruments	-	466.90	968.47
Measured at fair value through Other Comprehensive Income			
Investments (IRCON)	92.98	98.15	94.30
Financial liabilities			
Measured at amortised cost			
Payables			
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises	0.50	0.08	2.40
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	377.08	121.71	84.75
Debt securities	15,52,904.56	12,35,978.99	11,08,442.46
Borrowings (Other than debt securities)	7,90,862.65	5,03,347.76	2,31,612.82
Other financial liabilities (Interest accured but not due, amount payable to MoR etc.)	1,01,047.19	72,999.28	56,625.68
Measured at fair value through Profit and Loss			
Derivative financial instruments	4,065.15	3,105.95	7,495.79

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38.2.2: Fair value measurements

Fair value hierarchy
The fair value hierarchy reflects the significance of the inputs used in making the measurements and has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices in markets that are not active) or indirectly (i.e. quoted prices for similar assets or liabilities);

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2020:

Particular	As at 31 March 2020	Fair Value measurement at end of the reporting period/ year using		
		Level 1	Level 2	Level 3
Investment in IRCON International Limited	92.98	92.98	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2019:

Particular	As at 31 March 2019	Fair Value measurement at end of the reporting period/ year using		
		Level 1	Level 2	Level 3
Investment in IRCON International Limited	98.15	98.15	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 1 April 2018:

Particular	As at 1 April 2018	Fair Value measurement at end of the reporting period/ year using		
		Level 1	Level 2	Level 3
Investment in IRCON International Limited	94.36	-	-	94.36

Valuation technique used to determine fair value
The Company maintains policies and procedures to value financials assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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. The following methods and assumptions were used to estimate the fair values:

The Company holds nominal Equity (less than 0.26%) in IRCON International Limited. The equity shares of IRCON International Limited were listed on National Stock Exchange (NSE) with effect from 28 September 2018. The Company had elected to classify its investment in IRCON International Limited as fair value through other comprehensive income(OCI). The fair value as on 31 March 2020 & 31 March 2019 has been measured as per the quoted on National Stock Exchange (Level 1 Input). The fair market value as at 1 April 2019 has been determined on the basis of book value computed as per the preceding year's annual financial statement of IRCON International Limited as available with the Company (Level 3 Input).

Dividend received

Particulars	As at 31 March 2020	As at 31 March 2019
Dividend received (IRCON International Limited)	5.92	5.14

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

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38.3 Financial risk management

The Company's activities expose it to a variety of financial risks which includes market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company's focus is to ensure liquidity which is sufficient to meet the Company's operational requirements. The Company monitors and manages key financial risks so as to minimise potential adverse effects on its financial Proformance. The Company has a risk management policy which covers the risks associated with the financial assets and liabilities. The details for managing each of these risks are summarised ahead.

38.4: Market risk

Market risk is the risk that the expected cash flows or fair value of a financial instrument could change owing to changes in market prices.The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Company use derivative instruments to manage market risk against the volatility in foreign exchange rates and interest rates in order to minimize their impact on its results and financial position. Company policy is not to utilize any derivative financial instruments for trading or speculative purposes.

38.5: Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars	Liabilities as at			Assets as at		
	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Secured foreign currency term loan	454.58	625.44	784.36	-	-	-
Unsecured bonds from overseas capital market	1,51,671.11	69,571.19	62,579.67	-	-	-
Unsecured foreign currency term loans	96,539.07	25,618.35	49,136.46	-	-	-
Total	2,48,664.76	95,814.98	1,12,500.49	-	-	-

Foreign currency sensitivity analysis

The following table details the company's sensitivity to a 10% increase and decrease in the INR against the relevant outstanding foreign currency denominated monetary items. 10% sensitivity indicates management's assessment of the reasonable possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where Rupee appreciates 10% against the relevant currency. A negative number below indicates a decrease in profit or equity where the Rupee depreciates 10% against the relevant currency.

Particulars	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	INR strengthens by 10%	INR weakening by 10%	INR strengthens by 10%	INR weakening by 10%	INR strengthens by 10%	INR weakening by 10%
Profit or (loss)	24,866.48	(24,866.48)	9,581.50	(9,581.50)	11,250.05	(11,250.05)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

38.6: Interest rate risk management

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. Company use financial instruments to manage its exposure to changing interest rates and to adjust its mix of fixed and floating interest rate debt on long-term debt.

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/ lower and all other variables were held constant, the Company's:

i) Profit for the year ended 31 March 2020 would decrease/increase by Rs.6,972.21 millions (31 March 2019: decrease/increase Rs. 5,861.05 millions, 1 April 2018: decrease/increase Rs. 5,144.72 millions). This is mainly attributable to the Company's exposure to interest rates on its variable rate debt securities;

ii) Profit for the year ended 31 March 2020 would decrease/increase by Rs. 3,235.53 million (31 March 2019: decrease/increase Rs. 1,837.40 millions, 1 April 2018: decrease/increase Rs. 845.15 millions). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

38.7: Other price risks

The Company has a small amount of investment in equity instruments, price risk of which is not considered material.

38.8: Credit risk management

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company consider the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting peroid. To assess whether there is significant increase in credit risk, it considers reasonable and supportive forward looking information such as:

(i) Actual or expected significant adverse change in business.
(ii) Actual or expected significant changes in the operating results of the counterparty.
(iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation.
(iv) Significant increase in credit risk and other financial instruments of the same counterparty.
(v) Significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.

Credit risk is managed through approvals, establishing credit limits, continuous monitoring of creditworthiness of customers to which the company grants credit terms in the normal course of business. The company also assesses the financial reliability of customers taking into account the financial condition, current economic trends and historical bad debts and ageing of accounts receivables.

The Company's major exposure is from lease receivables from Ministry of Railways, Government of India and loans to Rail Vikas Nigam Limited and IRCON International Limited which are under the control of Ministry of Railways. There is no credit risk on lease receivables being due from sovereign. With respect to loan given to Rail Vikas Nigam Limited and IRCON International Limited, the company consider the Reserve Bank of India directions in terms of its circular no. RBI/2017-18/181_DNBR (PD) CC. No. 092/03.10.001/2017-18 dated 31-May-2018 read with letter no. DNRB (PD). CO.No.1271/03.10.001/2018-19 dated 21-December-2018, to be adequate compliance with the impairment norms as per Ind AS 109, Financial Instruments, as IRCON International Limited and Rail Vikas Nigam Limited, both, are under Ministry of Railways, Government of India and the Company do not expect any concern in the repayment of aforesaid loans.

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38.9: Liquidity risk management

Liquidity risk is defined as the potential risk that the Company cannot meet the cash obligations as they become due.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short, medium, and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Besides, there is a provision in the lease agreements with the Ministry of Railways (MOR) whereby MOR undertakes to provide lease rentals in advance (to be adjusted from future payments) in case the Company doesn't have adequate liquidity to meet its debt service obligations.

Liquidity and interest risk tables

The following tables detail the company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the company may be required to pay.

Particulars	0-1 year	1-3 years	3-5 years	5+ years	Total	Recognition of borrowings at amortised cost using effective interest rate method	Fair value hedge adjustment-recoverable from Ministry of Railways	Carrying Amount(Balance Sheet amount as per IND AS
31 March 2020								
Trade Payables-Other Payables	377.58	-	-	-	377.58			377.58
Other Financial Liabilities								-
-Interest accrued but not due	50,625.36	-	-	49,865.43	1,00,490.79			1,00,490.79
-Unclaimed mature debentures and interest accrued thereon	96.82	-	-	-	96.82			96.82
-Amount Payable to MOR	459.09	-	-	-	459.09			459.09
-Earnest Money Deposit	0.49	-	-	-	0.49			0.49
Debt Securities								-
-Bonds in Domestic Market	74,013.98	1,96,603.88	1,27,264.14	9,65,749.30	13,63,631.30	-1,031.94		13,62,599.36
-Commercial Paper	38,634.09	-	-	-	38,634.09			38,634.09
-Bonds in Overseas Market	-	-	37,950.00	1,13,850.00	1,51,800.00	-128.89		1,51,671.11
Borrowing (Other than Debt Securities)								
Borrowings in India	76,369.00	69,430.56	98,591.24	4,49,478.20	6,93,869.00			6,93,869.00
Borrowings outside India	227.70	227.70	-	1,01,755.57	1,02,210.97	-2,127.10	-3,090.22	96,993.65
31 March 2019								
Trade Payables-Other Payables	121.79	-	-	-	121.79	-	-	121.79
Other Financial Liabilities	-	-	-	-				-
-Interest accrued but not due	39,266.18	26,497.39	7,154.47	-	72,918.04	-	-	72,918.04
-Unclaimed mature debentures and interest accrued thereon	80.91	-	-	-	80.91	-	-	80.91
-Amount Payable to MOR	-	-	-	-	-			-
-Earnest Money Deposit	0.33	-	-	-	0.33	-	-	0.33
Debt Securities	-	-	-	-				-
-Bonds in Domestic Market	76,152.10	1,89,172.40	1,61,167.10	7,11,184.27	11,37,675.87	-1,127.84	-	11,36,548.03
-Commercial Paper	29,859.77	-	-	-	29,859.77	-	-	29,859.77
-Bonds in Overseas Market	-	-	34,815.00	34,815.00	69,630.00	-58.81	-	69,571.19
Borrowing (Other than Debt Securities)	-	-	-	-		-	-	
Borrowings in India	1,32,104.00	77,000.00	28,000.00	2,39,999.97	4,77,103.97	-	-	4,77,103.97
Borrowings outside India	208.89	417.78	-	29,342.05	29,968.72	-618.98	-3,105.95	26,243.79
1 April 2018								
Trade Payables-Other Payables	87.15	-	-	-	87.15	-	-	87.15
Other Financial Liabilities	-	-	-	-		0	0	-
-Interest accrued but not due	38,422.80	-	-	18,144.35	56,567.19	-	-	56,567.19
-Unclaimed mature debentures and interest accrued thereon	58.16	-	-	-	58.16	-	-	58.16
-Amount Payable to MOR	-	-	-	-	-	-	-	-
-Earnest Money Deposit	0.33	-	-	-	0.33	-	-	0.33
Debt Securities	-	-	-	-		-	-	-
-Bonds in Domestic Market	92,170.00	1,50,166.08	2,04,603.89	5,90,209.95	10,37,149.92	-1,263.01	-	10,35,886.91
-Commercial Paper	9,975.89	-	-	-	9,975.89	-	-	9,975.89
-Bonds in Overseas Market	32,750.00	-	-	32,750.00	65,500.00	-21.18	-2,899.15	62,579.67
Borrowing (Other than Debt Securities)	-	-	-	-		-	-	
Borrowings in India	39,692.00	42,000.00	-	1,00,000.00	1,81,692.00	-	-	1,81,692.00
Borrowings outside India	26,396.50	393.00	196.50	28,221.92	55,207.93	-690.47	-4,596.64	49,920.82

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38.10: Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The objective of hedges is to minimize the volatility of INR cash flows of highly probable forecast transaction.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

As on 31 March 2020

Types of hedge and risks	Nominal value (Foreign Currency) USD		Carrying amount of hedging instruments	Maturity date	Hedge ratio	Weighted average strike price/rate USD
	No. of Outstanding Contracts	Amount				
Forward Contract						
1. Sell	-	-	-	-	-	-
2. Buy	-	-	-	-	-	-
Swap Contracts						
1. Buy	2	291.79	3,217.10	10-03-2026	1:1	N/A
2. Buy	2	74.07	848.05	30-03-2026	1:1	N/A

As on 31 March 2019

Types of hedge and risks	Nominal value (Foreign Currency) USD		Carrying amount of hedging instruments	Maturity date	Hedge ratio	Weighted average strike price/rate USD
	No. of Outstanding Contracts	Amount				
Forward Contract						
1. Sell	-	-	-	-	-	-
2. Buy	-	-	-	-	-	-
Swap Contracts						
1. Buy	2	291.79	2,080.28	10-03-2026	1:1	N/A
2. Buy	2	74.07	558.77	30-03-2026	1:1	N/A

As on 1 April 2018

Types of hedge and risks	Nominal value (Foreign Currency) USD		Carrying amount of hedging instruments	Maturity date	Hedge ratio	Weighted average strike price/rate USD
	No. of Outstanding Contracts	Amount				
Forward Contract						
1. Sell	-	-	-	-	-	-
2. Buy	6	300.00	2,899.15	26-02-2019	1:1	77.47
3. Buy	3	250.00	2,242.45	03-12-2018	1:1	76.18
Swap Contracts						
1. Buy	2	291.79	1,163.19	10-03-2026	1:1	N/A
2. Buy	2	74.07	320.71	30-03-2026	1:1	N/A
3. Buy	1	200.00	98.17	03-12-2018	1:1	N/A

Disclosure of effects of hedge accounting on financial performance

Cash Flow hedge	Opening	Changes during the year	Closing	Receivables/ (Payables) from MOR	Impact on financial performance
31-Mar-20	466.90	(1,441.83)	(974.93)	1,441.83	-
31-Mar-19	968.47	(501.57)	466.90	501.57	-
01-Apr-18	685.78	282.69	968.47	(282.69)	-

Note 39: Capital Funds, Risk Weighted Assets and Capital Risk Adjusted Ratio (CRAR) of Company are given below:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Capital Fund-Tier I	3,09,620.17	2,50,281.85	2,03,713.11
Capital Fund-Tier II		-	
Risk weighted assets along-with adjusted value of off balance sheet items	76,631.71	71,629.96	63,396.43
CRAR			
CRAR-Tier I Capital	404.04%	349.41%	321.33%
CRAR-Tier II Capital	404.04%	349.41%	321.33%
Amount of subordinated debt raised as Tier-II capital	-	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-	-

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Notes to financial statements
(All amounts in millions of INR, unless stated otherwise)

Note 40: The particulars of loans given as required to be disclosed by section 186 (4) of Companies Act, 2013 are as below:

S.No.	Name of Party	As at 31 March 2020				As at 31 March 2019				As at 1 April 2018			
		Amount of loan	Loan Given during the year	Terms	Purpose of Utilization by Recipient	Amount of loan outstanding	Loan Given during the	Terms	Purpose of Utilization by Recipient	Amount of loan outstanding	Loan Given during the year	Terms	Purpose of Utilization by Recipient
1	Rail Vikas Nigam Limited (RVNL) -I	30,219.41	14,079.60	3 + 12 years	Regular project Work	18,766.30	800.00	3 + 12 years	Regular project Work	20,379.55	925.00	3 + 12 years	Regular project Work
2	IRCON International Limited	24,612.27	-	5 years	Station Development	30,765.34	-	5 years	Station Development	32,000.00	32,000.00	5 years	Station Development
3	Rail Vikas Nigam Limited (RVNL) -II	9,660.00	-	3 + 12 years	Regular project Work	9,660.00	9,660.00	3 + 12 years	Regular project Work	-	-	-	-
	Total	64,491.68	14,079.60			59,191.64	10,460.00			52,379.55	32,925.00		

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Note 41: Other Disclosures

(a) Lease rental is charged on the assets leased from the first day of the month in which the Rolling Stock assets have been identified and placed on line as per the Standard Lease Agreements executed between the Company and MOR from year to year.

(b) Ministry of Railways (MOR) charges interest on the value of the assets identified prior to the payments made by the Company, from the first day of the month in which the assets have been identified and placed on line to the first day of the month in which the money is paid to the MOR. However, no interest is charged from the MOR on the amount paid by the company prior to identification of Rolling stock by them.

(c) (i) Interest rate variation on the floating rate linked rupee borrowings and interest rate and exchange rate variations on interest payments in the case of foreign currency borrowings are adjusted against the lease income in terms of the variation clauses in the lease agreements executed with the Ministry of Railways. During the year ended 31 March 2020, such differential has resulted in an amount of Rs. 583.35 millions accruing to the Company (31 March 2019: Rs. 707.98 millions , 1 April 2018: Rs. 477.42 millions (accruing to MOR)) which has been accounted for in the lease income.

(ii) In respect of foreign currency borrowings, which have not been hedged, variation clause have been incorporated in the lease agreements specifying notional hedging cost adopted for working out the cost of funds on the leases executed with MOR. Hedging cost in respect of these foreign currency borrowings is compared with the amount recovered by the company on such account on notional cost basis and accordingly, the same is adjusted against the lease income. During the year ended 31st March 2020 in respect of these foreign currency borrowings, the Company has recovered a sum of Rs. 170.37 millions (31 March 2019: Rs. 699.39 millions, 1 April 2018 : Rs.1423.21 millions) on this account from MOR against a sum of Rs. NIL millions (31 March 2019:Rs. 1,732.43 millions, 1 April 2018 : Rs. 2097.67 millions) incurred towards hedging cost and the balance amount of Rs.170.37 millions (31 March 2019: Rs. 1,033.05 millions, 1 April 2018: Rs.674.46 millions) is recoverable from MOR.

(d) The Leases executed for Rolling Stock in the year 1989-90 ,1988-89 & 1987-88 for Rs. 10,725.60 millions, Rs. 8607.27 millions & Rs.7,703.27 millions have expired on 31 March 2020, 31 March 2019 & 31 March 2018 respectively. During the primary and secondary lease periods full value of assets (including interest) has been recovered from the lessee (MOR). These assets have outlived their useful economic life. Formalities for the transfer of these assets to MOR are under progress and neccessary adjustments in the accounts if required, will be carried out on transfer of Rolling Stock to MOR.

Note 42:

(a) (i) The Reserve Bank of India has issued Master Direction – Non- Banking Financial Company- Systemically Important Non Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 vide notification DNBR.PD.008/03.10.119/2016-17 dated 1st September 2016 as amended from time to time have become mandatory with effect from 31 May, 2018. The Reserve Bank of India has granted exemption to the Company in respect of classification of asset, provisioning norms and credit concentration norms to the extent of direct exposure to sovereign.

(a) (ii) Till the financial year 2017-18, the Company, being a government NBFC, was exempt from creation and maintenance of Reserve Fund as specified u/s 45-IC of Reserve Bank of India Act, 1934. However, the said exemption has been withdrawn by the Reserve Bank of India (RBI) vide Notification No. DNBR (PD) CC.NO.092/0310.001/2017-18 dated 31st May 2018. Accordingly, the Company is now creating the Reserve Fund as required u/s 45IC of RBI Act, 1934, wherein at least 20% of net profit every year will be transferred before the declaration of dividend. No appropriation is allowed to be made from the reserve fund except for the purpose as may be specified by the Bank from time to time and further, any such appropriation is also required to be reported to the Bank within 21days from the date of such withdrawal. The Company created a reserve of Rs. 4,509.50 millions as on 31st March 2019 u/s 45IC. The reserve for the year 2019-20 will be Rs. 7,384.85 millions.

(b) In terms of the Ministry of Corporate Affairs circular dated 18th April 2002, the Company, being a Non-Banking Finance Company registered with RBI, is required to create Bond Redemption Reserve equivalent to 50% of the value of the bonds raised through Public issue by the redemption date of such Bonds. Subsequently, the requirement for creation of Bond Redemption Reserve in case of Public Issue of bonds by Non-Banking Finance Company registered with RBI was brought down to 25% by MCA vide their circular dated 11th February 2013. Further, the Companies (Share Capital and Debentures) Rules, 2014 dated 3rd April 2014 also mandates the Non- Banking Finance Companies registered with RBI to create Bond Redemption Reserve equivalent to 25% of the value of the Bonds raised through public issue by the redemption dates of such bonds. Accordingly, the Company was required to transfer 50% of the value of the bonds raised through public issue during FY 2011-12 and 25% of the value of Bonds raised through Public Issue during 2012-13, FY 2013-14 and FY 2015-16 to Bond Redemption Reserve by the redemption dates of such Bonds. The Company has raised Rs. 2,48,816.74 millions through public issue of bonds in FY 2011-12, FY 2012-13, FY 2013-14 and FY 2015-16. The average residual maturity of the above mentioned bonds is more than 7 years as on 31st March 2019. The Company had transferred an amount of Rs. 57,145.59 millions to the Bond Redemption Reserve till the end of F.Y. 2018-19.

The Ministry of Corporate Affairs has notified the Companies (Share Capital and Debentures) Amendments Rules, 2019 on 16th August, 2019 which exempts NBFC listed companies registered with Reserve Bank of India u/s45-IA of the RBI Act, 1934 from creation of Debenture Redemption reserve. Accordingly, the balance outstanding against Bond Redemption Reserve as on 31st March 2019 amounting to Rs. 57,145.59 million has been transferred to retained earnings.

(c) The Comptroller & Auditor General of India (C&AG) during the course of their supplementary review of accounts for the Financial year 2018-19 had made an observation that the 'Advance against the Railway infrastructure Assets to be leased.' should have been classified under other non financial assets. Based on the reply furnished by the Company, the C&AG had decided to drop the observation. However, as agreed, during the course of discussion with the C&AG, the matter has been referred to the Expert Advisory Committee of the Institute of Chartered Accountants of India for an expert opinion. Pending reply from the Institute, Company has classified the aforesaid advances as 'other financial assets.'

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Note 43:

i The Finance Act, 2001 provides for levy of service tax on the finance and interest charges recovered through lease rental installments on the Financial Leases entered on or after 16-07-2001. The Central Government vide Order No.1/1/2003-ST dated 30 April 2003 and subsequent clarification dated 15-12-2006 issued by Ministry of Finance has exempted the Lease Agreements entered between the Company and Ministry of Railways from levy of Service Tax thereon u/s 93(2) of Finance Act, 1994.

ii The GST Council in their meeting held on 19 May, 2017 has exempted the services of leasing of assets (rolling stock assets including wagons, coaches, locos) by Indian Railways Finance Corporation to Indian Railways from the levy of Goods & Service Tax (GST), Notification No. 12/2017 (Heading 9973) which has been made applicable with effect from 1 July, 2017.

iii. Company had deposited a sum of Rs 14,664.47 millions under reverse charge mechanism on transfer of funds to MoR for making payments on behalf of Company to contractors for construction of projects. The amount so deposited had been shown as an amount recoverable from MoR. As the above did not involve any supply from MoR to the Company, a refund application has been filed with the GST Deptt. and the amount recoverable from MoR has been transferred to GST Refund Account.The refund application is yet to be disposed of by the GST Department. In the event of non admissibility of refund claim the by the GST Department, the amount would be adjusted against the GST liability on lease rentals from infrastructure assets or other GST liability in future.

Note 44:

Increase/Decrease in liability due to exchange rate variation on foreign currency loans for purchase of leased assets amounting to Rs. 16,784.85 millions(31 March, 2019: Increase Rs. 2,670.04 millions, 1 April 2018: Increase Rs. 492.30 millions) has not been charged to the Statement of Profit and Loss as the same is recoverable from the Ministry of Railways (lessee) separately as per lease agreements. The crystallized exchange rate variation loss on foreign currency loans repaid during the year amounting to Rs. 92.86 millions(31 March 2019: Rs.5,779.74 millions, 1 April 2018: Rs. 4,017.60 millions) has been recovered from the Lessee, leaving a balance of Rs. 21,803.80 millions recoverable from MOR as on 31 March 2020 (31 March, 2019: Rs.5,111.80 millions, 1 April 2018: Rs. 8221.51 millions).

Effective portion of (loss)/gain on account of decrease/increase in the fair value of the derivative assets (hedging instruments) amounting to (Rs. 1441.83 millions) as on 31st March 2020 (31 March 2019, (Rs.501.57 millions) , 01 April 2018: Rs. 282.69 millions) classified as cash flow hedges has not been recognised in the other comprehensive income as the same is recoverable/refundable to the MOR (Lessee) since the derivatives have been contracted to hedge the financial risk of MOR (Lessee).

Note 45:

The Ministry of Railways (MOR) vide letter dated 23 July 2015 had authorized the Company to draw funds from LIC in consultation with MOR for funding of Railway Projects in line with leasing methodology adopted by Company for funding Railway Projects in past. Pending execution of the Lease Documents, the Company has entered into a Memorandum of Understanding with the Ministry of Railways on 23 May 2017 containing principal terms of the lease transactions. The total sum of Rs. 9,36,552.90 millions disbursed to MOR till the end of 31 March 2020 (31 March 2019:Rs. 5,97,152.90 millions, 1 April 2018: Rs. 3,73,598.,90 millions) has been shown as 'Advance against Railway Infrastructure Assets to be leased'. During the year ended 31st March 2020 a sum of Rs.94,642.38 millions (31 March 2019: Rs. 51,935.50 millions, 1 April 2018: Rs. 24,651.,65 millions) incurred by the Company on account of interest cost on the funds borrowed for the purpose of making aforesaid advances has been capitalised and added to the Advance paid against Infrastructure assets to be leased out to MoR. Under erstwhile Indian GAAP, the said amount was accounted for as Interest Income which under the IndAS has now been reduced from interest expense. In respect of National Project, a total sum of Rs. 75,787.00 millions disbursed to MoR till the end of 31 March 2020 (31 March 2019: 50,787 millions, 1 April 2018: Rs. Nil) has been shown as 'Advance funding against National Project' on which a sum of Rs.4097.94 millions (31 March 2019: 41.17 millions, 1 April 2018: Rs. Nil) has been incurred by the Company on account of interest cost on the funds borrowed for the purpose of making aforesaid advances has been capitalised and added to the Advance funding against National Project to be leased out to MoR. The same would be recovered through lease rentals in future over the life of the leases. Details are as under:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Advance paid against infrastructure assets to be leased	9,36,552.90	5,97,152.90	3,73,598.90
-Add: Borrowing cost capitalised on borrowed funds	94,642.38	51,935.50	24,651.65
Total	**10,31,195.28**	**6,49,088.40**	**3,98,250.55**

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Advance funding against National Project	75,787.00	50,787.00	-
-Add: Borrowing cost capitalised on borrowed funds	4,097.94	41.17	-
Total	**79,884.94**	**50,828.17**	-

Capitalisation rate used to determine the borrowing cost

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Capitalisation rate	7.47%	8.01%	7.47%

Note : Revenue on railway infrastructure Projects and National Projects will be recognized only after entering into agreement with MOR.

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Note 46:

(a) Office building including parking area has been capitalised from the date of taking possession. However, the sale/transfer deed is still pending for execution in favour of the Company. Stamp duty payable on the registration of office building works out to about Rs. 9.15 millions(as certified by approved valuer) (31 March 2019: Rs. 9.15 millions, 1 April 2018: Rs. 9.15 millions), which will be accounted for on registration.

(b) During the period under review an amount of Rs. 72.45 millions on account of the benefit accruing due to reduction in the interest rate pertaining to the financial year 2017-18 has been passed on to MOR during the nine moth period ended on 31st March 2020, by way of reduction of equivalent amount from the Lease Income instead of recognising the same as a prior period item.The amount involved is not considered material in terms of the extant policy of the Company and accordingly, the effect of the same has been considered in the current reporting period.

(c) The Company has made a provision of Rs.118.80 millions in the financial statements for the year ended on 31st March 2020 towards the stamp duty on account of increase in the Equity Capital infused by MOR from time to time in the earlier years. The aforesaid stamp duty has been computed at the basic rate. The Company is in the process of getting the stamp duty adjudicated by the Collector of Stamps. The actual liability will be known upon receipt of adjudication order and differential amount, if any, will be provided for and paid in the year of adjudication.

(d) **Impact of change in accounting policy in;**

The Company has not recognized any deferred tax asset or liability for the accounting period commencing on or after 1st April 2017 as per Gazette Notification no. S.O. 529(E) dated 5th February 2018 as amended by notification no. S.O. 1465 dated 2 April 2018 issued by Ministry of Corporate Affairs, Government of India. However, deferred tax liability of Rs. 64,431.40 Million recognized till 31st March 2017 was not reversed and was presented under Non – Financial Liabilities in the Balance Sheet as advised by Ministry of Corporate Affairs, Government of India vide their communication no. Eoffice F.No.17/32/2017 – CL – V dated 26th November 2018. However, based on Company's request, the Ministry of Corporate Affairs, Government of India again examined the matter in consultation with Accounting Standards Board of the Institute of Chartered Accountants of India & National Financial Reporting Authority and vide their communication no. Eoffice F.No.17/32/2017 – CL – V dated 20th March 2020 advised the Company to apply paragraph 11 of Ind AS 01, First Time adoption of Ind AS read with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors. Accordingly, the Company has during the current financial year reversed the deferred tax liability of Rs. 64,431.40 million by crediting the retained earnings as at 1st April 2017 being the date of transition to Ind AS treating this as a change in accounting policy that results in the financial statements providing reliable and more relevant information about the effects of the transactions, other events or conditions on the entity's financial position, financial performance or cash flows.

1) Deferred tax liabilities (net)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Deferred tax liability (net) before change in accounting policy	64,431.40	64,431.40	64,431.40
-Less: Adjusted in retained earnings due to change in accounting policy (Refer accounting policy note no. 2.7)	(64,431.40)	(64,431.40)	(64,431.40)
Deferred tax liability (net) after change in accounting policy	-	-	-

2) Retained Earnings

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Balance of retained earning at the beginning of the period before change in accounting policy	-	3,612.58	1,432.03
-Add: Deferred tax liabilty due to change in accounting policy (Refer accounting policy note no. 2.7)	64,431.40	64,431.40	64,431.40
Balance of retained earning at the beginning of the period after change in accounting policy	**64,431.40**	**68,043.98**	**65,863.43**

(e) Estimation of uncertainty relating to the Global Health Pandemic COVID-19

The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has adopted measures to curb the spread of infection in order to protect the health of our employees and ensure business continuity with minimal disruption.

The Company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there is no significant Impact on its financial results. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue monitoring any material changes to future economic conditions.

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Note 47:

(a) The Company discharges its obligation towards payment of interest and redemption of bonds, for which warrants are issued, by depositing the respective amounts in the designated bank accounts. Reconciliation of such accounts is an ongoing process and has been completed upto 31 March 2020. The Company does not foresee any additional liability on this account. The total balance held in such specified bank accounts as on 31st March 2020 is Rs. 95.29 millions (31 March, 2019: Rs. 80.91 millions, 1 April 2018: Rs.58.16 millions).

(b) The Company is required to transfer any amount remaining unclaimed and unpaid in such interest and redemption accounts after completion of 7 years to Investor Education Protection Fund (IEPF) administered by the Ministry of Corporate Affairs, Government of India. During the year ended 31 March 2020, a sum of Rs. NIL millions was deposited in IEPF (31 March, 2019: Rs.0.07 millions, 1 April 2018: Rs. 0.07 millions).

Note 48:

The Company, in the earlier years, had executed Asset Securitisation Transactions by securitising an identified portion of future lease rentals originating on its assets leased to Ministry of Railways. As part of the securitisation transaction, future lease rentals were transferred to a bankruptcy remote Special Purpose Vehicle (SPV) which, in turn, issued Pass Through Certificates (PTCs) to the investors. The lease receivables, accordingly, were derecognised in the books of account of the company.

In terms of the Reserve Bank of India (RBI) Guidelines on Minimum Retention Requirement issued by the Reserve Bank of India as applicable to the Non-Banking Finance Companies, the company being the originator, had opted to retain a minimum of 5% of the book value of the receivables being securitised. Accordingly, the Company had invested Rs. 169.77 millions in the Pass Through Certificates (PTCs) issued by the 'Special Purpose Vehicle' towards Minimum Retention Requirement. Out of the amount invested in Pass Through Certificates (PTCs), Rs. 147.54 millions have matured till 31st March 2020, leaving a balance of Rs.22.23 millions. Details of the amount invested in Pass Through Certificates (PTCs) and outstanding as on 31st March 2020 is as follows:

As on 31 March 2020

Series	Date of Maturity	Nos of PTC	Face value per PTC	Total amount
S	15-Apr-20	5	1.03	5.16
T	15-Oct-20	5	0.99	4.93
U	15-Apr-21	5	0.94	4.71
V	15-Oct-21	5	0.90	4.50
W	15-Apr-22	5	0.59	2.93
Total *		**25**		**22.23**

* Impairement loss as per Ind AS 109 has been made for an amount of Rs. .09 million

As on 31 March 2019

Series	Date of Maturity	Nos of PTC	Face value per PTC	Total amount
Q	15-Apr-19	5	1.13	5.67
R	15-Oct-19	5	1.08	5.40
S	15-Apr-20	5	1.03	5.16
T	15-Oct-20	5	0.99	4.93
U	15-Apr-21	5	0.94	4.71
V	15-Oct-21	5	0.90	4.50
W	15-Apr-22	5	0.59	2.93
Total		**35**		**33.30**

As on 1 April 2018

Series	Date of Maturity	Nos of PTC	Face value per PTC	Total amount
O	15-Apr-18	5	1.24	6.20
P	15-Oct-18	5	1.18	5.92
Q	15-Apr-19	5	1.13	5.67
R	15-Oct-19	5	1.08	5.40
S	15-Apr-20	5	1.03	5.16
T	15-Oct-20	5	0.99	4.93
U	15-Apr-21	5	0.94	4.71
V	15-Oct-21	5	0.90	4.50
W	15-Apr-22	5	0.59	2.93
Total		**45**		**45.42**

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Note 49: Corporate Social Responsibility

As per Section 135 of Companies Act 2013 a Corporate Social responsibiltiy Committee has been formed by the Company. During the year the Company has undertaken Corporate Social Responsibility activities as approved by the CSR Committee which are specified in Schedule VII of the Companies Act 2013.

i) Gross amount required to be spent by the Company for the year ended 31 March 2020 is Rs. 505.24 millions (excluding Rs. 113.39 millions spent for earlier year).

ii) Amount spent during the year on:

As on 31 March 2020

Sl. No	Particulars	In cash	Yet to be paid in cash	Total
i)	**Construction/Acquisitionof any assets**	-	-	-
ii)	**On Purpose other than (i) above**	454.44	40.04	**494.48**
iia)	Sanitation and safe drinking water (Item No. (i) of Schedule - VII)	389.51	22.97	**412.48**
iib)	Promoting Education (Item No. (ii) of Schedule – VII	51.19	4.87	**56.07**
iic)	Social Welfare (Item No.(iii) of Schedule-VII)	-	-	-
iid)	Forest & Environment,animal welfare etc. (Item No. (iv) of Schedule-VII)	-	-	-
iie)	Contribution to'Clean Ganga Fund' (Item No.(iv) of Schedule-VII)	-	-	-
iif)	Ensuring environment sustainability item No. (iv) of Schedule - (VII)	13.74	12.20	**25.94**
iig)	Measures for armed forces veterans,(Item No. (vi) of ScheduleVII)	-	-	-
Grand Total (i+ii)		**454.44**	**40.04**	**494.48**

As on 31 March 2019

Sl. No	Particulars	In cash	Yet to be paid in cash	Total
i)	**Construction/Acquisitionof any assets**	-	-	-
ii)	**On Purpose other than (i) above**	71.97	12.80	**84.78**
iia)	Sanitation and safe drinking water (Item No. (i) of Schedule - VII)	29.54	-	**29.54**
iib)	Promoting Education (Item No. (ii) of Schedule – VII	-	-	-
iic)	Social Welfare (Item No.(iii) of Schedule-VII)	-	-	-
iid)	Forest & Environment,animal welfare etc. (Item No. (iv) of Schedule-VII)	-	-	-
iie)	Contribution to'Clean Ganga Fund' (Item No.(iv) of Schedule-VII)	-	-	-
iif)	Ensuring environment sustainability item No. (iv) of Schedule - (VII)	32.44	12.80	**45.24**
iig)	Measures for armed forces veterans,(Item No. (vi) of ScheduleVII)	10.00	-	**10.00**
Grand Total (i+ii)		**71.97**	**12.80**	**84.78**

As on 1 April 2018

Sl. No	Particulars	In cash	Yet to be paid in cash	Total
i)	**Construction/Acquisitionof any assets**	-	-	-
ii)	**On Purpose other than (i) above**	**207.29**	**30.51**	**237.80**
iia)	Contribution to 'Swachh bharat Kosh' (Item No. I of Schedule-VII)	-	-	-
iib)	Health Care (Item No.(i) of Schedule-VII)	-	-	-
iic)	Social Welfare (Item No.(iii) of Schedule-VII)	24.78	-	**24.78**
iid)	Forest & Environment,animal welfare etc. (Item No. (iv) of Schedule-VII)	73.65	30.51	**104.15**
iie)	Contribution to'Clean Ganga Fund' (Item No.(iv) of Schedule-VII)	108.87	-	**108.87**
iif)	Art & Culture, Public Libraries (Item No (v) of Schedule-VII)	-	-	-
	Grand Total (i+ii)	**207.29**	**30.51**	**237.80**

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Note 50: Interest on deposit & Investment include Tax Deducted at Source amounting to Rs. 3.78 millions for the year ended 31 March 2020(31 March 2019: Rs 3.46 millions, 1 April 2018: Rs. 3.11 millions). Ministry of Railways has also deducted tax at source amounting to Rs. 4051.72 millions (31 March 2019: Rs. 3,705.12 millions, 1 April 2018: Rs. 3291.92 millions)on lease rentals.

Note 51: Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:

Particular	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Principal amount remaining unpaid as at year end	0.50	0.08	2.40
Interest due thereon remaining unpaid as at year end	-	-	
Interest paid by the company in terms of Section 16 of MSME Development Act, 2006	-	-	
Interest due and payable for the period of delay in making payment but without adding	-	-	
Interest accrued and remaining unpaid as at year end.	-	-	
Further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises.	-	-	

Note 52: In respect of physical verification of assets given on lease, Ministry of Railways (Lessee) is required to maintain the leased assets in good working condition as per laid down norms, procedures and standards, as detailed & agreed in standard lease agreement. In the opinion of the management, the aforesaid system is satisfactory considering the fact that the assets are maintained and operated by the Central Government.

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53.1 Related party disclosures

Related parties and their relationships

i. Transaction with Key Management personnel

Key Management Personnel
Relationship:
As on 31.03.2020

Designation	Name	Period
Chairman & Managing Director	Sh. Amitabh Banerjee	(From 12 October 2019)*
Managing Director	Sh. Vijay Kumar	(From 26 July 2018 to 11 October 2019)
Director - Finance	Sh. Niraj Kumar	(From 1 July 2015)**
Company Secretary	Sh. Vijay Babulal Shirode	(From 9 March 2018)

* Shri Amitabh Banerjee was appointed as Managing Director on the IRFC Board on 12th October, 2019. He took over the charge of Chairman & Managing Director on the IRFC Board on 21st May, 2020.
**Shri Niraj Kumar was superannuated as on 31st July 2020.

As on 31.03.2019

Designation	Name	Period
Managing Director	Sh. S.K Pattanayak	(From 9 March 2017 to 26 July 2018)
Managing Director	Sh. Vijay Kumar	(From 26 July 2018)
Director - Finance	Sh. Niraj Kumar	(From 1 July 2015)
Company Secretary	Sh. Vijay Babulal Shirode	(From 9 March 2018)

As on 01.04.2018

Designation	Name	Period
Managing Director	Sh. S.K Pattanayak	(From 9 March 2017)
Director - Finance	Sh. Niraj Kumar	(From 1 July 2015)
Company Secretary & Group General Manager (TL)	Sh. S.K Ajmani	(Uptill 8 March 2018)
DGM(CS) & Law	Sh. Vijay Babulal Shirode	(From 9 March 2018)

Transactions:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Salary/Allowances	9.39	6.46	12.71
Reimbursments	0.26	0.30	3.86
Incentives	6.55	1.44	1.58
Totals	**16.20**	**8.20**	**18.15**

ii. Details of significant transactions and outstanding balances with Ministry of Railways are as under

Particulars	As at 31 March 2020	As at 31 March, 2019	As at 1 April 2018
- Lease Receivables	14,85,798.00	12,50,265.12	10,94,716.56
- Advance for Railways Infrastructure Assets	10,31,195.28	6,49,088.40	3,98,250.55
- Advance for National Project	79,884.94	50,828.17	-
- Interest accrued but not due on advance for railway project to be leased	43,945.37	21,340.11	9,649.87
- Other (Payable)	(459.09)	-	-
- Other Receivables	22,778.73	9,374.53	35,946.30

Particulars	Year ended 31 March 2020	Year ended 31 March 2019	As at 1 April 2018
- Lease Income	1,10,299.37	94,100.09	82,784.48
- Pre-commencement Lease-interest income	22,198.43	11,757.72	7,391.46

53.2 Transaction with Government related entities

i. The Company is a Government related entity as the entire equity shareholding of the Company is held by the President of India through Ministry of Railways, Government of India. The Company is also related to Rail Vikas Nigam Limited and IRCON International Limited which are also government related entities and with whom the Company has transactions. The Company has exempted from disclosure in para 25 of Ind AS 24, 'Related Party Transactions' being a government related entity.

ii. Details of significant transactions with Rail Vikas Nigam Limited and IRCON International Limited .

Particulars	As at 31 March 2020	As at 31 March, 2019	As at 1 April 2018
- Closing Balances of Loan to Rail Vikas Nigam Ltd	39,879.41	28,426.30	20,379.55
- Closing Balances of Loan to IRCON International Ltd.	24,612.27	30,765.34	32,000.00
- Interest Income received thereon	5,548.60	5,251.05	2,343.28
- Interest Receivables	9,669.86	9,669.11	7,183.74

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Note 54: Additional disclosures in accordance with RBI directions on Corporate Governance

54.1: Investments

Particulars				As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
1	Value of investments					
	i	Gross value of investments				
		(a)	In India	115.21	131.45	139.78
		(b)	Outside India	-	-	-
				-	-	-
	ii	Provisions for depriciation			-	-
		(a)	In India	-	-	-
		(b)	Outside India	-	-	-
				-	-	-
	iii	Net value of investments				
		(a)	In India	115.21	131.45	139.78
		(b)	Outside India	-	-	-
				-	-	-
2	Movement of provisions held towards depriciation on investments					-
	i	Opening balance		-	-	-
	ii	Add: Provisions made during the year		0.09	-	-
	iii	Less: Write-off/ write-back of excess provisions during the year		-	-	-
	iv	Closing balance		0.09	-	-

54.2: Derivatives

54.2.1: Forward rate agreement/ Interest rate swap

Particulars		As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
i	The notional principal of swap agreements	27,769.33	25,475.35	37,064.31
ii	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	466.90	968.47
iii	Collateral required by the NBFC upon entering into swaps	-	-	-
iv	Concentrationof credit risk arising from the swaps	-	-	-
v	The fair value of the swap book	(4,065.16)	(2,639.05)	(1,385.72)

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54.2.2: Disclosure of risk exposure in derivatives

Qualitative disclosure

The Company enters into derivatives for the purpose of hedging and not for trading/speculation purposes.

The Company has framed a risk management policy duly approved by the board in respect of its External Commercial Borrowings (ECBs). A risk management committee comprising the Managing Director and Director Finance has been formed to monitor, analyze and control the currency and interest rate risk in respect of ECBs.

The Company avails various derivative products like currency forwards, Cross Currency swap, Interest rate swap etc. for hedging the risks associated with its ECBs.

Quantitative disclosures

As at 31 March, 2020

Particulars		Currency derivatives	Cross Currency & Interest Rate Derivatives	Interest rate derivatives
i	Derivatives (notional principal amount)	-	13,884.67	13,884.67
	For hedging			
ii	Marked to market positions			
	a) Asset	-	-	-
	b) Liability	-	3,090.22	974.93
iii	Credit exposure	-	2,082.70	416.54
iv	Unhedged exposure	-	-	1,71,171.45

As at 31 March, 2019

Particulars		Currency derivatives	Cross Currency & Interest Rate Derivatives	Interest rate derivatives
i	Derivatives (notional principal amount)	-	12,737.67	12,737.67
	For hedging			
ii	Marked to market positions			
	a) Asset	-	-	466.90
	b) Liability	-	3,105.95	-
iii	Credit exposure	-	1,910.65	849.03
iv	Unhedged exposure	-	-	17,231.05

As at 1 April, 2018

Particulars		Currency derivatives	Cross Currency & Interest Rate Derivatives	Interest rate derivatives
i	Derivatives (notional principal amount)	42,284.86	11,982.16	25,082.16
	For hedging			
ii	Marked to market positions			
	a) Asset	-	-	968.47
	b) Liability	5,150.91	2,354.19	-
iii	Credit exposure	845.70	1,797.32	1,393.44
iv	Unhedged exposure	84,682.92	-	30,125.77

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54.2.3. Derivative Instruments

The Company judiciously contracts financial derivative instruments in order to hedge currency and / or interest rate risk. All derivative transactions contracted by the Company are in the nature of hedging instruments with a defined underlying liability. The Company does not deploy any financial derivative for speculative or trading purposes.

(a) The Company uses foreign currency forward contracts to hedge its risk associated with foreign currency fluctuations in respect its External Commercial Borrowings.

Outstanding foreign exchange forward contracts entered into by the Company which have been used for hedging the foreign currency risk on repayment of external commercial borrowings (principal portion):

As at 31 March 2020			As at 31 March 2019			As at 1 April 2018		
No. of Contracts	Borrowing outstanding in foreign Currency (USD Million)	INR equivalent (million)	No. of Contracts	Borrowing outstanding in foreign Currency (USD Million)	INR equivalent (million)	No. of Contracts	Borrowing outstanding in foreign Currency (USD Million)	INR equivalent (million)
-	-	-	-	-	-	9	550	42,284.86

(b) In respect of following External Commercial Borrowings, the Company has executed cross currency swap to hedge the foreign exchange exposure in respect of both principal outstanding and interest payments and converted its underlying liability from one foreign currency to another:

As at 31 March 2020			As at 31 March 2019			As at 1 April 2018			Remarks
No. of Contracts	Borrowing outstanding in foreign Currency	Notional USD equivalent	No. of Contracts	Borrowing outstanding in foreign Currency	Notional USD equivalent	No. of Contracts	Borrowing outstanding in foreign Currency	Notional USD equivalent	
1	JPY 12 Billion	145.90 Million	1	JPY 12 Billion	145.90 Million	1	JPY 12 Billion	145.90 Million	Back to back recovery of INR/USD exchanges rate variation from MOR.
1	JPY 3 Billion	37.04 Million	1	JPY 3 Billion	37.04 Million	1	JPY 3 Billion	37.04 Million	Back to back recovery of INR/USD exchange rate variation from MOR.

(c)The foreign currency borrowings which have not been hedged, are as follows:

As at 31 March 2020		As at 31 March 2019		As at 1 April 2018		Remarks
No. of Contracts	Borrowing outstanding in foreign Currency	No. of Contracts	Borrowing outstanding in foreign Currency	No. of Contracts	Borrowing outstanding in foreign Currency	
1	USD 6.00 Million	1	USD 9.00 Million	1	USD 12.00 Million	Back to back recovery of exchange rate variation from MOR.
1	USD 500 Million	1	USD 500 Million	1	USD 500 Million	
1	USD 500 Million	1	USD 500 Million	2	USD 350 Million	
1	JPY 26,231.25 Million (Equivalent to USD 250 Million)	1	JPY 26,231.25 Million (Equivalent to USD 250 Million)	1	JPY 26,231.25 Million (Equivalent to USD 250 Million)	
1	JPY 32, 856 Million (Equivalent to USD 300 Million)					
1	USD 300 Million					
1	USD 700 Million					
1	USD 300 Million					
1	JPY 33,189 million (Equivalent to USD 300 Million)					

(d) Other than currency forward contracts, the Company also resorts to interest rate derivatives like Cross Currency Interest Rate Swap and Interest Rate Swap for hedging the interest rate risk associated with its external commercial borrowings.

The Company recognizes these derivatives in its Financial Statements at their Fair Values. Further, in view of the fact that these derivatives are Over the Counter (OTC) contracts customized to match the residual tenor and value of the underlying liability, the Company relies on the valuations done by the counter parties to the derivative transactions using the theoretical valuation models.

No. of transaction	Description of Derivative	Notional Principal	Fair Value Asset / (liability) at 31 March 2020	Fair Value Asset / (liability) at 31 March 2019	Fair Value Asset / (liability) at 1 April 2018
2	Cross Currency Interest Rate Swap (JPY Fixed Interest Rate Liability to USD Floating Rate Liability)	JPY 12 Bn. / USD Mio 145.90; JPY 3 Bn. / USD Mio 37.04	(3,090.22)	(3,105.95)	(2,354.19)
2	Foreign Currency Interest Rate Swap (Floating Rate USD Libor to Fixed Rate)	JPY 12 Bn. / USD Mio 145.90; JPY 3 Bn. / USD Mio 37.04	(974.93)	466.90	870.30
1	Foreign Currency Interest Rate Swap (Floating Rate USD Libor to Fixed Rate)	USD 200.00 Mio	-	-	98.17

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54.3: Disclosures relating to securitisation

The Company has not entered into any securitization transaction during the year. However, the Company had entered into two securitization transactions in respect of its lease receivables from MoR on 25 January 2010 and 24 March 2011. As per IND AS 109, financial instruments, the gain on these transactions was recognised in the year of transactions, itself.

54.3.1: In terms of the Minimum Retention Requirement (MRR) as contained in the draft guidelines issued by RBI in April 2010, the Company had invested 5% of the total securitized amount towards MMR in respect of its second securitization transaction executed in 2011. The present exposure on account of securitization transaction at 31 March 2020 is Rs. 22.23 millions (31 March 2019: Rs. 33.30 millions & 1 April 2018 : Rs. 45.42 millions). The details are as below:

	Particulars		As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
1	No. of SPVs sponsored by the NBFC for securitisation transactions		2	2	2
2	Total amount of securitised asset as per books of the SPVs sponsored		991.25	1,511.66	2,078.89
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet *		22.23	33.30	45.42
	a)	Off-balance sheet exposures		-	
		First loss	-	-	-
		Others	22.23	33.30	45.42
	b)	On-balance sheet exposures			
		First loss	-	-	
		Others	-	-	
4	Amount of exposures to securitisation transactions other than MRR		NIL	NIL	NIL

* Impairement loss as per Ind AS 109 has been made for an amount of Rs. .09 million

54.3.2: Company has not sold any financial assets to Securitization / Reconstruction Company for asset construction during the financial year ended on 31 March 2020. (31 March 2019: NIL, 1 April 2018 : NIL).

54.3.3 : Company has not undertaken any assignment transaction during the financial year ended on 31 March 2020. (31 March 2019: NIL, 1 April 2018 : NIL).

54.3.4 : Company has neither purchased nor sold any non-performing financial assets during the financial year ended on 31 March 2020 (31 March 2019: NIL, 1 April 2018 : NIL).

54.4: Asset liability management maturity pattern of certain items of Assets and Liabilities

Refer financial instrument notes 38.9

54.5: Exposures

54.5.1: Exposure to real Estate sector

The Company does not have any exposure to real estate sector.

54.5.2: Exposure to capital market

	Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
i	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt (includes investment in fully convertible preference shares			
	- At Cost	19.99	19.99	19.99
	- At Fair Value	92.98	98.15	94.36
ii	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	-	-	
iii	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-	
iv	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances (excluding loans where security creation is under process)	-	-	
v	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-	
vi	Loans sanctioned to corporates against the security of shares/ bonds / debentures or other securities or on clean basis for meeting promoters contribution to the equity of new companies in anticipation of raising resources	-	-	
vii	Bridge loans to companies against expected equity flows / issues	-	-	
viii	All exposures to Venture Capital Funds (both registered and unregistered)	-	-	
Total exposure to capital market		**92.98**	**98.15**	**94.36**

54.5.4: Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Reserve Bank of India has issued Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 vide notification no.DNBR.009/CGM(CDS)-2015 dated 27th March 2015. The Company, being a Government Company, these Directions, except the provisions contained in Paragraph 25 thereof, are not applicable to the Company.

54.5.5: Unsecured advances

The outstanding amounts against unsecured loans, advances & lease receivables are as under:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Ministry of Railways, Government of India			
- Lease receivables	14,85,798.00	12,50,265.12	10,94,716.56
- Other receivables/(payables)	-	-	-
Rail Vikas Nigam Limited, a wholly owned entity of Ministry of Railways, Govt. of India	39,879.41	28,426.30	20,379.55
IRCON International Limited	24,612.27	30,765.34	32,000.00
Interest accrued thereon(RVNL & IRCON)	9,669.86	9,669.11	7,183.74
Total	**15,59,959.54**	**13,19,125.87**	**11,54,279.85**

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54.6: Miscellaneous

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
54.6.1: Registration obtained from other financial sector regulators	NIL	NIL	NIL

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
54.6.2: Disclosure of Penalties imposed by RBI and other regulators	NIL	NIL	NIL

54.6.3: Ratings assigned by credit rating agencies and migration of ratings during the year

a. **Rating assigned by credit rating agencies and migration of ratings during the year:**

S.No	Rating Agencies	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	Long Term Rating			
1	CRISIL	CRISIL AAA / Stable	CRISIL AAA	CRISIL AAA
2	ICRA	ICRA AAA / Stable	ICRA AAA	ICRA AAA
3	CARE	CARE AAA / Stable	CARE AAA	CARE AAA
	Short Term Rating			
1	CRISIL	CRISIL A1+	CRISIL A1+	CRISIL A1+
2	ICRA	ICRA A1+	ICRA A1+	ICRA A1+
3	CARE	CARE A1+	CARE A1+	CARE A1+

b. **Long term foreign currency issuer rating assigned to the Company**

S.No	Rating Agencies	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
	Long Term Rating			
1	Fitch Rating	BBB-/Stable	BBB-/Stable	BBB-/Stable
2	Standard & Poor	BBB-/Stable	BBB-/Stable	BBB-/Stable
3	Moody's	Baa3/Stable	Baa2/Stable	Baa2/Stable
4	Japanese Credit Rating Agency	BBB+/Stable	BBB+/Stable	BBB+/Stable

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
54.6.4 (a) : Net Profit or Loss for the period	-	-	481.60
54.6.4 (b) : Prior period items	-	-	-
54.6.4 (c): Changes in accounting policies (Refer note no.46 (d))	64,431.40	64,431.40	64,431.40

Note 54.7

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
54.7.1: Provisions and Contigencies	Refer Note 34	Refer Note 34	Refer Note 34
54.7.2: Drawn down from reserves	NIL	NIL	NIL

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
54.7.3: Concentration of Deposits, Advances, Exposures and NPAs			
54.7.3.1: Concentration of Deposits (for deposit taking NBFCs)	Company is a non deposit accepting NBFC	Company is a non deposit accepting NBFC	Company is a non deposit accepting NBFC

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54.7.3.2: Concentration of advances

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Total advances to twenty largest borrowers	26,61,111.93	20,09,136.56	15,45,346.66
Percentage of advances to twenty largest borrowers to total advances of the NBFC	100%	100%	100%

54.7.3.3: Concentration of exposures

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Total exposure to twenty largest borrowers/ customers	26,61,204.91	20,09,234.71	15,45,441.02
Percentage of exposure to twenty largest borrowers/ customers to total exposure of the NBFC on borrowers/customers	100%	100%	100%

54.7.3.4: Concentration of NPAs	NIL	NIL	NIL
54.7.3.5: Sector-wise NPAs	NIL	NIL	NIL
54.7.4: Movement of NPAs	NIL	NIL	NIL
54.7.5: Overseas Assets	NIL	NIL	NIL
54.7.6: Off-balance sheet SPVs sponsored	NIL	NIL	NIL

54.8: Disclosure of complaints

54.8.1: Investor complaints

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
(a) No. of complaints pending at the beginning of the year	-	-	-
(b) No. of complaints received during the year	1,345	1,073	603
(c) No. of complaints redressed during the year	1,345	1,073	603
(d) No. of complaints pending at the end of the year	-	-	-

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Indian Railway Finance Corporation Limited
CIN U65910DL1986GOI026363
Notes to financial statements
(All amounts in million of INR, unless stated otherwise)

Note 55: Current and non current classification

As required by the paragraph 61 of Ind As 1, Presentation of financial statements, the classification into current and non current of line item of assets and liabilities as in the balance sheet is as under :

a) Classification of balance sheet as at 31 March 2020

	As at 31 March 2020		
Line Item	**Amount**	**Current**	**Non-current**
Assets			
Financial Assets			
Cash and cash equivalents	13.80	13.80	-
Bank balance other than (a) above	993.83	993.83	-
Derivative financial instruments	-	-	-
Receivables			-
- Trade receivables	-	-	-
- Lease receivables	14,85,798.00	1,12,525.68	13,73,272.32
Loans	64,233.71	2,657.44	61,576.27
Investments	115.12	10.05	105.07
Other financial assets	11,87,487.29	4,599.95	11,82,887.34
Total financial assets	**27,38,641.75**	**1,20,800.75**	**26,17,841.00**
Non-financial assets			
Current tax assets (net)	5,864.06	5,864.06	-
Deferred tax assets (net)	-	-	-
Property, plant and equipment	110.04	-	110.04
Other Intangible assets	0.43	-	0.43
Other non-financial assets	14,725.41		14,725.41
Total non-financial assets	**20,699.94**	**5,864.06**	**14,835.88**
Total Assets	**27,59,341.69**	**1,26,664.81**	**26,32,676.88**
Liabilities			
Financial liabilities			
Derivative financial instruments	4,065.15	-	4,065.15
Trade payable	377.58	377.58	-
Debt securities	15,52,904.56	1,12,291.99	14,40,612.57
Borrowings (other than debt securities)	7,90,862.65	1,54,346.29	6,36,516.36
Other financial liabilities	1,01,047.19	51,192.73	49,854.46
Total financial liabilities	**24,49,257.13**	**3,18,208.59**	**21,31,048.54**
Non-financial liabilities			
Current tax liabilities (net)	-	-	-
Provisions	138.03	121.14	16.89
Deferred tax liabilities (net)	-	-	-
Other non-financial liabilities	322.19	322.19	-
Total non-financial liabilities	**460.22**	**443.33**	**16.89**
Total liabilities	**24,49,717.35**	**3,18,651.92**	**21,31,065.43**
Equity			
Equity share capital	1,18,804.60	-	1,18,804.60
Other equity	1,90,819.74	-	1,90,819.74
Total equity	**3,09,624.34**	-	**3,09,624.34**
Total Liabilities and Equity	**27,59,341.69**	**3,18,651.92**	**24,40,689.77**

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b) Classification of balance sheet as at 31st March 2019

	As at 31 March 2019		
Line Item	**Amount**	**Current**	**Non-current**
Assets			
Financial Assets			
Cash and cash equivalents	37.07	37.07	-
Bank balance other than (a) above	773.59	773.59	-
Derivative financial instruments	466.90	-	466.90
Receivables	-	-	-
- Lease receivables	12,50,265.12	95,104.40	11,55,160.72
Loans	58,954.87	8,779.57	50,175.30
Investments	131.45	11.06	120.39
Other financial assets	7,40,307.26	10,267.89	7,30,039.37
Total financial assets	**20,50,936.26**	**1,14,973.58**	**19,35,962.68**
Non-financial assets			
Current tax assets (net)	-	-	-
Deferred tax assets (net)	-	-	-
Property, plant and equipment	112.25	-	112.25
Other Intangible assets	0.50	-	0.50
Other non-financial assets	14,987.09	14,961.79	25.30
Total non-financial assets	**15,099.84**	**14,961.79**	**138.05**
Total Assets	**20,66,036.10**	**1,29,935.37**	**19,36,100.73**
Liabilities			
Financial liabilities			
Derivative financial instruments	3,105.95	-	3,105.95
Trade payable	121.79	121.79	-
Debt securities	12,35,978.99	1,06,011.36	11,29,967.63
Borrowings (other than debt securities)	5,03,347.76	1,24,312.45	3,79,035.31
Other financial liabilities	72,999.28	38,510.91	34,488.37
Total financial liabilities	**18,15,553.77**	**2,68,956.51**	**15,46,597.26**
Non-financial liabilities			
Current tax liabilities (net)	29.69	29.69	-
Provisions	117.96	80.98	36.98
Deferred tax liabilities (net)	-	-	-
Other non-financial liabilities	48.15	48.15	-
Total non-financial liabilities	**195.80**	**158.82**	**36.98**
Total liabilities	**18,15,749.57**	**2,69,115.33**	**15,46,634.24**
Equity			
Equity share capital	93,804.60	-	93,804.60
Other equity	1,56,481.93	-	1,56,481.93
Total equity	**2,50,286.53**	-	**2,50,286.53**
Total Liabilities and Equity	**20,66,036.10**	**2,69,115.33**	**17,96,920.77**

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c) Classification of balance sheet as at 1 April 2018

	As at 1 April 2018		
Line Item	**Amount**	**Current**	**Non-current**
Assets			
Financial Assets			
Cash and cash equivalents	11.28	11.28	-
Bank balance other than (a) above	986.92	986.92	-
Derivative financial instruments	968.47	98.17	870.30
Receivables	-	-	-
- Lease receivables	10,94,716.56	82,368.55	10,12,348.01
Loans	52,379.55	2,413.25	49,966.30
Investments	139.78	12.12	127.66
Other financial assets	4,51,076.00	39,481.02	4,11,594.98
Total financial assets	**16,00,278.56**	**1,25,371.31**	**14,74,907.25**
Non-financial assets			
Current tax assets (net)	258.44	258.44	-
Deferred tax assets (net)	-	-	-
Property, plant and equipment	112.69	-	112.69
Other Intangible assets	0.27	-	0.27
Other non-financial assets	14,033.30	14,008.00	25.30
Total non-financial assets	**14,404.70**	**14,266.44**	**138.26**
Total Assets	**16,14,683.26**	**1,39,637.75**	**14,75,045.51**
Liabilities			
Financial liabilities			
Derivative financial instruments	7,495.79	5,141.60	2,354.19
Trade payable	87.15	87.15	-
Debt securities	11,08,442.46	1,31,981.77	9,76,460.69
Borrowings (other than debt securities)	2,31,612.82	63,844.41	1,67,768.41
Other financial liabilities	56,625.68	37,020.28	19,605.40
Total financial liabilities	**14,04,263.90**	**2,38,075.21**	**11,66,188.69**
Non-financial liabilities			
Current tax liabilities (net)	-	-	-
Provisions	108.37	93.29	15.08
Deferred tax liabilities (net)	-	-	-
Other non-financial liabilities	6,592.73	6,592.73	-
Total non-financial liabilities	**6,701.10**	**6,686.02**	**15.08**
Total liabilities	**14,10,965.00**	**2,44,761.23**	**11,66,203.77**
Equity			
Equity share capital	65,264.60	-	65,264.60
Other equity	1,38,453.66	-	1,38,453.66
Total equity	**2,03,718.26**	-	**2,03,718.26**
Total Liabilities and Equity	**16,14,683.26**	**2,44,761.23**	**13,69,922.03**

For the purpose of this note:-

i) The Company classify an assets as current when,

-It expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

-It holds the asset primarily for the purpose of trading;

-It expects to realise the asset within twelve months after the reporting period or;

-The asset is cash or a cash equivalents (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non current.

ii) The Company classify a liability as current when,

-It expects to settle the liability in its normal operating cycle;

-It holds the liability primarily for the purpose of trading;

-The liability is due to be settled within twelve months after the reporting period or;

-It does not have an unconditional right to defer settlements of the liability for at least twelve months after the reporting period (see paragraph 73). Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not affects its classification.

All other liabilities are classified as non current .

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Note 56 SCHEDULE TO THE BALANCE SHEET OF A NON-BANKING FINANCIAL COMPANY AS REQUIRED UNDER MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016

S. No. Particulars	As at 31st March 2020		As at 31st March 2019		As at 1 April 2018	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
Liabilities Side:						
1) Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid :						
(a) Debentures/ Bonds :						
- Secured	11,57,742.13	-	9,74,691.31	-	8,74,035.51	-
- Unsecured	8,56,528.34	-	2,31,427.91	-	2,24,431.07	-
(b) Deferred Credits	-	-	-	-	-	-
(c) Term Loans	7,90,862.65	-	5,03,347.76	-	2,31,612.82	-
(d) Inter-corporate loans and Other Borrowings	-	-	-	-	-	-
(e) Commercial Paper	38,634.09	-	29,859.77	-	9,975.88	-
(f) Public Deposits	-	-	-	-	-	-
(g) Fixed Deposits accepted from Corporates	-	-	-	-	-	-
(h) FCNR Loans	-	-	-	-	-	-
(i) External Commercial Borrowings	-	-	-	-	-	-
(j) Associated liabilities in respect of securitization transactions	-	-	-	-	-	-
(k) Subordinate debt (including NCDs issued through Public issue)	-	-	-	-	-	-
(l) Other Short Term Loans and credit facilities from banks	-	-	-	-	-	-
2) Break-up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :						
(a) In the form of Unsecured debentures -	-	-	-	-	-	-
(b) In the form of partly secured debentures i.e. Debentures where there is a shortfall in the value of security	-	-	-	-	-	-
(c) Other public deposits	-	-	-	-	-	-
Asset side:						
3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :						
(a) Secured	-	-	-	-	-	-
(b) Unsecured	12,51,669.21	-	7,99,216.52	-	5,03,410.01	-
4) Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities :						
(i) Lease assets including lease rentals under sundry debtors :						
(a) Financial lease	14,85,798.00	-	12,50,265.12	-	10,94,716.56	-
(b) Operating lease	-	-	-	-	-	-
(ii) Stock on hire including hire charges under sundry debtors :						
(a) Assets on hire	-	-	-	-	-	-
(b) Repossessed Assets	-	-	-	-	-	-
(iii) Other loans counting towards AFC activities:						
(a) Loans where assets have been repossessed	-	-	-	-	-	-
(b) Loans other than (a) above	-	-	-	-	-	-
5) Break-up of Investments :						
Current Investments :						
1. Quoted :						
(i) Shares:(a) Equity	-	-	-	-	-	-
(b) Preference	-	-	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-	-	-
(iii) Units of mutual funds	-	-	-	-	-	-
(iv) Government Securities	-	-	-	-	-	-
2. Unquoted :						
(i) Shares:(a) Equity	-	-	-	-	-	-
(b) Preference	-	-	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-	-	-
(iii) Units of mutual funds	-	-	-	-	-	-
(iv) Government Securities	-	-	-	-	-	-
(v) Investments in Pass Through Certificates under securitization transactions	-	-	-	-	-	-
(vi) Commercial Papers	-	-	-	-	-	-
(vii) Investments in Pass Through Certificates under securitization transactions	-	-	-	-	-	-
Long Term Investments :						
1. Quoted :						
(i) Shares: (a) Equity	92.98	-	98.15	-	-	-
(b) Preference	-	-	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-	-	-
(iii) Units of mutual funds	-	-	-	-	-	-
(iv) Government Securities	-	-	-	-	-	-
2. Unquoted :						
(i) Shares:(a) Equity	-	-	-	-	94.36	-
(b) Preference	-	-	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-	-	-
(iii) Units of mutual funds	-	-	-	-	-	-
(iv) Government Securities	-	-	-	-	-	-
(v) Investments in Pass Through Certificates under securitization transactions	22.23	-	33.30	-	45.42	-

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6) Borrower group-wise classification assets financed as in (3) and (4) above :

Category	As at 31 March 2020 Amount of Net provision			As at 31 March 2019 Amount of Net provision			As at 1 April 2018 Amount of Net provision		
	Secured	Unsecured	Total	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties									
(a) Subsidiaries	-	-	-	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-	-	-	-
(c) Other related parties	-	27,37,467.21	-	-	20,49,481.63	-	-	15,98,126.58	-
2. Other than related parties	-	-	-	-	-	-	-	-	-
Total	-	27,37,467.21	-	-	20,49,481.63	-	-	15,98,126.58	-

7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Market value/Break up/or fair value of NAV	Book value (net of provision)	Market value/Break up/or fair value of NAV	Book value (net of provision)	Market value/Break up/or fair value of NAV	Book value (net of provision)
1. Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	92.98	92.98	98.15	98.15	94.36	94.36
2. Other than related parties	22.23	22.14	33.30	33.30	45.42	45.42
Total	115.21	115.12	131.44	131.44	139.78	139.78

8) Other information:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
i) Gross Non-Performing Assets :			
(a) Related parties	-	-	-
(b) Other than related parties	-	-	-
ii) Net Non-Performing Assets :			
(a) Related parties	-	-	-
(b) Other than related parties	-	-	-
iii) Assets acquired in satisfaction of debt :	-	-	-

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Note 57 DISCLOSURE AS REQUIRED UNDER RBI NOTIFICATION NO. RBI/2019-20/170 DOR (NBFC).CC .PD .NO .109/22.10.106/2019-20 DATED 13 MARCH 2020 ON IMPLEMENTATION OF INDIAN ACCOUNTING STANDARDS

(i) A comparison between provisions required under extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109 for the year ended 31 March 2020

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard *	Stage 1	15,60,103.26	296.85	15,59,806.41	296.85	-
	Stage 2	-	-	-	-	-
Subtotal for standard		15,60,103.26	296.85	15,59,806.41	296.85	-
Non-Performing Assets (NPA)						
Substandard	Stage 3					
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful						
Loss	Stage 3					
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2					
	Stage 3					
Subtotal		-	-	-	-	-
Total	Stage 1	15,60,103.26	296.85	15,59,806.41	296.85	-
	Stage 2	-	-	-	-	
	Stage 3	-	-	-	-	-
Total		15,60,103.26	296.85	15,59,806.41	296.85	-

* Standard assets includes amount recoverable from ministry of railways being due from sovereign. The Reserve Bank of India has granted exemption to the Company in respect of classification of asset, provisioning norms and credit concentration norms to the extent of direct exposure to sovereign (refer note no. 42(a) (i))

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(ii) A comparison between provisions required under extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109 for the year ended 31 March 2019

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard *	Stage 1	13,19,293.36	275.45	13,19,017.91	275.45	-
	Stage 2	-	-	-	-	-
Subtotal for standard		13,19,293.36	275.45	13,19,017.91	275.45	-
Non-Performing Assets (NPA)						
Substandard	Stage 3					
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful						
Loss	Stage 3					
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2					
	Stage 3					
Subtotal		-	-	-	-	-
Total	Stage 1	13,19,293.36	275.45	13,19,017.91	275.45	-
	Stage 2	-	-	-	-	
	Stage 3	-	-	-	-	-
Total		13,19,293.36	275.45	13,19,017.91	275.45	-

* Standard assets includes amount recoverable from ministry of railways being due from sovereign. The Reserve Bank of India has granted exemption to the Company in respect of classification of asset, provisioning norms and credit concentration norms to the extent of direct exposure to sovereign (refer note no. 42(a) (i))

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(iii)

A comparison between provisions required under extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109 as at 1 April 2018

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	11,54,460.53	-	11,54,460.53	-	-
	Stage 2	-	-	-	-	-
Subtotal for standard		11,54,460.53	-	11,54,460.53	-	-
Non-Performing Assets (NPA)						
Substandard	Stage 3					
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful						
Loss	Stage 3					
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2					
	Stage 3					
Subtotal		-	-	-	-	-
Total	Stage 1	11,54,460.53	-	11,54,460.53	-	-
	Stage 2	-	-	-	-	
	Stage 3	-	-	-	-	-
Total		11,54,460.53	-	11,54,460.53	-	-

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Since the total impairment allowances under Ind AS 109 is equal to the total provisioning required under IRACP (including standard asset provisioning) as at 31 March 2020, no amount is required to be transferred to 'Impairment Reserve'. The gross carrying amount of asset as per Ind AS 109 and Loss allowances (Provisions) thereon includes interest accrual on net carrying value of stage - 3 assets as permitted under Ind AS 109. While, the provisions required as per IRACP norms does not include any such interest as interest accrual on NPAs is not permitted under IRACP norms.

The balance in the 'Impairment Reserve' (as and when created) shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI.

(ii) **In terms of recommendations as per above referred notification, the Company has adopted the same definition of default for accounting purposes as guided by the definition used for regulatory purposes.**

As at 31 March 2020, there are no loan accounts that are past due beyond 90 days but not treated as impaired.

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Note 58 DISCLOSURES AS REQUIRED UNDER COVID 19 REGULATORY PACKAGE - ASSET CLASSIFICATION AND PROVISIONING ISSUED BY RBI VIDE NOTIFICATION NO. RBI/2019-20/220 DOR.No. BO.BC.63/21/04.048/2019 -20 DATED 17 APRIL 2020

S.no	Pariculars	Amount
i	Respective amounts in SMA / overdue categories, where the moratoriun / deferment was extended in terms of pararaph 2 & 3 of the aforesaid notification	Nil
ii	Respective amount where asset classfication benefit is extended	Nil
iii	Provisions made during quarter 4 of Financial year 2019 - 20	Nil
iv.	Provisions adjusted during the respective accounting periods against slippages and residual provisions in terms of paragraph 6 of the aforesaid notification	Nil

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Note 59:

a) Previous year figures have been regrouped/ rearranged, whenever necessary, in order to make them comparable with those of the current year.

Note 60: Approval of financial statements

a) The financial statements for the year ended 31 March 2020 were approved by the Board of Directors on 28th August 2020.

For SPMG & Co.
Chartered Accountants
(FRN 509249C)

(Sharad Poddar)
(Partner)

M.No. 087853

For and on behalf of the Board of Directors
Indian Railway Finance Corporation Limited

(Vijay Babulal Shirode)
Company Secretary &
JGM (Law)

(Anand Prakash)
Director

DIN: 08805417

(Amitabh Banerjee)
Chairman & Managing Director

DIN: 03315975

Place: New Delhi
Date: 28th August 2020

SPMG & Co
Chartered Accountants

3322A, 2nd Floor, Bank Street,
Karol Bagh, New Delhi-110005 (India)
Tel : (+)91 11 28728769, 28727385
Website : www.spmg.in

Independent Auditor's Report

To the Members of
Indian Railways Finance Corporation Limited
Report on the Financial Statements

OPINION

We have audited the standalone financial statements of **Indian Railway Finance Corporation Limited** ("the Company"), which comprise the standalone balance sheet as at 31st March, 2020 and the standalone statement of Profit and Loss (including Other Comprehensive Income), standalone Statement of Changes in Equity, and the standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone 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 Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2020, and the profit and other comprehensive income, changes in equity, and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the standalone 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 standalone financial statements under the provisions of the Act and the Rules there-under, 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.

EMPHASIS OF MATTERS

We draw attention to the Comptroller & Audit General (C&AG) of India Auditor's observations regarding the presentation/classification of the "Advance given against railway infrastructure assets to be Leased" on to the railways and advance funding against National projects into "Non financial Assets-Capital Advances" instead of "Other Financial Assets" as treated by the company. The total amount under observation is Rs. 6,99,916.58 Millions as at March 31, 2019. As agreed with C & AG, the company has referred the matter to the Expert Advisory Committee of the Institute of Chartered Accountants of India for an expert opinion. The reply from ICAI is awaited.

As informed to us by the management of the company, the company is still waiting for the Expert opinion from The Institute of Chartered Accountants of India, the same accounting treatment has been followed while preparing the financials as on March 31, 2020. The total amount under the head "Other Financial Assets" is Rs. 11,11,080.22 Millions as on March 31, 2020. Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

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

We have determined the matters described below to be the Key Audit Matters to be communicated:-

S.No.	Key Audit Matters	Auditor's Response
1.	The government has introduced new section 115BAA by the Taxation Law (Amendment) Ordinance, 2019 w.e.f F.Y 2019-20, which provides an option to opt for a income tax rate of 22%, Surcharge 10% & Health and Education Cess at 4% by any domestic company. By opting this total effective tax rate will be at 25.168% (under normal provision of income tax) as against earlier effective tax rate of 34.944% (under normal provision of income tax). However, the earlier effective tax rate under MAT was 21.549% which was applicable on the company.	• After adoption of irrevocable option of section 115BAA of Income Tax Act, 1961, the taxable income under the normal provision income tax may become NIL. Further after adoption of section 115BAA, the company will be outside the scope and applicability of MAT Provision under section 115JB of Income Tax Act, 1961. Hence, no tax liability may be there w.e.f F.Y 2019-20 on the company. • However, the accumulated MAT Credit of Rs. 36,836.86 Millions as on 31.03.2019 by adoption of section 115BAA is not going to be claimable by the company against their future tax liability under normal provisions of Income Tax Act, 1961. As per the past records, the company was not able to adjust/claim MAT Credit against the normal tax liability and the same has not been provided in the books of accounts accordingly. • In view of above, the company is not likely to loose any amount against the accumulated MAT credit of Rs. 36,836.86 Millions. • Hence no tax provision has been created for the year ended March 31, 2020.
2.	The Ministry of Corporate Affairs has notified the Companies (Share Capital and Debentures) Amendments Rules, 2019 on 16th August, 2019 which exempts NBFC listed companies registered with Reserve Bank of India under section 45-IA of the RBI Act, 1934 from creation of Debenture Redemption Reserve. However the Company is required to invest or deposit a sum of not less than fifteen percent of the amount of debentures maturing during the year ending on the 31st day of March of the	The Bond Redemption Reserve as on 31.03.2019 amounting to Rs. 57,145.59 Millions has been transferred to General Reserve.

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	next year as prescribed under these rules	
3.	The Ministry of Corporate Affairs, Government of India vide its letter no. 17/16/2017-CL-V dated 20th March 2020, has granted reversal of its accumulated deferred tax balance and consider the same as a part of net worth of the company.	• The Ministry of Corporate Affairs, Government of India advised the company to apply paragraph 11 of Ind AS 01, First Time adoption of Ind AS read with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors. Accordingly, the Company has during the current financial year reversed the deferred tax liability of Rs. 64,431.40 million by crediting the retained earnings as at 1st April 2017 being the date of transition to Ind AS treating this as a change in accounting policy that results in the financial statements providing reliable and more relevant information about the effects of the transactions, other events or conditions on the entity's financial position, financial performance or cash flows • This being retrospective application, therefore in accordance with paragraph 40A of Ind AS 1, Presentation of Financial Statements, the Company has presented a third balance sheet at the beginning of the preceding period.
4	**<u>IT systems and controls</u>** Financial accounting and reporting processes, especially in the financial services sector, are fundamentally reliant on IT systems and IT controls to process significant transaction volumes, hence we identified IT systems and controls over financial reporting as a key audit matter for the Company. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls and IT operations, are required to be designed and to operate effectively to ensure reliable financial reporting.	• We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are important to financial reporting and various interfaces, configuration and other identified application controls. • We tested IT general controls. This included testing requests for access to systems were reviewed and authorized. • We tested the Company's periodic review of access rights. We also tested requests of changes to systems for approval and authorization. • In addition to the above, we tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over financial reporting. • The accounting software used by the company is not Ind AS complied as on date. However, the management is working upon the same to make it Ind AS complied.
5	**<u>Adoption of Ind AS 116 Leases</u>** As described in Note 2.14 to the standalone	Our Audit Procedure on adoption of Ind AS 116 include:-

	financial statements, the Company has adopted Ind AS 116 Leases effective from accounting periods beginning from 1st April 2019. The application and the company has applied the transition provisions as mentioned in Ind AS 116.	• Assessed and tested new process and controls in respect of lease accounting standard (Ind AS 116): • Assessed the Company's evaluation on the identification of leases based on the contractual agreement and our knowledge of the business. • The revenue has been recognized in conformity with the provision of Ind AS 116 with respect to the finance lease to the extent it is applicable to the company.

OTHER INFORMATION

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

In preparing the Standalone Financial Statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant

ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

   c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flow 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 Rule 7 of the Companies (Accounts) Rules, 2014.

   e) In terms of Notification No. GSR 463(E) dated 05.06.2015 issued by Ministry of Corporate Affairs, Government of India, provisions of Sub-section 2 of Section 164 of the Act, are not applicable to the Company, being a government company.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

3. The company being the government company wholly owned by the Central Govt., therefore section 197 (16) of the Companies Act 2013 shall not apply vide Notification no. GSR 463(E) dated 5th June 2015.

4. 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 litigations on its financial position in its financial statements – Refer Note 34 to the financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 38 to the financial statements;

SPMG & COMPANY * CHARTERED ACCOUNTANTS * New Delhi

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

5. As required by section 143(5) of the Companies Act, 2013, we have considered the directions/sub-directions issued by the Comptroller and Audit General of India, the action taken and its impact to the Financial Statements to the company given in "Annexure-C"

For SPMG & Co.
Chartered Accountants
Firm Reg. No. 509249C

Sharad Poddar

CA Sharad Poddar
(Partner)
M. No. - 087853
UDIN: 20087853AAAAAT3762

Place: New Delhi
Dated: August 28th, 2020

Annexure A to the Independent Auditor's Report on the financial statements

(Referred to in Para 1 under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of Indian Railway Finance Corporation Limited on the standalone financial statements for the year ended 31st March, 2020)

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. **However these Records do not include the particulars of Fixed Assets leased to Ministry of Railways as the same are shown as lease receivables in the books of accounts.**

   b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified except leased assets. In accordance with this programme physical verification is reasonable having regard to the size of the Company and the nature of its assets.

   c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of immovable properties are held in the name of the company except the title deed of office building is yet to be executed in favour of the company and also the same has been disclosed in Note 46 (a) of the financial statements.

   d) The company has given an amount of Rs. 3,39,400.00 Millions during the year ended 31st March, 2020 (31 March, 2019 Rs 2,23,554.00 Millions) to Ministry of Railways under leased arrangement for financing the Railway Infrastructure Projects and Rs. 25,000.00 Millions during the year ended 31st March, 2020 (31 March, 2019 50,787.00 Millions) to Ministry of Railways under leased arrangement for financing the National Project. However, agreement for the same is yet to be executed and list of the projects financed is yet to be received from Ministry of Railways. (Refer Note No. 45)

2. The Company is a Non-Banking Finance Company and not in the business of any trading, manufacturing, mining or processing. Accordingly, it does not hold any inventory. Therefore, the provisions of paragraph 3 (ii) of the Order are not applicable to the Company.

3. According to information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under sec on 189 of the Act. Therefore, the provisions of paragraph 3 (iii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

4. According to information and explanations given to us and based on audit procedures performed, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities provided by the Company as specified under section 185 and 186 of the Companies Act, 2013. Therefore, the provisions of paragraph 3 (iv) of the Order are not applicable to the Company.

5. As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section

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73 to 76 or any other relevant provisions of the Act and the companies (Acceptance of Deposit) Rules, 2015 and the rules framed there under.

6. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sec on 148(1) of the Act, for any of the services rendered by the Company. Accordingly, clauses 3(vi) of the Companies (Auditor's Report) Order are not applicable to the Company.

7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income- tax, Goods and Service tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value added tax, Cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. (Refer Note 34 of the financial Statement)

   b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income-Tax, Goods and Service tax, Sales Tax, Service Tax. Duty of Custom, Duty of excise, VAT, Cess and other material statutory dues were in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.

   c) According to the information and explanations given to us, there are no disputed dues in respect of Goods and Service tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value added tax and Cess which have not been deposited with the appropriate authorities. However, the demands of Income tax which has not been deposited by the company on account of dispute as the company is confident that the demands will be either deleted or substantially reduced and proper disclosure regarding the same has been given in Note No. 34 of the financial Statement.

8. In our opinion, and according to information and explanations given by the management, the company has not defaulted in making repayment of loans or borrowing from a Financial Institution, Banks or dues to debenture holders/bond holders or government as at Balance Sheet date.

9. According to the information and explanations given by the management and based on our audit procedures performed we report that no monies raised by way of initial public offer or further public offer. However, the funds raised by way of issue of debt instruments and term Loans were applied for the purposes for which those funds were raised.

10. To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.

11. The company being the government company wholly owned by the Central Govt., therefore section 197 read with schedule V of the Companies Act 2013 shall not apply vide Notification no. GSR 463(E) dated 5th June 2015.

12. According to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

13. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

14. According to the information and explanations given by the management, and based on our examination of records, the Company has raised money through private placement of Equity Shares from Ministry of Railways during the year. Further, the company has not made any preferential or private placement of fully or partly convertible debentures during the year.

15. According to the information and explanations given to us and based on audit procedures performed, the Company has not entered into any non-cash transactions with directors or persons connected with him which are covered under Section 192 of Companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.

16. According to the information and explanations given to us, the Company is a Non-Banking Finance Company and is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the registration has been obtained.

For SPMG & Co.
Chartered Accountants
Firm Reg. No. 509249C

Sharad Poddar

SPMG & COMPANY CHARTERED ACCOUNTANTS New Delhi

CA Sharad Poddar
(Partner)
M. No. - 087853
UDIN: 20087853AAAAAT3762

Place: New Delhi
Dated: August 28th, 2020

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **Indian Railway Finance Corporation Limited** ("the Company") as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

OPINION

We have audited the internal financial controls with reference to financial statements of Indian Railway Finance Corporation Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note")

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting, issued by the Institute of Chartered Accountants of India ('ICAI') (the "Guidance Note"). 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 (hereinafter referred to as "the Act").

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, 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 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 with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 WITH REFERENCE TO FINANCIAL STATEMENTS

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

For SPMG & Co.
Chartered Accountants
Firm Reg. No. 509249C

CA Sharad Poddar
(Partner)
M. No. - 087853
UDIN: 20087853AAAAAT3762

Place: New Delhi
Dated: August 28th, 2020

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT

Directions u/s 143(5) of Companies Act, 2013

S. No.	Directions	Auditor's Remarks
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 on the basis of our examination of the IT system of the company, the company has adequate IT controls to process all the accounting transactions through IT system except accounting transaction related to Ind AS are not automated. However, the management is working upon the same to make it Ind AS complied.
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 company's inability to repay the loan? If yes, the financial impact may be stated.	According to the information and explanations given to us and on the basis of our examinations of the records of the Company, there is no restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company.
3	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation	According to the information and explanations given to us and on the basis of our examinations of the records of the Company, no such funds is received or receivable for specific schemes from central/state agencies.

For SPMG & Co.
Chartered Accountants
Firm Reg. No. 509249C

CA Sharad Poddar
(Partner)
M. No. - 087853
UDIN: 20087853AAAAAT3762

Place: New Delhi
Dated: August 28th , 2020

SPMG & Co
Chartered Accountants

3322A, 2nd Floor, Bank Street,
Karol Bagh, New Delhi-110005 (India)
Tel : (+)91 11 28728769, 28727385
Website : www.spmg.in

NON-BANKING FINANCIAL COMPANIES AUDITORS' REPORT FOR THE YEAR ENDED 31st MARCH, 2020

To
Board of Directors
Indian Railway Finance Corporation Limited

Dear Sir,

As required by the "Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2016" issued by the Reserve Bank of India on the matters specified in Para 3 and 4 of the said Directions to the extent applicable to the Corporation, we report that:

1. The Company is engaged in the business of non-banking financial institution, having valid certificate of registration as an Infrastructure Finance Company issued by Reserve Bank of India vide No. is B- 14.00013 dated 22.11.2010. Further, the Company is entitled to continue to hold such registration in terms of its asset / income pattern as on 31.03.2020.

2. The Company is meeting the requirement of net owned funds applicable to an Infrastructure Finance Company as contained in Master Direction-Non Banking Financial Company-Systemically Important Non Deposit taking Company and deposit taking Company (Reserve Bank) Direction 2016.

3. According to information and explanation given to us, the RBI Directions as to deposits are not applicable to the Company. Therefore, the Board of Directors of the Company has not passed any resolution for non-acceptance of any public deposits during the year 2019-20.

4. The Company has not accepted any public deposits during the financial year 2019-20.

5. For the Financial year ending 31 March, 2020, the Company has complied with the Accounting Standards, Income recognition norms as per the RBI Master Directions on Non-Banking Financial Company – Systematically Important Non-Deposit taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 vide No. DNBR.008/03.10.119/2016-17 dated September 1, 2016. Further, the Company, has followed the Accounting Standards, Income recognition, asset classification and provisioning for Bad and Doubtful debts being a government non-banking financial company as defined under clause (45) of Section 2 of the Companies Act, 2013 (18 of 2013) except the income recognition and assets classification (IRAC) norms, standard assets provisioning and exposure norms to Ministry of Railways, Government of India granted by RBI vide their letter no. DNBR(PD)CO.No.1271/03.10.001/2018-19 dated 21.12.2018.

6. As per the information and explanation given to us, the statement of capital funds, risk assets/exposures and risk ratio (NBS-7 Return) has been filed by the company for the quarter ended 31.3.2020 on the basis of the provisional financial results

For SPMG & Co.
Chartered Accountants
Firm Reg. No. 509249C

CA Sharad Poddar
(Partner)
M. No. - 087853
UDIN: 20087853AAAAAU7451

Place: New Delhi
Dated: August 28th, 2020

SPMG & Co
Chartered Accountants

3322A, 2nd Floor, Bank Street,
Karol Bagh, New Delhi-110005 (India)
Tel : (+)91 11 28728769, 28727385
Website : www.spmg.in

Auditors' Certificate on Compliance of Conditions of Corporate Governance

To,
The Members of
Indian Railway Finance Corporation Limited

We have examined the compliance of the conditions of Corporate Governance by Indian Railway Finance Corporation Limited (the "Company") for the year ended March 31, 2020.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given us and the representations made by the Directors and the Management, as required in terms of Simplified Debt Listing Agreement and Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010, issued by Government of India, we certify that the Company had complied, in all material respects, with the conditions of Corporate Governance as stipulated herein.

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

For S P M G & Co.
Chartered Accountants
FRN-509249C

Sharad Poddar

CA Sharad Poddar
(Partner)
M. No. - 087853
UDIN: 20087853AAAAAV8198

Date: August 28th, 2020
Place: Delhi

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF INDIAN RAILWAY FINANCE CORPORATION LIMITEDFOR THE YEAR ENDED 31 MARCH 2020.

The preparation of financial statements of **INDIAN RAILWAY FINANCE CORPORATION LIMITED** for the period ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are 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 Audit Report dated 28.08.2020

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **INDIAN RAILWAY FINANCE CORPORATION LIMITED** for the period ended 31 March 2020under section 143(6)(a) of the Act. 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.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6) (b) of the Act.

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

(K. S. Ramuwalia)
Principal Director of Audit
Railway Commercial, New Delhi

Place: New Delhi
Dated: 23. 09.2020