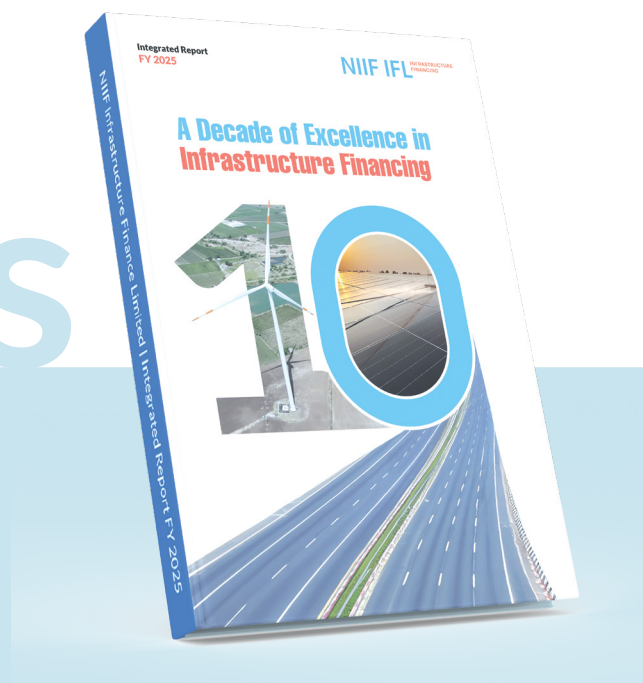


A Decade of Excellence in Infrastructure Financing



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Disclaimer: This document contains statements about expected future events and financials of NIIF Infrastructure Finance Limited ('NIIF IFL' or 'the Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a probability that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

About the Report



Financial & Non-financial Reporting

NIIF Infrastructure Finance Limited's ("NIIF IFL" or "the Company") 2nd Integrated Report for FY 2025 provides details of both financial & non-financial performances, including highlights of key strategic areas, risk management and outcomes associated with our key stakeholders that significantly impacts our ability to create value.



Reporting Period

The Report covers the period between April 1, 2024 and March 31, 2025. The Report provides insights into the Company's business model, its unique advantages, strategic priorities, governance and key achievements during the year.



Reporting Scope & Boundary

The Report addresses key metrics, risks and opportunities specific to each function, offering a granular perspective on how each contributes to the Company's overall strategy and performance.



Frameworks, Guidelines & Standards

This Report adheres to a range of established frameworks, guidelines and standards to ensure comprehensive and transparent reporting:

- <IR> Framework of the IFRS Foundation
- Global Reporting Initiative (GRI) Standards 2021
- The Companies Act, 2013 (and the rules made thereunder)
- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Master Directions – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023
- Secretarial Standards issued by the Institute of Company Secretaries of India
- United Nations Sustainable Development Goals (UN SDGs).



Responsibility

NIIF IFL ensures integrity, completeness and adherence to the IFRS Foundation Framework in the preparation and presentation of this Report.



Cautionary Statement

Statements in this Integrated Report describing NIIF IFL's objectives, projections, estimates and expectations may be considered 'forward-looking' and are primarily intended to provide our stakeholders with an overview of NIIF IFL's intentions, beliefs and expectations, as well as other similar expressions or variations on such expressions. Actual results may differ materially from those stated or inferred and they are subject to risks, uncertainties and assumptions that may cause actual results to differ significantly from those envisioned by the relevant forward-looking statements. Key elements that might have an influence on these include changes in economic conditions, government regulations, tax laws, and other statutes, as well as incidental factors.



Materiality

NIIF IFL's senior management actively reviews material topics, applying the principle of materiality to determine their inclusion in the Report. This process focuses on matters critical to stakeholders and the Company. The content of the Report focuses on priority material topics.

Dewas Bypass road project financed by NIIF IFL in Dewas, Madhya Pradesh

Message from the CEO

Building the Future - A Decade of Responsible Financing and Sustainable Growth



We have refinanced around 300 infrastructure projects across 20 states, with gross disbursements exceeding ₹ 41,000 Crores.



Dear Stakeholders,

It gives me great pleasure to present our **2nd Integrated Report for FY 2025** - a year that not only reflects another phase of steady progress but also marks a **significant milestone in our journey**: the completion of **ten years** as one of India's leading infrastructure debt financing institutions.

A Decade of Strong Fundamentals

As one of the founding members, it fills me with immense pride and gratitude to reflect on our **remarkable journey** — a decade defined by **sustainable growth, resilience** and an **unwavering commitment** to supporting the country's infrastructure transformation. What began in the year 2015 as a simple vision to strengthen India's infrastructure financing ecosystem has today evolved into a trusted institution with a strong balance sheet, a high-quality loan book and a reputation built on prudence and performance.

In the past decade, India's infrastructure sector has evolved significantly, shaped by forward-looking policy measures, growing emphasis on sustainable financing, and the nation's pursuit of broad-based, inclusive development. We have been privileged to play a **catalytic role** in this journey by connecting **long-term capital** with transformative infrastructure projects that are shaping India's future. Guided by our commitment to responsible and sustainable financing, we have supported initiatives that make progress more inclusive and enduring - by expanding access to **clean and sustainable energy**, enhancing **digital connectivity** and **modernising transport infrastructure**.

From our modest beginnings, we have grown into a **robust platform** that channelizes **long-term debt capital** from the financial markets into operational infrastructure projects, helping to bridge the nation's critical funding gap. By delivering comprehensive refinancing solutions,

we have helped unlock capital and address asset-liability mismatch (ALM) challenges faced by banks and other infrastructure financiers.

Our franchise has consistently grown, marked by steady expansion of assets and sustained profitability.

Over the past 10 years:

- 🔗 We have **refinanced around 300 infrastructure projects** across **20 states**, with **gross disbursements exceeding ₹ 41,000 Crores**.
- 🔗 Our **Profit After Tax (PAT)** has grown from a modest ₹ 5 Crores in FY 2015 to ₹ 487 Crores, driven by disciplined underwriting, strong execution and operational efficiency.
- 🔗 Our **loan book expanded at a CAGR of 36%** over the period.
- 🔗 We have **mobilized over ₹ 30,000 Crores** by issuing bonds to long-term **patient capital providers** such as insurance companies, provident and pension funds, and other high quality institutional investors.

Through this period, we have navigated changing market dynamics and regulatory evolutions, emerging stronger with every challenge. Most notably, we have **maintained impeccable asset quality** with **zero Non-Performing Assets (NPAs)** for each of the past ten years - a rare achievement in the financial sector. This track record underscores our **disciplined credit practices, deep sectoral expertise, and long-term partnership approach** with clients and investors.

FY 2025: Steady Growth and Continued Resilience

FY 2025 was marked by **steady and disciplined growth**. Our **loan book surpassed ₹ 25,000 Crores**, and **Profit After Tax rose by ~16% YoY to ₹ 487 Crores**. We maintained a **healthy Capital Adequacy Ratio of 21.7%**, well above regulatory requirements, reflecting our strong and resilient financial foundation.

Our **Return on Equity** increased to **~11.9%**, underscoring our consistent focus on **shareholder value creation**. We proudly maintained our **unblemished record** of nil **NPA** - a clear reflection of our strong governance framework, prudent credit culture, robust portfolio management, and enduring partnerships with high-quality sponsors.

As part of our strategy to diversify our portfolio, we expanded into financing **digital infrastructure**, supporting projects such as **data centres and network connectivity** that are crucial to India's digital transformation.

During the year, we **raised over ₹ 5,000 Crores** through long-tenor bond issuances, attracting investments from **India's top insurance companies, retirement funds and other institutional investors**. Approximately **32% of**

funds came from **new investors** - reflecting growing confidence among high-quality institutional investors in our platform.

Looking ahead, we plan to **broaden our investor base**, tapping into new categories such as **family offices, endowment funds, impact funds, multilaterals, and wealth funds** to further strengthen capital flows into infrastructure.

Our strong fundamentals are reflected in our continued **'AAA' ratings** from **CRISIL, ICRA and CARE**. During the year, we also **declared and distributed our first-ever dividend**, underscoring our commitment to delivering long-term value to shareholders.

In another first, we published **India's first Integrated Annual Report by a debt-listed NBFC**, setting a new benchmark in transparency and integrated reporting.

Our **CSR initiatives** were closely aligned with the geographic footprint of our financed projects, amplifying social impact and reinforcing our commitment to **inclusive and sustainable development** in the communities we serve.

The Road Ahead

As we step into our next decade, our focus continues to be on sustainable growth, underpinned by **responsible long-term financing** and **enduring partnerships** with high-quality investors and project sponsors to advance India's infrastructure agenda.

We aim to:

- 🔗 Broaden our presence across **diverse infrastructure sectors**;
- 🔗 Expand our **liability franchise** with innovative products and deeper engagement with **long-term capital providers**; and

- 🔗 Leverage **technology, talent, innovation, and data analytics** to enhance operational efficiency, strengthen risk management, and deliver superior risk-adjusted returns.

Acknowledgements

Our achievements over the past decade are a reflection of the trust and support of all our stakeholders — our investors, shareholders, Board, clients, regulators, policymakers, partners, and most importantly, our exceptional team whose dedication and professionalism continue to define our success.

Together, we have built a strong foundation - and we look forward to building on this momentum in the years ahead. Your continued confidence and commitment inspire us to aim higher every day.

I would like to express my sincere appreciation to Mr. Shiva Rajaraman, our former CEO, for his leadership and invaluable contributions to the company's growth.

I am grateful to the Board of Directors for entrusting me with the additional responsibility of interim Chief Executive Officer (CEO) at this important juncture.

Thank you for your continued trust and partnership as we work together to build a brighter and a more sustainable future.

Warm Regards,
Debabrata Mukherjee

A Decade of Excellence in Infrastructure Financing



The theme for our **Integrated Report FY 2025**, “A Decade of Excellence in Infrastructure Financing” reflects NIIF IFL’s strategic focus on role of infrastructure in powering growth through innovation.

As we celebrate 10 years of our business journey, the Report will feature highlights of the Company’s key achievements in advancing sustainable economic development, creating wealth and improving infrastructure connectivity across our country.

Originated in 2014 as IDFC Infra Debt Fund Limited with a vision to accelerate flow of long-term debt to infrastructure projects, the institution has been steadfast in its role of building tomorrow’s India while maintaining pristine asset quality. The Company transitioned to NIIF IFL anchored by investments from National Investment and Infrastructure Fund II and Government of India.

In the last decade, NIIF IFL has cumulatively refinanced more than ~₹ 41,000 Crores to ~300 projects across 20 states in India. Our financed projects deliver clean and affordable electricity, establish physical and digital connectivity and empower lives.

By financing sustainable infrastructure, NIIF IFL unlocks non-traditional capital, new technologies and new ways to address climate change and connect the world.

Employee Testimonials



It has been a privilege to witness the organisation’s transformation from its inception to the institution it is today. This institution has evolved into a trusted ally for infrastructure developers and a catalyst for meaningful development over the past decade, as I have observed it transform, deal by deal. Looking back, I am grateful for the faith reposed in me by the Directors and Stakeholders and the opportunity to contribute to a legacy that will outlive us all. The foundation that we have built over the decade is robust and sustainable. The future is more promising than ever. ”

Srinivas Upadhyayula
Chief Compliance Officer &
General Counsel



Marking a decade with NIIF Infrastructure Finance Limited holds a special meaning for me, having been part of its journey since inception. As one of employees since inception, I’ve had the privilege of contributing to the institution’s growth from its formative years helping build a strong foundation and supporting strategic transactions that have defined our evolution as a leading Infrastructure Debt Fund. The experience has been both professionally enriching and personally fulfilling, shaped by the trust of our leadership and the shared commitment of an exceptional team. I take great pride in how far we’ve come and remain deeply committed to advancing the Company’s vision in the years ahead. ”

Atul Kulkarni
Director Business



Our ten-year journey reflects a story of scale, strength, and sustainability all made possible by the confidence of our stakeholders, the capability of our team, and the credibility we command in the market. Now, we stand stronger than ever, ready to scale even greater heights in the years ahead.

As I reflect, it has been a fulfilling journey one filled with invaluable lessons, enduring relationships, and a deep sense of gratitude for the opportunities and experiences these 10 years have brought. ”

Amit Ruparelia
Director – Resources

What Guides Us

The Company was established in FY 2014 as an Infrastructure Debt Fund (IDF), set up as a public limited company registered with the Reserve Bank of India (RBI).

our VISION

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

our MISSION

The Company offers sustainable infrastructure financing solutions that provide long-term value to all its stakeholders and to society at large which is young, growing and taking a global leadership role.

VALUES

A

Alliance

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

S

Service

We develop deep relationships by consistently delighting stakeholders through quick and efficient execution.

P

Passion

We bring energy, enthusiasm and joy to our work every day; we are inspired and committed to deliver results.

I

Integrity

We function with fair and honest intent; our thoughts and speech are aligned with everything that we do.

R

Responsible

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

E

Excellence

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

Financing Tomorrow's Infrastructure

NIIF IFL has been at the forefront of driving infrastructure development in India through innovative and sustainable financing solutions.

Strategic Role of Infrastructure Debt Funds (IDFs)

Infrastructure Debt Funds (IDFs) are an innovative business model conceptualised by the Government of India (GoI) to enable solutions to key challenges related to infrastructure financing:

- to enable a solution to the asset liability mismatch (ALM) and group concentration issues of banks and other lenders.
- to enable channelisation of long-term funds (pension, provident, insurance) to operational infrastructure projects.
- to enable enhancement of viability of projects through innovative products, longer tenor loans and lower cost debt.



Challenges



Positive Impact

- Banks are not permitted to lend beyond a percentage of their owned funds, to a single borrower or single group of borrowers.
- Many banks have reached the above-mentioned limits and are unable to lend any more.
- Additionally, banks provide long tenor loans to projects, while having shorter tenor liabilities (deposits).

- A strategic shift of loans from banks to a new set of financiers (IDFs), was envisaged as a long-term solution to freeing up of group concentration limits of banks as well as enabling matching of asset and liability tenors.

- Pension, provident, insurance funds are uniquely suited to lend to infrastructure sectors, given their uniquely long-term focus. However, they are permitted by their regulatory norms to invest only in issuances by highly rated entities. Given that most infrastructure borrowers have ratings in the range BBB to A, such funds could not be channelised towards India's infrastructure.

- IDFs are uniquely structured to refinance only operational infrastructure projects, which have lower risk. Given this, IDFs have been able to obtain high credit ratings (AAA) for their debt instruments, thereby making them eligible investments for pension, provident and insurance funds. This enables channelising such funds to India's infrastructure.

- Traditionally banks have been providing floating rate loans to infrastructure projects. This has resulted in substantial interest rate risk for projects, and thereby to lenders.

- Since IDFs are required by regulation to source funds through long tenor bonds (typically fixed-rate), they are uniquely suited to be able to lend fixed rate debt for longer tenors than banks. This helps decrease / eliminate interest rate risk of projects, thereby providing credit enhancement (i.e. increase in credit ratings) of such projects.
- Higher rated projects are also able to obtain lower cost of borrowing.

Ownership

NIIF IFL is majority-owned by NIIF Fund II which is anchored by reputed financial institutions and the Government of India. This ensures a robust and credible ownership structure for the Company. NIIF IFL's other shareholders include the Government of India, HDFC Bank Limited and Aseem Infrastructure Finance Limited (AIFL).

NIIF IFL's Value Proposition to Borrowers



Debt financing customised to the projected cash flow profile of each project, for example, to traffic patterns in roads & airports, monsoon patterns in rainfed hydropower projects and contractual cash flow patterns in power generation.



Disintermediation and matching tenors to ensure channelisation of funds to infrastructure from various sources, including pension funds, provident funds, banks, insurers, family offices, wealth funds, and mutual funds, among others.



Unique flexible coupon structures linked to traffic patterns, which reduces probability of default of the project.



Fixed rate financing for longer tenors (upto 20 years), enhancing viability; ensuring elimination/ reduction of interest rate risk for projects; borrowers can opt for interest resets after say 5, 10 or 15 years.



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



Encouraging efficiency-enhancement measures, for example, bifacial solar modules, robotic cleaning of solar modules, and use of robots in warehousing, among others.

NIIF IFL's Value Proposition to Bond Holders



Safety

Debt instruments issued by NIIF IFL provide the highest level of SAFETY (AAA rated), available in the corporate bond category. NIIF IFL has a pristine track record of 0% NPA since inception in FY 2014.



Choice of Tenors

Investors have a CHOICE OF TENORS from 5 to 20 years for their long-term investments in debt instruments issued by NIIF IFL.



Superior Returns

AAA rated zero coupon bonds (specifically permitted by the Government of India for IDF NBFCs) can be issued by NIIF IFL, which could provide SUPERIOR RETURNS to investors, while at the same time, providing the highest level of safety.



Choice of Investments to Investors

- Green/ sustainability bonds.
- Plain vanilla bond with bullet redemption.
- Bonds with amortising redemption schedules.
- Redeemable preference shares with customised redemption schedules.
- Tax-efficient zero coupon bonds.

Our Journey of a Decade

The journey in responsible financing has been marked by a series of strategic milestones and achievements that demonstrate the Company's commitment to financing India's infrastructure.

2019

- Change of control from IDFC to NIIF Fund II - substantial equity infusion and a stronger balance sheet.
- Crossed ₹ 5,000 Crores loan book, with 0% NPA.

2016

- Crossed ₹ 1,000 Crores loan book with 0% NPA.

2015

- Commenced operations with long-term loan to an Information Technology Park of Mindspace Business Parks Private Limited (earlier known as Serene Properties Private Limited), an entity owned and developed by K Raheja Corp. group.

2014

- Incorporated as one of India's first Infrastructure Debt Funds.

2021

- Capital infusion from the Government of India, enabling large ticket financing to India's infrastructure developers.
- Doubled loan book in 2 years, crossing ₹ 10,000 Crores, with 0% NPA.

2023

- Doubled loan book yet again in 2 years, crossing ₹ 20,000 Crores, with 0% NPA.
- NIIF IFL commenced one of India's first real-time monitoring of infrastructure portfolio, through a unique dashboard that leverages technology/ SCADA systems.
- The Finance Minister of India during the 5th meeting of the Governing Council of National Investment and Infrastructure Fund (NIIF) recognised and appreciated loan book growth of NIIF IFL with 0% NPA.

2024

- One of India's 1st flexi-coupon products, customised and provided for a large toll-road project.
- Benchmark 15-year tenor bond issuance to marquee investors, led by the provident fund of India's largest infrastructure conglomerate.
- First debt-listed entity to publish an Integrated Annual Report.
- Declared maiden dividend to equity shareholders.

2025

- Crossed ₹ 25,000 Crores loan book with 0% NPA.
- Implemented SAP Loan Management System.

Focused Sectors

Renewable Power

- Solar
- Wind



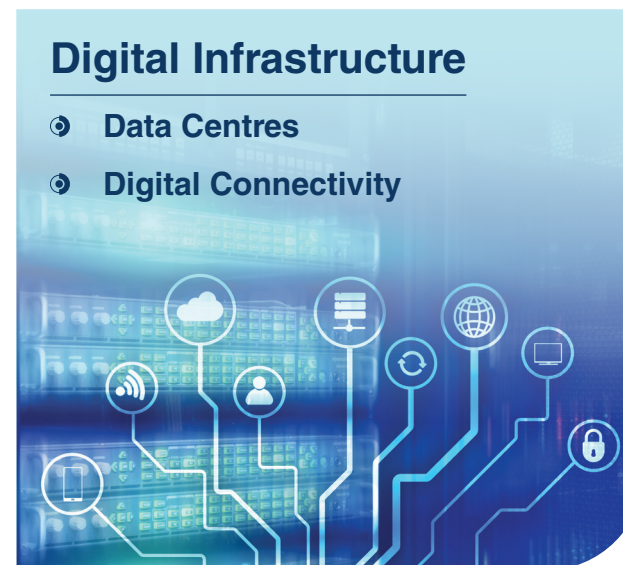
Transport

- Highways
- Airports



Digital Infrastructure

- Data Centres
- Digital Connectivity



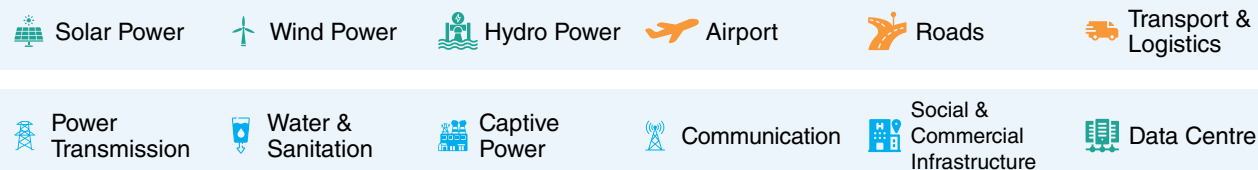
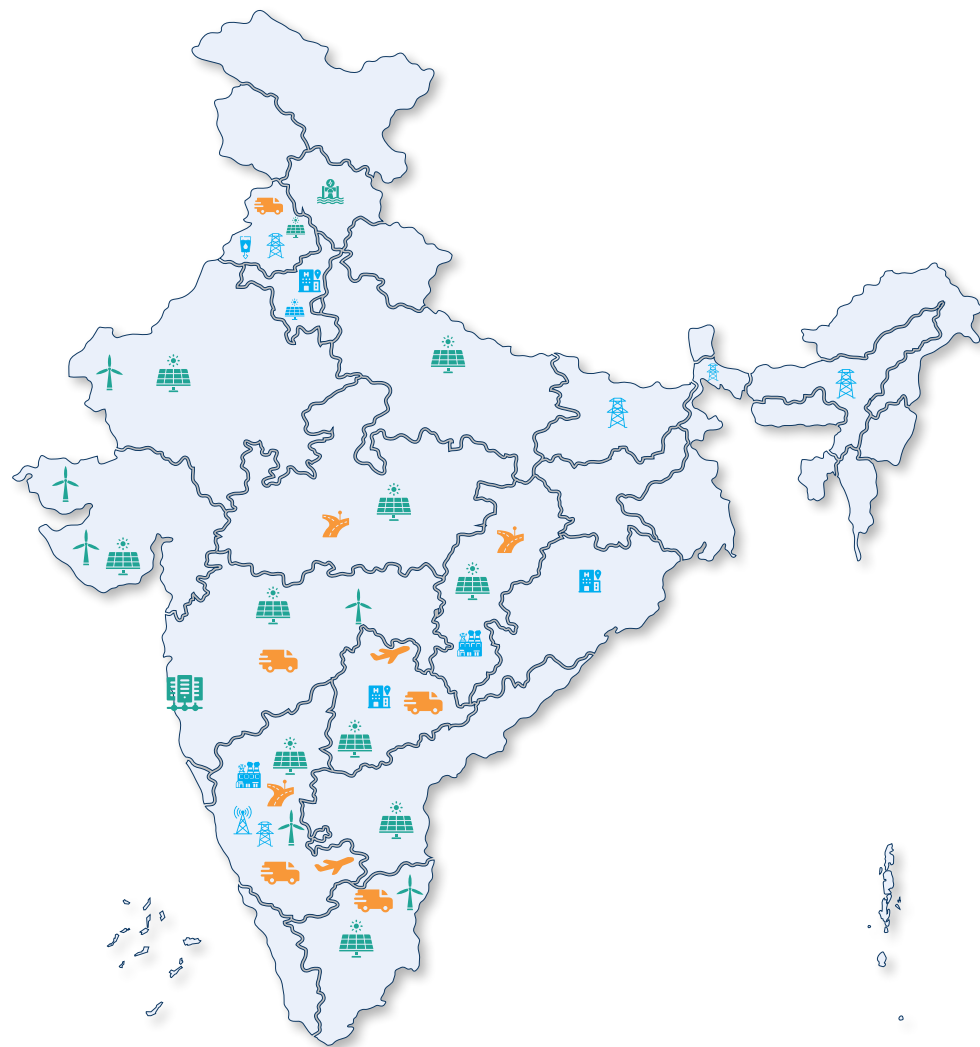
Communication

- Telecommunication Towers



Empowering Growth Pan India

NIIF IFL has significantly expanded its footprint across key regions of India, enhancing infrastructure development through innovative financial solutions. The Company caters to a diverse range of infrastructure segments, including renewable energy, transportation networks, social-commercial & digital infrastructures.



Disclaimer:

This map is a generalised illustration for the ease of understanding. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position and are not intended to be to scale.

FY 2025 at a Glance

Financial Highlights

Loan Book

₹ 25,390 Crores

Profit after Tax

₹ 487 Crores

Return on Equity (RoE)

11.92%

Debt-to-Equity Ratio

5.42 times

Return on Assets (ROA)

1.94%

Capital Adequacy

21.71%

Non-financial Highlights



Total number of borrowers outstanding as on March 31, 2025

191



Low-cost green power generated from renewable projects in FY 2025

16,529 million kWh



Carbon emissions avoided in FY 2025

12.5 million tonnes



Supported employment in portfolio companies as on March 31, 2025

~13,600



Total CSR spent in FY 2025

₹ 7.2 Crores



Total employee training hours in FY 2025

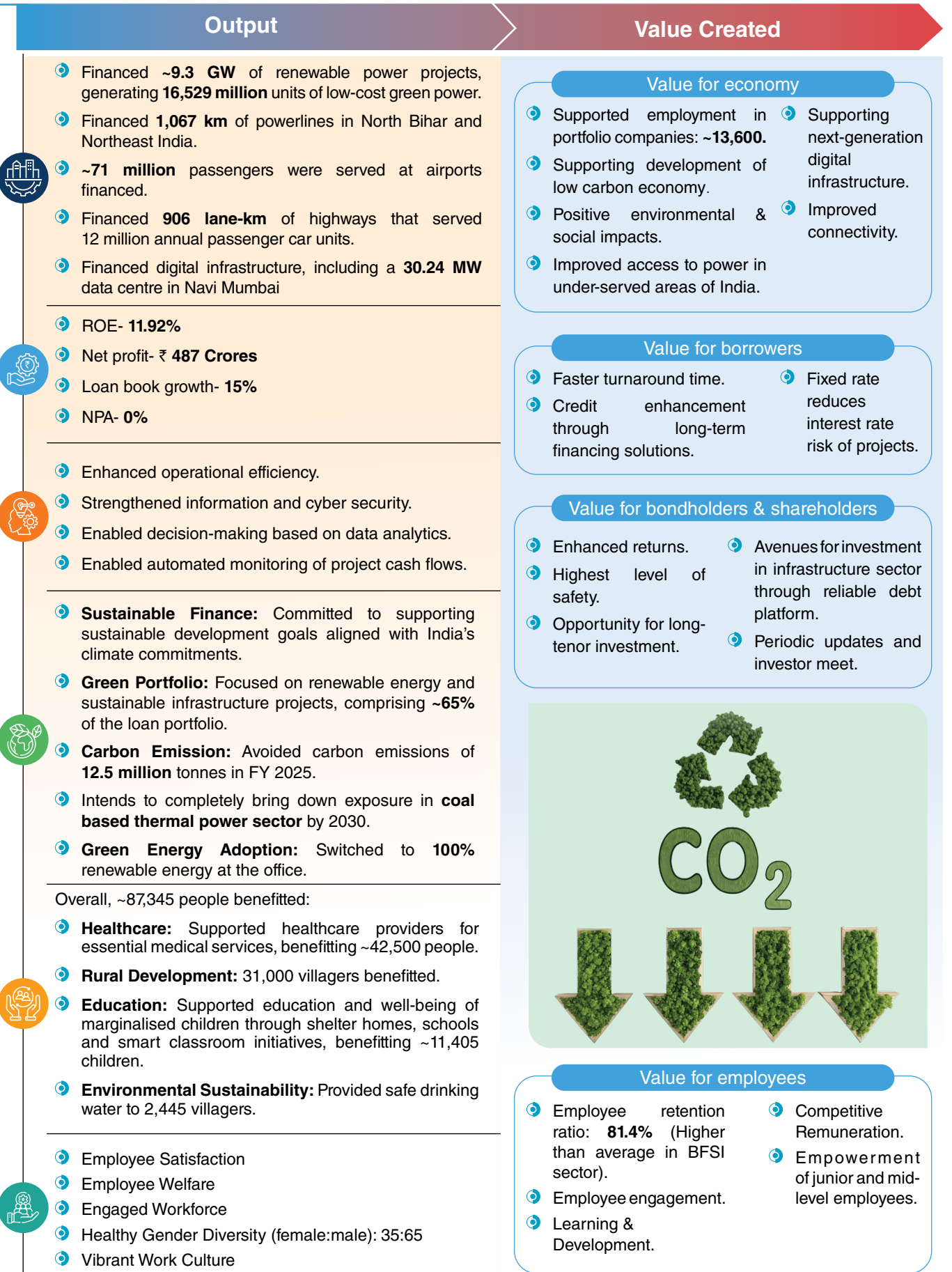
3,057 hours



Gender Diversity Ratio as on March 31, 2025 (Female:Male):

35:65

Value Creation



Leveraging Unique Advantages and Strategic Edge

NIIF IFL is committed to advancing infrastructure development in India through a strategic focus on sectors that align with the country's energy transition goals and infrastructure development. The Company focusses particularly on renewable energy, which is expected to support India's transition to a low-carbon economy. NIIF IFL's focus continues on financing critical infrastructure such as renewable power, roads, ports, airports, transmission, logistics, pipelines, hospitals and education. These in turn facilitate broader economic development and enhance quality of life. Through this holistic approach, NIIF IFL plays a crucial role in fostering India's progress. The Company further ensures that infrastructure development aligns with the country's aspirations for sustainable and inclusive growth.



NIIF IFL has financed solar power project of Aditya Birla Renewables Group in Amreli district, Gujarat



Partnership

NIIF IFL is in the process of concluding strategic partnerships with large financial institutions, which significantly strengthen its capital-raising capabilities. These alliances would provide the Company with access to a broad range of financial resources enabling it to finance infrastructure projects more effectively. By collaborating with these financial institutions, NIIF IFL expects to benefit by diversifying capital sources, furthering risk-sharing mechanisms and the ability to jointly finance high-impact infrastructure projects. This partnership-driven approach allows the Company to extend its reach, tap into new markets and deliver greater value to its stakeholders.



Green and Sustainable Financing

NIIF IFL is deeply committed to financing sustainable infrastructure projects that support India's transition to a low-carbon economy. NIIF IFL has provided debt capital to renewable power projects, contributing significantly to the country's renewable energy goals. The Company plans to roll out a Sustainable Finance Framework in FY 2026 for issuing sustainable finance instruments such as Climate/Sustainable/Blue/Green Bonds, enhancing its commitment to sustainability.



Credit Appraisal Process

NIIF IFL's rigorous credit appraisal process is crucial for its success in building a best-in-class asset portfolio. Every credit proposal undergoes meticulous evaluation, ensuring that only projects with strong fundamentals, proven track records and sustainable growth potential are selected. By leveraging extensive sectoral expertise and conducting thorough due diligence, NIIF IFL manages risk effectively and maintains a high-quality 0% NPA loan portfolio.



Sectoral Diversification

NIIF IFL has built extensive sectoral expertise and has refinanced projects across a wide range of infrastructure sectors, including renewable power, roads, airports, power transmission, logistics, pipelines, hospitals and education. This diversification strategy helps the Company manage risks and seize growth opportunities across various segments in the infrastructure market.

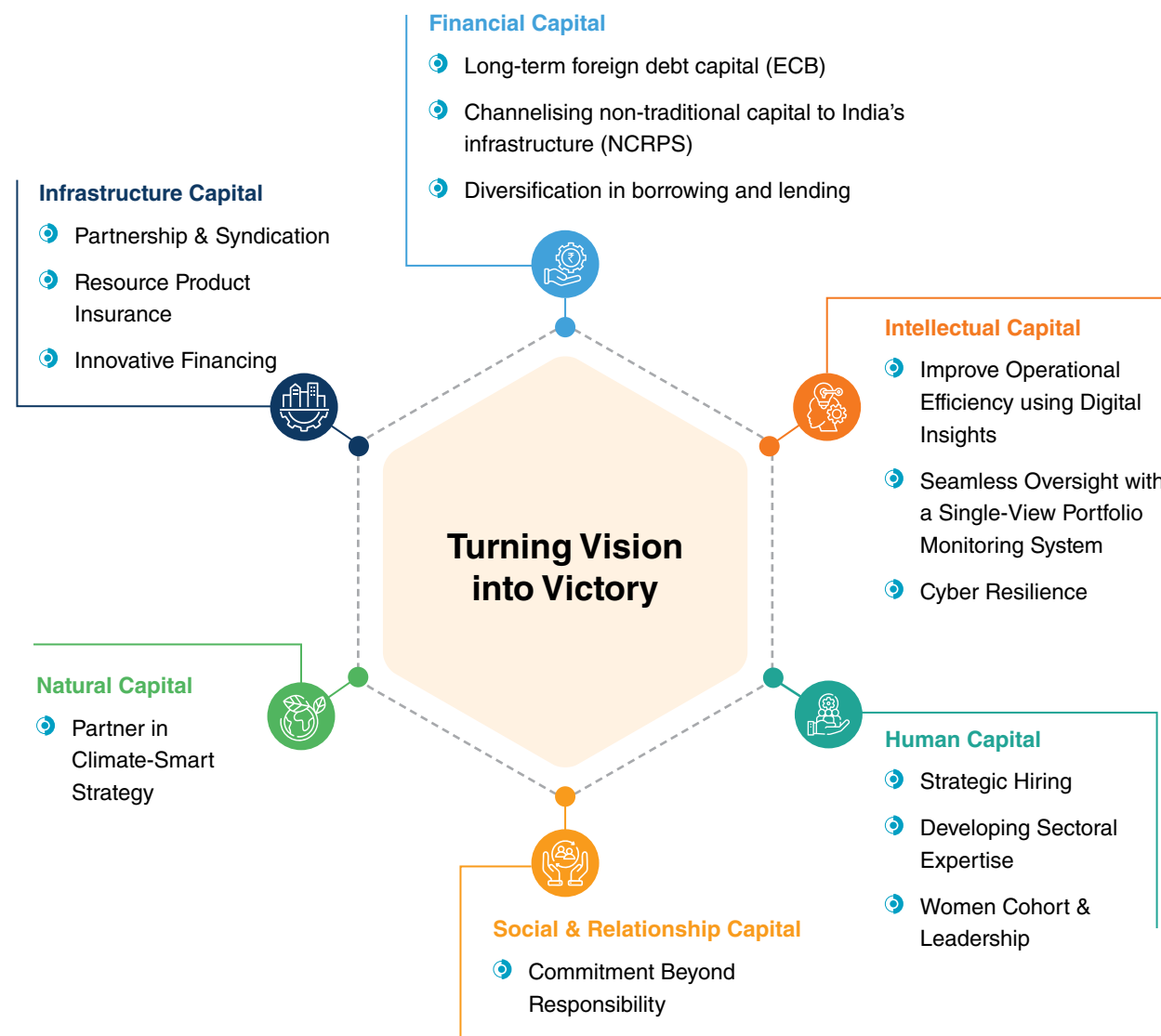


Market Understanding and Sectoral Expertise

NIIF IFL's market understanding is built on the foundation of its management team comprising seasoned professionals with over ten decades of combined experience in infrastructure financing. The team also has professionals with multiple years of experience in various infrastructure projects, including renewable energy, highways, airports, telecom and logistics.

The Company closely tracks macroeconomic indicators, such as GDP growth, interest rates and inflation trends, alongside sector-specific infrastructure funding gaps and the evolving regulatory environment. This in-depth market understanding and relationship with stakeholders enable NIIF IFL to anticipate challenges such as regulatory changes, shifting energy demands and evolving sustainability requirements.

Turning Unique Advantages into Strategic Wins



Infrastructure Capital

Partnership & Syndication

Strengthening partnerships and syndication arrangements will expand lending capacity and diversify risk exposure. These collaborations will accelerate market expansion and foster innovation through shared expertise.

Innovative Financing

Leveraging innovative financing solutions like Flexi Coupons/ Step Up Coupon will drive product differentiation and unlock new growth opportunities. Tailored financial offerings will meet client demands while strengthening competitive positioning.

Resource Insurance Product

NIIF IFL helps borrowers to manage resource risk from wind variability and seasonal cyclones, which lead to unpredictable energy generation and revenue shortfalls. This insurance product safeguards debt servicing and operational stability, setting a new benchmark for risk-managed clean energy financing in India's renewable sector.



Financial Capital

Long-term Foreign Debt Capital

NIIF IFL is exploring External Commercial Borrowings (ECBs) to access long-tenor, cost-effective capital for infrastructure projects. This strategy aims to diversify funding sources, attract global investors and strengthen the Company's liability profile. The growing international interest in India's infrastructure sector further supports the viability of ECBs as a sustainable financing option.

Channelising Non-traditional Capital to India's Infrastructure

NIIF IFL is exploring innovative financing, including the planned

issuance of tax-efficient NCRPS (Non-Convertible Redeemable Preference Shares), to provide affordable, long-term funding for infrastructure. This will diversify capital sources and create value for investors, borrowers and the economy.

Diversification in Borrowing and Lending

NIIF IFL is expanding its funding sources by exploring ECB enabling access to international capital markets and NCRPS for Family offices, Ultra-High Net-Worth Individuals (UHNIs), Wealth funds and Multilateral and development finance institutions. This

strategy aims to diversify the lender base, enhance funding resilience, and strengthen the overall liability franchise.

NIIF IFL is exploring new groups and sectors for innovative refinancing solutions of long tenors which will enable the Company to reduce its sectoral and group concentration risks. By leveraging strategic partnerships, NIIF IFL keeps a focus on low-risk sectors such as renewables, transport, logistics, communication infrastructure and transmission in order to enhance financial stability.



Social & Relationship Capital

Commitment Beyond Responsibility

NIIF IFL supports community development programs in proximity to its portfolio projects. Our focus areas remain on healthcare access, education, environmental sustainability and rural development. These initiatives create lasting social impact and uplift lives in underserved areas.



Natural Capital

Partner in Climate Smart Strategy

Forging alliances to champion climate-smart solutions will accelerate our path to a resilient, low-carbon future while creating lasting economic value.



Human Capital

Strategic Hiring

Our strategy is centered on attracting, developing and retaining skilled & diverse talent group to drive sustainable growth and innovation in the evolving financial landscape.

Developing Sectoral Expertise

We invest in continuous learning and leadership development to build a future-ready workforce equipped with expertise in risk management, compliance and diverse sectors.

Women Cohort & Leadership

We encourage equal opportunities and inclusive practices and have undertaken targeted initiatives to develop women cohort in the organisation.



Intellectual Capital

Improve Operational Efficiency using Digital Insights

Implementing SAP will automate and integrate core loan operations with financial accounting, enabling scalable, real-time processing and strengthening financial controls.

Seamless Oversight with Single View Portfolio Monitoring System

Developing a unified portfolio monitoring system will provide a consolidated view of exposures, enhancing decision-making, risk oversight and portfolio performance tracking.

Ensure Cybersecurity Resilience & Trust

Incorporate robust cybersecurity measures to protect sensitive financial data and ensure the integrity and confidentiality of all digital operations.

Risk Management

The risk management process at NIIF IFL is fundamental to safeguarding its debt investments and ensuring the successful financing of the projects.

Process



Risk Identification

NIIF IFL systematically identifies potential risks that could impact its operations and investments. This involves evaluating various internal and external factors, including market conditions, regulatory changes and operational challenges. By employing comprehensive risk assessment techniques, the Company ensures that all potential risks are identified early in the process.



Risk Analysis

Once risks are identified, NIIF IFL conducts a thorough analysis to understand the nature, likelihood and potential impact of each risk. This analysis involves evaluating the severity of risks and their potential effects on project outcomes and financial performance. The Company uses quantitative and qualitative methods to assess risks, ensuring a comprehensive understanding of the implications.



Risk Prioritisation

Following the analysis, NIIF IFL prioritises risks based on their significance and potential impact. This step involves ranking risks to determine which ones require immediate closer attention and resources. By prioritizing risks, the Company ensures that it focusses on the most critical threats that could impact its operations and financing objectives.



Risk Mitigation

NIIF IFL implements strategic measures to mitigate identified risks. This includes developing and deploying risk management strategies tailored to address specific risk factors. The Company employs various mitigation techniques, such as diversifying portfolio, securing insurance coverage, facilitating development of unique risk mitigating financial products and establishing contingency plans to reduce the likelihood and impact of adverse events.



Risk Monitoring

Continuous monitoring of risks is essential to ensure that risk management strategies remain effective and relevant. NIIF IFL regularly reviews and updates its risk management practices to adapt to changing conditions and emerging risks. The Company employs monitoring tools and processes to track risk indicators and assess the effectiveness of mitigation measures. The Risk Management Committee (RMC) of the Company inter alia approves policies, frameworks and monitors portfolio and limits, with the key objective of maintaining a healthy balance between risk and return.



Incorporating Internal Capital Adequacy into Risk Management

To identify, evaluate, measure, and mitigate risks that may impact the capital adequacy of the Company, an Internal Capital Adequacy Assessment Policy (ICAAP) has been established:



Capital planning, risk assessment, and the dependency between risk and capital form the major focus areas of ICAAP.



The Capital Management and Risk Management Frameworks work in tandem with each other, making use of established policies to efficiently manage risks.



An internal capital adequacy assessment is conducted on an annual basis to identify the capital required for current and future business needs.



Stress testing is a critical component of ICAAP as it helps identify extreme scenarios that may adversely impact the risk profile and capital position of the Company.

Role of CRO

The Chief Risk Officer (CRO), appointed by the Board of the Company, is responsible for developing and implementing the Risk Management Strategy of the Company. The CRO's role is to promote a very strong risk culture throughout the organisation and set up a strong risk governance framework. The CRO ensures that risk processes are aligned with the Company's overall objective of long-term viability and stakeholders' returns. Key responsibilities of the CRO include risk identification, assessment, developing risk management framework, risk monitoring mitigating and

reporting. The CRO oversees all financial and non-financial risks of the Company and ensures that risk considerations are fully factored into the Company's strategic decisions.

Over the last 7-8 years, there has been a strategic shift of ownership of infrastructure projects, from Indian family groups, to overseas promoters and platforms created by funds (both domestic and international). NIIF IFL incorporates such ownership changes into its ICAAP assessments and remains well-positioned to offer strategic value-propositions to all categories of developers/promoters.

Strategies Adopted to Mitigate Risks



Diversification of Portfolio

NIIF IFL's portfolio is diversified across various geographical regions, sectors, promoter groups and offtakers, with the objective of reducing concentration risk.



Compliance with Regulatory Standards

NIIF IFL adheres to all relevant laws, regulatory requirements and guidelines, ensuring a "no divergence" track record.



Strong Credit Appraisal Processes

NIIF IFL's credit appraisal process for evaluating viability and mitigating risk, is comprehensive. NIIF IFL uses a set of sector-specific guardrails and promoter grading frameworks to ensure that all project assets are well within the Company's risk appetite.



Continuous Monitoring and Review

NIIF IFL uses technology effectively, in order to ensure real-time monitoring of the portfolio through secure access to the SCADA systems of projects. Multiple data points accessed through automated systems, are captured on a comprehensive dashboard, to ensure effective monitoring and early warning signals.



Strategic Partnerships and Collaborations

NIIF IFL establishes strategic partnerships and collaborations with reputable institutional investors. These provide access to additional risk-sharing opportunities, enhancing the Company's ability to manage and mitigate risks effectively.



E&S Risk Function

NIIF IFL's risk function strategically incorporates environmental and social (E&S) risk management within its framework, ensuring adherence to international standards while proactively mitigating potential risks. This approach is reinforced by the Chief Risk Officer and the oversight of committees along with the Board. The detailed approach pertaining to E&S Risk Management is described in "ESG Integration in Infrastructure Financing" section of the Report.



ESG Integration in Infrastructure Financing

NIIF IFL recognises the importance of implementing sound ESG practices for sustainable infrastructure development. Environmental and social risks are integral to risk management, overseen by Senior Management, the Risk Management Committee and the Board of Directors.

NIIF IFL has adopted an E&S Risk Policy aligned with IFC Performance Standards to integrate E&S risk assessment during credit appraisal, loan disbursement and post-lending monitoring. The Policy is approved by the Board and key committees, including Credit, Risk Management, and Senior Management Committees, monitor and oversee its implementation. Every new financing proposal undergoes detailed E&S Due Diligence based on IFC Standards, World Bank EHS Guidelines, sector-specific guidelines and relevant local regulations. Climate risk assessment is also done to evaluate loan assets in relation to hazards such as earthquakes, cyclones, floods, landslides, droughts, and heatwaves. Review of insurance coverage and adaptation measures, including water neutrality, lightning protection, flood protection etc. is done.

E&S Risk Group Key Responsibilities

Develop E&S policies, standards, and frameworks for financing operational PPP and private infrastructure projects.

Review financing proposals for compliance with NIIF IFL's E&S Risk Policy.

Prepare annual reports on E&S risk assessments and portfolio performance improvements.

Engage stakeholders on E&S issues and mitigation strategies.

Monitor and supervise loan portfolio E&S performance through regular meetings and site visits, highlighting key risks to senior management.

Collaborate with teams to ensure effective implementation of E&S frameworks.



NIIF IFL team celebrating World Environment Day by conducting mangrove clean-up drive at Nerul, Navi Mumbai

NIIF IFL has set up a 5-stage process to facilitate effective integration of E&S Risk Policy in credit appraisal, disbursement and monitoring framework.

Stage 1

Pre-Sanction

- Preliminary Information
- Internal Categorisation & Exclusion List Screening
- Information Request to Client

Stage 2

Initial Appraisal

- Opportunity Appraisal
- Review of Secondary Information
- Desk-Based E&S Assessment

Stage 3

ESDD (Environmental & Social Due Diligence)

- ESDD (Internal)
- Kick-off & Site Visit
- Receipt of Information
- Discussion with Management
- ESDD Report & Environmental and Social Action Plan (ESAP)

Stage 4

Decision Committee (DC) and Credit Committee (CC)

- DC Discussion on E&S Risks
- ESDD Approval by CC
- Incorporation of ESAP in Loan Agreements

Stage 5

E&S Monitoring, Review, and Reporting

- Monitoring Compliance
- Site Visits & Office-Based Reviews
- Periodic Management Information Systems (MIS) and Quarterly E&S Updates

Our Journey in Responsible Financing

CY 2020

Initial adoption of E&S Risk Policy & Procedures with limited applicability; E&S Risk function established.

CY 2021

First revision made, introducing an overarching policy and periodic updates.

CY 2022

Comprehensive update aligning with IFC-PS, including E&S covenants and annual portfolio monitoring.

CY 2025

Conducted ESG benchmarking study and E&S risk policy implementation audit.

CY 2024



Added climate risk assessment, ESG disclosures through Integrated Reporting & contractual penalties for E&S covenant breaches.





CY 2023

E&S Management System revamped, with training programs for stakeholders and digitised templates for site visits.

Enhancing Stakeholder Connection










NIIF IFL actively engages with its stakeholders by disclosing relevant and critical information in a transparent manner through multiple channels and avenues of interaction. The engagement allows the Company to obtain feedback from its stakeholders for improving its operations and develop a robust and long-lasting relationship with them. The Company also solicits employee feedback, ensuring their voices are heard and valued in decision-making process.











Stakeholder Category	Stakeholder Expectations	Frequency of Stakeholder Engagement by NIIF IFL	Channels of Communication
 Customers	<ul style="list-style-type: none"> Low cost of borrowing and long tenor debt Fair practices in lending Faster turnaround time Effective customer grievance redressal mechanism Maintaining customer data privacy and security 	<ul style="list-style-type: none"> Intense (daily) interaction during due diligence/ appraisal Monthly/ quarterly follow-up meetings at different levels for strengthening relationship and effective monitoring 	<ul style="list-style-type: none"> Face-to-face meetings Virtual meetings via video conference (VC) Site visits (at least once a year) Email
 Bondholders	<ul style="list-style-type: none"> Safety of investment and return Regular updates on business, market outlook Regular payment of coupon and redemption Long-term business performance Liquidity 	<ul style="list-style-type: none"> Periodic updates and quarterly/ half yearly meetings 	<ul style="list-style-type: none"> Bondholder conference Half-yearly email communication on the Company's performance Quarterly financial results announcements through stock exchanges Company website















Stakeholder Category	Stakeholder Expectations	Frequency of Stakeholder Engagement by NIIF IFL	Channels of Communication
 Shareholders	<ul style="list-style-type: none"> Consistent business growth Return on Equity (ROE) Asset quality 	<ul style="list-style-type: none"> Monthly/ periodic update AGMs/EGMs 	<ul style="list-style-type: none"> Online meetings Annual General Meetings (AGMs) Quarterly financial results announcements through the Stock Exchanges Annual Reports
 Employees	<ul style="list-style-type: none"> Opportunity for career growth Regular employee engagement Learning and development Work-life balance Remuneration as per market standards 	<ul style="list-style-type: none"> Continuous (daily/ weekly) engagement with employees 	<ul style="list-style-type: none"> Annual performance evaluation Planned training Continuous dialogues with senior management Townhalls Informal interaction during recreational activities during the festive season Annual employee surveys
 Vendors	<ul style="list-style-type: none"> Ensure timely payment of contractual obligations Fulfil contractual obligations Transparent, ethical and long- term business relations 	<ul style="list-style-type: none"> Periodic (monthly/ quarterly) meetings 	<ul style="list-style-type: none"> Due diligence during vendor onboarding Emails Face-to-face interactions Phone calls / VC Periodic assessments of services
 Regulators	<ul style="list-style-type: none"> Play a critical role in infrastructure development of the country Follow fair practice code Ensure sound corporate governance Follow prudent business practices 	<ul style="list-style-type: none"> Monthly / quarterly engagement through meetings and during annual & ongoing audit 	<ul style="list-style-type: none"> Feedback on Circulars through e-mail Face-to-face interactions Timely filing of information and reports/returns as per the regulatory requirements








Identifying Material Drivers of Sustainability

Materiality assessment is a crucial component of NIIF IFL's sustainability strategy. The process aids in identifying key ESG issues, guiding the Company to focus on areas that impact its business and stakeholders.

Material Issues	Type of Impact	Impact / Aspect	Management Approach	SDGs	Linkage with GRI
 Climate Change Risks	Negative	Extreme weather events induced by climate change may cause physical damage and interruptions to infrastructure projects financed by NIIF IFL. Rising climate uncertainties and climate regulations may impact viability and sustainability.	<ul style="list-style-type: none"> Conduct due diligence on climate risks by mapping vulnerable assets and evaluating insurance and adaptation measures (e.g., stormwater systems). 		GRI 201: Economic Performance GRI 305: Emissions GRI 302: Energy
 Corporate Governance	Negative	Weak corporate governance can attract regulatory action, loss of trust, reputational damage, and limit capital access. Strong governance supports trust and sustained growth.	<ul style="list-style-type: none"> Implement controls, oversight and checks & balances. Establish Board and Committee structures aligned with stakeholders' long-term interests. 		GRI 2: General Disclosures
 Customer Experience	Negative	NIIF IFL conducts credit risk assessments and due diligence for financing and monitoring. Poor customer experience during these stages can increase customer churn, reduce brand loyalty and cause negative publicity.	<ul style="list-style-type: none"> Understand customer needs and expectations. Provide transparent information and fair product advice. 	 	
 Employee Health and Well-being	Positive	Investment in employee health boosts productivity, morale, job satisfaction, retention, and reduces absenteeism, fostering a motivated workforce.	<ul style="list-style-type: none"> Introduce well-being measures like flexible schedules and healthcare support. Conduct health and safety workshops. 		GRI 403: Occupational Health and Safety

Material Issues	Type of Impact	Impact / Aspect	Management Approach	SDGs	Linkage with GRI
 Ethics and Regulatory Compliance	Negative	Failure to uphold ethical practices and compliance with regulations can damage reputation and erode stakeholder trust.	<ul style="list-style-type: none"> Build a strong ethical culture focused on transparency and compliance. Conduct regular risk assessments. 		GRI 205: Anti-Corruption GRI 206: Anti-Competitive Behavior GRI 2: General Disclosures
 Building Infrastructure	Positive	NIIF IFL supports projects across sectors by providing innovative long-term refinancing, enhancing project viability, economic growth, job creation, and infrastructure development.	<ul style="list-style-type: none"> Provide innovative financing to infrastructure projects nationwide to drive regional economic growth and job creation. 	 	GRI 203: Indirect Economic Impacts
 Energy and Emissions Management	Positive	Focus on minimizing emissions and financing renewable energy projects, supporting India's clean energy transition and sustainability goals.	<ul style="list-style-type: none"> Support SDGs and India's Paris Agreement commitments. Plan to adopt a Sustainable Finance Framework for green/climate / social bonds. NIIF IFL has calculated the financed carbon emissions of its portfolio companies that helps the organisation to strategise to reduce overall carbon footprint. 	 	GRI 302: Energy GRI 305: Emissions
 Risk Management	Negative	Poor risk management can cause financial losses, operational disruptions, regulatory issues, and loss of stakeholder trust, threatening long-term viability.	<ul style="list-style-type: none"> Promote a strong risk culture. Ensure structural independence of risk functions. Provide targeted risk management training. 		GRI 2: General Disclosures GRI 201: Economic Performance

Material Issues	Type of Impact	Impact / Aspect	Management Approach	SDGs	Linkage with GRI
 Training and Leadership Development	Positive	Focus on training and leadership builds a skilled, engaged workforce, improves retention, ensures succession readiness, and drives innovation.	<ul style="list-style-type: none"> Invest in training, upskilling, and career development reviews aligned with employee aspirations. 	 	GRI 404: Training and Education
 Diversity and Inclusion	Positive	Commitment to diversity and inclusion enhances innovation, decision-making, employee morale, and reflects equal opportunity values.	<ul style="list-style-type: none"> Develop and update diversity guidelines. Raise awareness among employees about inclusion policies. 	 	GRI 405: Diversity and Equal Opportunity
 Brand Image & Management	Positive	A strong brand attracts investors and partners, differentiates from competitors, builds trust, and supports business growth and financial performance.	<ul style="list-style-type: none"> Establish governance systems. Incorporate stakeholder feedback in decision-making. 		
 Responsible Financing	Positive	Financing projects aligned with ESG principles reduces environmental/social risks and promotes sustainable economic and community benefits.	<ul style="list-style-type: none"> Integrate ESG policies into project lending decisions. 	 	GRI 203: Indirect Economic Impacts
 Community Development	Positive	NIIF IFL supports education, healthcare, rural development, and environment through sustainable energy and infrastructure financing, promoting community well-being and economic empowerment.	<ul style="list-style-type: none"> Implement projects via NGO partners focusing on healthcare, education, rural development, and environment. 	 	GRI 413: Local Communities

Material Issues	Type of Impact	Impact / Aspect	Management Approach	SDGs	Linkage with GRI
 Biodiversity Conservation	Positive	Biodiversity conservation is a significant consideration while financing infrastructure projects. This helps to protect habitats, wildlife and ecosystems, ensuring projects align with environmental goals.	<ul style="list-style-type: none"> Assess biodiversity risks in renewable energy projects. Include financing conditions to mitigate these risks. Require borrowers to monitor and mitigate biodiversity impacts (e.g., using bird diverters on powerlines to protect Critically Endangered Greater Indian Bustard). 	 	GRI 304: Biodiversity
 Data Security	Negative	NIIF IFL handles sensitive client and project data. Data breaches risk loss of trust and regulatory non-compliance.	<ul style="list-style-type: none"> Implement strong security systems and policies. Train employees on data security, access, and consent management. 		
 Automation	Positive	Automation enhances efficiency, transparency, faster decision-making, and monitoring of financial and non-financial loan data.	<ul style="list-style-type: none"> Deploy innovative technologies, including limited AI, to improve business process efficiency. 		

Identification and Prioritisation of Materiality Aspects

During FY 2024, NIIF IFL conducted a materiality assessment, identifying key issues by reviewing sectoral trends, risks and peer benchmarks. The materiality issues were prioritised based on their impact on NIIF IFL through an internal management review. This approach enabled us to prioritise issues that are most critical to our stakeholders and our organisation, ensuring a focused and transparent reporting process.

Key material topics identified as high priority for both business and stakeholders include 'Climate Change Risks', 'Brand Image & Management', 'Employee Health & Wellbeing', 'Building Infrastructure', 'Responsible Financing', and 'Energy & Emissions Management.'

Leading with Responsibility and Vision

At NIIF IFL, strategic direction and visionary leadership guide our approach to driving infrastructure financing and achieving sustainable long-term results. The leadership is committed to steering the Company towards a future of sustainable growth and innovation by setting ambitious goals and crafting forward-thinking strategies.

“ This year marks a remarkable milestone in our journey - the 10th anniversary of our company. As a Director, I am filled with immense pride and gratitude as I reflect on how far we've come.

Over the past decade, we've grown into a vibrant organization driven by passion, resilience, and a shared commitment to excellence. This achievement is not just a celebration of anniversary it's a tribute to the people who made it possible. Each one of the employees and stakeholders of the company, have played a vital role in shaping our story of hard work. It is not an easy task to maintain a clean balance sheet and all of you have done it.

As we look ahead, let this anniversary be a reminder of what we can accomplish when we work together with purpose and vigour. I'm confident that with the same drive and purpose, we'll continue to reach new heights. Congratulations to all of us on this incredible 10-year journey. ”



Mr. A KT Chari

(Non-Executive Nominee Director
- Nominee of National Investment
and Infrastructure Fund II)

Mr. AKT Chari was the Chief Operations Officer and later Advisor at IDFC Limited. A keen Project Finance Specialist, he has ~45 years of experience.

Prior to joining IDFC, Mr. Chari worked with the Industrial Development Bank of India (IDBI) for 25 years where he held the position of Chief General Manager/Adviser - Project and Infrastructure Finance. In this role, his responsibilities included appraisal of projects - infrastructure and industrial, project monitoring and portfolio management. In addition, during his tenure in IDBI he handled portfolios in the SME and venture capital sectors. He served as an Independent Director on various boards including HDFC Pension Management Company Limited and HDFC Life Insurance Company Limited.



Mr. Ashwani Kumar

(Independent Director)

“ I congratulate each and every employee and stakeholder on successful completion of 10 years of this Company. I am glad to have been associated with the Company as an Independent Director and it is heartening to note that the Company has shown a sustainable growth and value creation following best risk management and governance practices. ”

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

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

“ Hearty congratulations to NIIF IFL on completing a decade of incredible achievements! The organization's commitment to excellence, innovation, and customer satisfaction has been truly exemplary.

The continued focus on skill sets and mental attributes for adopting cutting edge technology and artificial intelligence in work will propel us to greater heights. Keep going from strength to strength, set new benchmarks, and be a leader in the infrastructure finance space. As Independent Director, I am proud to be a part of Team NIIF IFL.

Wishing you continued success, and accomplishments in the years to come! ”



Ms. Rosemary Sebastian

(Independent Director)

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

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



Mr. P K Ghose
(Independent Director)

“ As we celebrate the tenth anniversary of NIIF IFL, which began operations in 2015 as an Infrastructure Debt Fund-Non-Banking Financial Company (IDF-NBFC), I reflect with profound pride on its dedicated efforts in shaping India’s infrastructure landscape by investing in green energy, roads, and social and commercial infrastructure development.

As an independent Director, I take pride in the company’s unwavering commitment to strong governance, institutional integrity and a commitment to nation building.

The journey ahead will need the same vision, resilience, and integrity that marked its first decade, with a focus on sustainable growth and development. ”

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

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

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



Mr. Nilesh Shrivastava
(Non-Executive Nominee Director
- Nominee of National Investment
and Infrastructure Fund II)

“ NIIF IFL has made remarkable progress since the acquisition by NIIF in 2019. The growth in the loan book with a focus on green finance and robust risk management practises resulting in nil NPAs all along, demonstrates the team’s exceptional execution capabilities. In addition, the company’s bond issuances continue to attract diverse pools of capital to infrastructure and deepen bond markets. I am confident that the company will continue to sustainably scale in the coming year with the support of all its stakeholders. ”

Mr. Nilesh Shrivastava is Partner at National Investment and Infrastructure Fund (NIIF) and has over 25 years of experience across private equity, debt investments, banking, and portfolio management. At NIIF, he has worked on the investment and buildout of NIIF’s infrastructure lending platform as well as equity investments in EV mobility and other areas. He was previously with International Finance Corporation (IFC) where he headed the financial services investments portfolio in South Asia. He was earlier with HSBC in banking roles. Nilesh has an MBA from IIM, Kolkata, and engineering degree from Lucknow University. He is also a Certificated Associate with Indian Institute of Bankers (CAIIB).



Mr. Saurabh Jain
(Non-Executive Nominee Director
- Nominee of National Investment
and Infrastructure Fund II)

Mr. Saurabh Jain has over 25 years of work experience across diverse industries. Mr. Jain has been associated with the Private Equity industry for the last 18 years.

Prior to joining NIIF, Mr. Jain was Group CFO for Actis, a UK based PE fund. Mr. Jain has previously worked with Ernst & Young, LG Electronics, and Max India group in varied roles of strategic planning, pricing, finance controllership, business development, consulting, and audit. Mr. Jain is a nominee director in boards of some of NIIF’s portfolio companies and is also a part of NIIF Funds’ valuation committee. Mr. Jain is a Chartered Accountant from Institute of Chartered Accountants of India and has done his Master in Business Administration (Executive Program) from Indian School of Business.

Management Team: Pillars of Success and Excellence

NIIF IFL's accomplished management team drives success and excellence through its strategic vision, industry experience and firm commitment to achieving the desired goals.



Mr. Debabrata Mukherjee
Chief Executive Officer

Mr. Debabrata Mukherjee, Chief Business Officer, has been appointed as interim Chief Executive Officer of the Company. Mr. Mukherjee has been a key member of the management team since joining the Company in August 2015, when the organisation was in its formative phase. Over the years, he has successfully built and nurtured the business and has been instrumental in steering some of the significant milestones and achievements of the Company. As Chief Business Officer, he has been spearheading business development, fund raising, credit and investments.

In a career spanning over 32 years in financial services, Debabrata has worked with leading Indian and global institutions across corporate and project finance, special situation investments, corporate advisory and investment banking. His experience encompasses advising, structuring, raising capital and financing large-scale projects across all layers of capital structure - debt, mezzanine and equity.

In his previous role, Debabrata was a Senior Director in IDFC where he led debt and structured investments across multiple sectors in the infrastructure domain. Prior to IDFC, he held key positions in ASK Raymond James, BNP Paribas and SBI Capital Markets where he worked on investment banking transactions spanning across mergers & acquisitions, equity and debt capital markets and structured finance.

Debabrata holds a Post Graduate Diploma in Business Management from Indian Institute of Management (IIM), Bangalore and a Bachelor of Engineering (Mechanical) degree from Jadavpur University, Kolkata.



Mr. Ajay Singh
Chief Risk Officer

Mr. Ajay Singh has around 24 years of experience in risk, credit and business functions in infrastructure finance sector. He started his career in infrastructure financing at IDFC Ltd, handling Business Development and Credit Risk Function in the Project Finance team covering Power, Transport, Telecom and Commercial & Industrial Infrastructure sectors. In his career at IDFC Ltd during 2001 to 2012, he held various positions, final designation being Director – Credit. Post 2012, he worked in Aditya Birla Finance Limited (ABFL) for 11 years, heading Credit Risk and Compliance for Infrastructure vertical, where he was responsible for managing Risk & Compliance function of infrastructure loan portfolio including developing risk framework, portfolio monitoring and regulatory compliances. He has joined NIIF IFL in year 2023 as Chief Risk Officer.

Ajay has completed his Post Graduate Degree in Management from Indian Institute of Management, Indore and is a graduate in Mechanical Engineering from Indian Institute of Technology, Kharagpur. He also has around 3 years of experience in Larsen & Toubro Ltd after his B.Tech.



Mr. Srinivas Upadhyayula
Chief Compliance Officer &
General Counsel

Mr. Srinivas Upadhyayula currently serves as NIIF Infrastructure Financial Limited's Chief Compliance Officer (CCO) and General Counsel (GC). Prior to this, he was a Senior Director (Legal & Compliance) in IDFC's Special Situations Management Group (SSMG). He has more than 3 decades of experience in legal, compliance (regulatory and statutory), and governance functions. His expertise spans project and non-project / corporate & infrastructure finance documentation, as well as litigation and recovery management in the Banking and Financial sector. He specialised in managing delinquent accounts, recovery planning, conducting portfolio reviews to identify trends, financial restructuring, and loan structuring.

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

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



Mr. Sudeep Bhatia
Chief Financial Officer

Mr. Sudeep Bhatia is the Chief Financial Officer (CFO) of NIIF Infrastructure Finance Limited (NIIF IFL) where he is responsible for supporting the CEO, Management Committee and Board of Directors through comprehensive strategic, financial & operational advice and help integrate business objectives with on ground execution to achieve sustained profitable growth. Sudeep is an experienced Chartered Accountant, Cost Accountant and Certified Public Accountant with over 25 years of rich, well-rounded experience in full spectrum of business finance areas across Corporate Finance, Investor Relations, Fund raising, Private equity, Mergers & acquisitions, Business planning & Strategy, Financial Control, Taxation and Regulatory compliance.

Sudeep started his career with Deloitte and gained extensive experience in key finance roles working with IL&FS, Unilever, GE Capital, Citi Financial, Tata Capital, Macquarie and Lendingkart Technologies at progressive levels of responsibility, within and outside India. His last assignment before joining NIIF IFL was Chief Financial Officer of Protean Technologies (erstwhile NSDL e-Gov Infrastructure), promoted by National Stock Exchange and several large Domestic and International banks, with its vision to build Digital Public Infrastructure supporting Government of India, enabling digital transformation and citizen centric services at population scale.

During his professional career, Sudeep has led multiple initiatives driving key aspects of Investor relations, IPO, capital market borrowings, structured instruments, foreign investments, co-lending partnerships, strategy and business planning, regulatory, legal and corporate governance, leveraging his past experience and industry relationships to bring well-rounded perspective to these verticals.

Sudeep provides general direction and rigor in deployment of financial management across organisation. He is responsible for providing leadership in development and enforcement of systems of internal control and management reporting.

Sudeep leads investor relations to drive growth opportunities and to represent the company to potential private and public equity investors and financial partners including financial institutions, public officials, investment banks leveraging his industry experience to meet growing capital requirements of business and heightened business visibility in the capital markets.

Corporate Information

BOARD OF DIRECTORS

Mr. A K T Chari

Non-Executive Director
(Nominee of NIIF Fund II)

Mr. Ashwani Kumar

Independent Director

Ms. Rosemary Sebastian

Independent Director

Mr. Prashant Kumar Ghose

Independent Director

Mr. Nilesh Shrivastava

Non-Executive Director
(Nominee of NIIF Fund II)

Mr. Saurabh Jain

(appointed w.e.f. August 6, 2025)
Non-Executive Director
(Nominee of NIIF Fund II)

MANAGEMENT TEAM / KEY MANAGERIAL PERSONNEL

Mr. Shiva Rajaraman

(resigned w.e.f. August 25, 2025)
Chief Executive Officer

Mr. Debabrata Mukherjee

(appointed w.e.f. August 26, 2025)
Chief Executive Officer

Mr. Ajay Singh

Chief Risk Officer

Mr. Srinivas Upadhyayula

Chief Compliance Officer &
General Counsel

Mr. Sudeep Bhatia

(appointed w.e.f. June 25, 2024)
Chief Financial Officer

Mr. Ankit Sheth

Company Secretary and
Compliance Officer

JOINT STATUTORY AUDITORS

MP Chitale & Co

Chartered Accountants
(end of term at 12th AGM)

GM Kapadia & Co

Chartered Accountants
(appointed w.e.f. 11th AGM)

Manohar Chowdhry & Associates

Chartered Accountants
(appointed w.e.f. 12th AGM)

SECRETARIAL AUDITORS

Rathi & Associates

Practicing Company Secretaries

INTERNAL AUDITOR

Ms. Archana Moghe

Head of Internal Audit

REGISTRAR & SHARE TRANSFER AGENT

For Shares

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(formerly Link Intime India Private Limited)
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Tel: +91 22 4918 6000
Email: equityca@mpms.mufg.com

For Debentures and

Commercial Paper

MCS Share Transfer Agent Limited

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

DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited

Address: Asian Building, Ground
Floor, 17, R. Kamani Marg,
Ballard Estate,
Mumbai – 400 001.
Tel: 022-40807007
Email: itsl@idbitrustee.com

CREDIT RATING AGENCIES

CARE Ratings Limited

Address: 4th Floor, Godrej Coliseum,
Somaiya Hospital Road,
Off Eastern Express Highway, Sion (E),
Mumbai - 400 022.
Email: Vineet.Jain@careedge.in
Website: <https://www.careratings.com>

ICRA Limited

Address: 4th Floor, Electric Mansion,
Prabhadevi, Mumbai - 400 025.
Email: shivakumar@icraindia.com
Website: www.icra.in

CRISIL Ratings Limited

Address: Lightbridge IT Park, Saki
Vihar Road, Andheri East, Mumbai,
Mumbai, Maharashtra,
India, 400 072.
Email: crisilratingdesk@crisil.com
Website: www.crisilratings.com

REGISTERED OFFICE

NIIF Infrastructure Finance Limited (NIIF IFL)

Registered address: 3rd Floor,
UTI Tower, North Wing, GN Block,
Bandra Kurla Complex, Bandra
(East), Mumbai – 400 051.
CIN: U67190MH2014PLC253944
Tel: 022- 68591300
Email: info@niifil.in
Website: www.niifil.in

Ensuring Corporate Governance

BOARD OF DIRECTORS

Name	Position	Status
Mr. AKT Chari	Member	Non-Executive Director
Mr. Ashwani Kumar	Member	Independent Director
Ms. Rosemary Sebastian	Member	Independent Director
Mr. Prashant Kumar Ghose	Member	Independent Director
Mr. Nilesh Shrivastava	Member	Non-Executive Director
Mr. Saurabh Jain	Member	Non-Executive Director

AUDIT COMMITTEE

Name	Position	Status
Mr. Prashant Kumar Ghose	Chairperson	Independent Director
Mr. Ashwani Kumar	Member	Independent Director
Ms. Rosemary Sebastian	Member	Independent Director
Mr. Nilesh Shrivastava	Member	Non-Executive Director

NOMINATION AND REMUNERATION COMMITTEE

Name	Position	Status
Mr. Ashwani Kumar	Chairperson	Independent Director
Ms. Rosemary Sebastian	Member	Independent Director
Mr. Nilesh Shrivastava	Member	Non-Executive Director

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Name	Position	Status
Mr. Ashwani Kumar	Chairperson	Independent Director
Ms. Rosemary Sebastian	Member	Independent Director
Mr. Nilesh Shrivastava	Member	Non-Executive Director
Mr. Rajiv Dhar	Permanent Invitee	-

STAKEHOLDERS RELATIONSHIP COMMITTEE

Name	Position	Status
Mr. Ashwani Kumar	Chairperson	Independent Director
Mr. Nilesh Shrivastava	Member	Non-Executive Director
Mr. AKT Chari	Member	Non-Executive Director
Company Secretary	Permanent Invitee	-

RISK MANAGEMENT COMMITTEE

Name	Position	Status
Mr. Ashwani Kumar	Chairperson	Independent Director
Mr. Nilesh Shrivastava	Member	Non- Executive Director
Mr. AKT Chari	Member	Non- Executive Director
Mr. Prashant Kumar Ghose	Member	Independent Director
Chief Executive Officer	Member	-
Chief Risk Officer	Member	-

IT STRATEGY COMMITTEE

Name	Position	Status
Ms. Rosemary Sebastian	Chairperson	Independent Director
Mr. AKT Chari	Member	Non-Executive Director
Mr. Prashant Kumar Ghose	Member	Independent Director
Chief Executive Officer	Member	-
Chief Risk Officer	Member	-
Chief Financial Officer	Member	-
Head IT/Chief Technology Officer	Member	-
Chief Information Security Officer	Permanent Invitee	-

ASSET-LIABILITY MANAGEMENT COMMITTEE

Name	Position	Status
Chief Executive Officer	Chairperson	-
Chief Business Officer	Member	-
Chief Risk Officer	Member	-
Chief Financial Officer	Member	-
Director – Resources	Member	-

CREDIT COMMITTEE

Name	Position	Status
Chief Executive Officer	Chairman	-
Chief Business Officer	Member	-
Chief Risk Officer	Member	-
Chief Financial Officer	Member	-
Chief Compliance Officer & General Counsel	Permanent Invitee	-

FINANCIAL CAPITAL



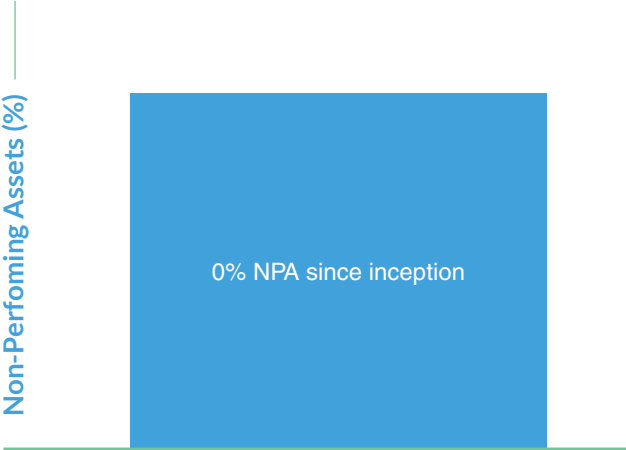
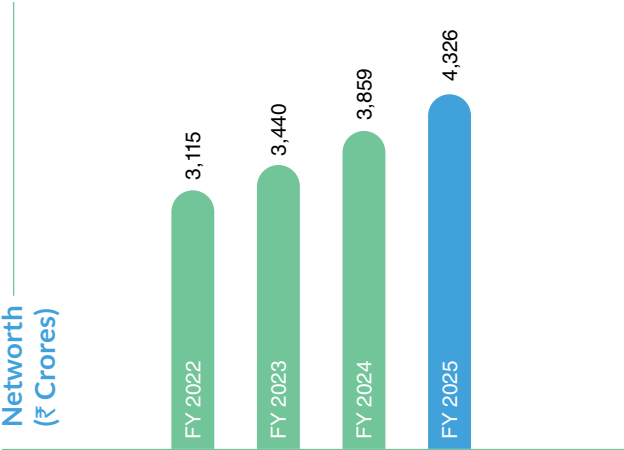
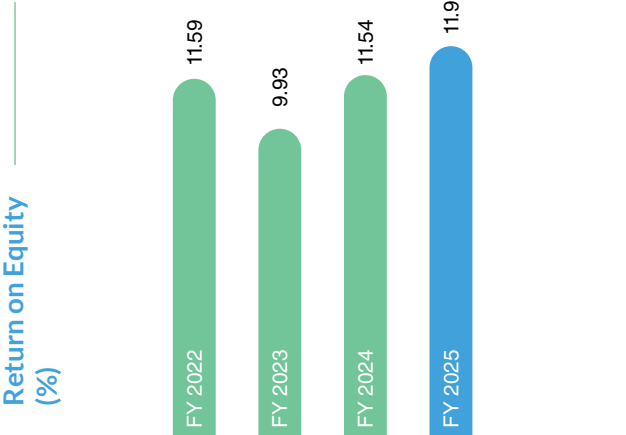
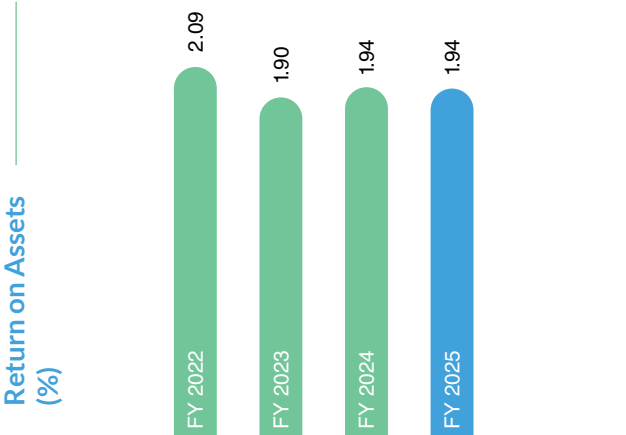
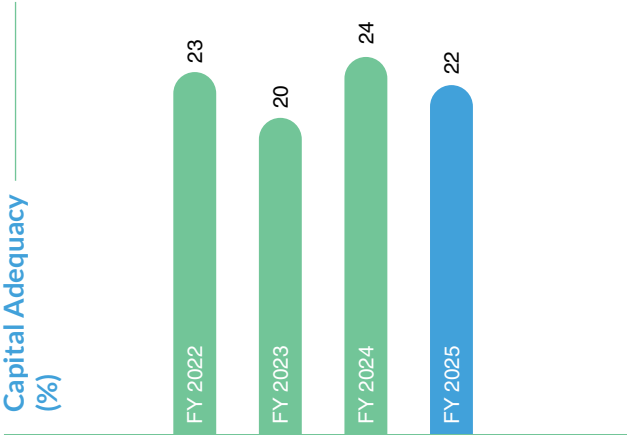
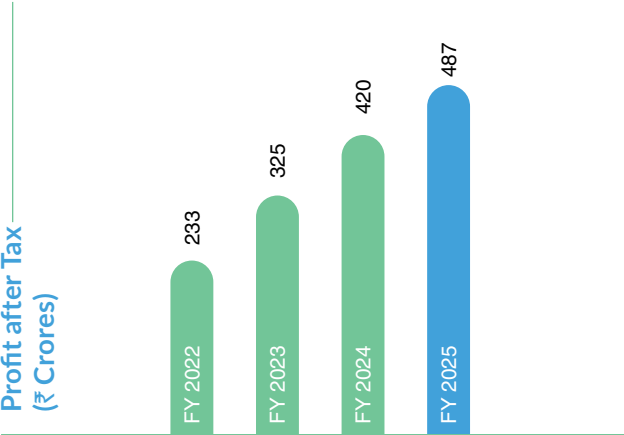
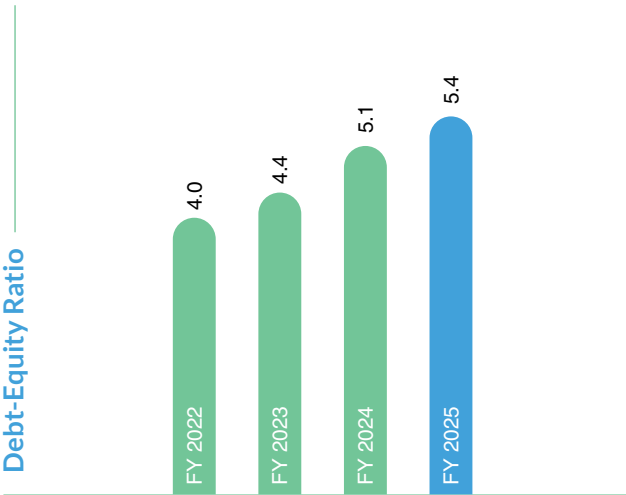
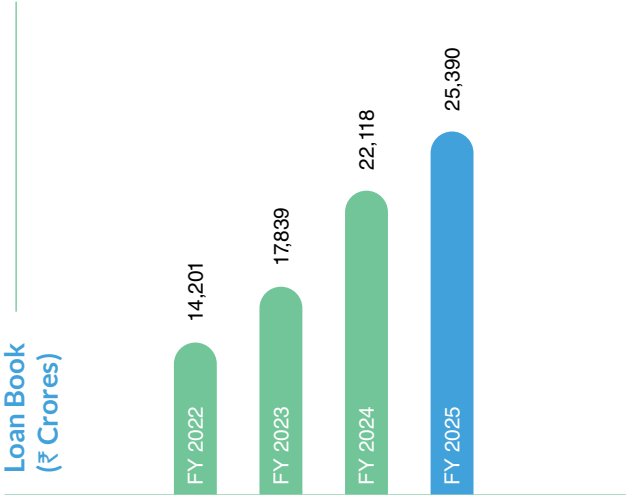
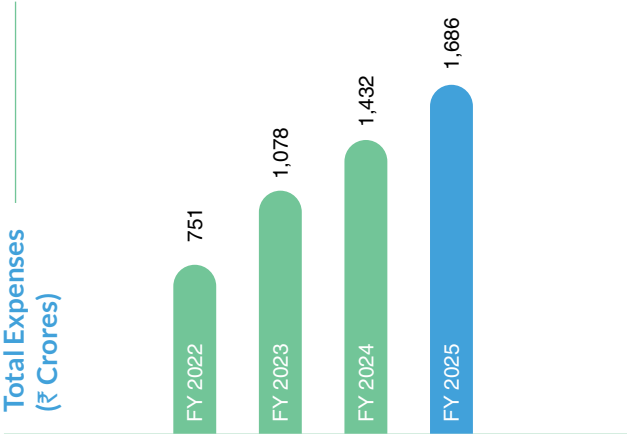
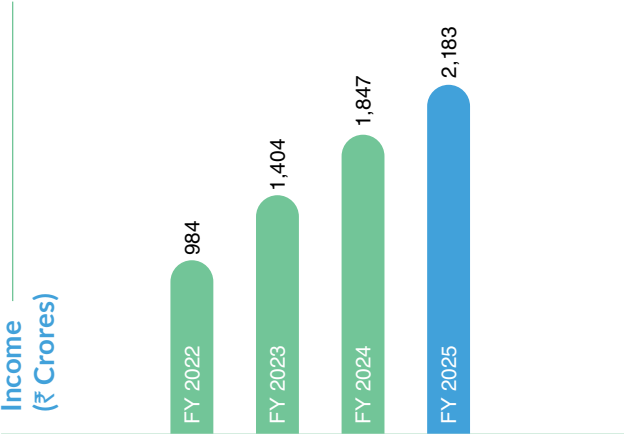
NIIF IFL plays a pivotal role in India's infrastructure financing landscape. Financial capital is central to NIIF IFL's ability to deliver on its mandate channelling long-term, patient capital into commercially viable, sustainable infrastructure projects. Strong financial performance is driven by disciplined resource mobilisation, sustainable asset-liability management ("ALM"), optimal liquidity planning, efficient utilisation of funds and rigorous monitoring of asset portfolio. As a result of our strong underwriting process and robust monitoring framework, NIIF IFL has maintained 0% Non-Performing Assets ("NPA") a notable distinction within the financial services sector.

This disclosure presents an overview of NIIF IFL's financial debt capital strategy, borrowing diversification, new capital market instruments, engagement with diverse set of investors and strategic efforts to prudently manage ALM. NIIF IFL's approach will be characterised by innovation in instruments, deeper engagement across different set of investors both at domestic and international level.

Bond Investor Conference at Jio World Convention Centre, BKC, Mumbai



DETAILS OF FINANCIAL PERFORMANCE



VALUE PROPOSITION TO BONDHOLDERS

NIIF IFL offers bondholders a compelling proposition rooted in financial stability, asset quality, and public-purpose infrastructure impact. With a AAA rating from leading rating agencies (CRISIL, ICRA and CARE) in India, NIIF IFL envisages to structure debt profile that aligns with infrastructure cash flows typically long-tenor, stable and predictable.

Bondholders Benefit from:

Strong governance, supported by experienced management.

Instruments (NCDs, NCRPS & ZCBs) tailored to different risk-return preferences and term (5-20 years) structure.

A low-risk portfolio of fully operational, cash-generating infrastructure assets.

A consistent track record of well-matched Asset-Liability Management (ALM).

Rated AAA, with a track record of nil NPAs since inception in FY 2014.

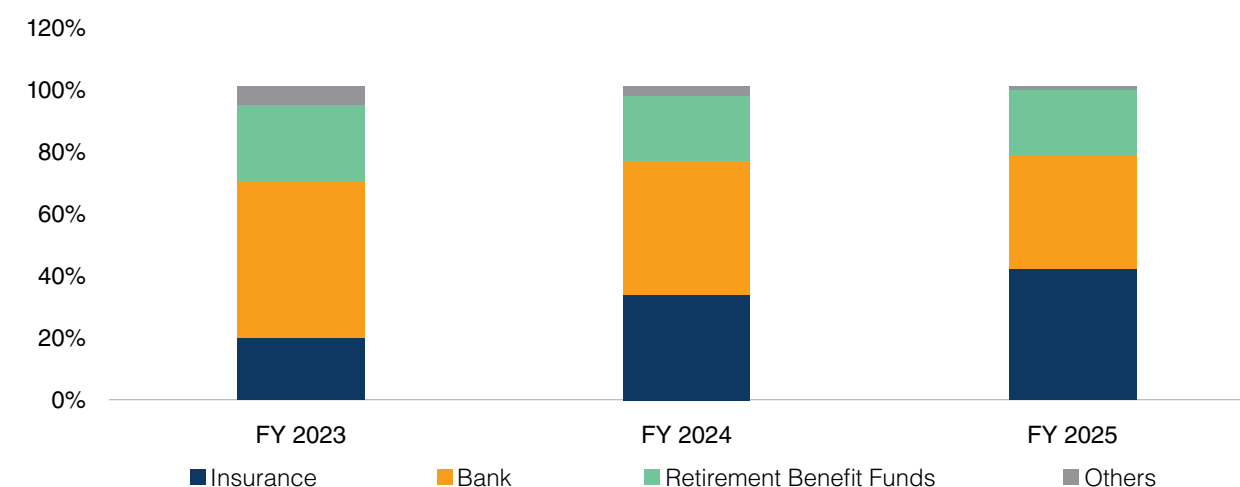
Regular investor engagement, including annual Bond Investor Conference.

NIIF IFL's focus on transparency, ESG-aligned frameworks and disciplined credit underwriting adds to the assurance that bondholders seek in today's volatile market.



Annual Bond Investor Conference held on 17 February, 2025 in Mumbai, Maharashtra

BORROWING DIVERSIFICATION: FY 2023 - FY 2025 COMPARISON



This shift aligns with NIIF IFL's objective to elongate liability tenor, reduce cost of borrowing, and reach out to new set of investor class.

Key Inferences

01 Strong Growth in Insurance Participation

The investment by Insurance companies has more than doubled from 20% in FY 2023 to 42% in FY 2025. This reflects rising institutional confidence in NIIF IFL's credit profile and alignment with their preference for long-term and stable instruments.

02 Stable Retirement Benefit Fund Allocation

Participation by retirement and pension funds remains steady (~20 – 24%), showcasing NIIF IFL's alignment with conservative, long-term institutional mandates. Opportunity exists to deepen this channel further with tailored products and ESG-linked instruments for both insurance companies and retirement benefit funds.

03 Partnering with Banks

NIIF IFL has engaged treasury trading desks and Primary Dealers (PDs) who actively create a secondary market for NIIF IFL's listed NCDs, enhancing market liquidity and investor confidence. **Syndicated deals:** Partnering with banks to structure and participate in large-scale, multi-lender transactions that support complex infrastructure projects.



Future Outlook

01

Deepening Participation by Insurance Companies and Retirement Benefit Funds

- Given their rising share and long-tenor appetite, NIIF IFL will continue prioritizing these investors with tailored, risk-adjusted instruments.
- Continued engagement via investor conferences and structured mandates.

02

Product Innovation

- Instruments like Zero Coupon Bonds ("ZCBs"), Non-Convertible Redeemable Preference Shares ("NCRPS"), will help NIIF IFL in diversifying its investor base like family offices and HNIs.
- Simplified structures, strong credit ratings, and liquidity-enhancing approach will be NIIF IFL's continued focus.

03

Channelising Multilateral Institutional Funds into Indian Infrastructure Financing

- New investor classes, like multilateral institutions/ Development Financial Institutions and impact funds offer untapped pools of debt capital for NIIF IFL.
- This would be in alignment with the Government of India's objective of bringing in long-term foreign capital into sustainable Indian infrastructure financing.

04

Green and Impact-Focused Instruments

- With the adoption of sustainable financing framework, ESG-focused institutional and international investors may contribute to further diversification of investor class.



New Product Offerings

NIIF IFL plans to offer innovative capital market instruments aimed at meeting investors' requirements and aligning product offerings with the Asset Liability Management (ALM) requirements of NIIF IFL.

Key Instruments:

- Non-Convertible Redeemable Preference Shares (NCRPS):** Offer flexible repayment schedules, better post-tax yields ideal for family offices and HNIs.
- Partly Paid Debentures:** Enabling long-term liability solution for NIIF IFL and long-term investment solutions for insurance companies, resulting in better forecasting for both.



Major Achievements FY 2025

FY 2025 has been a landmark year for NIIF IFL across key investor engagement and capital management parameters.

Achievements Summary:

- Top 4 Private Sector Life Insurers started investing in NCDs issued by NIIF IFL.
- Continued support from existing investors. ~32% of FY 2025 investors were new entrants.
- Maintained a well-matched ALM: average borrowing tenor of ~7 years.

- Onboarded CRISIL as a third rating agency after ICRA and CARE.
- Successfully conducted the 6th Bond Investor Conference:
 - 125+ attendees
 - Close to 75 institutions (both offline and online)
- Strong Credit Ratings maintained, retained AAA credit rating across all three rating agencies, with positive commentary on ALM, portfolio quality, risk and governance.



CHANNELISING NON-TRADITIONAL CAPITAL TO INDIA’S INFRASTRUCTURE: SUPPORTING CUSTOMERS WITH LOWER COST OF BORROWING

01

Non-Convertible Redeemable Preference Shares (“NCRPS”)

NIIF IFL continues to explore innovative financing avenues to deepen its impact on India’s infrastructure financing landscape. One such key initiative is the planned issuance of Non-Convertible Redeemable Preference Shares (“NCRPS”) a tax-efficient, non-traditional instrument that aligns with the Company’s broader objective of delivering affordable, long-tenor and sustainable financing to infrastructure developers.

Benefits to Key Stakeholders

As India targets ambitious infrastructure development over the next decade, NIIF IFL remains committed to being a catalyst for innovative capital mobilisation and delivering tangible benefits to all stakeholders involved.

Stakeholder	Benefits from NCRPS Strategy
Investors	<ul style="list-style-type: none">Higher post-tax returnsPortfolio diversificationLong-duration products with a predictable payout structure
Borrowers	<ul style="list-style-type: none">Lower borrowing costs, improved project viability, enhanced financial ratios
NIIF IFL	<ul style="list-style-type: none">Broader funding base (UHNIs, Family Offices, Wealth Funds, Multilateral and Development Financial Institutions)Competitive advantage in pricingAbility to serve a larger borrower baseGreater resilience to market volatilityImproved duration matching between assets and liabilities
Government	<ul style="list-style-type: none">Increased capital flow to infrastructure, support for national growth and development priorities
Economy	<ul style="list-style-type: none">Boost in infrastructure buildout, job creation and long-term productivity gains

02

External Commercial Borrowings (“ECBs”)

NIIF Infrastructure Finance Limited (NIIF IFL) is actively exploring the route of ECBs as part of its medium to long-term strategy to diversify funding sources and optimise its capital structure. NIIF IFL views ECBs as a promising channel in the context of India’s evolving macroeconomic landscape and growing global investor interest.

Benefits to Key Stakeholders

Stakeholder	Benefits from ECB Strategy
Investor	<ul style="list-style-type: none">India emerging as a high-priority investment destination, sovereign wealth funds, multilateral lenders, impact and ESG-focused institutions are showing increasing interest in India’s infrastructure story.
NIIF IFL	<ul style="list-style-type: none">Narrowing of the cost gap between ECBs and domestic borrowings makes ECBs a viable and attractive funding option for long-tenor infrastructure loans.Channelising long-term foreign debt capital into Indian infrastructure financing space.To broaden the lender base beyond domestic bond markets.
Government	<ul style="list-style-type: none">India’s commitments under Conference of Parties (COP) agreements.
Economy	<ul style="list-style-type: none">Green, impact and sustainability-linked ECBs, could support financing in climate-resilient and environmentally sustainable infrastructure.

ANCHORED IN LONG-TERM, SUSTAINABLE INFRASTRUCTURE FINANCING

Tenor on Lending Side: Extending Project Viability

NIIF IFL has consistently extended its average maturities of loan asset each year:

Fiscal Year	Average Maturity (Years)
FY 2023	12.92
FY 2024	13.69
FY 2025	14.59

These long-duration loans align with the typical life cycles of infrastructure assets like highways and renewable energy, ensuring debt tenure matches cash-flow generation.

Tenor of Borrowings

To support longer-duration lending, NIIF IFL has progressively issued longer-tenor instruments:

Fiscal Year	Average Tenor (Years)
FY 2023	5.64
FY 2024	6.44
FY 2025	6.71

By raising medium to long-term funds through AAA non-convertible debentures (NCDs), NIIF IFL ensures stable, cost-effective liabilities to support its asset base.

Strategic Rationale: Asset-Liability Alignment

- ALM discipline:** Longer borrowing tenor supports infrastructure financier’s ALM.
- Project viability:** Infrastructure projects often require 10–20 year horizons; by matching tenors, NIIF IFL supports feasible debt servicing.
- Investor appeal:** NIIF IFL’s AAA bonds attract insurance and retirement benefit funds, while liability extension anchors sustainability.



INFRASTRUCTURE CAPITAL



NIIF IFL has financed solar power project of Ampyr Group in Koppal district, Karnataka

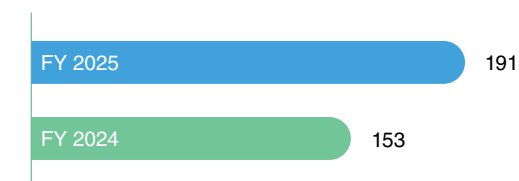
At NIIF Infrastructure Finance Limited (NIIF IFL), our commitment to identifying and nurturing strategic financing opportunities in the infrastructure sector remains steadfast. We continue to play a pivotal role in driving India's economic transformation by providing innovative, long-term financing solutions tailored to infrastructure projects that catalyse sustainable growth.

Partnering with visionary stakeholders, NIIF IFL drives infrastructure development that fuels growth while advancing India's sustainability & climate commitments. In a shifting economic landscape, we prioritise inclusive projects that empower communities and secure long-term national progress.

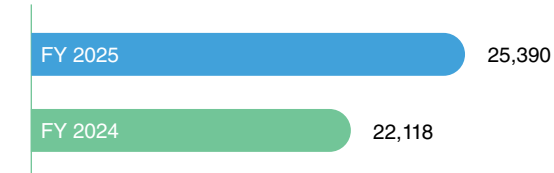
An Overview of Infrastructure Projects Financed

Project Financing Details

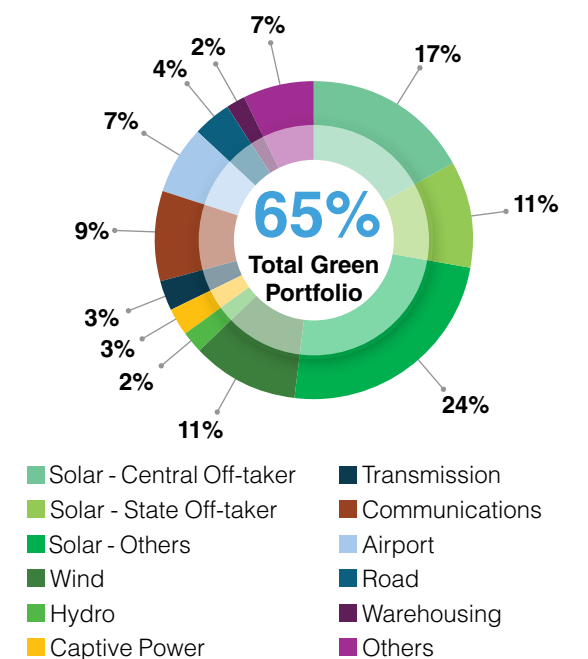
Number of Borrowers of NIIF IFL



Outstanding Loan Book (₹ in Crores)



Portfolio Diversification as on March 31, 2025



Highlights of Our Value Creation in Infrastructure Sector during FY 2025



9.3 GW

Renewable Power Financed as on March 31, 2025

16,529 million kWh

Units of Low-cost Green Power Generated in FY 2025



1,067 km

of Powerlines in North Bihar & Northeast India.

~5,000

Small Cell Towers in Low-Income Urban Settlements Supporting Digital Inclusion



906 Lane km

Highway Financed as on March 31, 2025

12 million

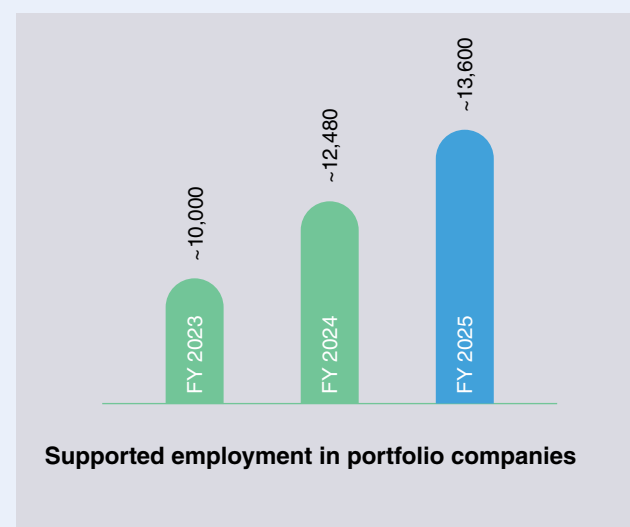
Average Annual Passenger Car Units in Financed Highways in FY 2025

~71 million

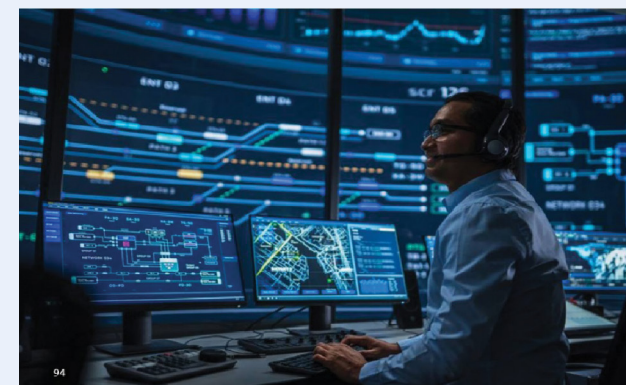
Annual aviation passengers served in financed airports in FY 2025

30.24 MW Data Centre

Financed Digital Infrastructure as on March 31, 2025



For FY 2025, NIIF IFL has been a key enabler in financing a range of significant infrastructure projects, leveraging innovative financing solutions to support sustainable growth.



CASE STUDY #1 Green & Climate-Resilient Data Centre (Sify Infinit Spaces Ltd.)

Sify Infinit Spaces Limited (SISL) is committed to developing environmentally sustainable and climate-resilient data centres. Through innovative design and operational strategies, SISL aims to create data centres that are both efficient and adaptable to environmental challenges.

Green Initiatives

SISL's sustainability framework centres around minimizing its environmental footprint. The Company has contracted over 230 MW of renewable power, with around 39% renewable energy use in its overall energy consumption enabling its data centres to run predominantly on clean power sources. The Company focuses on creating energy-efficient data centres with low Power Usage Effectiveness (PUE) and Water Usage Effectiveness (WUE) which contributed to a 27% reduction in Power Usage Effectiveness (PUE) and a 20% decrease in energy leakage in FY 2024. Additionally, the Company follows stringent waste management protocols, including responsible electronic waste disposal, to further reduce its ecological impact. Water usage is optimised through rainwater harvesting and recycling systems. Although SISL has no direct impact on biodiversity, its CSR policy includes a commitment to biodiversity conservation, reflected in the approximately 3% green cover at the Rabale data centre.

Climate Resilience Measures

SISL's data centres are designed to withstand and adapt to climate-related challenges:



Extreme Heat

Increased cooling demands due to rising temperatures are addressed through enhanced energy management and passed on to customers to ensure operational sustainability without affecting profitability.



Heavy Rainfall

Continuous environmental monitoring from SISL's Rabale Control Room enables real-time control of temperature and humidity across data centres. Dehumidifiers installed in server rooms mitigate the impact of elevated humidity during monsoon season. Moreover, a stormwater drainage system collects and treats rainwater for reuse, preventing water accumulation.



Landslide Protection

To mitigate risks from geological events, robust concrete retaining walls have been built along the hill boundaries of the Rabale site, safeguarding critical infrastructure against rockfalls and landslides.

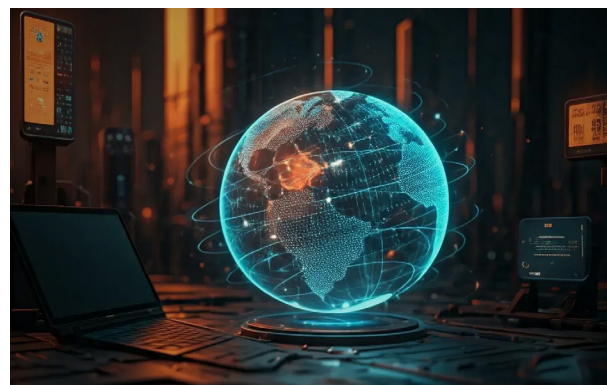


Comprehensive Insurance

To manage residual risks, SISL holds insurance coverage against natural hazards such as storms, floods, earthquakes and fire, ensuring business continuity and financial resilience.

Impact

By integrating renewable energy adoption, resource-efficient operations, and climate-adaptive infrastructure, SISL has established a model for sustainable and resilient data centres in India. These efforts not only contribute to a lower carbon footprint but also ensure uninterrupted service in the face of increasingly frequent and severe climate events.



CASE STUDY #2 **Financing Sunrise Sectors: Digital Connectivity (Lightstorm Telecom Connectivity Pvt Ltd.)**

As part of its strategic initiative to boost India's digital infrastructure, NIIF Infrastructure Finance Limited (NIIF IFL) expanded investments in the sector by financing two leading companies.

+ **Lightstorm Telecom Connectivity**

NIIF IFL financed Lightstorm, India's first carrier-neutral, cloud-based Network-as-a-Service (NaaS) provider. Lightstorm has developed an extensive high-capacity fibre optic network that interconnects data centres, cloud providers and enterprises, transforming how hyperscalers and enterprises access and scale network infrastructure.

+ **Financing Challenges and Solutions**

The rapidly evolving digital connectivity landscape and technology risks posed challenges for financing. NIIF IFL conducted a detailed analysis of the digital connectivity requirement for data centres, telecom and enterprises, demand-supply trends, capital expenditure forecasts and Lightstorm's execution capabilities. Based on this, NIIF IFL designed a tailored financing solution that supports Lightstorm's growth while mitigating risks.

Impact

These strategic investments strengthen India's digital infrastructure by enabling scalable network connectivity and sustainable data centre operations, contributing to the country's broader digital transformation and economic growth.



CASE STUDY #3 **Bi-facial Solar Modules with Hydraulic Tracker (Aditya Birla Renewable Energy Ltd)**

A 125 MW solar plant using bifacial modules with AI-driven hydraulic trackers to maximise energy capture in Savarkundla, Amreli district, Gujarat.

+ **Innovative Financing Solution by NIIF IFL**

NIIF IFL structured a customised debt solution to manage higher upfront costs and enhance long-term financial viability.

+ **Benefits of the Project**

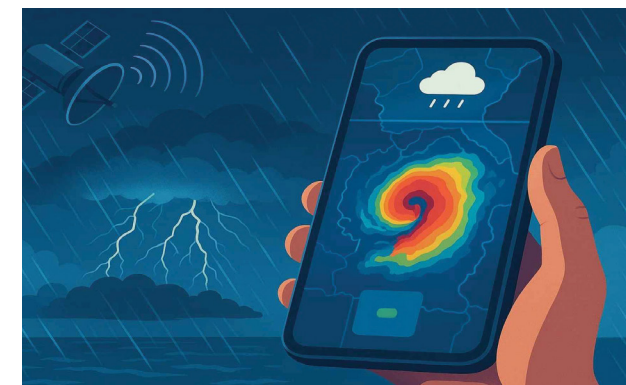
15-20% Higher energy yield from bifacial modules.

Optimised solar tracking boosts efficiency throughout the day.

Superior returns despite higher initial investment.

Positive Impact

Significantly increases clean energy capacity, reduces carbon emissions and showcases the power of innovative financing paired with advanced technology.



CASE STUDY #4 **Resource Risk Mitigation: Parametric insurance for a wind power project in Kutch, Gujarat**

A wind power project in Kutch, Gujarat, previously impacted by seasonal cyclones and wind variability, requiring robust risk mitigation for long-term viability.

+ **Key Challenge**

The primary challenge was managing the resource risk from wind variability and seasonal cyclones, which led to unpredictable energy generation and revenue shortfalls.

+ **Innovative Financing Solution by NIIF IFL**

NIIF IFL facilitated the adoption of a parametric insurance structure where payouts are triggered automatically when predefined wind speed thresholds are breached ensuring revenue protection against wind resource fluctuations.

+ **Benefits of the Project**

Mitigates generation and revenue risks caused by wind speed variability.

Enhance project bankability by stabilizing cash flows.

Additional cover over and above conventional insurance, which does not include resource risk.

Positive Impact

The solution safeguards debt servicing and operational stability, setting a new benchmark for risk-managed clean energy financing in India's renewable sector.



NIIF IFL has financed wind power project of First Energy Group in Morbi district, Gujarat

CASE STUDY #5 Innovative Solution - Debt Servicing Profile Based on Cyclicity of Hotel Business for Samhi Hotels

A five-star hotel located in the Financial District of Gachibowli, Hyderabad, operating under an international luxury hospitality brand.



+ Key Challenge

Volatility in occupancy and room rates, influenced by economic and seasonal cycles, is the key cash flow risk for premium hospitality assets.

+ Innovative Financing Solution by NIIF IFL

To counter the inherent cyclicity of the hospitality sector, NIIF IFL has incorporated an in-built accelerated repayment mechanism into the facility. Under this structure, any profits exceeding a defined threshold are mandatorily allocated towards early debt repayment, thereby shortening the debt tenure and lowering debt obligations during weaker seasonal periods.

Benefits of the Financing Solution

The structure improves the overall credit profile of the project by linking debt service to actual cash generation, thereby reducing repayment pressure during lean periods and enabling accelerated repayment during strong performance years. This alignment with cash flow mitigates default risk, which is viewed positively by rating agency.

CLIENT TESTIMONIAL

We would like to take an opportunity to thank team NIIF IFL for all the efforts in understanding and processing a complex transaction. It is a marquee transaction in the rooftop industry; one never attempted earlier.

We also acknowledge that it has taken months of hard work from both sides and the feeling of satisfaction and pride is immense.

Looking forward to continuing to grow this relationship.

Ms. Jignasa Jani Visaria
Head Renewable Capital, Fourth Partner Energy

We appreciate NIIF IFL's leadership and timely execution in successfully closing our refinancing agreement. Special thanks to Mr. Shiva Rajaraman, Mr. Debabrata Mukherjee and Mr. Atul Kulkarni for their invaluable support. We also thank our legal partners and Lightstorm's leadership for making this collaboration seamless.

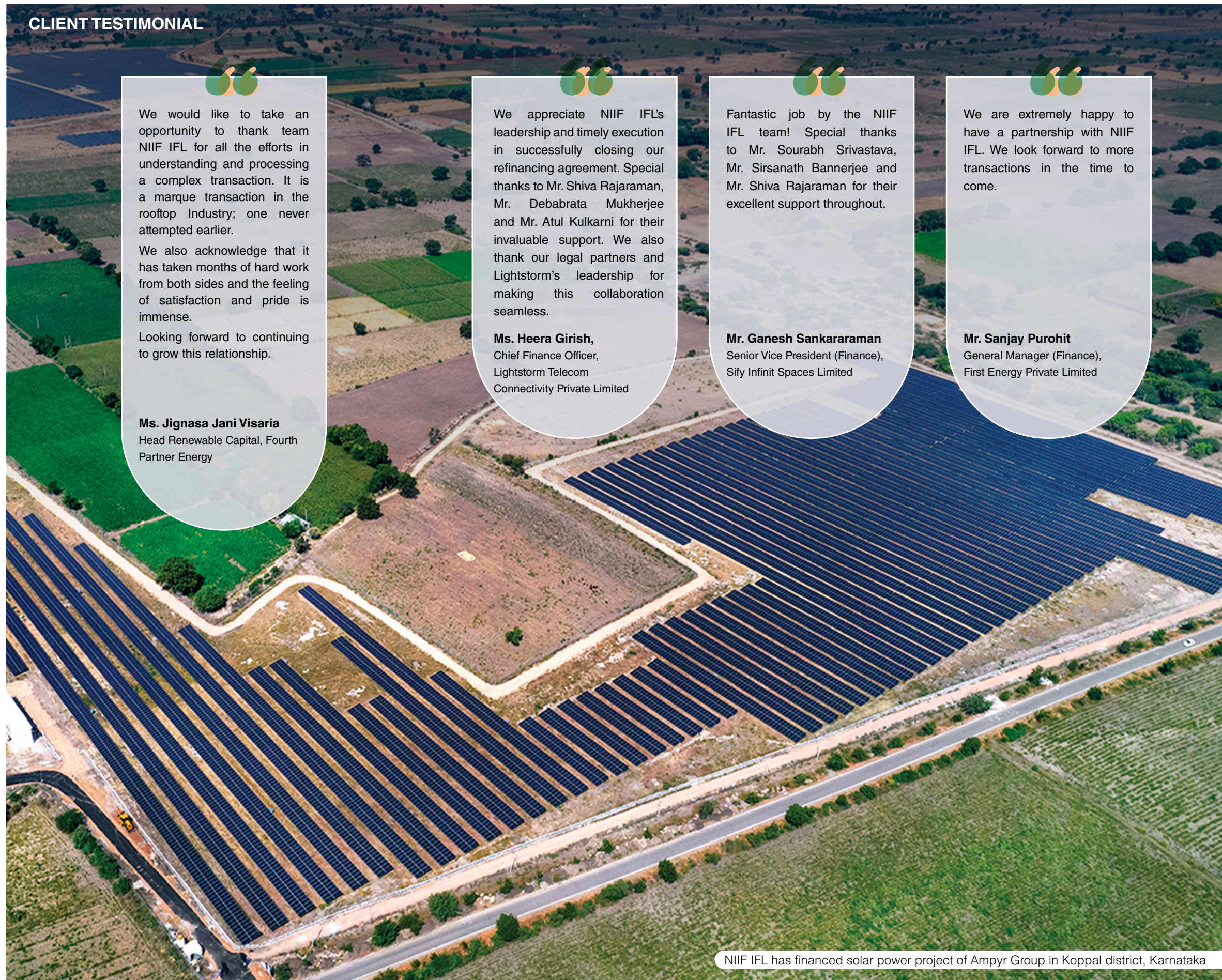
Ms. Heera Girish,
Chief Finance Officer,
Lightstorm Telecom
Connectivity Private Limited

Fantastic job by the NIIF IFL team! Special thanks to Mr. Sourabh Srivastava, Mr. Sirsanath Bannerjee and Mr. Shiva Rajaraman for their excellent support throughout.

Mr. Ganesh Sankararaman
Senior Vice President (Finance),
Sify Infinit Spaces Limited

We are extremely happy to have a partnership with NIIF IFL. We look forward to more transactions in the time to come.

Mr. Sanjay Purohit
General Manager (Finance),
First Energy Private Limited



NIIF IFL has financed solar power project of Ampyr Group in Koppal district, Karnataka

INTELLECTUAL CAPITAL



NIIF IFL's intellectual capital is anchored by its highly experienced infrastructure finance team and a commitment to continuous professional development. Customizing financing products to specific projects and sectors (like flexi-coupon or step-up coupon products) and the use of information technology for unique real-time portfolio monitoring and on-line access to project escrow accounts, reflects NIIF IFL's focus on innovation.

NIIF IFL's management team consists of seasoned professionals with over ten decades of combined experience in infrastructure financing. The team also has professionals across diverse domains including engineering, finance, law, technology, ESG etc. with multiple years of experience in various infrastructure projects, including renewable energy, highways, airports, telecom and logistics. NIIF IFL also conducts or arranges for training programs and knowledge sharing sessions for personnel by industry experts in areas including cybersecurity, Indian bond markets, regulation, fraud risk, specific areas in sectors like roads & highways, data centres, wind & solar hybrid projects.

NIIF IFL also trains its project finance personnel in the use of 15-20 year satellite (NASA) data for assessing wind and solar resource risk. Additionally, employees have opportunities to participate in industry-oriented programs/workshops in areas like climate risk, and financial modelling, among others. By regularly investing in the professional development of its employees, NIIF IFL aims to ensure that they are kept abreast of the latest developments, constantly honing their skills and in regular touch with the market.



KEY DIGITAL INITIATIVES

SAP – Core Loan Operations and Financial Accounting Modules

As part of its efforts to enhance operational efficiency and improve customer experience, NIIF IFL has implemented SAP S/4HANA, a modern enterprise resource planning (ERP) platform. This initiative supports better integration across key business functions such as finance, lending operations, compliance and risk management.

The platform also strengthens the company's regulatory reporting capabilities and helps automate routine tasks, improving efficiency and reducing turnaround times. With built-in analytics and a flexible digital framework, SAP S/4HANA enables NIIF IFL to respond more effectively to market changes and customer needs.

This initiative reinforces NIIF IFL's focus on operational resilience, process efficiency and long-term growth while supporting its commitment to strong governance and stakeholder value creation.

Driving Operational Excellence through Intelligent Automation

Trust Retention Account (“TRA”) Automation

As a part of NIIF IFL's continued commitment to digital transformation, we are implementing a next-generation solution to fully digitise and automate the Trust Retention Account (“TRA”) process. This initiative reflects our vision to enhance process efficiency, strengthen compliance, and build a future-ready operational ecosystem. The platform is designed to monitor real-time cashflows, assess Early Warning Signals (EWS), simplify complex workflows, eliminate redundancies, and drive performance across business functions.

With a strong foundation of data integrity, security and accessibility, the solution is both scalable and adaptable to meet the evolving needs of NIIF IFL. Its user-friendly dashboards and intuitive reporting tools are designed to convert complex data into actionable insights accessible anytime, anywhere, from any device.

This transformation is not merely about automation. It is about reimagining how we operate, embedding intelligence at every touchpoint, and empowering teams to move from operational tasks to strategic value creation.

Real-time Site-visit Reporting

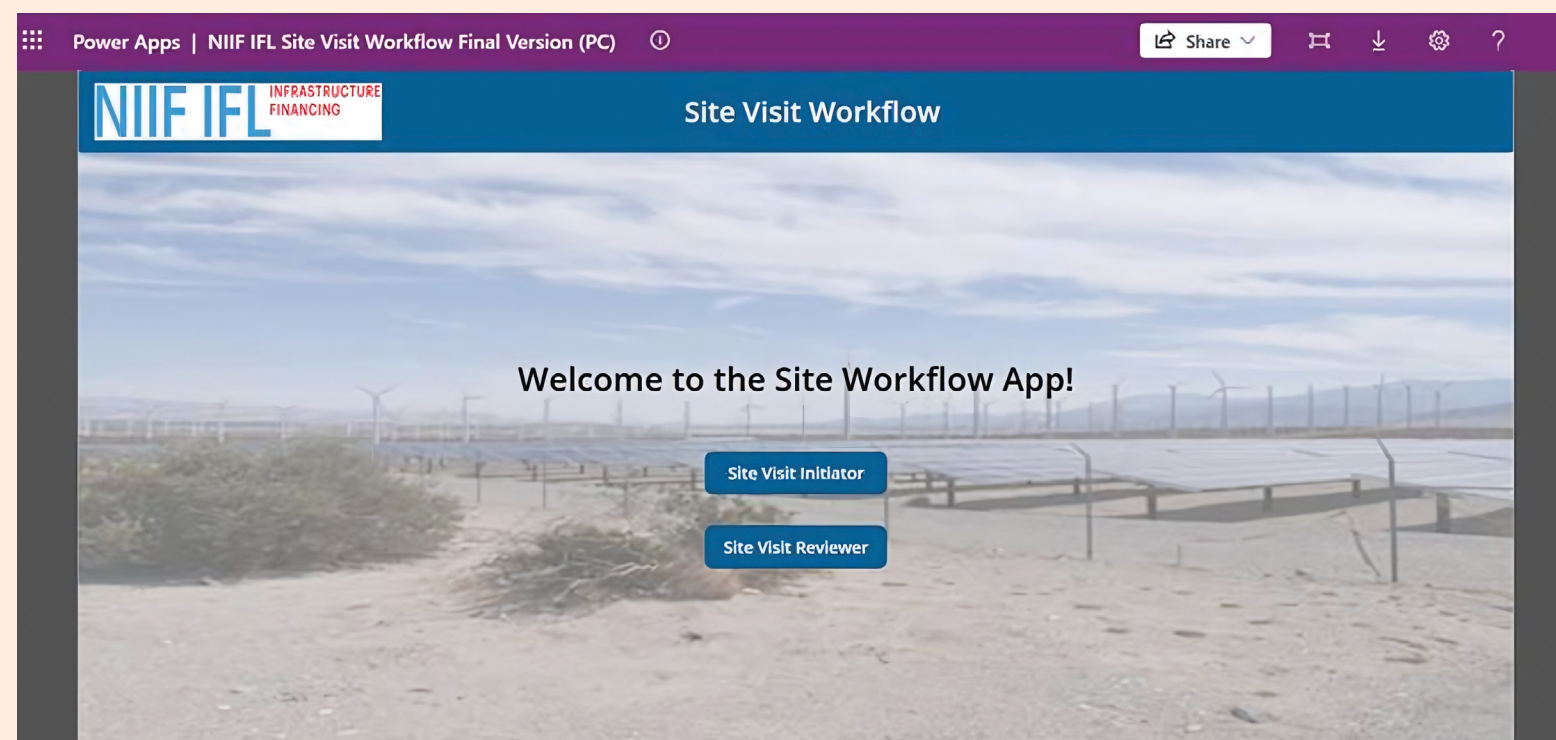
NIIF IFL has streamlined and digitised the existing site visit procedure, which relied on manual data entry and email-based approval processes. NIIF IFL envisioned an automation of this process by utilizing Power Apps for desktop and mobile platforms.

This automation focusses on:

Digital Data Capture: Data entry using digital forms on mobile and desktop platforms.

Seamless Workflow Integration: Implementing a streamlined workflow where approvals from the relevant authorities are managed digitally within the platform, reducing the dependency on emails and improving efficiency.

The goal is to enhance the speed, accuracy and transparency of the site visit reporting process by leveraging digital tools for data capture and workflow automation.



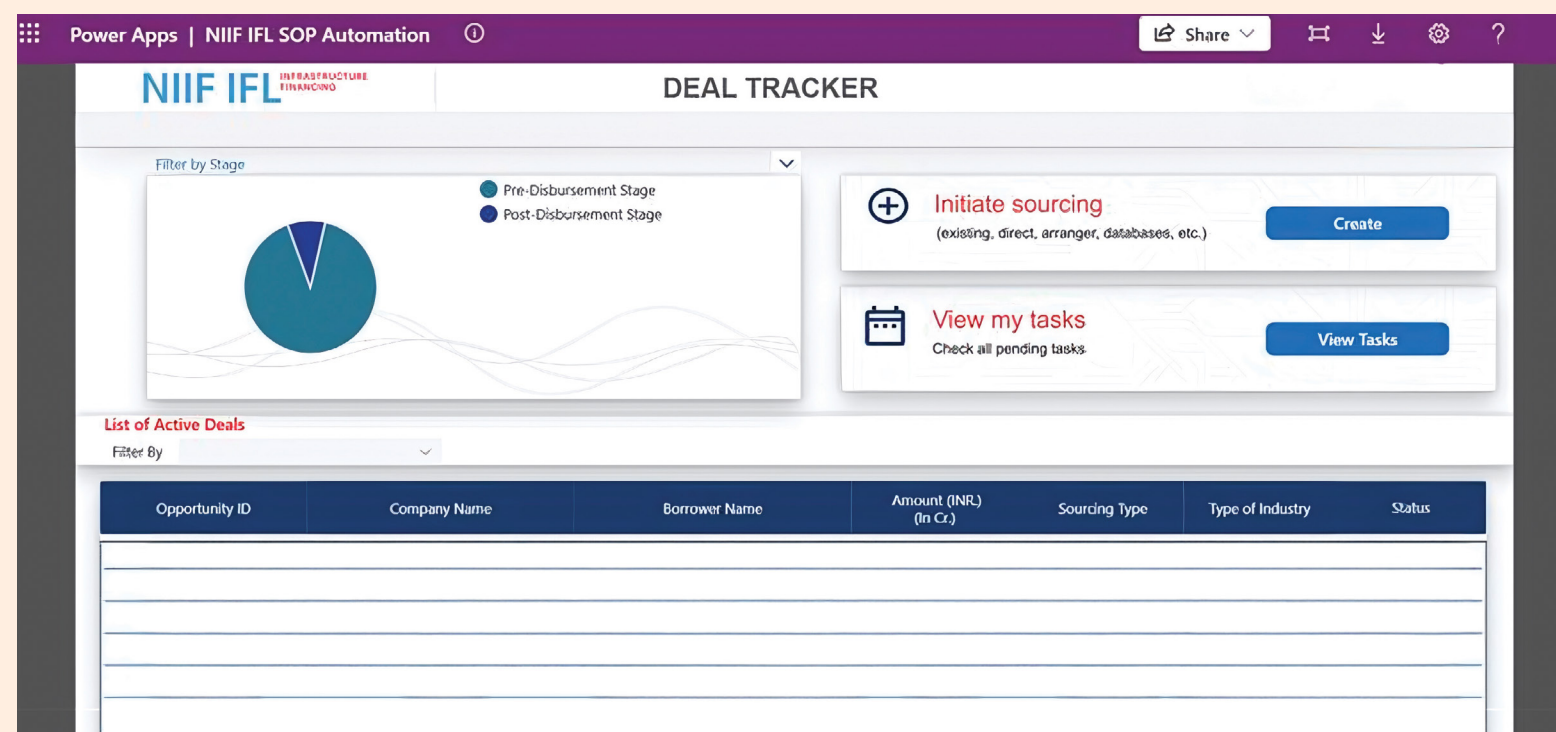
Portfolio Monitoring Single View System

NIIF IFL plans to design a digital transformation and develop a single view platform covering the 360-degree view of the portfolio. This solution will focus on digitizing, ensuring enhanced monitoring objective. Key objectives include streamlining workflows, enhancing efficiency, improving accuracy, and maintaining compliance while providing intuitive dashboards and reporting tools.

SOP Automation

NIIF IFL follows a structured SOP Deal lifecycle consisting of 10 stages and 95 steps, requiring multiple stakeholders, validations and approvals before final disbursement. Historically, this process was manual, highly dependent on spreadsheets and emails, making monitoring, governance and timely execution challenging.

To streamline this, the SOP Deal Tracker Dashboard was developed using Power Apps and SharePoint. The system provides a centralised digital platform to manage the deal lifecycle end-to-end from deal origination to disbursement.



Cybersecurity

01

Endpoint Detection and Response (EDR) & Automated Moving Target Defence (AMTD) have been deployed for the endpoints (laptops) to protect against malware

EDR is a cybersecurity technology that continuously monitors endpoints for evidence of threats and performs automatic actions to help mitigate the threats. EDR provides more protection than anti-virus because it has the ability to hunt for as-yet-unknown threats by analyzing suspicious behaviors.

AMTD is a proactive cyber defence tool that protects systems by making them unpredictable and difficult to attack. AMTD works by changing and moving system resources, such as runtime memory, making it harder for attackers to find and exploit vulnerabilities.

02

Cloud proxy (Secure Web Gateway) has been deployed for the endpoints for content filtering

This enables uniform application of corporate internet policies capabilities to prevent malware, detect advanced threats, filter websites by category, protect data for users at the office and remote locations (work from home, and airport, among others).

03

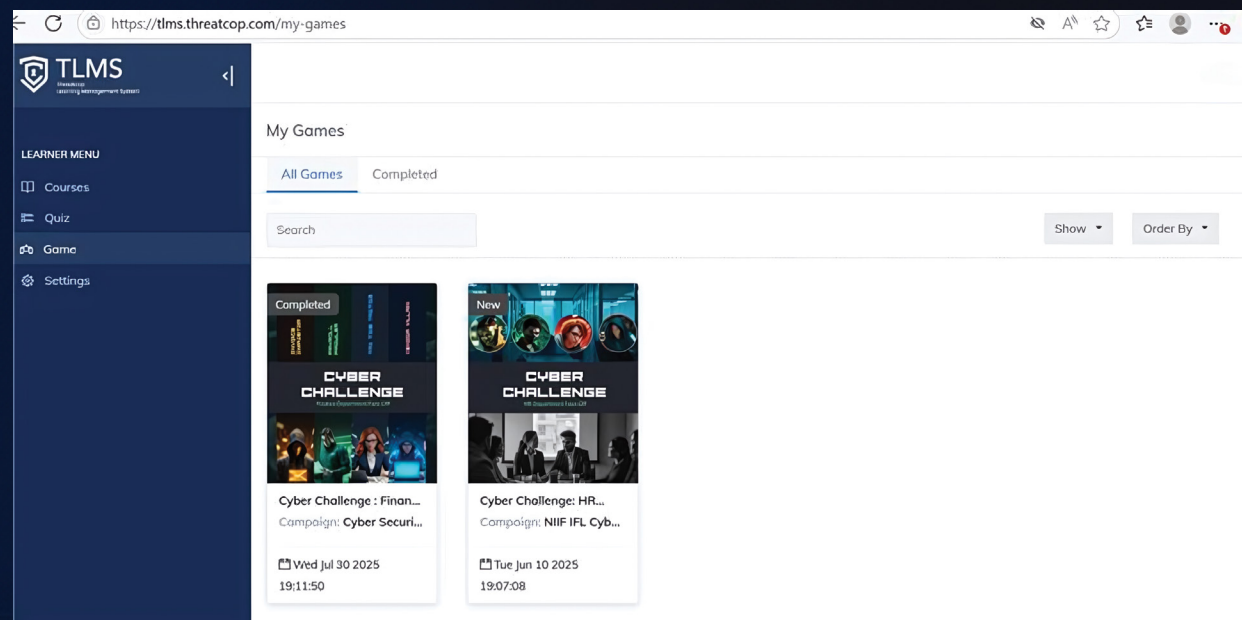
Data encryption for laptop hard disk

Data encryption is a security feature that provides encryption for laptop hard disks addressing the threats of data theft or exposure from lost, stolen, or inappropriately decommissioned devices.

04

Tabletop exercise (Cyber Drill)

A tabletop exercise for real-world scenarios is conducted to ensure that employees and vendors are prepared to handle cyber threats effectively.



HUMAN CAPITAL



Team NIIF IFL celebrating Diwali at Grand Hyatt, Mumbai

Building Future-Ready Teams

Our people are the true anchors of our long-term growth. Recognizing this, our organisation remains deeply committed to strengthening capacity, building leadership capabilities and fostering an environment of care and inclusivity that prepares our workforce for future growth and challenges.

We continually strive to create an engaging and enriching workplace through well-planned initiatives and policies that are designed to promote personal growth, inclusiveness and a culture of high performance.

To prepare our team for future challenges, we invest in enhancing employees' skills and competencies. This is achieved through a robust blend of in-house training programs and access to external learning opportunities, ensuring our workforce remains agile and well-equipped for tomorrow's demands.

Our culture is fundamentally shaped by our core values, embodied in the acronym ASPIRE. These values guide every action we undertake and underpin all our business decisions, creating a unified and principled organisational ethos.

Our meritocratic culture fosters recognition and rewards that are based on performance achievements. We conduct performance management with fairness and transparency, guided by Key Performance Indicators (KPIs) that are closely aligned with our strategic objectives. This ensures timely acknowledgment of achievements and drives continuous improvement across the organisation.

Continuous Learning and Growth

Skill enhancement and capacity building remain at the forefront of our strategic priorities. To support this, we have significantly expanded our learning and development initiatives with a strong focus on enhancing functional expertise, leadership capabilities and awareness of compliance and regulatory frameworks.

As part of our commitment to continuous learning, we introduced the **Expert Hour** series a platform where industry specialists from diverse sectors were invited to share their insights, experiences and best practices. These interactive sessions provided our employees with a holistic view of evolving industry trends and fostered meaningful dialogue with thought leaders, enriching both knowledge and perspective.

During the year, the organisation invested significantly in upskilling its workforce, delivering **3,057 training hours** across functional, technical and behavioral domains. This substantiates our commitment to learning and underlines our dedication to cultivating a future-ready workforce.

Additionally, to reinforce our culture of accountability and ethical conduct, the Company regularly conducts specialised workshops focused on **risk management and regulatory compliance**. These sessions aim to strengthen employees' understanding of key compliance obligations, sharpen risk awareness and embed responsible decision-making into everyday business operations.

We continue to empower our people to take up transformative projects to enhance capability and drive performance.

Promoting Women's Empowerment through Strategic Initiatives

Our organisation continues to deepen its commitment to promoting diversity and inclusion throughout the Company. We continue to maintain women's representation ratio that surpasses industry standards, reflecting our ongoing commitment to gender diversity.

Through targeted initiatives, we have made significant progress in developing our women's cohort. These include specialised programs aimed at women's professional growth, flexible work arrangements to support new mothers, conscious hiring practices to improve female representation

across all departments and across levels and focused efforts to ensure balanced gender ratios within teams and functions.

We also celebrate key occasions such as Women's Day and Mother's Day to honor and recognise the invaluable contributions and achievements of the women within our organisation.

Ensuring a safe and respectful workplace for all employees is paramount. To further this effort, we regularly conduct Prevention of Sexual Harassment (POSH) training sessions, reinforcing awareness and compliance with workplace safety standards.

To further embed inclusivity into our culture, we have organised multiple workshops focused on diversity and inclusivity awareness. A notable milestone was the Unconscious Bias workshop, which played a key role in shaping and adopting our **Vision Statement on Diversity, Equity and Inclusion**: "Our organisation celebrates diversity, consistently fosters inclusivity and respect for all, resulting in a happy and empowered workforce."

People Highlights in FY 2025

Average Age of Organisation with a Mix of Experience and New Talent

36 years

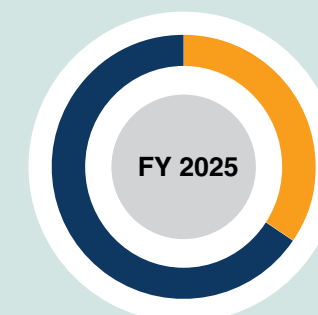
Employee Retention Ratio

81.4% (higher compared to industry average)

Total Hours Dedicated to Employee Training

3,057 hours

Gender Diversity



Female Employees: **35%**

Male Employees: **65%**

Total Employees: **66**



Women's Day celebration (to empower and encourage women at the workplace) at NIIF IFL office

Empowering Employee Well-being and Motivation

The organisation places strong emphasis on employee well-being through a range of comprehensive wellness initiatives. Through its digital wellness platform employees were provided convenient access to services such as emergency support, doctor consultations and regular health check-ups. In addition, the Company organised health camps, wellness workshops, and extended personalised support to employees facing personal crises.

To promote a sense of belonging and strengthen interpersonal connections, the organisation hosted offsites, outbound programs and town halls. These initiatives offered employees a chance to step away from their regular routines and engage with their peers in a more informal setting helping to build trust and break down barriers.

Workshops such as “Finding Your Rhythm – Movement and Mindfulness” were also conducted to encourage self-reflection, enhance self-awareness, and support mental well-

being. These sessions enabled team members to reconnect with themselves and each other, fostering trust, openness, and mutual respect across the organisation.

In our continuous effort to evolve and improve, a culture survey (conducted every year) was conducted during the year to gain insights into how employees perceive the organisational culture. The findings helped us identify both our cultural strengths and areas for improvement. Based on this valuable input, an organisation-wide improvement plan was co-created with employee involvement.

Further reinforcing our philosophy on meritocracy, we launched a structured Reward and Recognition Program aligned with our core values and business objectives. This program is designed to recognise and reward exemplary performance and behaviours that reflect our organisational values, ensuring that achievements are celebrated in a timely and meaningful manner.



Expert hour session conducted at NIIF IFL office



Team offsite at Andaman & Nicobar Islands

Unconscious Bias Workshop conducted for all employees of NIIF IFL to promote awareness and foster an inclusive workplace culture.



Digital HR Platform

With the objective of enhancing operational efficiency, ensuring data authenticity, and enabling informed decision-making, the organisation successfully migrated to a new Human Resources Management System (HRMS). This system was introduced not only to streamline and automate key HR processes but also to provide an engaging, user-friendly, and informative platform for employees.

While digital transformation is an ongoing journey, continuous efforts are being made to further enhance system capabilities, improve user experience, and drive greater efficiency across HR functions.

Ethics and Integrity at Our Core

Integrity is one of our core values and it is deeply embedded in our DNA. It guides how we work, how we make decisions and how we interact with all our stakeholders. For us, ethics is non-negotiable.

To ensure that every employee understands and lives by these values, we conduct regular workshops and awareness programs focused on ethics and integrity. These sessions reinforce the importance of ethical behaviour in day-to-day work and help embed it in everything we do.

Our strong policies and consistent actions reflect this commitment.

Employee Engagement Highlights

The organisation provided various opportunities for meaningful employee engagement activities and fun that brought our team closer and created a happy, positive workplace. We believe in celebrating every win big or small and throughout the year, we came together for festivals like Navratri and Diwali, Christmas, special days like Women's Day and Mother's Day, employee birthdays, and important milestones.

Each celebration and moment strengthened our bond as a team. These events gave everyone a chance to connect, have fun, and feel appreciated in the Company.



Team outbound at Karjat



Recognizing employees for their exceptional dedication and outstanding performance

Social and Relationship Capital



NIIF IFL's collaboration with Centum Foundation in Assam

Contributing towards a Broader Community Impact

NIIF IFL has consistently believed that business growth and profitability must be complemented by a sense of responsibility to society. NIIF IFL is committed to ensuring significant social impact by leveraging strengths and networks. During FY 2025, NIIF IFL continued its commitment to CSR activities in proximity to portfolio projects, principally with an intention to provide quality healthcare, enable rural development, preserve the environment and provide a holistic learning environment for children that could enable improved quality of education.

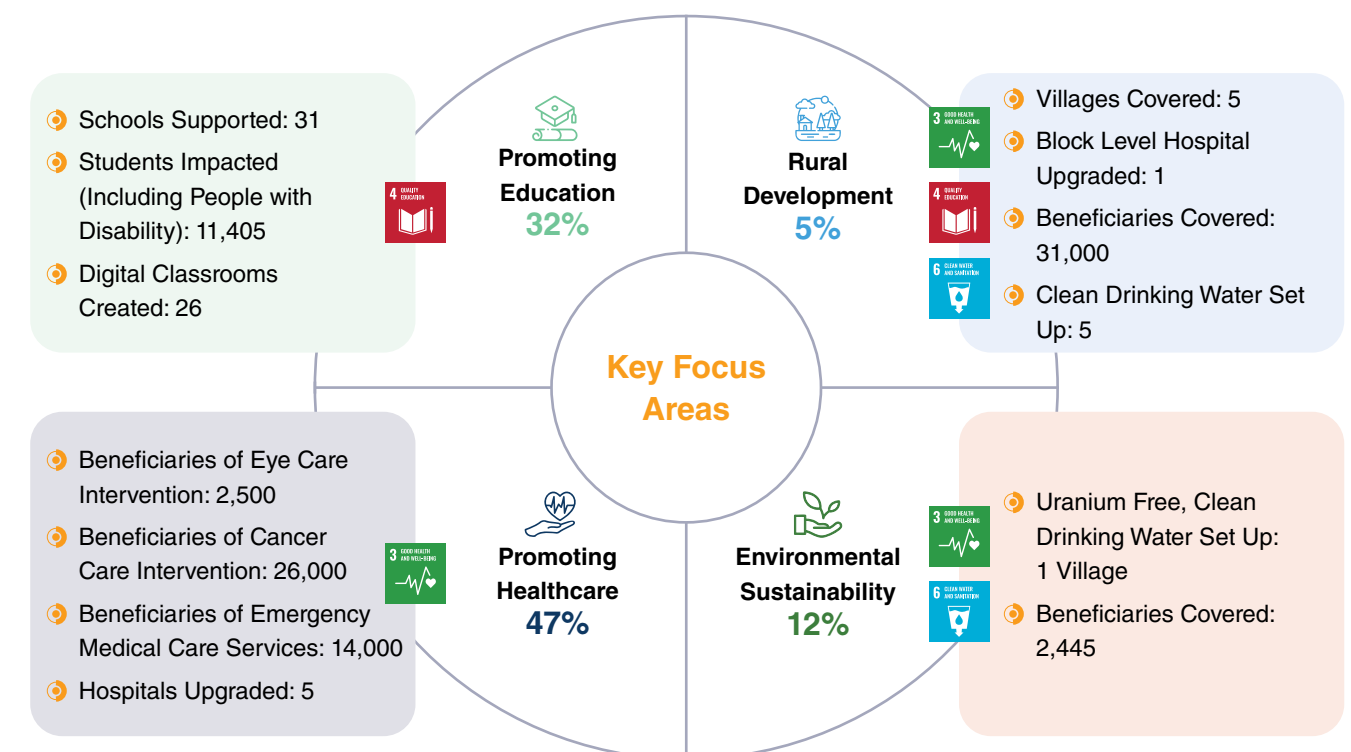
Total Amount Spent
₹ **7.20** Crores

Total Community Partners
10 NGOs

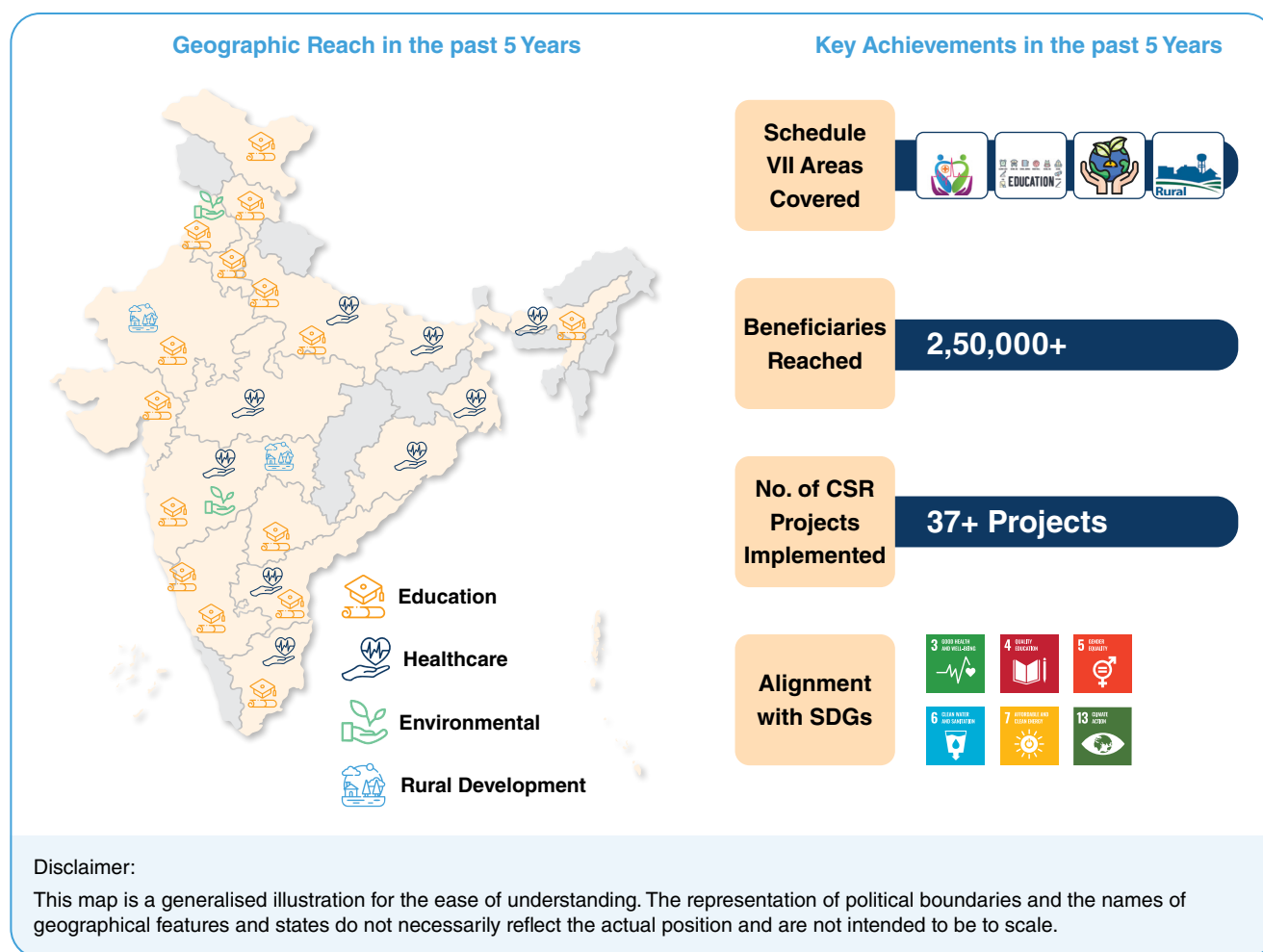
Total CSR Beneficiaries
87,350

Employees Participated In CSR Activities
25%

NIIF Infrastructure Finance Limited Social Capital – FY 2025



NIIF Infrastructure Finance Limited Social Capital – 5 Years at a Glance



Contribution towards Healthcare

01 Ensuring quality healthcare infrastructure by providing cancer care equipment in Muzaffarpur, Bihar and Guwahati, Assam

Challenge

India ranks third after China and the USA according to cancer statistics from the National Institutes of Health (NIH). Studies estimate a 12.38% increase in cancer cases by FY 2025, reaching approximately 2 million cases. According to WHO, in 2022, India reported over 14.1 lakhs new cancer cases and more than 9.1 lakhs deaths due to the disease, with breast cancer being the most common. The situation is getting worse in the remote, low socio-economic communities where primary healthcare is still considered a challenge.

Role of NIIF IFL

In partnership with Tata Memorial Centre Mumbai, NIIF IFL has contributed to strengthening the cancer care infrastructure of TMC in 2 hospitals, i.e., Homi Bhabha Cancer and Research Hospital (HBCRH) Muzaffarpur, Bihar and B. Borooah Cancer Institute (BBCI), Guwahati, Assam, through installation of a video bronchoscope, a fluorescence microscope with filters, and a portable ultrasound machine with a biopsy guide for the breast clinic. This will enable equitable and quality cancer care services for all sections of society, especially those from underserved communities of Assam and Bihar.



Beneficiary Details

Approximately 25,000 patients from low socio-economic background in Bihar and Assam are expected to be benefitted.



02 Enabling access to quality eye care for rural communities in Bihar through installation of surgical equipment to perform surgeries of retina

Challenge

According to The National Blindness & Visual Impairment Survey India 2015-19, the overall prevalence of visual impairment in India is estimated at around 2.55%, with Bihar being the most affected state after Uttar Pradesh. Retinal detachment is a common cause of blindness in India. It occurs when the retina separates from its underlying tissue, causing vision loss. It can be caused by trauma, diabetic retinopathy, or other underlying conditions like severe myopia, particularly due to eye injuries and lack of awareness. In India, the number of untreated cases is very high. Timely detection can help improve quality of life and functional ability.

Beneficiary Details

Approximately 2,500 patients from low socioeconomic communities of Bihar are expected to receive retina treatment in a year.



Role of NIIF IFL

NIIF IFL partnered with Nav Bharat Jagriti Kendra ("NBK") to enable access to quality eye care for rural communities of Bihar through installation of surgical equipment specially for retina surgeries. Under this project, NIIF IFL supported NBK with one Vitrectomy machine (eye surgery equipment) and one BIOM machine (Binocular Indirect Ophthalmic microscope, a non-contact viewing system) to Loknaya Jai Prakash Eye Hospital (NBK run hospital) in Gaya. This initiative ensures state-of-the-art eye care facilities for people from underserved communities of rural Bihar.



03 Ensuring quality cancer care service through providing cancer care infrastructure (Fluorescence In Situ Hybridisation) in G Kuppuswamy Naidu Memorial Hospital, Coimbatore – Tamil Nadu

+ Challenge

In the southern region of India, Tamil Nadu has higher number of cancer patients. Several factors contribute to the high incidence of cancer in Tamil Nadu, including unhealthy diets, smoking, exposure to chemicals, and air pollution from industrial activities.

G Kuppuswamy Naidu Memorial Hospital ("GKNMH", run by Kuppuswamy Naidu Charity Trust) is one of the oldest cancer care hospitals in the southern region which is operational for more than 67 years. There are very few government hospitals for cancer treatment in this region and most of the patients are referred by government hospitals where around 65-70% beneficiaries are from the marginalised sections. The Oncology Department registers around 5,000 new cases each year with maximum cases of breast cancer followed by blood and oral cancer. The hospital receives many cases from the tribal communities of Nilgiri and Kerala border. With the increase in patient numbers and lack of required number of medical equipment, the overall waiting time for cancer patients is increasing, which is worsening their medical condition. Advanced cancer care services are not available in the remote areas, which are mostly inhabited by tribal communities. GKNMH, located in Coimbatore, caters to a large number of cancer patients from tribal communities. This advanced cancer care equipment will enable personalised treatment and also save money of the patients.

+ Role of NIIF IFL

NIIF IFL has partnered with The Kuppuswamy Naidu Charity Trust for Education & Medical Relief to enable critical cancer care services through upgradation of the Oncology Department at GKNMH. This initiative aims to provide precise treatment to patients from low socio-economic backgrounds, including tribal communities in Coimbatore and surrounding districts of Tamil Nadu. NIIF IFL supported GKNMH with advanced cancer care equipment, Fluorescence In Situ Hybridisation, which was previously unavailable. This advancement has facilitated patient-specific, precise and personalised treatment, particularly for patients diagnosed with breast, blood, oral, and brain cancer. This equipment has reduced the treatment timeline significantly.

Beneficiary Details

Approximately 1,000 patients from low socio-economic communities of Coimbatore and nearby districts are expected to be benefitted in a year.



04 Enabling critical healthcare services through upgrade of ICU department of C.R. Gardi Hospital for the marginalised communities of Madhya Pradesh at subsidised or at no cost

+ Challenge

Madhya Pradesh faces several health challenges due to various socio-economic factors. Key issues include the lack of access to government tertiary healthcare facilities in Ujjain and the surrounding districts. Madhya Pradesh ranks 3rd in the country for the total number of fatal road accidents, resulting in an increased number of accident victims. CR Gardi Hospital, under Ujjain Charitable Trust Hospital & Research Centre, registers a high number of cases year on year. It is a charitable hospital and provides healthcare services free of cost to the tribal and low socio-economic communities. C.R. Gardi Hospital's current infrastructure was inadequate to cater to the increased number of patients, leading to delays in treatment.

+ Role of NIIF IFL

NIIF IFL partnered with Ujjain Charitable Trust Hospital & Research Centre to support the ICU department at CR Gardi Hospital with essential ICU infrastructure, including ventilators, multipara monitors, central monitors, defibrillators and syringe pumps, to cater to the increased number of patients. This will help in addressing the ICU requirement of the hospital.

Beneficiary Details

Approximately 14,000 patients from low socio-economic communities are expected to be benefitted in a year.



Contribution towards Education

01 Digital Education Infrastructure upgradation in Govt/Trust run schools across multiple locations

+ Challenge

The National Education Policy 2020 places significant emphasis on integrating technology and promoting digital literacy in education to enhance quality, accessibility and equity. The policy also encourages the use of technology for personalised learning, teacher training, and creating more engaging learning experiences. Digital education helps to simplify concepts, cater to diverse learning styles, make education more inclusive and interactive.

+ Role of NIIF IFL

NIIF IFL partnered with Vidya Integrated Development for Youth and Adults ("VIDYA") to increase the learning outcomes for children from urban slum communities by providing digital education facility (smart classrooms & computer labs) in government and trust-run schools. Under the project, computers, smart boards, laptops and smart TVs were installed in government and trust run schools across Maharashtra, Haryana, Gujarat and Goa.

Beneficiary Details

Over ~9,000 beneficiaries have been benefitted through this initiative.



02 Establishing smart classroom in government schools of Assam to promote quality education and increase in learning outcomes.

+ Challenge

To align with the New Education Policy 2020, the Assam government aims to transform close to 4,000 government schools into smart schools through the installation of smart classrooms. Due to limited resources, government schools lack the proper setup to impart digital learning skills, with only 10% of government schools in Assam currently having smart classrooms. Smart classes are essential for providing holistic education to children, making learning more interactive and engaging and bridging the gap in access to quality education.

+ Role of NIIF IFL

NIIF IFL partnered with Centum Foundation to upgrade 10 government schools into smart schools in Darrang and Barpeta districts of Assam. This project strategically collaborated with the Education Department of the Government of Assam to contribute towards the state's goal of converting government schools into smart schools. Under this project, NIIF IFL has supported the installation of smart boards in 10 government schools in Assam an inbuilt curriculum in regional languages. This initiative promotes quality education and aims to improve learning outcomes for children from tribal and rural communities.

Beneficiary Details

Around 2,000 children from 10 Government Schools have been benefitted from this project.



03 A | Establishment of computer resource centre for providing computer education to visually impaired students

+ Challenge

Visually impaired students face numerous challenges in completing their education due to the lack of adequate infrastructure in government schools and colleges. Computer education is a crucial skill for securing employment in any organisation. According to the WHO, India has the highest number of visually impaired (VI) people in the world. The dropout rate among visually impaired students is high, with many leaving school before completing their secondary education. Most of these students come from low economic backgrounds, making their situation even more vulnerable. With proper technological support, deserving students can complete their education, significantly enhancing their livelihood opportunities.

+ Role of NIIF IFL

In partnership with Help The Blind Foundation, NIIF IFL has established 5 computer resource centres to provide computer education to visually impaired students in 5 Government schools and colleges across Aarni (Tamil Nadu), Bengaluru (Karnataka), Delhi, Nagpur and Nashik (Maharashtra) locations. As part of the project, computers with assistive software, book screening machines, headset, among others, were provided to improve the learning outcome. During the programme the students were also trained in languages, communication skills, life skills and mobility for better job opportunities.



Beneficiary Details

Approximately 250 visually impaired students have been benefitted from this project.



04 B | Distribution of assistive glasses and laptops to visually impaired students

+ Role of NIIF IFL

The Company has partnered with Help the Blind Foundation to support the educational aspirations of visually impaired students by providing assistive glasses and laptops across colleges of Vijayawada, Madurai, Coimbatore, Hyderabad and Tiruchirappalli. During the programme the students were also trained in languages, communication skills, life skills, and mobility for better job opportunities.

Beneficiary Details

Approximately 150 visually impaired students have been benefitted from this project.



Contribution towards Environmental Sustainability

01 Development and installation of clean drinking water unit (with a zero-water-waste design) in uranium affected village of Ranbirpura, Patiala, Punjab

+ Challenge

Uranium contamination has emerged as a significant public health concern, especially in regions with heavy reliance on deep bore wells for drinking water. Long-term exposure to uranium can lead to several health issues like cancer and kidney damage, among others. Groundwater is the primary source of drinking water with wells typically reaching depths of 30 to 100 meters. The groundwater situation in Patiala is increasingly alarming due to extreme arsenic and uranium contamination. Excessive abstraction coupled with natural geological factors have led to elevated levels of uranium in water supply posing significant health risks. The uranium concentration in parts of Patiala exceeds the World Health Organisation (WHO) guideline of 30 micrograms per litre, including the project village, Ranbirpura, which was in urgent need of water treatment technology.

+ Role of NIIF IFL

NIIF IFL partnered with IIT Madras to develop and install a safe water unit (2 lakhs litres/day), ensuring uranium free clean drinking water is accessible at the doorstep of every resident in Ranbirpura village, Patiala district, Punjab. The government has encouraged IIT Madras to set up the International Centre for Clean Water (ICCW), to promote clean drinking water through technology and innovation. Under this initiative, IIT Madras has installed a safe water unit in Ranbirpura village to provide uranium-free drinking water, aiming to prevent cancer cases in the community. This water unit is based on a zero-water waste module, which protects the environment and is designed to sustain for at least 20 years.

Beneficiary Details

Approximately 2,445 villagers are receiving safe drinking water from this initiative.



Contributing towards Rural Development

01 Development of safe water infrastructure in government schools and health infrastructure in Gravis Hospital, Jodhpur, Rajasthan

+ Challenge

Rural Rajasthan faces challenges, including inadequate education facilities and health infrastructure. Government schools in the Thar region lack basic amenities, such as clean drinking water, leading to health issues among children and resulting in high absenteeism rates. In terms of healthcare, the Thar region struggles for quality and affordable medical services. Villages have limited healthcare facilities, forcing residents to travel long distances for basic treatment, often losing their daily wages in the process.

+ Role of NIIF IFL

In partnership with Gramin Vikas Vigyan Samiti ("GRAVIS"), NIIF IFL has provided reverse osmosis ("RO") water purifiers to five government schools, ensuring safe drinking water for village children. Additionally, three health equipment (CBC machine, autoclave machine and operating microscope) have been provided to GRAVIS hospital to enhance basic healthcare facilities for villagers in the Thar region. The hospital frequently conducts medical outreach camps, eye screening camps, and other initiatives to support communities that lack essential medical facilities.

Beneficiary Details

The project is expected to benefit around 31,000 villagers, including 1,000 school students.



Case Study 1: L.V. Prasad Eye Institute

01 Restoring vision, renewing independence: A journey of hope and recovery



For years, Nanda Kishor Tudu struggled with blurry vision. He is a driver by profession. Due to his eye condition, night driving became unsafe, halos around lights clouded his sight, and recognizing familiar faces grew increasingly difficult.

Believing it to be a natural consequence of ageing, he ignored his condition. This led to dependency on his family members. Eventually, he mustered the courage to seek help at LVPEI's Mithu Tulsi Chanrai Campus in Bhubaneswar, where he met Dr Smruti Rekha Priyadarshini.

A diagnosis of mature cataracts in both eyes left him tensed, as surgery seemed daunting and expensive. However, reassurance and expert counselling from the medical team about phacoemulsification a quick, safe, and highly effective procedure helped him overcome his fears. He was also assured that this procedure would be conducted free of cost.

With advanced surgery equipment, the surgery took just 20 minutes and was comfortable enough.

Once Shri Kishor's protective eye shield was removed, it was a different experience for him. After years of blurred vision, he could once again see everything clearly.

At his follow-up visit, he shared with joy, "I feel like I've gotten my life back. I can read effortlessly, drive with confidence, and enjoy sunsets again."

Now, Shri Nanda Kishor actively encourages others hesitant about cataract surgery to take the leap of faith and get timely treatment. His message to other is clear and heartfelt: "Don't wait, your world can be brighter and clearer than you ever imagined."



Case Study 2: Help The Blind Foundation



Sarumathi, a congenitally totally blind girl from Madurai, completed her graduation in Economics but struggled with daily tasks due to limited exposure to technology and mobility. Walking, reading, doing basic household chores without assistance, were a distant dream for Sarumathi. Relying heavily on her family even for smaller tasks, she lacked the confidence to navigate life independently.

She came to know about Help The Blind Foundation and the skill training program which focuses on job readiness. Her transformation began when she joined the employability training course. During her course, she learned essential digital skills like MS Word and Excel, improved her communication, and developed workplace readiness.

A key milestone for her was receiving a laptop, supported by NIIF Infrastructure Finance Limited, which enabled her to practice digital skills, complete assignments, and explore online resources independently. Also, with the help of Smart Vision Glass (SVG) – a wearable device that allowed her to read printed text, recognize objects and human beings, guide her movement and identify currency, her independence in daily life continuously improved. Combined with mobility training, this gave her the confidence to travel alone for the first time.

Today, Sarumathi is more independent and prepared to pursue further education and career goals, an inspiring example of how inclusive training and assistive tools can change lives with the right support.



NATURAL CAPITAL



NIIF IFL has financed wind power project of First Energy Group in Morbi, Gujarat

Climate Change – a Reality

India ranks among the top ten most climate-vulnerable countries, placing sixth in the Global Climate Risk Index (CRI), released by an international environmental think tank. As per World Bank estimates, ~90% of the country's population will be exposed to extreme heat, while more than 20% being exposed to severe flooding.

The Reserve Bank of India (RBI) has warned that climate change is emerging as a significant risk to the financial system. These risks include losses from the credit portfolio due to extreme climate events resulting in borrowers' inability to repay loans (credit risks), reduced access to finance due to evolving market conditions (liquidity risks) and reputational risks arising from changing consumer sentiments.

As a responsible financial institution, NIIF IFL is committed to contributing to the global efforts to mitigate the risks associated with climate change and ensure that the Indian financial system remains resilient.

Climate Action of NIIF IFL



NIIF IFL is aware of the two dimensions to climate change related risks. In this direction, NIIF IFL is driving a focused agenda on the following:

- a) Climate Change Mitigation – Financing of Green and Sustainable Transition Projects.**
- b) Climate Risk Management – Assessment and Actions for Increasing Climate Resilience.**

Climate action constitutes a major part of NIIF IFL's ESG framework and is discussed at senior management and board level meetings. Under the guidance and oversight of the Board, Management Committees, NIIF IFL prioritises green & sustainable financing, climate risk management, raising climate awareness within the organisation and enhancing climate resilience in communities.

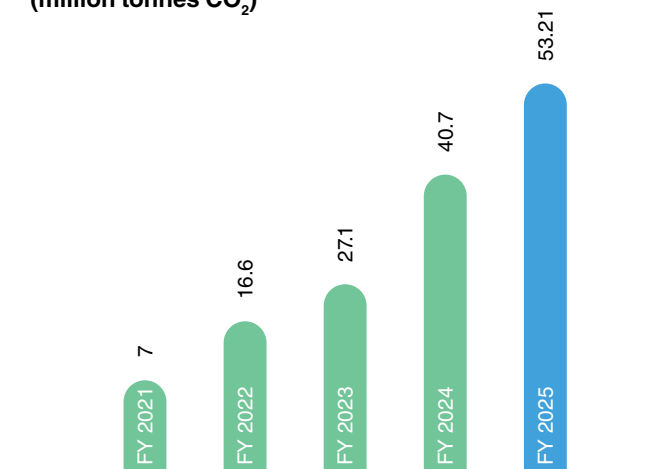
Climate change mitigation - financing green & sustainable transition projects

Positive climate action is one of the large global movements with governments, regulators and banks leading the charge. India's climate ambitions are reflected through the Nationally Determined Contributions (NDCs) and the announcement of Net Zero emissions by 2070.

The country has adopted an ambitious strategy to reduce emission intensity and enhance non-fossil fuel composition in the installed electricity capacity while expanding forest and tree cover to create an additional carbon sink. In July 2025, India has reached a significant energy milestone by achieving 50% of its total installed electricity capacity from non-fossil fuel sources, accomplishing this target five years earlier than originally planned under its Paris Agreement commitments. In the Union Budget FY 2025, it was announced that taxonomy for Climate Finance would be developed for enhancing the availability of capital for climate adaptation and mitigation.

NIIF IFL has made significant progress supporting India's commitments for climate action. ~65% of the Company's loan portfolio comprises renewable power sector that provides sustainable and affordable energy to the country's industrial, commercial and residential sectors. Our exposure in green portfolio had contributed to avoidance of carbon emissions as given in the figure below.

Cumulative Carbon Emission Avoidance (million tonnes CO₂)



Further, NIIF IFL meticulously selects projects in other sectors namely airports, and data centres, among others, which have transitioned to green power use and adopted sustainable practices (energy efficiency, water conservation, waste and wastewater management, among others) in their operations.

Moreover, NIIF IFL intends not to finance projects in standalone coal power projects and wind down existing exposures in such sectors by 2030.

Climate risk management

Assessment and actions for increasing climate resilience: There are essentially two types of risks emanating from climate change that we need to address: physical and transition risks.

Physical Risk

Stem from both gradual and sudden climate impacts, such as natural disasters (flash floods, landslides, and cyclones, among others), affecting physical assets. These risks cause direct damage to assets including business disruptions, leading to capital replacement and supply chain issues.

Transition risks

Arise from efforts to mitigate climate change, as a result of adaptation to low carbon technologies, as well as change in consumer behaviour, investor preferences about investments to specific sectors. It can also be a fallout of climate-related regulations such as carbon pricing and taxes, transparency requirements, products and service regulations.

NIIF IFL closely analyses these risks in its portfolio and assesses the adaptation measures and strategies to respond to climate event impacts. In this direction, NIIF IFL plans to measure financial impact of climate change for its loan portfolio, including probability of default and loss given default. The Reserve Bank of India is expected to develop a comprehensive repository of standardised datasets (hazard data, vulnerability data and exposure data related to physical risk assessment, sectoral transition pathways) – Climate Risk Information System (RB-CRIS) which can be used for measuring financial impact of climate change in the near future.

Climate risk stress testing of NIIF IFL loan portfolio

NIIF IFL has mapped its entire loan portfolio assets for vulnerability to climate perils namely cyclone, thunderstorm, flood, landslide, drought, and heatwave, among others. The Company has referred to Indian Meteorological Department's (IMD's) web-based tool, 'Climate Hazard & Vulnerability Atlas', World Bank's 'Think Hazard' tool, historical repository of extreme weather events in vulnerable geographies in State/ District Disaster Management databases etc. to assess Climate Risk Category for each of its portfolio assets. Availability and adequacy of adaptation measures adopted by our portfolio assets located in climate vulnerable locations have been assessed meticulously.

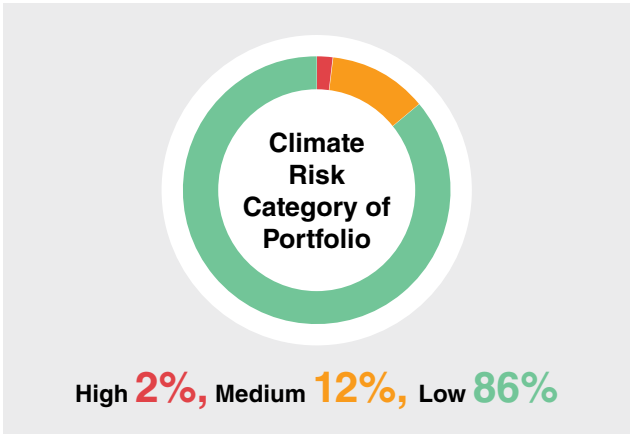
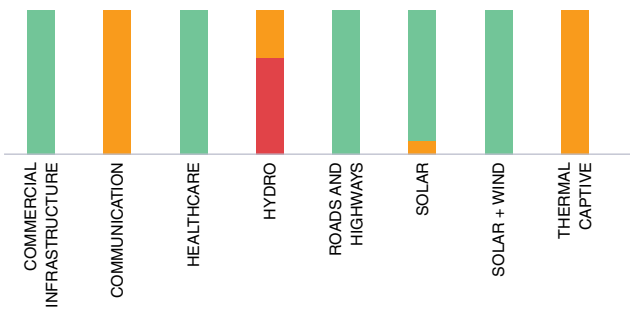
The table below presents a snapshot of our renewable power assets located in geographies vulnerable to natural disasters along with adaptation measures undertaken for climate resilience.



NIIF IFL has financed solar power project of Ampyr Group in Koppal district, Karnataka

		DROUGHT		HEATWAVE	CYCLONE/ THUNDERSTORM & DUST STORM	FLOOD & LANDSLIDE	EARTHQUAKE
NIIF IFL RENEWABLE POWER PORTFOLIO	Assets in climate sensitive geographies	<ul style="list-style-type: none"> Gujarat – Saurashtra & Kutch Rajasthan – Thar Area KN – Northern & Central Region MH – Marathwada TN – South Interior AP – Rayalaseema Punjab – Mansa Telangana – South 		<ul style="list-style-type: none"> Rajasthan – Thar Area AP - Rayalaseema Punjab – Fazika 	<ul style="list-style-type: none"> Gujarat – Saurashtra and Kutch Rajasthan – Thar Area Tamil Nadu – Thootukudi HP – Shimla 	<ul style="list-style-type: none"> UP – Bareilly Gujarat – Rajkot, Surendranagar & Banaskatha HP – Shimla & Kinnaur 	<ul style="list-style-type: none"> Gujarat – Kutch, Morbi HP – Shimla & Kinnaur
	Adaptation measures	<ul style="list-style-type: none"> Robotic Dry Cleaning Rainwater Harvesting & Ground Recharge 		<ul style="list-style-type: none"> Mock Drills for Heat Stroke Incidents Cooling System in Inverters, and Transformers, among others. for Heat Dissipation 	<ul style="list-style-type: none"> Lightning Arrestors Sensor Driven Wind Turbines that Shutdown during Cyclone Adequate Insurance Cover 	<ul style="list-style-type: none"> Stormwater Drainage Facility Height of Solar Panels Elevated Adequate Insurance Cover 	<ul style="list-style-type: none"> Adequate Insurance Cover

Climate Risk Category of Sectors



The Climate Risk stress testing exercise was conducted for ~200 infrastructure assets in our portfolio. The outcome of the exercise reveals ~86% of assets are of Low Climate Risk and 12% are Medium Climate Risk categories. Only ~2% of the assets, primarily small hydro power projects in Shimla and Kinnaur districts of Himachal Pradesh and wind power projects in Kutch, Gujarat, are assessed to be High Climate Risk. The small hydro power projects are highly vulnerable to flash floods and landslides, whereas the wind assets are prone to damage due to super-cyclones in Gulf of Kutch.

Insurance Adequacy Assessment of High Climate Risk Projects

Analysing potential threat of physical climate risks for the abovementioned small hydro and wind assets, NIIF IFL has conducted Insurance Adequacy Assessment for 'High' Climate Risk projects in its portfolio through a reputed Lender's Insurance Advisor. Review of the insurance coverage for the 'High Climate Risk' projects reveals, sum insured for material damage and business interruption are adequate including deductibles and other terms are broadly as per market standard.

The table below presents a snapshot of key items reviewed for checking insurance adequacy for our 'High' Climate Risk projects:

Parameter	High Climate Risk Projects
Sum Insured (Material Damage)	Sum Insured (Material Damage) > Indicative current cost of reinstatement.
Sum Insured (Business Interruption Loss)	Sum Insured (Business Interruption Loss) > Net Annual Income.
Indemnity Period (Business Interruption)	12 months (as per market standard).
Coverage (Business Interruption) - Customer Premises Extension	20% of Sum Insured for Business Interruption Loss (as per market standard).
Deductibles – Material Damage	Material Damage - 5% of claim amount subject to a minimum of ₹ 10 lakhs (for cover upto ₹ 1,500 Crores) and minimum of ₹ 25 lakhs (for cover above ₹ 1,500 Crores) - as per market standard.
Deductibles – Business Interruption	7 days for FLOP (Fire Loss of Profit)/14 days for MLOP (Machine Loss of Profit) - as per market standard.



CASE STUDY #1 Integration of Artificial Intelligence ("AI") for Enhanced Workplace Safety

NIIF IFL's borrower, Radiance Renewables has aimed to significantly reduce incidents related to unsafe acts and conditions and foster a culture of proactive risk management. The objective was two-fold: firstly, to leverage cutting-edge AI technology to improve site safety measures by monitoring and detecting potential hazards in real-time; and secondly, to ensure regulatory compliance through accurate and consistent data recording and analysis.

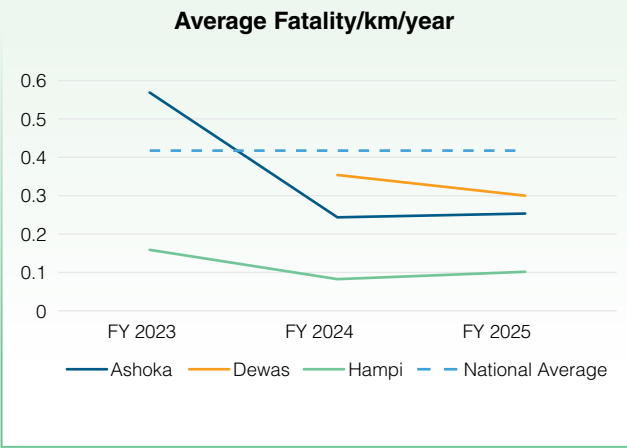
To reach these ambitious targets, Radiance Renewables rolled out the RadiSafe Application and a real-time AI tool. This sophisticated technology enables remote surveillance of visitor and material movement, as well as monitoring for unsafe acts like lack of personal protective equipment ("PPE"), among others. When such high-risk behaviors are identified, safety teams are instantly alerted, allowing

for swift intervention. The deployment of RadiSafe and computer vision tool has led to a remarkable improvement in workplace safety at Radiance Renewables. These AI-driven systems have effectively reduced unsafe acts by automating hazard detection and reporting, thereby minimizing human error and significantly decreasing response times.



CASE STUDY #2 Improvement in Road Safety in Highway Assets

In FY25, our portfolio companies in highway sector continued to prioritise road user safety and operational excellence. Fatal accidents remained well below the national average of 0.42/km/year (Road Accidents in India 2022, MoRTH), demonstrating the success of safety measures. A combination of targeted infrastructure improvements and widespread road safety awareness initiatives led to tangible reduction in accidents.



Key measures included organizing multiple road safety camps aimed at educating the community on safe driving practices. These camps played a vital role in increasing public awareness and encouraging responsible behaviour on the roads. In addition to educational efforts, the Company undertook various infrastructure improvements to reinforce safety on critical road sections.

Key Safety Interventions Implemented:

Advanced Signage and Road Markings:

Retro-reflective sign boards meeting IRC and MoRTH standards were installed at critical locations including major junctions, sharp curves, and accident-prone spots, significantly improving night-time visibility. Additional traffic calming measures such as median and edge delineators, chevron signs, solar blinkers, and transverse bar markings (TBM) were deployed to enhance lane guidance and driver alertness during adverse weather and low-light conditions.



Reflective Raised Pavement Markers for improving visibility and speed calming at Hampi expressway

Tied radium belts around the necks of stray cattle on the National Highway to reduce animal kill.

Emergency Response Infrastructure:

A fleet of 24x7 highway patrol vehicles equipped with emergency tools and communication systems was deployed for real-time incident monitoring and rapid response. Toll ambulances stationed strategically ensured prompt medical aid, while towing cranes facilitated quick clearance of accident and breakdown vehicles, minimizing traffic disruptions.



Radium belt tied around the neck of stray cattle on Ashoka Durg highway

Our Carbon Footprint

*Scope 1 - 0

**Scope 2 - 0

#Scope 3 - 0.86 million tonnes

Note :

*Scope 1 emissions are reported as zero, as the Company does not have any direct emission sources at Company-owned premises.

**Scope 2 emissions are reported as zero, as the energy purchased for the NIIF IFL office in Mumbai is green energy sourced from Tata Power.

#Scope 3: The financed emissions pertain to our loan portfolio (Scope 3, Category 15). Sectors primarily thermal captive power plants, telecom tower among others in our loan portfolio primarily account for the carbon emissions.

Details of Financed Carbon Emissions (Scope 3)

Our financed carbon emissions in loan portfolio:
~0.86 million tonnes

Financed Carbon Emission Calculation Approach:

Our financed carbon emission calculation approach integrates three distinct methods to comprehensively assess emissions linked to our debt financing:

- **Debt Share-based Approach** calculates Scope 1 and Scope 2 emissions of our portfolio companies in proportion to share of debt.
- **Spend-based Approach** estimates emissions of our portfolio companies by analysing their expenditures for fuel and electricity consumption. This is further apportioned with respect to share of debt.
- **Template-based Method** involves calculation of Scope 1 (fuel use, refrigerants, among others) and Scope 2 (electricity use) emissions of our renewable power portfolio companies based on standard template.

Emission Factors:

- For direct emissions (Scope 1), like diesel, petrol, refrigerants, SF₆ gas, and fire suppression materials, we use emission factors provided by the IPCC (Intergovernmental Panel on Climate Change).
- For indirect emissions (Scope 2) from electricity use, we use emission factors provided by the Central Electricity Authority.



Waste Management Approach by Renewable Power Portfolio Companies:

Renewable power portfolio companies manage waste in compliance with the Hazardous and Other Wastes Rules, 2016, Biomedical Waste Rules, 2016 and E-Waste Rules, 2022. Although renewable power generation is inherently clean, operational activities produce limited waste, including non-hazardous waste and hazardous materials such as used transformer oil, chemical-laden PPE, and damaged solar modules (e-waste). These are securely stored in designated, labelled areas to prevent contamination and are disposed through Central and State Pollution Control Board authorised vendors and Treatment, Storage, and Disposal Facilities (TSDFs), supporting circularity and reducing environmental impact. These practices demonstrate a strong commitment to regulatory compliance and environmental sustainability.



GRI Content Index

Statement of Use	NIIF IFL has reported the information cited in this GRI content index for the period from April 1 st 2024 to 31 st March 2025 with reference to the GRI Standards.
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GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	8-14
	2-2 Entities included in the organization's sustainability reporting	2-3
	2-3 Reporting period, frequency and contact point	2-3
	2-6 Activities, value chain and other business relationships	8-14
	2-7 Employees	68
	2-9 Governance structure and composition	34-43
	2-10 Nomination and selection of the highest governance body	106-153
	2-12 Role of the highest governance body in overseeing the management of impacts	30-33
	2-13 Delegation of responsibility for managing impacts	30-33
	2-17 Collective knowledge of the highest governance body	34-39
	2-18 Evaluation of the performance of the highest governance body	110
	2-19 Remuneration policies	111
	2-20 Process to determine remuneration	111
	2-23 Policy commitments	153
	2-24 Embedding policy commitments	153
	2-26 Mechanisms for seeking advice and raising concerns	111, 153
	2-29 Approach to stakeholder engagement	28-29

GRI 3: Material Topics 2021	3-1 Process to determine material topics	33
	3-2 List of material topics	30-33
	3-3 Management of material topics	30-33
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	15-17, 44-53
	201-2 Financial implications and other risks and opportunities due to climate change	30, 86-90
	201-3 Defined benefit plan obligations and other retirement plans	178
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	16-17, 54-60
	203-2 Significant indirect economic impacts	16,17, 54-61, 74-85
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	153
	205-3 Confirmed incidents of corruption and actions taken	The Company did not have any incidents of corruption during the reporting period.
GRI 302: Energy 2016	302-1 Energy consumption within the organization	17
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	33
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	92
	305-2 Energy indirect (Scope 2) GHG emissions	92
	305-3 Other indirect (Scope 3) GHG emissions	92-93
	305-5 Reduction of GHG emissions	87
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	15, 71
	404-2 Programs for upgrading employee skills and transition assistance programs	62, 72-73
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	37, 40-43
GRI 413: Local Communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities	74-85
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	The Company did not have any data breaches during the reporting period.

NOTICE OF 12TH ANNUAL GENERAL MEETING

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

NOTICE IS HEREBY GIVEN THAT THE TWELFTH (12TH) ANNUAL GENERAL MEETING OF MEMBERS OF NIIF INFRASTRUCTURE FINANCE LIMITED ('NIIF IFL' OR 'THE COMPANY') WILL BE HELD ON TUESDAY, JULY 29, 2025, AT 11 A.M. ON MS TEAMS (THROUGH AUDIO-VISUAL MEANS) TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. ADOPTION OF AUDITED FINANCIAL STATEMENT

To receive, consider and adopt the Annual Audited Financial Statements of the Company for the financial year ended March 31, 2025, and the Report of the Board of Directors along with annexures and Auditors Reports thereon.

2. RE-APPOINTMENT OF DIRECTOR LIABLE TO RETIRE BY ROTATION

To appoint a director in place of Mr. Nilesh Shrivastava (DIN: 09632942), who retires by rotation and being eligible, offers himself for re-appointment.

3. DECLARATION OF DIVIDEND

To declare a dividend on equity shares @ ₹ 0.15/- per equity share of face value ₹ 10/- each, for the financial year ended March 31, 2025.

4. APPOINTMENT OF JOINT STATUTORY AUDITORS

To consider and approve the appointment of M/s. Manohar Chowdhry & Associates (Firm Registration No. 001997S) as a Joint Statutory Auditor of the Company for a period of three years and remuneration to be paid to the Joint Statutory Auditors.

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

"RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the Guidelines for appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and

NBFCs (including Housing Finance Companies) dated April 27, 2021 issued by the Reserve Bank of India ("RBI"), including any amendment, modification, variation or reenactment thereof, and based on the recommendation of the Audit Committee and the Board of Directors of the Company, approval of shareholders is hereby accorded to appoint M/s. Manohar Chowdhry & Associates (Firm Registration No. 001997S) as the Joint Statutory Auditor of the Company, who being eligible for appointment as the Statutory Auditors, in terms of the applicable provisions the Act and applicable rules and the RBI Guidelines, from the conclusion of 12th Annual General Meeting till conclusion of the 15th Annual General Meeting of the Company to conduct audit of accounts of the Company for the financial year ending March 31, 2026, March 31, 2027 and March 31, 2028 respectively, at such remuneration and out of pocket expenses, as may be mutually agreed with the Company or any officer authorised by the Board."

SPECIAL BUSINESS:

5. RAISING FUNDS THROUGH NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES ("NCRPS") ON PRIVATE PLACEMENT BASIS.

To consider and approve the issuance of 1,50,000 Non-Convertible Redeemable Preference Shares of face value ₹ 1,00,000/- each aggregating to ₹ 1,500 Crores outstanding at any point in time, in one or more tranches.

To consider, and if thought fit, to pass, the following resolution as **SPECIAL RESOLUTION** with or without modification:

"RESOLVED THAT pursuant to the provisions of Sections 23, 42, 55 and 62 and other applicable provisions of the Companies Act, 2013 ("the Act"),

NOTICE OF 12TH ANNUAL GENERAL MEETING (CONTD.)

and the rules made thereunder and in accordance with the provisions of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with circulars issued thereunder, and RBI Master Directions, the Memorandum and Articles of Association of the Company, any other applicable laws for the time being in force, consent of the members is hereby accorded to create, offer, issue and allot, in one or more tranches 1,50,000 Non-Convertible Redeemable Preference Shares ("NCRPS") of the face value of ₹ 1,00,000/- (Rupees One Lakh only) each for cash at par or at a premium aggregating to a nominal value of ₹ 1,500 Crores (Rupees One Thousand Five Hundred Crores only) outstanding at any point in time, on a private placement basis for a period of one year, in one or more tranches.

RESOLVED FURTHER THAT the above-mentioned issuance may be made to various institutions/ entities viz. one or more companies, body corporates, statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/provident funds, trusts, society, foreign portfolio investors, qualified institutional buyers and individuals, as the case may be or such other person as may be decided by the Board and on such terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT in accordance with the provisions of Section 55 of the Act and the Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time, the particulars in respect of issuance are, as under:

- NCRPS shall carry a preferential right vis-à-vis Equity Shares of the Company with respect to payment of dividend or repayment of capital;

- NCRPS shall be non-participating in the surplus funds;
- NCRPS shall be non-participating in the surplus assets and profits which may remain after the entire capital has been repaid, on winding up of the Company;
- Holders of NCRPS shall be paid dividend as per the terms of each issuance;
- NCRPS shall not be convertible into equity shares;
- NCRPS shall carry voting rights as per the provisions of Section 47(2) of the Act; and
- NCRPS shall be redeemable."

RESOLVED FURTHER THAT the Board of Directors, the Chief Executive Officer or Chief Financial Officer or Chief Compliance Officer & General Counsel or the Company Secretary of the Company are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable, and expedient for giving effect to this resolution and/or otherwise considered by them in the best interest of the Company including filing of necessary E-Forms with the applicable regulatory authorities in this regard."

6. COMPENSATION IN THE FORM OF PROFIT-RELATED COMMISSION TO MR. AKT CHARI, NON-EXECUTIVE DIRECTOR OF THE COMPANY.

To consider and approve Compensation in the form of profit-related commission to Mr. AKT Chari, Non-Executive Director of the Company.

To consider, and if thought fit, to pass the following resolution as **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to sections 149(9), 197 and 198 & other applicable provisions of the Companies Act, 2013, read with rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and

NOTICE OF 12TH ANNUAL GENERAL MEETING (CONTD.)

the circulars and guidelines issued by the Reserve Bank of India, the shareholders of the Company hereby approve profit-related commission up to ₹ 10,00,000 (Rupees Ten Lakhs only) per annum to Mr. AKT Chari, Non-Executive Director of the Company in proportion to the time served in a financial year and such commission in aggregate shall not exceed three percent of the net profits of the Company for the financial year calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, and such payments

shall be made in respect of the profits of the Company for each financial year, effective from April 1, 2025.

RESOLVED FURTHER THAT the above remuneration is subject to availability of net profits at the end of each financial year and the same shall be in addition to fee payable for attending the meetings of the Board or Committee(s) thereof and reimbursement of expenses for participation in the Board and other meetings.”

By Order of the Board of Directors
Ankit Sheth
 Company Secretary
 Membership Number: A27521
 Date: July 7, 2025
 Place: Mumbai

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

CIN: U67190MH2014PLC253944
Tel no: +91 22 6859 1300
Email Id: Info@niiffl.in
Website: www.niiffl.in

NOTICE OF 12TH ANNUAL GENERAL MEETING (CONTD.)**Notes:**

- Pursuant to circulars issued by the Ministry of Corporate Affairs (“MCA”) from time to time, physical attendance of the members at the Annual General Meeting (“AGM”) is not required and AGM may be held through video conferencing (“VC”) or other audio visual means (“OAVM”). Hence, members can attend and participate in the ensuing AGM through VC/OAVM.
- Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by members will not be available for the AGM and hence the proxy form and attendance slip are not annexed to this Notice. Accordingly, route map is also not annexed in this notice.
- The members can join the AGM in the VC mode 15 minutes before and after the scheduled time of commencement of the meeting by following the procedure mentioned in the Notice.
- The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- Where Body Corporates are members of the Company, they are entitled to appoint their authorised representatives to attend the AGM through VC/OAVM. Accordingly, corporate members are requested to e-mail a certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the meeting, to Info@niiffl.in from their e-mail Id registered with the Company.
- Queries proposed to be raised at the AGM may be sent to the Company on Info@niiffl.in will enable the management to compile the relevant information to reply to the same in the meeting.
- All the relevant documents referred to in this AGM Notice., Explanatory Statement and Register of Directors’ and Key Managerial Personnel and their shareholding maintained under Section 170, and other documents, shall be made available to the members from whom request is received on Info@niiffl.in through their e-mail address registered with the Company.
- In case a poll is ordered to be taken by the Chairperson or demanded in accordance with section 109 of the Act, members can cast their

vote during the Meeting by sending an email to Info@niiffl.in from their email address registered with the Company.

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

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

- Members will be provided with a facility to attend the AGM through OAVM via Microsoft Teams Meeting. The link for VC will be shared by the Company via email.
- Members are requested to click on the MS Teams link and join meeting to participate in the meeting details of which will be provided separately.
- Members are requested to join the meeting through laptop or tablet for better experience.
- To ensure a smooth virtual AGM experience, members/ participants should enable their cameras and utilise a high-speed internet connection. This is to avoid any disruptions during the meeting.
- Please note that participants connecting from mobile devices or tablets or through laptop or tablet connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- Members who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, mobile number at Info@niiffl.in. The same will be replied to, by the Company suitably.

By Order of the Board of Directors
Ankit Sheth
 Company Secretary
 Membership Number: A27521
 Date: July 7, 2025
 Place: Mumbai

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

Tel no: +91 22 6859 1300
Email Id: Info@niiffl.in
Website: www.niiffl.in

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 5

The Board of Directors of the Company at its meeting held on July 7, 2025, had approved pursuant to the applicable provisions of Sections 23, 42, and 55 of the act and the Rules framed thereunder, and in accordance with the provisions of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to offer, issue and allot, in one or more tranches 1,50,000 Non-Convertible Redeemable Preference Shares (“NCRPS”) of the face value of ₹ 1,00,000 each for cash at par or at a premium aggregating to a nominal value of ₹ 1,500 Crores (Rupees One Thousand Five Hundred Crores only), outstanding at any point in time, on a private placement basis, up to one year, from the date of the shareholders approvals, on such terms and conditions as may be determined by the Board (including any Committee constituted by the Board) (“Board”).

Furthermore, as per Section 42 of the Act read with Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time, a company offering or making an invitation to subscribe to securities, including NCRPS on a private placement basis, is required to obtain the prior approval of the members by way of a Special Resolution, for each such offer and invitation.

The approval of members is accordingly being sought by way of Special Resolution under Section 23, 42, and 55 of the Act read with rules framed thereunder, as amended from time to time, for the issue and offer of NCRPS as set out in the Resolution at Item No. 5 and to allot the NCRPS, on a private placement basis.

As required under Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the material facts in connection with the aforesaid issue are as follows:

a)	Particulars of the offer including date of passing of Board resolution	Non-Convertible Redeemable Preference Shares for an amount not exceeding in aggregate ₹ 1,500 Crores (Rupees One Thousand Five Hundred Crores only), outstanding at any point in time, in one or more tranches by way of a private placement basis at such rates and on such terms and conditions as may be determined by the Board (including any Committee constituted by the Board in this regard) (“Board”).
b)	Kind of security offered and price at which it is offered	Non-Convertible Redeemable Preference Shares and price will be at par or premium as may be determined at the time of issuance of securities.
c)	Basis or justification of the price including premium if any, at which the offer or invitation is being made	While the issuances would generally be made at par, in case the issuance is made at premium, the same would be at a price determined on the basis of valuation by a registered valuer in accordance with applicable rules.
d)	Name and address of the valuer who performed the valuation	Since the issuance would be in one or more tranches, the valuer will be determined by the Board, if applicable, in accordance with the applicable provisions of the Companies Act, 2013 and the Rules framed thereunder and other applicable laws for the time being in force.
e)	Amount NIIF IFL intends to raise by way of the securities	₹ 1,500 Crores as per the resolution to be passed in this meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (CONTD.)

f)	Material terms of raising such securities, proposed time schedule, purposes or objects of offer, contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects	Since the issuance would be in one or more tranches, material terms will be determined by the Board, in accordance with the applicable provisions of the Companies Act, 2013 and the rules framed thereunder and other applicable laws for the time being in force. In view of business strategy and business expansion and to further strengthen the financial position of the Company, the Company has proposed the issue of redeemable preference shares on private placement basis. The issuance will be in one or more tranches and the contribution, if any, will be in accordance with the applicable provisions of the Companies Act, 2013 and the Rules framed thereunder and other applicable laws for the time being in force.
g)	Size of the issue and number of preference shares to be issued and nominal value of each share	The Company proposes to create, offer, issue and allot 1,50,000 Preference Shares of the face value of ₹ 1,00,000 each for cash at par or at a premium by way of a private placement basis or to various entities / persons including Promoters / Promoter Group and Associates, whether or not they are Member(s) of the Company.
h)	Objectives of the issue	The proceeds will be used for (i) refinancing Infrastructure Projects which have completed at least 1 (One) year of satisfactory commercial operation, (ii) financing toll operate transfer (TOT) projects under applicable RBI regulations from time to time, (iii) deployment of funds in permitted instruments including for the purpose of Liquidity Coverage Ratio (LCR)/ High Quality Liquid Assets (HQLA) as required by extant regulations.
i)	Manner of issue of shares	Private Placement as decided by the Board.
j)	Price at which such shares are proposed to be issued	At par or at premium as decided by the Board.
k)	Basis on which the price has been arrived at	While the issuances would generally be made at par, in case the issuance is made at premium, the same would be at a price determined on the basis of valuation by a registered valuer in accordance with applicable rules.
l)	Terms of issue, including terms and rate of dividend on each share, etc.	The tenure shall be determined at the time of issuance of shares. The issuances would be subject to conditions of market, appetite of the investors, credit rating of the instrument etc, and the rate of dividend would be mutually decided by the Company and investor.
m)	Terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion	Tenure of redemption would be mutually decided by the Company and investor(s).
n)	Manner and modes of redemption	The redemption of Non-Convertible Redeemable Preference Shares will be done in accordance with the provisions of the Companies Act, 2013 and out of profit and / or out of fresh issue of capital.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (CONTD.)

o)	Current shareholding pattern of the Company	Name of the shareholder	No. of Equity Shares	Shareholding (%)
		National Investment and Infrastructure Fund II and its nominees.	54,63,50,979	39.7
		Aseem Infrastructure Finance Limited	42,39,32,487	30.8
		HDFC Bank Limited	6,00,00,000	4.4
		The President of India (GOI)	34,49,97,165	25.1
		Total	13,75,28,06,310	100
p)	Expected dilution in equity share capital upon conversion of preference shares	Not applicable as the shares proposed to be issued would be Non-Convertible Redeemable Preference Shares.		
q)	Intention of promoters, directors or key managerial personnel to subscribe to the offer	Since the issuance would be in one or more tranches, the proposed subscriber(s) will be determined by the Board, in accordance with the applicable provisions of the Companies Act, 2013 and the rules framed thereunder and other applicable laws for the time being in force.		
r)	The change in the control, if any, in the Company that would occur consequent to the offer	Not applicable as the shares proposed to be issued would be Non-Convertible Redeemable Preference Shares.		
s)	The justification for the allotment proposed to be made for consideration other than cash together with the valuation report of the registered valuer:	The proposed private placement issue is for cash.		

Your Board of Directors recommends passing of the resolution contained in Item No. 5 of the accompanying Notice as a Special Resolution.

Accordingly, Special Resolution is submitted to the meeting for the consideration and approval of members.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution as set out at Item No. 5 of the Notice.

Item No. 6

The roles and responsibilities of Directors have evolved over time in accordance with the Companies Act of 2013 ('the Act'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations of 2015 (the 'SEBI Listing Regulations'), and the Reserve Bank of India's circulars and guidelines. The Board's function and obligations, have grown in complexity, necessitating increased time commitments, attention, and a higher degree of monitoring.

Mr. AKT Chari is one of the most experienced project finance professionals in India with ~45 years of experience in leading infrastructure financing institutions. Given the tasks and responsibilities being handled by him and in order to match their remuneration with industry standards, it is suggested that Mr. AKT Chari, Non-Executive Director be paid a profit-related commission.

In view of the above, it is proposed that a profit-related commission of up to ₹ 10,00,000 (Rupees Ten Lakhs only) per annum be paid to Mr. AKT Chari, Non-Executive Director of the Company, in proportion to the time served as Director of the Company in a financial year, in addition to the sitting fees, in recognition of his increased role, responsibilities, and duties. Such commission, in aggregate, should not exceed three percent of the Company's net profits for the fiscal year computed in line with Section 198 of the Act.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (CONTD.)

Further, such payment of a profit related commission to Mr. AKT Chari shall be made in respect of the profits of the Company for each financial year, effective from April 1, 2025.

Mr. AKT Chari, being interested shall not participate for item no 6 of this Notice.

The approval of members is accordingly being sought by way of ordinary resolution under Section 149, 197 and 198 & other applicable provisions of the Companies Act, 2013 read with rules framed thereunder, as amended from time to time, for payment of a profit related commission to Mr. AKT Chari, Non-Executive Director as set out in the Resolution at Item No. 6.

Your Board of Directors recommends passing of the resolutions contained in Item No. 6 of the accompanying Notice as an Ordinary Resolution.

Except Mr. AKT Chari and his respective relatives, none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the above resolutions.

ANNEXURE A

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

Particulars	Mr. Nilesh Shrivastava
Date of Birth (Age)	October 1, 1973 (52 years)
Qualifications	- MBA (IIM Kolkata), - B. Tech (Computer Science & Engineering – Lucknow University), - Chartered Associate IIB (CAIIB).
Date of first appointment on the Board	March 28, 2024
Remuneration	-
(a) Sought to be paid	
(b) Last drawn	
Experience/ Brief Profile	Nilesh Shrivastava is Partner at National Investment and Infrastructure Fund (NIIF) and has over 25 years of experience across private equity, debt investments, banking, and portfolio management. At NIIF, he has worked on the investment and buildout of NIIF’s infrastructure lending platform as well as equity investments in EV mobility and other areas. He was previously with International Finance Corporation (IFC) where he headed the financial services investments portfolio in South Asia. He was earlier with HSBC in banking roles. Nilesh has an MBA from IIM, Kolkata, and engineering degree from Lucknow University. He is also a Certificated Associate with Indian Institute of Bankers (CAIIB).
Terms and conditions of appointment/ re-appointment	Liable to retire by rotation
Directorships held in other companies (excluding foreign companies) as on date	1. Ather Energy Private Limited 2. Aseem Infrastructure Finance Limited
Memberships of committees across companies (only statutory committees as required to be constituted under the Act considered)	Aseem Infrastructure Finance Limited - Nomination and Remuneration Committee – Member - Stakeholders Relationship Committee – Member - Corporate Social Responsibility Committee – Member

ANNEXURE A (CONTD.)

Particulars	Mr. Nilesh Shrivastava
List of entities from which the Director has resigned in the past three years.	NA
In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	NA
Shareholding in the Company (Equity) as on date	NA
Relationship with other Director/ Manager/ Key Managerial Personnel	Not related to any Director/ Key Managerial Personnel
Number of meetings of the Board attended during FY 2026	3/3

By order of the Board of Directors

Ankit Sheth

Company Secretary
Membership No.: A27521
Date: July 7, 2025
Place: Mumbai

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

CIN: U67190MH2014PLC253944
Tel no: +91 22 6859 1300
Email Id: Info@niiffl.in
Website: www.niiffl.in

DIRECTORS' REPORT

To,

The Members,

NIIF Infrastructure Finance Limited

Your Directors have pleasure in presenting the Twelfth (12th) Annual Report of NIIF Infrastructure Finance Limited or "NIIF IFL" or "the Company" along with the audited financial statements of the Company for the financial year ("FY") ended March 31, 2025. These financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as required under the Companies Act, 2013 ("the Act"). The pdf version of the report is available on the Company's website <https://www.niiffl.in/>.

1. FINANCIAL STATEMENTS & RESULTS:

Financial Results

The Company's performance during the financial year ended March 31, 2025, as compared to the previous financial year ended March 31, 2024, is summarised below:

Financial Performance:

Particulars	(Amount in ₹ Crores)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Total Income	2,183.03	1,847.02
Total Expenditure	1,685.51	1,431.6
Profit before tax	497.52	415.4
Tax Expenses	10.31	(5.0)
Profit for the year	487.21	420.47
Other comprehensive income	(0.26)	(0.5)
Total comprehensive income for the year	486.95	419.9
Earnings per share (Face Value ₹ 10)		
Basic	3.54	3.06
Diluted	3.54	3.06

Key Performance Highlights

Capital Adequacy:

The Company's capital adequacy ratio was at 21.71% as on March 31, 2025. The ratio is significantly above the threshold limit of 15% required by regulatory guidelines.

Debt Equity Ratio:

The Company's debt-equity ratio as on March 31, 2025, stood at 5.42 times. This was significantly below the debt-equity ratio of 9x stipulated by rating agencies (ICRA Limited, CARE Rating Limited, CRISIL Ratings Limited).

Transfer to reserves:

During the financial year under review, ₹ 97.39 Crores was transferred to statutory reserve under Section 45-IC of RBI Act, 1934. These details are given in the notes to the financial statements.

Operations:

The Company's performance during the year ended March 31, 2025, in comparison with the year ended March 31, 2024, is summarised as follows:

- Total Revenue: ₹ 2,183.03 Crores as of March 31, 2025, compared to ₹ 1,847.02 Crores as of March 31, 2024 (18.2% increase over the previous year).
- Loan book: ₹ 25,390 Crores as of March 31, 2025, compared to ₹ 22,118 Crores as of March 31, 2024 (14.8% increase over the previous year).
- Net Interest Income (NII): ₹ 494.72 Crores as of March 31, 2025, compared to ₹ 429.27 Crores as of March 31, 2024 (15.25% increase over the previous year).
- Healthy asset quality with nil Non-Performing Assets (NPAs) in both the Financial Years.

DIRECTORS' REPORT (CONTD.)

Material events during the year:

- The Company has put in place all the policies applicable to Non-Banking Financial Company – Middle Layer ("NBFC- ML") and Non-Banking Financial Company – Infrastructure Debt Fund ("NBFC-IDF") as required by extant RBI Regulations.
- There have been no material changes and commitments affecting the financial position of the Company which have occurred from the closure of the financial year till the date of this Report.

2. DIVIDEND:

The Company has formulated a Dividend Distribution Policy in compliance with the applicable provisions of the Companies Act, 2013.

Considering the Company's performance during FY 2025, the Board of Directors at its meeting held on April 30, 2025, recommended a final dividend at the rate of ₹ 0.15/- per equity share for the financial year ended March 31, 2025, to the equity shareholders. This recommendation will be placed before the shareholders for approval at the ensuing Annual General Meeting (AGM) of the Company.

4. CREDIT RATING:

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

Facility	Name of Rating Agency – CARE Rating Limited	Amount (₹ Crores)	Name of Rating Agency – ICRA Limited	Amount (₹ Crores)	Name of Rating Agency – CRISIL Ratings Limited	Amount (₹ Crores)
Non-Convertible Debentures (including Zero Coupon Bonds)	AAA/ Stable	44,000	AAA/ Stable	44,000	AAA/ Stable	3,500
Commercial Paper	A1+	2,500	A1+	2,500	-	-
Non-Convertible Redeemable Preference Shares	-	-	-	-	AAA/ Stable	1,500
Total		46,500		46,500		5,000

With the above rating affirmations, the Company continues to enjoy the highest rating for its Non-Convertible Debentures ("NCDs"), Non-Convertible Redeemable Preference Shares ("NCRPS") and Commercial Papers ("CP").

Note: AAA signifies the highest degree of safety for timely payment of interest and principal on debt obligations. Issuers with a AAA rating are considered to have the lowest credit risk.

In terms of the provisions of the Income Tax Act, 1961, dividend income is taxable in the hands of the members and the dividend will be paid to the members by the Company after deduction of tax at source ('TDS') at the applicable rates.

3. RESOURCE MOBILISATION:

The Company is permitted to borrow principally (at least 90%) through the issue of Non-Convertible Debentures ("NCDs") and the balance through Commercial Paper (CP). NCDs issued by the Company during the financial year under review aggregating ₹ 5,049 Crores were subscribed to, by Insurance Companies (~68%), Banks (~19%), Retirement Benefit Funds and others (~13%). As on March 31, 2025, the outstanding amount of NCDs was ₹ 22,762 Crores. During the financial year under review, ~32% of the funds were raised principally from first time long tenor patient investors like Insurance Companies and Retirement Benefit Funds. As on March 31, 2025, the outstanding amount of Commercial Paper ("CP") was Nil.

The above-mentioned debt securities are listed on the debt segment of National Stock Exchange (NSE) of India Limited.

DIRECTORS' REPORT (CONTD.)

5. STATE OF AFFAIRS OF THE COMPANY AND MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis forms part of this Report and is attached as **Annexure I**.

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

in the business of an IDF-NBFC. IDF-NBFC is a non-deposit taking NBFC registered with RBI, that is permitted to refinance infrastructure projects post commencement operations date (COD) that have completed at least one year of satisfactory commercial operations. Vide inter alia changes in RBI Master Directions (Oct 2023) and CBDT Circular (Feb 2025), IDF-NBFCs can henceforth finance toll operate transfer (TOT) projects as direct lenders.

6. SHARE CAPITAL:

The authorised, issued, subscribed and paid-up share capital of the Company as on March 31, 2025, is as under:

Share Capital	FY 2025
Authorised Share Capital:	41,99,99,99,991
1,81,50,00,000 Equity Shares of ₹ 10/- each	18,15,00,00,000
8,80,95,238 Preference Shares (including Compulsory Convertible Preference Shares) of ₹ 21/- each	1,84,99,99,998
25,92,59,259 Preference Shares (including Compulsory Convertible Preference Shares) of ₹ 27/- each	6,99,99,99,993
1,50,000 Preference Shares of ₹ 1,00,000/- each	15,00,00,00,000
Issued, Subscribed and Paid-up Share capital:	13,75,28,06,310
1,37,52,80,631 Equity Shares of ₹ 10/- each	13,75,28,06,310

7. DEPOSITORY:

As on March 31, 2025, 100% of the Company's Equity Shares and Non-Convertible Debentures were held in dematerialised form.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL ("KMP"):

Appointment/Resignation of Directors

The composition of the Board is in accordance with the provisions of Section 149 of the Act and Regulation 62D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations" or "Listing Regulations") with an appropriate combination of Independent Directors and Non-Executive Directors.

As on March 31, 2025, the Board comprised of 6 (six) Directors out of which 3 (three) were Independent Directors (including 1 Woman Independent Director).

Mr. Padmanabh Sinha, resigned as Non-Executive Nominee Director (Nominee of NIIF Fund II) of the Company with effect from the closure of business hours on March 31, 2025.

The Board of Directors through circular resolution passed on May 21, 2025, and the Shareholders of the Company at their Extra-Ordinary General Meeting ("EGM") held on June 4, 2025, approved the re-appointment of Ms. Rosemary Sebastian as Non-Executive Independent Director of the Company for a period of 3 years with effect from June 6, 2025.

The Board of Directors at its meeting held on April 30, 2025, and the Shareholders of the Company at their Extra-Ordinary General Meeting (EGM) held on June 4, 2025, approved the continuation of Directorship of Mr. Prashant Kumar Ghose, who attains the age of 75 years in September 2025.

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

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

DIRECTORS' REPORT (CONTD.)

Directors Retiring by Rotation

In accordance with the applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Nilesh Shrivastava, Non-Executive Nominee Director (Nominee of NIIF Fund II) of the Company, is liable to retire by rotation at the ensuing Annual General Meeting ("AGM") and, being eligible, offers himself for re-appointment. Your Directors recommend his re-appointment. Profile of Mr. Nilesh Shrivastava forms part of the Notice to the AGM.

Director(s) Disclosure/Boards' Independence

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

The Company has received necessary declarations from all the Independent Directors under Section 149(7) of the Act, confirming that they meet the criteria of independence as laid down in Section 149(6) of the Act and Regulations 62B(1)(b) read with 16(1)(b) read with and Regulation 62N(9) of SEBI Listing Regulations as amended from time to time.

The Independent Directors met on April 29, 2025, and July 7, 2025, for the financial year ended March 31, 2025, as required under the Act and the matters considered and discussed there, inter-alia, included those prescribed under Schedule IV to the Act. All the Independent Directors attended the meeting held on April 29, 2025, and July 7, 2025.

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

Pursuant to Regulation 62N(8) of SEBI Listing Regulations, the Company has familiarised the Independent Directors with the Company, their roles, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company, etc. The details relating to the familiarisation programme are available on the website of the Company at <https://www.niifil.in/>.

Appointment/Resignation of Key Managerial Personnel ("KMP"):

Details on appointment/resignation of Key Managerial Personnel ("KMP") are covered in the Corporate Governance Report forming part of this report.

List of Directors and Key Managerial Personnel as on March 31, 2025:

Name of the Director / KMP	DIN / PAN	Type / Category
Mr. A K T Chari	00746153	Non-Executive Director
Mr. Ashwani Kumar	02870681	Independent Director
Ms. Rosemary Sebastian	07938489	Independent Director
Mr. Prashant Kumar Ghose	00034945	Independent Director
Mr. Nilesh Shrivastava	09632942	Non-Executive Director
Mr. Padmanabh Sinha*	00101379	Non-Executive Director
Mr. Shiva Rajaraman	AMOPS4303E	Chief Executive Officer
Mr. Sudeep Bhatia**	ADQPB9745G	Chief Financial Officer
Mr. Ankit Sheth	BFPPS8108Q	Company Secretary

*Mr. Padmanabh Sinha resigned as Non-Executive Nominee Director (Nominee of NIIF Fund II) with effect from the closure of business hours on March 31, 2025.

**Mr. Sudeep Bhatia was appointed as the Chief Financial Officer ("CFO") and Key Managerial Personnel ("KMP") of the Company with effect from June 25, 2024.

Note: Mr. Pankil Mehta resigned as Chief Financial Officer ("CFO") and Key Managerial Personnel ("KMP") with effect from the closure of business hours on June 25, 2024.

DIRECTORS' REPORT (CONTD.)

9. ORDERLY SUCCESSION FOR BOARD AND SENIOR MANAGEMENT:

The Company recognises the importance of implementing an effective succession plan for the Board of Directors and Senior Management in order to secure a successful future for the organisation. The Company has formulated a succession plan in terms of the provisions of the Act and SEBI Listing Regulations, which inter-alia, deals with the criteria for identifying persons who are qualified to be appointed in senior management as successors and periodical review of succession planning for the Board and senior management.

10. DIRECTORS AND OFFICERS INSURANCE:

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

11. ANNUAL BOARD EVALUATION:

The Independent Directors at their meeting evaluated the performance of the entire Board. Each Board member's attendance, participation, contribution, and expertise was evaluated. All the Independent Directors were present for the meeting.

Pursuant to the provisions of the Act, as amended from time to time, the Nomination and Remuneration Committee ("NRC") also carried out an annual evaluation of the Board as well as of the Board's Committees. The conclusions were discussed in the meeting of the Nomination and Remuneration Committee ("NRC") where the performance of the Board and its Committees was reviewed.

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

The board evaluation process is completely conducted internally in secured digital mode

and the responses received from the Directors are kept anonymous. The Board expressed satisfaction with the performance of all Directors, the Board, and Committees.

12. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:**Holding Company:**

Your Company does not have any Holding Company.

National Investment and Infrastructure Fund II (NIIF's Strategic Opportunities Fund) ("NIIF Fund II") holds 39.7% equity stake in the Company. National Investment and Infrastructure Fund Limited ("NIIF") is an investor-owned fund manager, anchored by the Government of India ("GoI") in collaboration with leading global and domestic institutional investors. It currently manages four funds and has the majority stake in the Company through its Strategic Opportunities Fund ("SOF").

Subsidiary Company, Joint Ventures, Associates Company

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

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

13. PUBLIC DEPOSITS:

The Company being a non-deposit accepting Non-Banking Financial Company, provisions of Section 73 and Section 74 of the Act read with Rule 8(5)(v) & (vi) of the Companies (Accounts) Rules, 2014, are not applicable to the Company.

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

DIRECTORS' REPORT (CONTD.)

14. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:

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

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

The details of contracts and arrangements with related parties of your Company for the financial year under review are provided in notes to the standalone financial statements, which forms part of this Annual Report. The Company has in place a policy for Related Party Transactions ("RPT Policy") as required under the applicable laws. Details of the RPT Policy are available on the website of the Company at <https://www.niifil.in>

15. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:

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

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

16. POLICY FOR FIT AND PROPER SELECTION OF DIRECTORS:

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

Fit and Proper criteria & Code of Conduct:

All the Directors meet the fit and proper criteria stipulated under the applicable regulations. All the Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct of the Company.

17. REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES:**Directors**

Details on remuneration paid/payable to Directors, are covered in the Corporate Governance Report forming part of this report.

Particulars of remuneration to Employees

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

18. WHISTLE-BLOWER POLICY/ VIGIL MECHANISM:

In compliance with the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 62J of SEBI (Listing Obligations and Disclosure Requirements)

DIRECTORS' REPORT (CONTD.)

Regulations, 2015, the Company has formulated a Whistle-Blower Policy/ Vigil Mechanism for Directors and employees to report concerns. The Whistle-Blower Policy/ Vigil Mechanism is available on the Company's website at <https://www.niifil.in/>

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

During the financial year under review, there were no complaints received by the Company under the Whistle-Blower Policy/ Vigil Mechanism.

19. RISK MANAGEMENT FRAMEWORK:

The Company has constituted a Risk Management Committee ("RMC") in terms of the requirements of Regulation 62I of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Direction and adopted a Risk Management Policy. The details of the same are disclosed in the Corporate Governance Report.

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

The risk management processes are guided by a well-defined policy appropriate for the various risk categories including credit risk, market risk, interest rate risk, concentration risk, operational risk, liquidity risk, E&S (environmental & social) and climate risk, IT (Information Technology) & Cyber risk supplemented by periodic monitoring by the Committees constituted by the Board and Management level Committees such as RMC, Credit Committee ("CC"), Asset-Liability Committee ("ALCO"), IT Strategy Committee (ITSC), Information Security Committee ("ISC"), etc.

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

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

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

The RMC approves policies related to risk and oversees risk management in the Company as per the defined risk framework.

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

The Chief Risk Officer ("CRO"), appointed by the Board of Directors, is responsible for developing and implementing the risk management strategy of the Company. The CRO's role is to promote a very strong risk culture throughout the organisation and set up a strong risk governance framework. The CRO ensures that risk processes are aligned with the Company's overall objective of long-term viability and stakeholders' returns. Key responsibilities of the CRO include risk identification, assessment, developing risk management framework, risk monitoring, mitigating and reporting. The CRO oversees all financial and non-financial risks of the Company and ensures that risk considerations are fully factored into the Company's strategic decisions. Though the CRO reports to the CEO, his independence is safeguarded by ensuring that the RMC meets the CRO without

DIRECTORS' REPORT (CONTD.)

the presence of the CEO at least on a quarterly basis.

Credit Risk

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

E&S and Climate Risks

NIIF IFL is a responsible financial institution and recognises E&S (environmental and social) and climate risks are associated with infrastructure projects financed by it. The Company takes action to avoid, prevent or mitigate such risks. The Company has adopted an E&S Risk Policy, benchmarked to IFC Performance Standards, in order to ensure integration of E&S and climate risk aspects in the credit appraisal and loan disbursement processes, as well as post-disbursement monitoring phases. This ensures that NIIF IFL finances infrastructure projects that are not only economically viable, but also environmentally sound and socially acceptable.

Climate change caused by global warming due to greenhouse gas emissions poses a serious threat to our economy. The increased frequency of climate change impact viz. extreme weather events (floods, cyclones, landslides etc.) are causing massive damage to the global economy and ecosystems. Infrastructure projects are suffering severe physical damage and business interruption due to natural disasters. NIIF IFL recognises that climate-related risks can

jeopardise the profitability and stability of its financed infrastructure projects. For NIIF IFL, climate risks represent traditional risks due to probability of borrowers' inability to repay loans (credit risk), reduced access to finance due to changing market conditions (liquidity risk) and risk arising from changing market and consumer sentiments (reputation risk).

NIIF IFL is consciously acting on two dimensions of climate change-related risks – the first is financing of green and sustainable transition (~63% of loan portfolio is green power assets) and the second is related to risk management. Before refinancing a project, NIIF IFL thoroughly examines the physical climate risks associated with a project and availability of adaptation & resilience measures. All loan assets are mapped to check whether they fall in seismological zones, cyclonic zones, flood zones, landslide zones, drought & heatwave zones. Availability & adequacy of insurance for climate perils, availability of adaptation measures for example, adoption of water neutrality (robotic dry cleaning, rainwater harvesting etc.) measures, lightning arrestors, storm water management system etc. are assessed for every loan asset.

Market & Liquidity Risk

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

Operational Risk

The Company has a Board approved Operational Risk Management framework. Ongoing monitoring of Key Risk Indicators ("KRI") is conducted, and corrective actions are implemented on KRI exceptions. Operational Risk Management framework includes timely reporting and assessments of incidents and implementing controls through Risk & Control Self-Assessment (RCSA). An oversight committee of Senior Management representatives viz.

DIRECTORS' REPORT (CONTD.)

the Operational Risk Management Committee, meets periodically to review the operational risk profile of the organisation. Technology Risk and Cyber Risk are managed comprehensively as per Board approved Information Security and Cyber Security Policy with oversight of RMC, IT Strategy Committee and Information Security Committee. Business Continuity Plans (BCP) and Disaster Recovery plans are put in place to enable continuity of operations and minimal disruption to critical businesses. These plans are regularly reviewed and tested by the Company. Further, to enhance cyber awareness, the Company conducts learning programmes on cyber security and its importance to enable employees to comply with the regulatory/statutory guidelines as well as ensure protection of IT systems. A robust governance mechanism has been established to manage the cyber risk inherent in business processes and information assets through monitoring mechanisms and regular reviews.

20. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company supports the projects which create long-term and sustainable impact within the causes enlisted in Schedule VII of the Act, with a special focus on Healthcare, Education, Rural development and Environment. Details of the CSR policy are available on the website of the Company at <https://www.niiffl.in/>

The report on Corporate Social Responsibility forms part of this report and is attached as **Annexure II**.

21. INTERNAL FINANCIAL CONTROLS:

The Company has laid down a set of standards, processes and procedures which enable implementation of Internal Financial Controls ("IFC") across the organisation with reference to financial statements and checks that such controls are adequate and are operating effectively.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, self-assessment of controls, monitoring by functional experts as well as testing of the internal financial control systems by the internal auditors/ Head of Internal Audit ("HIA"). During the financial year under review, there have been

no material observations by the auditors of the Company in the context of inadequacy of such controls.

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

22. COMPLIANCE FUNCTION:

Pursuant to RBI guidelines on Scale Based Regulation ("SBR") - A Revised Regulatory Framework for NBFCs on the Compliance Function and Role of Chief Compliance Officer ("CCO"), and Master Direction – Reserve Bank of India (Non-Banking Financial Companies - Scale Based Regulation) Directions, 2023, the Company has put in place a Policy on the compliance framework with the objective of promoting better compliance culture in the Company. The Board appointed Chief Compliance Officer ("CCO") functions independently with specific roles and responsibilities to propagate the compliance function as an integral part of corporate governance, internal control, and risk management process of the Company.

The objective of the Compliance Policy is to clearly spell out the Company's compliance philosophy, expectations on compliance culture, structure and role of the compliance function, the role of CCO and requirements for identifying, assessing, and monitoring, managing, and reporting on compliance risk. The compliance function in coordination with risk and internal audit maintains a close vigil on evolving RBI regulations, thereby ensuring timely implementation and adherence to all regulatory guidelines.

23. INTERNAL AUDIT FUNCTION:

The Company has put in place risk based internal audit framework to monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board of Directors, an independent and reasonable assurance on the adequacy and effectiveness of the organisation's risk management, internal control,

DIRECTORS' REPORT (CONTD.)

and governance processes. The framework is commensurate with the nature of the business, size, scale and complexity of the Company's operations.

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

The Board has put in place a process to safeguard the independence of the Head - Internal Audit. The Head - Internal Audit ("HIA") meets the Audit Committee on a quarterly basis without the presence of CEO and Senior Management. The Company ensures that there is no dual hatting in the role of the HIA.

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

24. INFORMATION TECHNOLOGY AND IT SECURITY:

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

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

Company is implementing a new Loan Management System solution which enables integrated and real time availability of financial information on key parameters for Management's review and decision making.

The Company is in the process of implementing digital initiatives including implementation of a smart Asset Liability Management and Treasury Management system to get end-to-end visibility into liability maturity patterns and manage the complete lifecycle of a loan. The said implementation can track and manage multiple investment instruments under one platform.

The Company has a unique and robust real-time monitoring system for both physical and financial parameters of projects to which the Company has provided debt, as well as an effective compliance and document management system.

25. CODE OF CONDUCT AS PRESCRIBED UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015:

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

26. DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, ("Act") in relation to the audited financial statements of the Company for the year ended March 31, 2025, the Board of Directors hereby confirm that:

- in the preparation of the annual accounts, the applicable accounting standards were followed and there were no material departures from the same;
- such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2025, and of the profit of the Company for financial year ended on that date;
- proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts of the Company have been prepared on a going concern basis;
- the Directors have laid down Internal Financial Controls to be followed and such

DIRECTORS' REPORT (CONTD.)

Internal Financial Controls were adequate and were operating effectively;

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

27. MATERIAL ADVERSE ORDERS, IF ANY:

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

28. AUDITORS AND REPORTS:

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

Statutory Auditors and their report:

There are no adverse observations or qualifications in the auditors' reports for the financial year ended March 31, 2025. Hence, the same do not call for any further comments under Section 134(3)(f) of the Act.

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

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

The Shareholders of the Company on the recommendation of the Audit Committee and

the Board of Directors, at their Annual General Meeting held on September 27, 2024 approved the appointment of G.M Kapadia & Co., (Firm Registration No. 104767W), as joint statutory auditors of the Company for a period of 3 (Three) years.

The Board of Directors based on the recommendation of the Audit Committee, subject to approval of shareholders of the Company, proposed the appointment of M/s Manohar Chowdhry & Associates (Firm Registration Number: 001997S), in place of M/s. M.P. Chitale & Co., on completion of their term, for a period of 3 years, from the conclusion of 12th Annual General Meeting till the conclusion of 15th Annual General Meeting to conduct audit for the financial year ended March 31, 2026, March 31, 2027 and March 31, 2028.

The Company has received a letter from M/s G.M. Kapadia & Co. and M/s Manohar Chowdhry & Associates, confirming that they are willing, eligible and not disqualified to act as Joint Statutory Auditors of the Company.

Secretarial Auditors and their report:

As required under provisions of Section 204 of the Companies Act, 2013 and pursuant to Regulation 24A and Regulation 62M of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, the reports in respect of the Secretarial Audit for FY 2025 carried out by M/s. Rathie & Associates, Practicing Company Secretaries, in Form MR-3, is attached as **Annexure III** and forms part to this report.

The Secretarial Audit Report for the financial year ended March 31, 2025, does not contain any qualification, adverse remark, or reservation. Accordingly, the Board is not required to provide any further explanation or comments under Section 134(3) of the Companies Act 2013.

Internal Audit Function and their report:

Pursuant to RBI risk based internal audit ("RBIA") framework, Ms. Archana Moghe is the Head – Internal Audit ("HIA") of the Company. To ensure independence of HIA, the Audit Committee meets with the HIA, without the presence of senior management on a quarterly basis. The Internal Audit reports are reviewed quarterly by the Audit Committee.

DIRECTORS' REPORT (CONTD.)

Cost Auditors and their report:

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

Reporting of frauds by auditors:

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

29. PROTECTION OF WOMEN AT THE WORKPLACE:

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

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	No. of complaints filed during the financial year	No. of complaints disposed of during the financial year	No. of complaints pending as on the end of the financial year
	0	0	0

30. MATERNITY BENEFIT:

The Company has complied with the provisions relating to the Maternity Benefit Act, 1961.

31. CORPORATE GOVERNANCE:

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

The Company believes that good & transparent Corporate Governance practices enable the Board and the Management to direct and control the affairs of the Company in an efficient manner thereby helping the Company to achieve its goal and benefit the interest of all its stakeholders.

A report on Corporate Governance pursuant to SEBI Listing Regulations is attached as **Annexure IV**. The report also contains the details as required to be provided on the

composition and category of directors, number of meetings of the board, composition of the various committees, annual board evaluation, remuneration policy, criteria for board nomination and senior management appointment, whistle blower policy/vigil mechanism, disclosure of relationships between directors inter-se, state of company's affairs, etc.

Board of Directors:

The Board meets at regular intervals to discuss and decide on the Company's performance and strategies. During the financial year under review, the Board met eight (8) times. Further details on the Board of Directors are provided in the Corporate Governance Report.

Committees of the Board

The Company recognises the significance of Committees constituted by the Board, in fostering strong Corporate Governance practices. Accordingly, the Company has constituted various Committees to enhance the effectiveness & efficiency of the Board and assist in decision-making processes. These Committees have been formed in compliance of provisions of the Act and relevant rules made thereunder, Listing Regulations, RBI Master Directions, Circulars & Guidelines issued from time to time.

DIRECTORS' REPORT (CONTD.)

Further details on Committees constituted by the Board, are provided in the Corporate Governance Report.

32. ANNUAL RETURN:

The Annual Return in form MGT-7 for the Company is available on the website of the Company at <https://www.niifil.in/>.

33. RBI GUIDELINES:

The Company has constituted various Committees in compliance with applicable regulations/ directions issued by the Reserve Bank of India ("RBI") (as amended from time to time). These Committees primarily measure, monitor, report and control risks of the Company. The Company has complied with all applicable regulations and guidelines issued by the applicable authorities including RBI and SEBI. As required under Master Directions – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulations) Directions, 2023.

34. BOARD POLICIES:

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

35. OTHER DISCLOSURES:

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

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

Considering the nature of operations of the Company whereby the Company is not engaged in any manufacturing activity, the particulars regarding conservation of energy and technology absorption as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are not applicable and have not been included.

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

Secretarial Standards

The Company is in compliance with the applicable Secretarial Standards with respect to meetings of the Board of Directors & General Meetings.

36. GENERAL:

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

- a) Issue of equity shares with differential rights as to dividend, voting or otherwise and under Employees Stock Option Scheme as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014.
- b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- c) Instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Companies Act, 2013.
- d) Receipt of any remuneration or commission from any of its holding or subsidiary company by the managerial personnel of the Company.
- e) Revision of the financial statements for the year under review.
- f) Material changes and commitments that occurred between the end of the financial year of the Company and the date of the Report which could affect the Company's financial position.
- g) Significant or material orders passed by the Regulators or Courts or Tribunals which impact/ could impact the going concern status and Company's operations in future.
- h) Proceeding for Corporate Insolvency Resolution Process initiated Under the Insolvency and Bankruptcy Code, 2016.

DIRECTORS' REPORT (CONTD.)

- i) Instance of one-time settlement entered with any Banks and/or Financial Institutions.
- j) Scheme for provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- k) Failure to implement any Corporate Action in regard to securities issued by the Company.
- l) Transfer of un-paid or unclaimed amount to Investor Education and Protection Fund ("IEPF").
- m) Obtained any registration/license/ authorisation, by whatever name called from any other financial sector regulators.

37. ACKNOWLEDGEMENTS AND APPRECIATION:

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

The Board appreciates the support and cooperation of all stakeholders.

By Order of the Board of Directors

AKT Chari
Non-Executive Director
DIN: 00746153

Nilesh Shrivastava
Non-Executive Director
DIN: 09632942

Place: Mumbai
Date: July 7, 2025

Registered Office:

3rd Floor, North Wing, UTI Tower,
GN Block, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051
CIN: U67190MH2014PLC253944
Website: <https://www.niifil.in/>

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS:

The financial year 2025 began on a positive note for India, with strong economic growth. The domestic economic outlook remains resilient supported by improved consumption demand and strong macroeconomic fundamentals. Heightened international trade tensions, volatile financial markets, geopolitical strife, and climate risks weighed heavily on the economic outlook. As the year progressed, some additional challenges emerged, including tighter credit in certain customer segments.

The current geopolitical landscape is characterised by rising tensions between global powers and shifting alliances. The conflict in Ukraine, Israel-Palestine conflict, India-Pakistan conflict and Iran-Israel conflict have significant implications for global trade, energy security, and economic stability. Furthermore, the growing divide between the US and China on trade policy, coupled with the rise of emerging economies, is redefining global economic and political dynamics. These developments pose significant challenges for businesses, governments, and investors, requiring them to navigate complex and rapidly evolving geopolitical risks.

Due to this uncertainty, developed economies began lowering interest rates. This caused movements in currency markets, led to rising deficits, reduced foreign exchange reserves and increased economic uncertainty in many countries.

In India, growth began to slow down during the 1st half of the year. Tougher credit conditions led to challenges in the lending market, resulting in loan defaults in micro, small and medium industry segments. Despite these short-term hurdles, India remains one of the more stable and fast-growing economies globally. The country's infrastructure sector continues to play a central role in its economic growth strategy. Large-scale investments are being made through key initiatives such as the National Infrastructure Pipeline, PM Gati Shakti, and other programmes focused on transportation, energy and digital infrastructure.

To support these long-term infrastructure projects, the regulatory framework is actively encouraging, the growth of Infrastructure Debt Fund – Non-Banking Financial Companies (IDF-NBFCs), which play a vital role in refinancing operational infrastructure assets, helping to free up capital for new projects, providing an alternative solution to a solve the asset liability mismatch of banks, channelise pension/ provident/ insurance funds to infrastructure, credit enhancing

projects through longer tenors, lower rates and innovative solutions as well as enabling deepening of bond markets through issuance of listed long tenor bonds.

During FY 2025, the infrastructure financing sector experienced a steady momentum, supported by a stable interest rate environment and growing institutional investor appetite for infrastructure backed debt securities. Regulatory developments including flexibility in refinancing structures, permission to raise external commercial borrowings (ECBs) under certain conditions, continue to provide operational headroom. With enhanced access to long-term capital from domestic and foreign investors, IDF-NBFCs are being increasingly recognised as an essential channel for mitigating risk in infrastructure and enabling sustainable infrastructure financing.

OPPORTUNITIES AND THREATS

Opportunities:

The business model of IDF-NBFCs – focused on refinancing post commencement operations date ("COD") infrastructure projects that have completed at least one year of satisfactory commercial operations, and finance toll operate transfer ("TOT") projects as the direct lender, aligns well with the government's policy emphasis on efficient capital recycling and infrastructure monetisation. The following developments present compelling growth opportunities:

- **Greater structuring flexibility:** better alignment of repayment with project cash flows, and refinancing options that allow pooling of assets.
- **Robust pipeline of eligible projects:** with a significant number of infrastructure projects across sectors such as roads, renewable energy, transport, logistics and data centres entering the post-COD phase, there is a growing pool of assets suitable for long-term refinancing.
- **Policy support:** Regulators and policy makers continue to support IDF-NBFCs through tailored regulations that offer capital efficiency, extended funding tenors, and relaxed exposure norms under the Master Directions.
- **Access to Debt Markets:** regulatory reforms under SEBI and RBI have enhanced the transparency, credibility and liquidity of the corporate debt market, enabling IDF-NBFCs to tap diversified funding sources, including

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

insurance companies, pension funds and high net-worth individuals.

- **Emphasis on Infrastructure:** the increased budgetary allocation for infrastructure spending, along with the implementation of programmes such as the National Infrastructure Pipeline and the emphasis on public private partnerships create a favorable ecosystem for infrastructure re-financing entities.
- **Green and Sustainable Finance:** the global and domestic push towards ESG-compliant infrastructure creates a new frontier for IDF-NBFCs to expand into green refinancing and climate-aligned financing instruments. More than 60% of NIIF IFLs portfolio consists of projects in green energy sector.
- **New instruments to lower cost of borrowings:** Potential for issuance of Zero-Coupon Bonds (ZCBs), notified by Central Board of Direct Taxes ("CBDT") and Non-Convertible Redeemable Preference Shares ("NCRPS") present an opportunity to reduce cost of borrowings thereby enhancing competitiveness and support growth initiatives.
- **Product differentiation – offerings:** the financial service sector presents several opportunities for growth including:
 - Flexi-coupon and fixed-rate long tenor loans which can cater to diverse customer needs and provide a competitive edge.
 - Resource insurance, which can mitigate risks relating to resource availability (for example, wind availability) and provide value added services to clients.
 - Customised lending based on project cash flows and fixed rate offerings to improve credit ratings, which can enhance the creditworthiness of borrowers and reduce lending risks.
 - Advisory services for logistics, small hydro, and wind power sectors, which can provide expert guidance and support to clients operating in these industries.

Threats:

Continued availability of liquidity in the banking system may lead infrastructure project companies/ borrowers to avail financing from banks which could

impact the opportunities available for refinancing by IDF-NBFCs. Also, the slow-down in the private capital expenditure and in view of limited credit growth for new projects in industrial sectors, commercial banks and new development finance institutions are likely to aggressively lend to operational infrastructure projects thereby posing competition and pricing pressure to IDF-NBFCs.

Investment platforms like InVITs in matured sectors such as roads, renewables and transmission could impact the pipeline of operating assets available for refinancing by NIIF IFL, as there is a requirement for clarity on whether IDF-NBFCs are permitted to provide financing to InVITs.

While new financing institutions such as National Bank of Financing Infrastructure and Development (NaBFID), Indian Renewable Energy Development Agency (IREDA) are set up to focus more on financing under-construction projects, they are active in financing operational projects also as they are in the initial phase of building asset book.

Success of any financing business is dependent on a facilitative regulatory framework; any adverse change in the regulatory framework can have an impact on the profitability of NIIF IFL.

While projects re-financed by NIIF IFL are insured against various risks, the severity of climatic events could impact project performance.

SEGMENT WISE AND OPERATIONAL PERFORMANCE OF THE COMPANY:

NIIF IFL expanded its loan book, growing from ₹ 22,118 Crores in FY 2024 to ₹ 25,390 Crores in FY 2025, reflecting a 14.8% increase. The total gross disbursements in FY 2025 amounted to ₹ 7,055 Crores. The Company increased its exposure in key areas such as renewable power generation, telecommunication infrastructure, logistics and other commercial infrastructure projects.

On the liabilities front, NIIF IFL continues to sustain robust relationships with a broad range of investors, including insurers, retirement benefit funds, banks, corporates and mutual funds. As of March 31, 2025, the outstanding borrowings through non-convertible debentures ("NCDs") was ₹ 22,762 Crores. Existing and potential issuances are rated 'AAA' rating from ICRA Limited, CRISIL Ratings Limited and CARE Rating Limited.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

NIIF IFL'S FINANCIAL PERFORMANCE HIGHLIGHTS:

A summary of NIIF IFL's financial performance for FY 2025, along with a comparison to its performance in FY 2024, is as under:

Total Revenue: ₹ 2,183.03 Crores as on March 31, 2025, compared to ₹ 1,847.02 Crores as of March 31, 2024, reflecting a growth of 18.2 % year-on-year (Y-o-Y). This increase is attributed to higher loan disbursements and fee based income.

Loan book: ₹ 25,390 Crores as on March 31, 2025, compared to ₹ 22,118 Crores as on March 31, 2024, reflecting a growth of 14.8 % Y-o-Y.

Net Interest Income (NII): ₹ 494.72 Crores as of March 31, 2025, compared to ₹ 429.27 Crores as of March 31, 2024, reflecting a growth of 15.25 % Y-o-Y.

Net Profit: ₹ 486.9 Crores as of March 31, 2025, compared to ₹ 419.9 Crores as of March 31, 2024, reflecting a growth of 16% Y-o-Y.

Net Worth: ₹ 4,326 Crores as of March 31, 2025, compared to ₹ 3,860 Crores as of March 31, 2024.

The Company maintains strong asset quality with nil non-performing assets ("NPAs") and a strong capital position, with a Capital Adequacy Ratio of 21.7 % as of March 31, 2025.

The Company's debt-equity ratio was 5.42 times as of March 31, 2025, resulting from increased borrowings to support increased lending activities.

OUTLOOK:

India's infrastructure sector is poised for sustained growth, underpinned by strong policy momentum, public investment and increasing private sector participation. The emphasis on projects that generate stable and predictable cash flows, particularly, in sectors such as renewable energy, roads, airports, logistics and digital infrastructure – creates a robust pipeline for refinancing opportunities aligned with the IDF-NBFC model.

With a pristine loan book and a well-diversified portfolio in all sectors such as renewable power generation and power transmission, airports, roads, telecommunication infrastructure, and logistics, the Company is poised to increase its loan book, ensuring conservative leverage and deepening market access. The Company's focus would be to expand to new sectors like data centres, etc. which will support holistic infrastructure growth in the country.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

PEOPLE:

Our workforce remains a key differentiator in business. We continue to invest strategically in building and strengthening high-performing teams across all functions, recognizing that our people are central to achieving operational excellence and sustained growth.

A strong emphasis has been placed on fostering a diverse, inclusive, and equitable workplace. Women comprise 35% of our overall workforce, including representation in managerial roles. We remain committed to improving gender diversity through focused initiatives and inclusive people practices.

To foster a truly inclusive environment, we have introduced various awareness-building initiatives. These include sensitisation workshops on unconscious bias, and sessions aimed at building cultural alignment. These efforts are designed to promote mutual respect, drive inclusive behaviours, and ensure that all employees feel heard, valued, and empowered to contribute.

The Company is dedicated to nurturing a workplace culture where every employee is respected, supported, and empowered to contribute meaningfully. To this end, we offer a comprehensive suite of employee well-being initiatives, including accident and health insurance, parental leave, annual health check-ups, wellness allowances, and expert-led health and wellness sessions.

Learning and development remain a critical focus area. The Company has implemented a range of structured programmes aimed at enhancing both technical, behavioural, functional competencies. These initiatives support individual growth, ensure regulatory and operational compliance, and prepare employees for future leadership roles.

Through these ongoing efforts, The Company remains committed to cultivating a high-trust, high-performance culture that supports employee engagement, drives innovation, and builds organisational strength.

Number of Employees:

Men	Women	Total (As of March 31, 2025)
43	23	66

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has established comprehensive standards, processes and procedures to ensure the effective implementation of Internal Financial Controls related to Financial Statements. These controls are deemed adequate and have been operating effectively throughout the year. No significant issues regarding their efficiency or adequacy were noted during the review period. For further details, please refer to the Internal Control and Internal Audit section of the Directors' Report.

ANNEXURE II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR 2025

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

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

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

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.	Mr. Ashwani Kumar	Independent Director - Chairman	4	4
2.	Ms. Rosemary Sebastian	Independent Director - Member	4	4
3.	Mr. Nilesh Shrivastava	Nominee Director of NIIF Fund II - Member	4	4

3. PROVIDE THE WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

- CSR Policy – [Corporate Social Responsibility Policy.pdf](#)
- CSR Projects & Committee – <https://www.niifil.in/corporate-social-responsibility>

4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 IF APPLICABLE (ATTACH THE REPORT) – Not Applicable¹.

5. CALCULATION OF NET PROFIT AND CSR EXPENDITURE UNDER SECTION 135 OF THE COMPANIES ACT, 2013.

Sr. No.	Particulars	Amount (in ₹)
(a)	Average net profit of the Company as per sub-section (5) of section 135.	3,58,66,14,979
(b)	Two percent of average net profit of the Company as per sub-section (5) of section 135.	7,17,32,300
(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	-
(d)	Amount required to be set off for the financial year, if any.	-
(e)	Total CSR obligation for the financial year [(b)+(c)-(d)].	7,17,32,300

¹ Pursuant to Rule 8 (3), the requirement to undertake an impact assessment for the Company's CSR projects is not applicable, since the Company's CSR obligation does not exceed ₹ 10 Crores or more.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR 2025 (CONTD.)

6. AMOUNT SPENT ON CSR PROJECTS:

Sr. No.	Particulars	Amount (in ₹)
a)	Amount spent on CSR Projects (both ongoing project and other than ongoing project).	6,91,20,000
b)	Amount spent in administrative overheads.	28,80,000
c)	Amount spent on impact assessment, if applicable ²	NA
d)	Total amount spent for the Financial Year [(a)+(b)+(c)].	7,20,00,000
e)	CSR amount spent or unspent for the Financial Year:	

Total amount spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
7,20,00,000	-	-	-	-	-

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

Sr. No.	Particulars	Amount (in ₹)
(1)	(2)	(3)
i.	Two percent of average net profit of the Company as per sub-section (5) of section 135.	7,17,32,300
ii.	Total amount spent for the Financial Year	7,20,00,000
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	2,67,700
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NA
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NA

7. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

1	2	3	4	5	6	7	8
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer	
1	FY 2024				-		
2	FY 2023				-		
3	FY 2022				-		

² Pursuant to Rule 8 (3), the requirement to undertake an impact assessment for the Company's CSR projects is not applicable, since the Company's CSR obligation does not exceed ₹ 10 Crores or more.

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FOR THE FINANCIAL YEAR 2025 (CONTD.)

8. WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR: NO

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

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

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

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

9. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PERCENT OF THE AVERAGE NET PROFIT AS PER SUBSECTION (5) OF SECTION 135 – Not Applicable.

Shiva Rajaraman
Chief Executive Officer

Ashwani Kumar
Chairman, CSR Committee
DIN: 02870681

ANNEXURE III

SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025

To
The Members,
NIIF Infrastructure Finance Limited
Mumbai

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

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised 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 March 31, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025, according to the provisions of:
- (i) the Companies Act, 2013 (“the Act”) and the rules made there under;

(ii) the Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):
- (i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”).

(iii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (to the extent applicable);
3. The provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) were not applicable to the Company during the financial year under report: -
- a. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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

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

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

e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
4. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with other Acts, Laws and Regulations applicable specifically to the Company as mentioned hereunder:
- (i) Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023;

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

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

SECRETARIAL AUDIT REPORT (CONTD.)

- (iv) Master Direction – Know Your Customer (KYC) Direction, 2016.
- (v) Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices, 2023
- (vi) Master Direction – Reserve Bank of India (Filing of Supervisory Returns) Directions, 2024
- (vii) Master Direction – Reserve Bank of India (Credit Information Reporting) Directions, 2025.
- (viii) Master Direction on Outsourcing of Information Technology Services
- (ix) Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies)
- (x) Master Direction on Treatment of Willful Defaulters and Large Defaulters.
- (xi) Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021.
5. The provisions and guidelines prescribed under the Securities Contracts (Regulation) Act, 1956 ('SCRA') and rules made thereunder were not applicable to the Company during the Financial Year under report.
6. The provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings were not applicable to the Company during the Financial Year under report.

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

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

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

During the financial year under report, the Company has generally complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, and Secretarial Standards etc.

We further report that:

The Board of Directors of the Company is duly constituted, and the Company only has Non-Executive Directors and Independent Directors including one Woman Independent Director in compliance with the provisions of the Companies Act, 2013, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"). The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

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

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

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

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

SECRETARIAL AUDIT REPORT (CONTD.)

Issue of Secured Redeemable Non-Convertible Debentures ("NCDs") of the face value of ₹ 1,00,000/- (Rupees One Lakh each) each through Private placement basis as under:

Sr. No.	Date of Allotment	No. of NCDs allotted	Amount raised from issue of NCDs (₹ In Crores) (face value)
1	April 29, 2024	6,400	64
2	June 21, 2024	44,000	440
3	September 19, 2024	90,000	900
4	September 19, 2024	53,500	535
5	October 24, 2024	80,000	800
5	October 24, 2024	12,500	125
6	December 2, 2024	50,200	502
7	February 28, 2025	1,00,000	1000
8	March 19, 2025	68,300	683
Total		5,04,900	5049

**For RATHI & ASSOCIATES
COMPANY SECRETARIES**

NEHA R LAHOTY

PARTNER

MEM. NO.: FCS 8568

COP. NO.: 10286

UDIN: F008568G000729475

P. R. CERT. NO.: 6391/2025

FIRM REGISTRATION NO.: P1988MH011900

PLACE: MUMBAI

DATE: JULY 7, 2025

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

ANNEXURE

To
The Members
NIIF Infrastructure Finance Limited
Mumbai

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

1. Maintenance of secretarial records is the responsibility of the management of NIIF Infrastructure Finance Limited (“the Company”). Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For RATHI & ASSOCIATES
COMPANY SECRETARIES

NEHA R LAHOTY

PARTNER

MEM. NO.: FCS 8568

COP. NO.: 10286

P. R. CERT. NO.: 6391/2025

FIRM REGISTRATION NO.: P1988MH011900

PLACE: MUMBAI

DATE: JULY 7, 2025

ANNEXURE IV

REPORT ON CORPORATE GOVERNANCE

PHILOSOPHY OF CORPORATE GOVERNANCE:

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

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

- i) effective board oversight,
- ii) clearly defined overall objectives of the Company & area of business,
- iii) decision making by Board & Committees with clear terms / delegation of powers & jurisdiction,
- iv) Induction of Independent Directors with experience,
- v) track record and impeccable credentials,
- vi) clearly outlined Policies (including in respect of risk management, investment & credit, asset liability management, resource planning, fair practices etc),
- vii) Compliance with laws/ regulations (RBI norms, Companies Act, SEBI norms, all other laws),
- viii) Code of conduct (including in respect of ethical conduct, integrity, reliability and fair practices)
- ix) Risk Management Framework, checks and balances & controls (including structures adhering to maker-checker principles, internal & statutory audits); resolution of issues raised by auditors
- x) Keeping to commitments (both internal & external), Transparency & Disclosures to all stakeholders

The Company places great emphasis on values such as employee empowerment and integrity, employee and community safety, transparency in the decision-making process, fair and ethical

dealings with all, and stakeholder accountability. The Internal Guidelines on Corporate Governance are available on the Company’s website at <https://www.niiffl.in/>.

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

BOARD OF DIRECTORS (“BOARD”):

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

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

Committees of the Board include Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, IT Strategy Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, empower the Boards’ functioning by exchanging information and delivering a focused approach and expedient resolution of diverse matters.

In accordance with the provisions of the Companies Act 2013, and the SEBI Listing Regulations, your Company’s Board of Directors has an optimal mix of Non-Executive, and Independent Directors. As of March 31, 2025, the Board of Directors consists of 6 (six) Directors, 3 (three) of whom are Independent Directors, including 1 (one) Woman Director. The Company has appointed a Chief Executive Officer, Chief Financial Officer, and Company Secretary as Key Managerial Personnel, who are not members of the Board of Directors. The Company has also appointed a Chief Compliance Officer, a Chief Risk Officer, and a Head of Internal Audit. The above are in compliance with the Act and applicable regulations.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

The composition of the Board of Directors as on March 31, 2025, is provided below:

Name of Director	Category	No. of Directorships in other Public Company*	No. of Committee Memberships of other Public Company [§]	Chairpersonship in Committees of other Public Company	Details of the Directorships in other listed entities [#]
Mr. A K T Chari (DIN 00746153)	Non-Executive Nominee Director	-	-	-	-
Ms. Rosemary Sebastian (DIN 07938489)	Independent Director	2	2	1	-
Mr. Ashwani Kumar (DIN 02870681)	Independent Director	2	3	1	Saurashtra Cement Limited Macrotech Developers Limited
Mr. Prashant Kumar Ghose (DIN 00034945)	Independent Director	1	2	2	-
Mr. Nilesh Shrivastava (DIN: 09632942)	Non-Executive Nominee Director	2	1	-	-

Mr. Padmanabh Sinha resigned as Non-Executive Nominee Director (Nominee of NIIF Fund II) of the Company with effect from the closure of business hours on March 31, 2025.

Note:

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

[§]Includes Chairmanship or membership of the Audit Committee and Stakeholders’ Relationship Committee of Public Companies (listed and unlisted) only.

[#]Includes entities whose equity shares are listed on a stock exchange.

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

a. Board

Agenda and Minutes

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

The following minimum information is included in the agenda of each quarterly/annual Board meetings, thereby ensuring statutory compliance:

- a. Minutes of the meeting of previous Board and Committee meetings.
- b. Recording circular resolution(s)
- c. Financial results
- d. Compliance certificate
- e. Status of action on previous Board meeting items
- f. Business requirements
- g. Borrowings and investments
- h. Review of policies of the Company
- i. Payment of Auditors’ Fees

REPORT ON CORPORATE GOVERNANCE (CONTD.)

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

- a. Strategic initiatives and business plans
- b. Capital outlay and updates
- c. Internal financial controls
- d. Organisational structure and succession planning
- e. Details of fraud incidents (if applicable) and corrective action taken
- f. Supervisory and observation letters issued by the RBI
- g. Compliance with the Companies Act, SEBI regulations, RBI regulations, and shareholder-related issues.

- h. Risk Management System, Risk Management Policy, and Risk Management Strategy
- i. Adherence to corporate governance standards
- j. Adherence to the fair practices code
- k. The operation of the customer grievance redressal mechanism
- l. Changes in the regulatory environment

Attendance of Directors

As a best practice, the Company endeavours to ensures that the Directors are present at all meetings. 8 (eight) Board meetings were held during FY 2025 on May 3, 2024, June 25, 2024, August 1, 2024, October 3, 2024, October 24, 2024, November 7, 2024, February 6, 2025, and March 4, 2025.

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

Name of Directors	No. of Board meetings		Attendance in the last AGM dated September 27, 2024
	Held	Attended	Yes/ No/ NA
Mr. A K T Chari	8	8	No
Mr. Ashwani Kumar	8	8	Yes
Ms. Rosemary Sebastian	8	8	Yes
Mr. Prashant Kumar Ghose	8	8	Yes
Mr. Padmanabh Sinha*	8	8	No
Mr. Nilesh Shrivastava	8	6	Yes

*Mr. Padmanabh Sinha resigned as Non-Executive Nominee Director (Nominee of NIIF Fund II) of the Company with effect from the closure of business hours on March 31, 2025.

In terms of Regulation 62O of the SEBI Listing Regulations, none of the Directors of the Company were members of more than 10 Committees or acted as the Chairperson of more than 5 Committees across all listed companies in India, in which they are a Director.

Pursuant to the provisions of Section 165(1) the Act and Regulation 62O and 62E of the SEBI Listing Regulations, and RBI Master Directions none of the Directors:

- a. hold directorships in more than 20 companies (Public or Private),
- b. hold directorships in more than 10 public companies,
- c. hold membership of board committees (Audit & Stakeholders Relationship Committees) in more than 10 and Chairpersonship of Board Committees in excess of 5,
- d. serve as Director in more than 7 listed companies (including High Value Debt Listed Entities),
- e. serve as Managing Director/Whole Time Director in any listed company or serve as Independent Director in more than 3 listed companies (including High Value Debt Listed Entities).
- f. are on the Board of more than three NBFCs (NBFC-Middle Layer or NBFC-Upper Layer) at the same time.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

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

Code of Conduct

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

- Maintain practices that conform to the highest degree of Corporate Governance.
- Ensure confidentiality of information.
- Ensure accuracy of records and reporting.
- Ensure protection of Company's assets.
- Ensure fulfilment of corporate responsibilities.
- Ensure fairness in the workplace.
- Ensure compliance with laws & regulations.

Board Diversity

The Board comprises of adequate number of Directors with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The Directors are persons of eminence in areas such as banking, finance, auditing, lending, strategy, administration, regulation etc. and bring with them experience/skills which add value to the performance of the Board and the Company.

The table below summarises the list of core skills/ expertise/ competencies identified by the Board of Directors for effectively conducting the business of the Company and the availability of such skills with the Directors.

Skill Areas	Mr. A K T Chari	Mr. Ashwani Kumar	Ms. Rosemary Sebastian	Mr. Prashant Kumar Ghose	Mr. Nilesh Shrivastava
Leadership qualities	✓	✓	✓	✓	✓
Business and Strategic planning	✓	✓	✓	✓	✓
Industry knowledge and experience	✓	✓	✓	✓	✓
Engagement	✓	✓	✓	✓	✓
Governance, Compliance and Audit purview	✓	✓	✓	✓	✓
Information Technology	✓	-	✓	✓	✓
Risk Management	✓	✓	-	✓	✓

Familiarisation Programme

At the time of appointment, Independent Directors are made aware of their roles and responsibilities through a formal letter of appointment which stipulates various terms and conditions. The Company also conducts a formal familiarisation programme. At Board and Committee meetings, the Independent Directors are familiarised on the business model, strategies, operations, functions, policies and procedures of the Company.

Meetings of Independent Directors

As stipulated by the Code of Independent Directors under the Act and rules made thereunder and SEBI Listing Regulations as amended from time to time, one meeting of Independent Directors was held during the year on May 2, 2024.

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

Chart setting out the competencies of the Board

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

REPORT ON CORPORATE GOVERNANCE (CONTD.)

b. Committees of the Board/constituted by the Board

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

- Audit Committee
- Risk Management Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- IT Strategy Committee
- IT Steering Committee
- Information Security Committee
- Identification Committee (Wilful and Large Defaulter)
- Review Committee (Wilful and Large Defaulter)
- Committee of Executives (Fraud related)
- Asset and Liability Management Committee
- Cyber Crisis Management Committee
- Credit Committee
- Investment Committee
- Finance Committee
- Internal Complaints Committee

AUDIT COMMITTEE

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

All the members of the Audit Committee are financially literate and all members have accounting or financial management expertise. The Chief Financial Officer and the representatives of the Statutory Auditors and Head-Internal Audit are permanent invitees to the Audit Committee meetings. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

Composition of Audit Committee

The Audit Committee comprises of 4 (four) members viz. Mr. Prashant Kumar Ghose, Mr. Ashwani Kumar,

Ms. Rosemary Sebastian and Mr. Nilesh Shrivastava. Mr. Prashant Kumar Ghose is the Chairman of the Audit Committee.

Terms of Reference of the Audit Committee are as follows:

- oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of Auditors of the listed entity;
- approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- reviewing, with the management, the Annual financial statements and Auditor's report thereon before submission to the Board for approval, with particular reference to:
 - 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;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- 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 utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

REPORT ON CORPORATE GOVERNANCE (CONTD.)

7. reviewing and monitoring the Auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the listed entity with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. reviewing the utilisation of loans and/or advances from/investment by the holding Company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
23. ensure that an information system audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company.

Meetings of Audit Committee and attendance of Audit Committee members

During FY 2025, the Audit Committee met 7 (seven) times on May 3, 2024, June 25, 2024, July 10, 2024, July 31, 2024, October 24, 2024, February 5, 2025, and March 4, 2025. The attendance of members at the Audit Committee meetings held during FY 2025 is given in the table below:

Name of the Committee member	No. of Audit Committee meetings	
	Held	Attended
Mr. Prashant Kumar Ghose	7	7
Mr. Ashwani Kumar	7	7
Ms. Rosemary Sebastian	7	7
Mr. Nilesh Shrivastava	7	6

REPORT ON CORPORATE GOVERNANCE (CONTD.)

NOMINATION AND REMUNERATION COMMITTEE

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

Composition of Nomination and Remuneration Committee

NRC comprises of 3 (Three) members viz. Mr. Ashwani Kumar, Ms. Rosemary Sebastian and Mr. Nilesh Shrivastava. Mr. Ashwani Kumar is the Chairman of NRC.

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

1. formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, appointment, the remuneration of the Directors, key Managerial Personnel and other employees keeping in consideration various factors viz. qualification, expertise, diversity etc;
2. for every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge

and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
3. formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
 4. devising a policy on diversity of Board of Directors;
 5. identifying persons who are qualified to become Directors and who may be appointed in Senior management/ KMP in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.
 6. whether to extend or continue the term of appointment of the Independent Director, based on the report of performance evaluation of Independent Directors.
 7. recommend to the Board, all remuneration, in whatever form, payable to Senior management.

Meetings of NRC and attendance of NRC members

During FY 2025, the Nomination and Remuneration Committee met 3 (three) times on May 2, 2024, June 25, 2024, and October 23, 2024. The attendance of the members at the NRC meetings held during FY 2025 is given in the table below:

Name of the Committee member	No. of Nomination and Remuneration Committee meetings	
	Held	Attended
Mr. Ashwani Kumar	3	3
Ms. Rosemary Sebastian	3	3
Mr. Padmanabh Sinha*	3	3

Mr. Nilesh Shrivastava was inducted to the NRC with effect from April 17, 2025.

*Mr. Padmanabh Sinha resigned as Non-Executive Nominee Director (Nominee of NIIF Fund II) of the Company with effect from the closure of business hours on March 31, 2025.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

Performance Evaluation:**Annual Performance Evaluation**

The evaluation framework for assessing the performance of Directors includes, among other things, contributions at the meeting(s) and strategic inputs or perspectives regarding the growth and performance of the Company.

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

Outcome of the Evaluation

The Directors of the Company are satisfied with the operation of the Board and its Committees. The Committees operate effectively, and in addition to the mandated terms of reference for each Committee, significant issues are brought up and discussed at Committee meetings. The Board was also satisfied with the contributions made by individual Directors in their respective roles, which reflects the overall commitment of each Director.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee ("SRC") is formed as per the provisions of the Act and the

SEBI Listing Regulations. The SRC specifically looks into aspects of interest of Shareholders, Debenture holders and other security holders.

Composition of Stakeholders Relationship Committee

The SRC comprises of 3 (three) members viz. Mr. Ashwani Kumar, Mr. AKT Chari and Mr. Nilesh Shrivastava. Mr. Ashwani Kumar is the Chairman of SRC.

The Company Secretary shall be a permanent invitee to the meetings of the Committee.

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

1. resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non- receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
2. review of measures taken for effective exercise of voting rights by shareholders.
3. review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.

Meetings of SRC and attendance of SRC members

During FY 2025, the Stakeholders Relationship Committee met 2 (two) times August 1, 2024, and February 6, 2025. The attendance of members at SRC meetings held during FY 2025 is given in the table below:

Name of the Committee member	No. of Stakeholders Relationship Committee meetings	
	Held	Attended
Mr. Ashwani Kumar	2	2
Mr. AKT Chari	2	2
Mr. Nilesh Shrivastava	2	1

Investor complaints in FY 2025:

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

REPORT ON CORPORATE GOVERNANCE (CONTD.)

RISK MANAGEMENT COMMITTEE

The Risk Management Committee ("RMC") is formed as per the provisions of the Act and the SEBI Listing Regulations and RBI Guidelines. RMC reviews and monitors risks across the organisation, including credit risk, market risk, operational risk, ALM risk, interest rate risk, ESG risk and portfolio level concentration & other risks. The primary function of the RMC, inter-alia is to ensure that risk is within clearly defined risk limits and boundary parameters as defined in the Board approved Credit Policy, Asset Liability Management ("ALM") Policy, and Operational Risk Management ("ORM") Policy of the Company and adequate processes are implemented to identify, measure, monitor and mitigate the risks.

Composition of Risk Management Committee

The Risk Management Committee comprises of 6 (Six) members viz. Mr. Ashwani Kumar, Mr. Prashant Kumar Ghose, Mr. AKT Chari, Mr. Nilesh Shrivastava, Chief Executive Officer and Chief Risk Officer. Mr. Ashwani Kumar is the Chairman of the RMC.

The following are the terms of reference of the RMC:

1. To formulate a detailed Risk Management policy which shall include:
 - a. a framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (including ESG related risks), information technology

including business continuity plan, cyber security risks, market risk or any other risk as may be determined by the Committee.

- b. measures for risk mitigation including systems and processes for internal control of identified risks.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
 3. To monitor and oversee implementation of the Risk Management policy, including evaluating the adequacy of Risk Management systems;
 4. To periodically/annually review the Risk Management policy, including by considering the changing industry dynamics and evolving complexity;
 5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
 6. The appointment, removal and terms of remuneration of the Chief Risk Officer ("CRO") shall be subject to review by the Risk Management Committee;
 7. The Risk Management Committee shall coordinate its activities with other Committees, in instances where there is any overlap with activities of such Committees, as per the framework laid down by the board of directors.

Meetings of RMC and attendance of RMC members

During FY 2025, the Risk Management Committee met 4 (four) times on May 2, 2024, July 31, 2024, October 23, 2024 and February 5, 2025. The attendance of members at the Risk Management Committee meetings held during FY 2025 is given in the table below:

Name of the Committee Member	No. of Risk Management Committee Meetings	
	Held	Attended
Mr. Ashwani Kumar	4	4
Mr. A K T Chari	4	4
Mr. Prashant Kumar Ghose	4	4
Mr. Nilesh Shrivastava	4	3
Chief Executive Officer	4	4
Chief Risk Officer	4	4

REPORT ON CORPORATE GOVERNANCE (CONTD.)

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility (“CSR”) Committee was constituted pursuant to the provisions of Section 135 of the Act. The Company believes that profitability must be complemented by a sense of responsibility towards all stakeholders. CSR Committee, as mandated under Section 135 (3) of the Act has formulated and recommended to the Board, a CSR Policy which indicates the activities to be undertaken by the Company as specified in

Schedule VII of the Act and recommends the amount of expenditure to be incurred on the said activities.

Composition of CSR Committee

CSR Committee comprises of 3 (three) members viz. Mr. Ashwani Kumar, Ms. Rosemary Sebastian and Mr. Nilesh Shrivastava. Mr. Ashwani Kumar is the Chairman of the CSR Committee.

Mr. Rajiv Dhar, Chief Investment Officer, National Investment and Infrastructure Fund Limited, shall be a permanent invitee to the meetings of the Committee.

Meetings of CSR Committee and attendance of CSR Committee members

During FY 2025, the CSR Committee met 4 (four) times on May 2, 2024, August 29, 2024, January 7, 2025, and February 6, 2025. The attendance of members at CSR meetings held during the FY 2025 is given in the table below:

Name of the Committee member	No. of Corporate Social Responsibility Committee meetings	
	Held	Attended
Mr. Ashwani Kumar	4	4
Ms. Rosemary Sebastian	4	4
Mr. Nilesh vastava	4	4

IT STRATEGY COMMITTEE

The IT Strategy Commi+tee has been constituted as per the requirements of RBI Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices.

Ghose, Mr. AKT Chari, Chief Executive Officer, Chief Risk Officer, Chief Financial Officer, and Head – IT. Ms. Rosemary Sebastian is the Chairperson of the IT Strategy Committee.

The Chief Security Information Officer shall be a permanent invitee to the meetings of the Committee.

Composition of IT Strategy Committee

The Committee comprises of 7 (seven) members viz. Ms. Rosemary Sebastian, Mr. Prashant Kumar

Meetings of the Committee and attendance of the Committee members

During FY 2025, the IT Strategy Committee met 4 (four) times on May 10, 2024, August 8, 2024, November 21, 2024, and January 23, 2025. The attendance of members at the IT Strategy Committee meetings held during FY 2025 is given in the table below:

Name of the Committee member	No. of IT Strategy Committee meetings	
	Held	Attended
Ms. Rosemary Sebastian	4	4
Mr. Prashant Kumar Ghose	4	4
Mr. AKT Chari	4	4
Chief Executive Officer	4	4
Chief Risk Officer	4	3
Chief Financial Officer	4	4
Head – IT	4	4

REPORT ON CORPORATE GOVERNANCE (CONTD.)

ASSET LIABILITY MANAGEMENT COMMITTEE (ALCO)

The Asset Liability Management Committee (“ALCO”) has been constituted as per the requirements of RBI Master Directions. ALCO is a decision-making body responsible for integrated balance sheet management from a risk-return perspective and includes the strategic management of interest rate and liquidity risks. The primary function of ALCO inter-alia includes balance sheet planning from risk-return perspective including the strategic management of interest rate and liquidity risks, review of results and progress in

implementation of the decisions made in the previous meetings, articulation of the current interest rate view and decision-making for future business strategy based on this view. ALCO is responsible for ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the liquidity risk management strategy.

Composition of ALCO

The Asset Liability Management Committee comprises of 5 (five) members viz. Chief Executive Officer, Chief Business Officer, Chief Risk Officer, Chief Financial Officer and Director – Resources.

Meetings of ALCO and attendance of ALCO Members

During FY 2025, the ALCO met 6 (six) times on April 30, 2024, June 28, 2024, August 21, 2024, October 22, 2024, December 30, 2024 and February 4, 2025. The attendance of the members at the ALCO meetings held during FY 2025 is given in the table below:

Name of the Committee member	No. of ALCO meetings	
	Held	Attended
Chief Executive Officer	6	6
Chief Business Officer	6	6
Chief Risk Officer	6	5
Chief Financial Officer	6	5
Director - Resources	6	6

REMUNERATION OF DIRECTORS

The Independent Directors and Mr. AKT Chari are paid sitting fees, travelling, lodging and other incidental expenses for attending meetings of Board of Directors/ Committees. The Directors have not been granted any stock options by the Company.

The Board’s function and obligations, notably those of Independent Directors, have grown in complexity, necessitating increased time commitments, attention, and a higher degree of monitoring. Given the tasks and responsibilities of Independent Directors, and in order to match their remuneration with industry standards, the Board of Directors at its meeting held on April 30, 2025, and the Shareholders at their meeting held on June 4, 2025, approved compensation in the form of profit-related commission to Mr. Ashwani Kumar,

Ms. Rosemary Sebastian and Mr. Prashant Kumar Ghose, Independent Directors of the Company up to ₹ 10,00,000/- each per annum, subject to limits under the Companies Act, 2013, with effect from FY 2026.

Apart from the above, the Company does not have any pecuniary relationship with the Non-Executive / Independent Directors. During the year under review, the Company did not enter into any other transactions with the Non-Executive Directors.

Your Company paid the Independent Directors sitting fees for attending meetings as detailed below:

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

REPORT ON CORPORATE GOVERNANCE (CONTD.)

Details of sitting fees paid to the Independent Directors and Non-Executive Directors during FY 2025 are given in the table below:

(in ₹)

Name of the Director	Board Meeting	Independent Director Meeting	Audit Committee Meeting	Nomination & Remuneration Committee Meeting	CSR Meeting	IT Strategy Committee Meeting	Stakeholders Relationship Committee Meeting	Risk Management Committee	Credit Committee
Ms. Rosemary Sebastian – Independent Director	6,40,000	60,000	4,20,000	1,80,000	2,40,000	2,40,000	-	-	-
Mr. Ashwani Kumar– Independent Director	6,40,000	60,000	4,20,000	1,80,000	2,40,000	-	1,20,000	2,40,000	-
Mr. Prashant Kumar Ghose– Independent Director	6,40,000	60,000	4,20,000	-	-	2,40,000	-	2,40,000	-
Mr. AKT Chari – Non-Executive Director	6,40,000	-	-	-	-	2,40,000	1,20,000	2,40,000	8,25,000

PARTICULARS OF SENIOR MANAGEMENT INCLUDING CHANGES THEREIN SINCE THE CLOSE OF PREVIOUS FINANCIAL YEAR

The details of Senior Management as on March 31, 2025, pursuant to SEBI Regulations:

Sr. No.	Name	Designation
1.	Mr. Shiva Rajaraman	Chief Executive Officer
2.	Mr. Debabrata Mukherjee	Chief Business Officer
3.	Mr. Ajay Singh	Chief Risk Officer
4.	Mr. Srinivas Upadhyayula	Chief Compliance Officer & General Counsel
5.	Mr. Sudeep Bhatia	Chief Financial Officer
6.	Mr. Ankit Sheth	Company Secretary

CHANGES IN SENIOR MANAGEMENT SINCE THE CLOSE OF THE PREVIOUS FINANCIAL YEAR:

During the financial year under review, Mr. Pankil Mehta resigned as Chief Financial Officer and Key Managerial Personnel with effect from the closure of business hours on June 25, 2024. Accordingly, the Board of Directors of the Company at its meeting held on June 25, 2024, based on the recommendation of the Nomination and Remuneration Committee and the Audit Committee, approved the appointment of Mr. Sudeep Bhatia as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from June 25, 2024.

Mr. Sudeep Bhatia is an experienced Chartered Accountant, Cost Accountant and Certified Public Accountant with over 25 years of rich, well-rounded experience in full spectrum of business finance areas across Corporate Finance, Investor Relations, Fund raising, Private equity, Mergers & acquisitions, Business planning & Strategy, Financial Control, Taxation and Regulatory compliance.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

SHAREHOLDERS & GENERAL INFORMATION

The particulars of the last three Annual General Meetings (“AGM”) of the Company are provided in the below table:

Details of AGM	Date and Time	Venue	Special resolution passed
9 th AGM	September 28, 2022, at 11:00 am	Through Video Conferencing on MS Teams	-
10 th AGM	September 27, 2023, at 11:30 am	Through Video Conferencing on MS Teams	-
11 th AGM	September 27, 2024, at 11:00 am	Through Video Conferencing on MS Teams	-

The particulars of Extraordinary General Meetings (“EGM”) convened during the year are provided in the below Table:

Date and Time	Venue	Special resolution passed
June 5, 2024, at 4:00 pm	Through Video Conferencing on MS Teams	Issuance of Non-Convertible Debentures on private placement basis.

General Shareholder Information

Date, Time and Venue of the 12 th Annual General Meeting	July 29, 2025, at 11:00 A.M. by way of video conferencing/ other audio-visual means.
Financial Year	FY 2025
Dividend Payment Date	The final dividend, if approved, shall be paid/credited on or before August 28, 2025.
Name and address of Stock Exchanges where Company’s securities are listed	The Non-Convertible Securities of the Company are listed on the National Stock Exchange of India Limited . National Stock Exchange Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Note: As on March 31, 2025, the outstanding amount of CPs was Nil.
Listing fees	Annual listing fees, as prescribed, have been paid to the said stock exchanges up to March 31, 2025.
Stock code	Not applicable, as the Equity Shares of the Company are not listed.
Market price data-high, low during each month in last financial year;	Not applicable, as the Equity Shares of the Company are not listed.
Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc	Not applicable, as the Equity Shares of the Company are not listed.
In case the securities are suspended from trading, the directors report shall explain the reason thereof	During FY 2025, none of the securities of the Company were suspended from trading.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

Share Registrar and Transfer Agents	<p>In terms of Regulation 7 of the SEBI Listing Regulations, MCS Share Transfer Agent Limited is the Registrar and Share Transfer Agent and handles all relevant share registry services for Non-Convertible Debentures and Commercial Papers.</p> <p>MCS Share Transfer Agent Limited</p> <p>201, D Wing, 2nd Floor, Gokul Industrial Estate Building, Sagbaug, Marol Co-op Industrial Area B/H Times Square, Andheri East, Mumbai – 400 059.</p> <p>Contact: 022-28516020</p> <p>Website: https://www.mcsregistrars.com</p> <p>All the securities of the Company are in dematerialised form, hence there are no physical transfer of securities.</p>																										
Shareholding pattern and distribution of shareholding as on March 31, 2025	<table><tr><th>Sr. No.</th><th>Name of Shareholders</th><th>No. of Equity Shares held</th><th>% of paid up equity share capital</th></tr><tr><td>1</td><td>National Investment and Infrastructure Fund II and its nominees</td><td>54,63,50,979</td><td>39.7</td></tr><tr><td>2</td><td>Aseem Infrastructure Finance Limited</td><td>42,39,32,487</td><td>30.8</td></tr><tr><td>3</td><td>HDFC Bank Limited</td><td>6,00,00,000</td><td>4.4</td></tr><tr><td>4</td><td>The President of India (GOI)</td><td>34,49,97,165</td><td>25.1</td></tr><tr><td></td><td>Total</td><td>1,37,52,80,631</td><td>100</td></tr></table>	Sr. No.	Name of Shareholders	No. of Equity Shares held	% of paid up equity share capital	1	National Investment and Infrastructure Fund II and its nominees	54,63,50,979	39.7	2	Aseem Infrastructure Finance Limited	42,39,32,487	30.8	3	HDFC Bank Limited	6,00,00,000	4.4	4	The President of India (GOI)	34,49,97,165	25.1		Total	1,37,52,80,631	100		
Sr. No.	Name of Shareholders	No. of Equity Shares held	% of paid up equity share capital																								
1	National Investment and Infrastructure Fund II and its nominees	54,63,50,979	39.7																								
2	Aseem Infrastructure Finance Limited	42,39,32,487	30.8																								
3	HDFC Bank Limited	6,00,00,000	4.4																								
4	The President of India (GOI)	34,49,97,165	25.1																								
	Total	1,37,52,80,631	100																								
Dematerialisation of shares and liquidity	As on March 31, 2025, Equity Shares and Non-Convertible Debentures (“NCDs”) were held in dematerialised mode.																										
Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity;	As on March 31, 2025, the Company did not have any outstanding global depository receipts or American depository receipts or warrants or any Convertible Instruments.																										
Commodity price risk or foreign exchange risk and hedging activities;	The Company does not deal in any commodity and there were no foreign exchange earnings/ outgo. Hence, the Company is not directly exposed to any commodity price and foreign exchange risk. The Company does not have any hedging activities.																										
Plant locations	Not applicable																										
List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad.	The details of credit ratings obtained by the Company are furnished in the Directors’ Report.																										

REPORT ON CORPORATE GOVERNANCE (CONTD.)

Corporate Identification Number (CIN)/ Registration no. of the Company as per Companies Act with the Registrar of Companies	U67190MH2014PLC253944
Permanent Account Number (PAN)	AADC15030Q
Address for correspondence	<p>Investors and shareholders can correspond with the share transfer agent of the Company or the Company at the following addresses:</p> <p>Registrar and Share Transfer Agent (Equity and Preference shares)</p> <p>MUFG Intime India Pvt. Ltd. (Formerly Link Intime India Pvt. Ltd.)</p> <p>Address: C-101, Embassy 247, LBS Marg, Vikhroli (West), MUMBAI – 400083</p> <p>E-mail: benposreports@in.mpms.mufig.com</p> <p>Website: https://in.mpms.mufig.com/</p> <p>Registrar and Share Transfer Agent (Non-Convertible Debentures and Commercial Paper)</p> <p>MCS Share Transfer Agent Limited</p> <p>201, D Wing, 2nd Floor, Gokul Industrial Estate Building, Sagbaug, Marol Co-op Industrial Area, B/H Times Square, Andheri East, Mumbai – 400 059</p> <p>Email: cprabhu@mcsregistrars.com</p> <p>Website: https://www.mcsregistrars.com</p> <p>DEBENTURE TRUSTEES</p> <p>IDBI Trusteeship Services Limited</p> <p>Registered Office: Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400001</p> <p>Contact: 022-40807007</p> <p>Email: gaurav.mody@idbitrustee.com</p> <p>Company’s correspondence details:</p> <p>3rd Floor, North Wing, UTI Tower, GN Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051</p> <p>Phone No.: +91 2268591300</p> <p>Email: Info@niififl.in</p>
Transfer of Unclaimed / Unpaid Amounts to the Investor Education and Protection Fund	During the year under review, no amount was due for transfer to Investor Education and Protection Fund.
Registration/ license/ authorisation, obtained from other financial sector regulators	The Reserve Bank of India (“RBI”) - Certificate of Registration no. N.13.02078
Area and country of operation	India

REPORT ON CORPORATE GOVERNANCE (CONTD.)

OTHER DISCLOSURES

No.	Particulars	Details
a.	Disclosures on Materially Significant Related Party Transactions that may have potential conflict with the interests of the Company	The details of Related Party Transactions are furnished in the Directors' Report. None of the transactions with any of the related parties were in conflict with the Company's interest. The Company has in place a RPT Policy as required under the applicable laws. Details of the RPT Policy are available on the website of the Company at https://www.niifil.in/ . Details of all related party transactions form a part of the financial statements as required under Ind AS-24 and the same forms part of the Annual Report.
b.	Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;	During FY 2023, there was one incidence where the Company has failed to intimate to Stock Exchange about the Record date within the stipulated time period as per Regulation 60 (2) of SEBI Listing Regulations. Pursuant to SEBI Circular No. SEBI/ HO/ DDHS_Div2/ P/ CIR/ 2021/ 699 dated December 29, 2021, the National Stock Exchange of India Limited, has imposed fine amounting to ₹ 10,000 (Rupees Ten Thousand Only) (Plus GST) on the Company for the said non-compliance. The Company has paid the requisite amount of fine to the National Stock Exchange of India Limited. During the financial year under review, no penalties or strictures were imposed on the Company by any stock exchange, SEBI or other statutory authority on matters relating to the capital markets.
c.	Details of establishment of vigil mechanism / whistle blower policy, and affirmation that no personnel has been denied access to the audit committee	The details of establishment of whistle blower policy/vigil mechanism are furnished in the Directors' Report.
d.	Details of compliance with mandatory requirements and adoption of the non-mandatory requirements	The details of compliance with mandatory requirements and adoption of the non-mandatory requirements are mentioned below in point no. 'o' of this report.
e.	Web link where policy for determining 'material' subsidiaries is disclosed.	The Company does not have any Subsidiary Company, hence formulation of Policy for determining Material Subsidiaries as per Regulation 62L of the Listing Regulations is not applicable for the Company.
f.	Web link where policy on dealing with related party transactions.	The Company's policy on dealing with the Related Party Transactions is in place and the same is displayed on the website of the Company at https://www.niifil.in/ .
g.	Disclosure of commodity price risks or foreign risks and commodity hedging activities.	The Company does not deal in any commodity and there were no foreign exchange earnings/ outgo. Hence, the Company is not directly exposed to any commodity price and foreign exchange risk. The Company does not have any hedging activities.
h.	Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).	Not Applicable.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

No.	Particulars	Details																				
i.	Certificate from a Company secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.	The Company has received a certificate from M/s. Rathi & Associates, Practicing Company Secretary, to the effect that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI/Ministry of Corporate Affairs or such other statutory authority. The said certificate has been enclosed as Annexure A .																				
j.	Where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof	During the financial year under review, all the recommendation of the various Committees were accepted by the Board.																				
k.	Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part	<div>Total fees paid by the Company during FY 2025 to the Joint Statutory Auditors including all entities in their network firm/entity of which they are a part, is given below (excluding out-of-pocket expenses and reimbursements):</div> <div>(in ₹ crore)</div> <table><tr><th>Sr. No.</th><th>Particulars</th><th>M/s. GM Kapadia & Co. (Q2 onwards)</th><th>M/s. M. P. Chitale & Co.</th><th>Lodha & Co. LLP (Q1 FY 2025)</th></tr><tr><td>1</td><td>Statutory Audit Fee</td><td>0.22</td><td>0.24</td><td>0.02</td></tr><tr><td>2</td><td>Tax Audit Fees</td><td>0.02</td><td>0.00</td><td>0.00</td></tr><tr><td>3</td><td>Other Certifications</td><td>0.02</td><td>0.03</td><td>0.02</td></tr></table>	Sr. No.	Particulars	M/s. GM Kapadia & Co. (Q2 onwards)	M/s. M. P. Chitale & Co.	Lodha & Co. LLP (Q1 FY 2025)	1	Statutory Audit Fee	0.22	0.24	0.02	2	Tax Audit Fees	0.02	0.00	0.00	3	Other Certifications	0.02	0.03	0.02
Sr. No.	Particulars	M/s. GM Kapadia & Co. (Q2 onwards)	M/s. M. P. Chitale & Co.	Lodha & Co. LLP (Q1 FY 2025)																		
1	Statutory Audit Fee	0.22	0.24	0.02																		
2	Tax Audit Fees	0.02	0.00	0.00																		
3	Other Certifications	0.02	0.03	0.02																		
l.	Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	<table><tr><th>No. of complaints filed during the financial year</th><th>No. of complaints disposed of during the financial year</th><th>No. of complaints pending as on the end of the financial year</th></tr><tr><td>Nil</td><td>Nil</td><td>Nil</td></tr></table>	No. of complaints filed during the financial year	No. of complaints disposed of during the financial year	No. of complaints pending as on the end of the financial year	Nil	Nil	Nil														
No. of complaints filed during the financial year	No. of complaints disposed of during the financial year	No. of complaints pending as on the end of the financial year																				
Nil	Nil	Nil																				
m.	Compliance certificate from either the auditors or practicing Company secretaries regarding compliance of conditions of corporate governance shall be annexed with the Directors' report.	<div>The Company is a High Value Debt Listed Entity ('HVDLE') pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 dated September 07, 2021. Accordingly, the Regulation 16 to Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Corporate Governance became applicable to the Company with effect from September 07, 2021. The Company has been submitting the quarterly corporate governance compliance report to the stock exchange as required under regulation 27(2) of the SEBI Listing Regulations from the applicable period.</div> <div>SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2025 introduced Chapter VA i.e., 'corporate governance norms for a listed entity which has listed its non-convertible debt securities' which became applicable to the Company with effect from March 27, 2025. The Company has submitted the quarterly corporate governance report for the quarter ended March 31, 2025, under Regulation 62Q of the SEBI Listing Regulations.</div> <div>The Company has obtained a certificate from M/s. Rathi & Associates, Practicing Company Secretaries regarding compliance with the provisions relating to corporate governance laid down under the SEBI Listing Regulations. The said Certificate is attached as Annexure B.</div>																				

No.	Particulars	Details
n.	Compliance certificate from Chief Executive Officer and the Chief Financial Officer under SEBI Listing Regulations	The Chief Executive Officer and Chief Financial Officer have provided the requisite compliance certificate to the Board with regard to the financial statements and internal controls relating to financial reporting for the year ended March 31, 2025, as required under the SEBI Listing Regulations. The said Certificate is attached as Annexure C .
o.	The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.	<p>The Company has complied with all the mandatory requirements of the SEBI Listing Regulations applicable to the Company being a High Value Debt Listed Entity.</p> <p>The Company has complied with the discretionary requirements as specified below:</p> <p>a. Modified opinion(s) in audit report:</p> <p>The Company confirms that its financial statements have unmodified audit opinion.</p> <p>b. Reporting of internal auditor:</p> <p>The Head Internal Audit (HIA) of the Company directly reports to the Chief Executive Officer (CEO). The HIA has a one-on-one meeting with the Audit Committee without presence of the CEO.</p> <p>c. Separate posts of Chairperson and the Chief Executive Officer:</p> <p>The Company has appointed a Chief Executive Officer; The Board elects a Chairperson amongst themselves at each Board Meeting, such that the Chairperson shall not be related to the Chief Executive Officer as per the definition of the term “relative” defined under the Companies Act, 2013.</p>
p.	Declaration signed by the Chief Executive Officer stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of board of directors and senior management.	<p>The Listing Regulations requires listed Companies to lay down a code of conduct for its Directors and Senior Management, incorporating duties of Directors prescribed in the Act. Accordingly, the Company has a Board approved code of conduct for Board members and Senior Management of the Company. This code has been placed on the Company’s website and can be accessed at https://www.niifil.in/.</p> <p>All the Directors on the Board and Senior Management Personnel of the Company have affirmed compliance with the code of conduct as adopted by the Company. A declaration signed by the Chief Executive Officer to this effect is reproduced at the end of this report and marked as Annexure D.</p>
q.	Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his tenure.	None of the Independent Directors of the Company has resigned before the expiry of his/her respective tenure(s) during FY 2025.
r.	Disclosures with respect to demat suspense account/unclaimed suspense account.	Not Applicable.

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

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

To,

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

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status of the portal www.mca.gov.in) as considered necessary and explanation furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the company as stated below for the financial year ending 31st March 2025, have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of the Director	DIN	Nature of Directorship	Date of Appointment in the Company
1.	Mr. Alwarthirunagari Kuppuswamy Thiruvengkata Chari	00746153	Nominee Director	12-03-2019
2.	Mr. Ashwani Kumar	02870681	Independent Director	30-09-2020
3.	Ms. Rosemary Sebastian	07938489	Independent Director	07-06-2022
4.	Mr. Prashant Kumar Ghose	00034945	Independent Director	01-02-2023
5.	Mr. Padmanabh Sinha*	00101379	Nominee Director	28-03-2024
6.	Mr. Nilesh Shrivastava	09632942	Nominee Director	28-03-2024

**Mr. Padmanabh Sinha resigned as Non-Executive Nominee Director (Nominee of NIIF Fund II) of the Company with effect from the closure of business hours on March 31, 2025.*

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

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

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

NEHA R LAHOTY
PARTNER

MEM. NO.: FCS 8568

COP. NO.: 10286

UDIN: F008569G000729519

P. R. CERT. NO.: 6391/2025

FIRM REGISTRATION NO.: P1988MH011900

PLACE: MUMBAI

DATE: JULY 7, 2025

ANNEXURE B

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

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

We have examined the compliance of conditions of Corporate Governance by NIIF Infrastructure Finance Limited (CIN: U67190MH2014PLC253944) having its Registered Office situated at North Wing, 3rd Floor, UTI Tower, GN Block, Bandra Kurla Complex, Mumbai – 400 051 (‘hereinafter referred to as ‘the Company’), for the financial year ended March 31, 2025, as stipulated in Chapter IV and Chapter VA of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**‘Listing Regulations’**).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examinations have been limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the Listing Regulations. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our knowledge, information and according to the explanations given to us and the representations made by the Directors and the Management of the Company, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of the Listing Regulations.

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

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

NEHA R LAHOTY
PARTNER

MEM. NO.: FCS 8568

COP. NO.: 10286

UDIN: F008568G000729497

P. R. CERT. NO.: 6391/2025

FIRM REGISTRATION NO.: P1988MH011900

PLACE: MUMBAI
DATE: JULY 7, 2025

ANNEXURE C

COMPLIANCE CERTIFICATE

(Pursuant to Regulation 62D (14) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Board of Directors
NIIF Infrastructure Finance Limited

We, Shiva Rajaraman, Chief Executive Officer and Sudeep Bhatia, Chief Financial Officer of NIIF Infrastructure Finance Limited (“NIIF IFL” or “the Company”), to the best of our knowledge and belief certify that:

- We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2025, and that to the best of our knowledge and belief:
 - these statements do not contain any materially untrue statement or omit any material fact, nor do they contain statements that might be misleading;
 - these statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards and applicable laws and regulations.
- 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.
- 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.
- We have indicated to the Auditors and the Audit Committee that:
 - there have been no significant changes in internal control over financial reporting during this year;
 - there have been no significant changes in accounting policies during this year; and
 - there have been no instances of significant fraud of which we have become aware; and the
 - involvement therein of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

Shiva Rajaraman
Chief Executive Officer

Place: Mumbai
Date: July 7, 2025

Sudeep Bhatia
Chief Financial Officer

DECLARATION BY CHIEF EXECUTIVE OFFICER

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

To,
The Shareholders,
NIIF Infrastructure Finance Limited

I, Shiva Rajaraman, Chief Executive Officer of NIIF Infrastructure Finance Limited hereby declare that all Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct of the Company laid down for them for the year ended March 31, 2025.

Shiva Rajaraman
Chief Executive Officer
Place: Mumbai
Date: July 7, 2025

LIST OF KEY POLICIES OF NIIF INFRASTRUCTURE FINANCE LIMITED UPDATED ON THE WEBSITE

Sr. No.	Name of Policy	Website Link
1.	Interest Rate Policy	https://www.niiffl.in/pdf/corporate-governance/2024-25/Interest%20Rate%20Policy.pdf
2.	Fair Disclosure Code	https://www.niiffl.in/pdf/corporate-governance/Fair%20Practice%20Code.pdf
3.	Related Party Transactions	https://www.niiffl.in/pdf/corporate-governance/2024-25/Related%20Party%20Transactions.pdf
4.	Internal guidelines on Corporate Governance	https://www.niiffl.in/pdf/corporate-governance/2025-26/Internal%20Guidelines%20on%20Corporate%20Governance.pdf
5.	Whistle Blower Policy	https://www.niiffl.in/pdf/corporate-governance/2024-25/Whistleblower%20Policy.pdf
6.	Corporate Social Responsibility Policy	https://www.niiffl.in/pdf/corporate-governance/2024-25/Corporate%20Social%20Responsibility%20Policy.pdf
7.	Insider Trading Policy	https://www.niiffl.in/pdf/corporate-governance/2024-25/Insider%20Trading%20Policy.pdf
8.	Remuneration Policy	https://www.niiffl.in/pdf/corporate-governance/2025-26/Remuneration%20Policy.pdf
9.	Code of conduct and Ethics	https://www.niiffl.in/pdf/corporate-governance/2024-25/Code%20of%20Conduct%20and%20Ethics.pdf
10.	Familiarization Programme for Independent Directors	https://www.niiffl.in/pdf/Policies/2025-26/NIIF%20IFL%20-%20Familiarization%20Programme%20FY%202025%20-%202026.pdf
11.	Policy on appointment of statutory auditors	https://www.niiffl.in/pdf/corporate-governance/2024-25/SA%20appointment%20Policy.pdf
12.	Prevention of Sexual Harassment Policy	https://www.niiffl.in/pdf/corporate-governance/2024-25/Prevention%20of%20Sexual%20Harassment%20Policy.pdf
13.	Policy for Claim of Unclaimed Amounts Lying with the Issuer Of Non-Convertible Securities	https://www.niiffl.in/pdf/corporate-governance/2024-25/Policy%20for%20Claim%20of%20Unclaimed%20amounts%20lying%20with%20the%20issuer%20of%20NCS.pdf

INDEPENDENT AUDITORS’ REPORT

To the Members of
NIIF Infrastructure Finance Limited
Report on the Audit of the Financial Statements

OPINION

We have audited the accompanying Financial Statements of NIIF Infrastructure Finance Limited (“the Company”), which comprises of Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of

affairs of the Company as at March 31, 2025, its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matters	Auditors’ response
1.	<p>Impairment of financial assets –</p> <p>Provision for expected credit losses as on March 31, 2025 for loans carried at amortised cost amounts to Rs.177.73 Crores [As at March 31, 2024 – 154.83 Crores] [Refer Note no. 2 & 31.3 to the Financial Statements]</p> <p>Ind AS 109 - “Financial instruments” (Ind AS 109) requires the Company to provide for impairment of its financial assets (designated as amortised cost or fair value through other comprehensive income) using the expected credit loss (ECL) approach.</p> <p>The recognition and measurement of ECL on financial assets involves significant judgement and estimates, which inter alia includes;</p> <p>(i) Data Input – The application of ECL model requires several data inputs to calculate Probability of Default (“PDs”) and Loss Given Default (“LGD”). The increased risk relating to the completeness and accuracy of the data considered to create assumptions in the model.</p>	<p>Audit procedures performed:</p> <p>We performed the following audit procedures:</p> <ul style="list-style-type: none">✓ Performed process walkthroughs to identify the key systems, applications and controls used in the impairment allowance processes.✓ Tested the design and operating effectiveness of the key controls over the completeness and accuracy of data, inputs, assumptions into the Ind AS 109 Impairment model.✓ Reviewed the Board approved Provisioning policy and verified the alignment of methodology adopted for computation of ECL including management overlay that addresses the policies approved by the Board of Directors.✓ We tested the operating effectiveness of the controls for staging of loans and advances based on their past-due status.

INDEPENDENT AUDITORS’ REPORT (CONTD.)

Sr. No.	Key Audit Matters	Auditors’ response
	<p>(ii) Model estimations – Judgmental model used to estimate ECL which involves determination of Probability of Default (PD), Loss given default (LGD), Exposure at default (EAD) and management overlay.</p> <p>(iii) Completeness and accuracy of the data from internal and external sources used in the Models.</p> <p>Considering the significance of ECL to the overall Financial Statements and the degree of Management’s estimates and judgements involved in this matter that requires significant auditors’ attention, we have considered the expected credit loss allowance on financial assets to be a key audit matter.</p>	<ul style="list-style-type: none">✓ Evaluated whether the methodology applied by the Company is compliant with the requirements of the relevant accounting standards, Reserve Bank of India’s (“RBI”) master directions relating to Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances and based on management representation with respect to RBI inspection report and confirmed that the calculations are performed in accordance with the approved methodology.✓ We tested the arithmetical accuracy of the computation of ECL provision performed by the Company.✓ Assessing whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in Financial Statements are appropriate and sufficient.✓ We have also obtained management representations wherever considered necessary.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS’ REPORT THEREON

The Company’s Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Report of the Board of Directors including its annexures but does not include the Financial Statement and our auditors’ report thereon. The Other Information is expected to be made available to us after the date of this Auditors’ Report.

Our opinion on the Financial Statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

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

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Ind AS specified under section 133 of the Act, RBI Guidelines and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial

INDEPENDENT AUDITORS' REPORT (CONTD.)

Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Financial Statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards of Auditing 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 judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our

opinion on whether the Company has adequate internal financial control system with reference to 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Financial Statements of the Company to express an opinion on 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 financial year ended March 31, 2025

INDEPENDENT AUDITORS' REPORT (CONTD.)

and are therefore the Key Audit Matters. We describe these matters in our auditors' 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. Pursuant to the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of accompanying Financial Statements.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records.
 - (c) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representation received from the directors as on April 01, 2025 taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a Directors in terms of section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to

Financial Statements of the Company as on March 31, 2025 and the operating effectiveness of such controls, refer to our separate Report in Annexure "B" wherein we have expressed unmodified opinion.

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

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

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

- i. The Company does not have any pending litigations which will impact the financial position hence no such disclosure has been made in the Financial Statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which provision for any material foreseeable losses was required to be made.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.
- iv. (a) The management has represented, that to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in

INDEPENDENT AUDITORS' REPORT (CONTD.)

other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The management has represented, that to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule

11(e) of the Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contains any material misstatement. [Refer note 34(g) and (h) to the Financial Statements.]

- v. During the year, the Company has paid dividend for the financial year 2023-2024 which is in accordance with the provision of section 123 of the Act.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account, which has a feature of recording an audit trail (edit log), and the same has been operated throughout the year under audit for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with. The Company has preserved the audit trail in accordance with statutory record retention requirements, except for the previous as well as current financial year where the audit trail feature was not enabled for certain software for direct changes at the database level. Refer note no.33 to the Financial Statements.

For **M. P. Chitale & Co.,**
Chartered Accountants
Firm Registration No. 101851W

Ashutosh Pednekar
Partner
Membership No.: 041037
UDIN: 25041037BMLWOB9622

Date: April 30, 2025
Place: Mumbai

For **G.M. Kapadia & Co.,**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No.: 039569
UDIN: 25039569BMLNCB7871

Date: April 30, 2025
Place: Mumbai

INDEPENDENT AUDITORS' REPORT (CONTD.)

ANNEXURE "A" REFERRED TO IN "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" SECTION OF OUR REPORT TO THE MEMBERS OF NIIF INFRASTRUCTURE FINANCE LIMITED OF EVEN DATE:

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1. a) In respect of Company's Property, Plant and Equipment ("PPE") and Intangible Assets:
 - A. The Company has maintained proper records, showing full particulars, including quantitative details and situation of PPE and relevant details of right-of-use assets.
 - B. The Company has maintained proper records showing full particulars of intangible assets.
- b) During the year, the management has carried out physical verification of all the PPE. In our opinion, the frequency of verification is reasonable considering the size of the Company and nature of its PPE. No material discrepancies were noticed on such verification.
- c) The title deed of the immovable property disclosed in the Financial Statements included under PPE are held in the erstwhile name of the Company.
- d) The Company has not revalued any of its PPE (including right of use assets) and intangible assets during the year and hence reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder and hence reporting under clause 3(i)(e) of the Order is not applicable to the Company.
2. a) The Company is a non-banking financial company (NBFC). Accordingly, it does not hold any inventories and hence reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

- b) The Company has not availed working capital limits from banks and financial institutions during the year and hence reporting under of clause 3(ii)(b) of the Order is not applicable to the Company.
3. In respect of Investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, we report that:
 - a) The Company's principal business is to give loans and hence reporting under clause 3(iii)(a) and 3(iii)(e) of the Order are not applicable to the Company.
 - b) In respect of the investments made and loans granted during the year, having regard to the nature of business carried on by the Company, the terms and conditions thereof are not prejudicial to the interest of the Company.
 - c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as stipulated.
 - d) No amounts are overdue for more than ninety days from companies or any other parties to whom loan has been granted.
 - e) The Company has not granted any loans or advances in the nature of loans during the year either payable on demand or without specifying any terms or period of repayment and hence reporting under clause 3(iii)(f) of the Order is not applicable to the Company.
4. There are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence reporting under clause 3(iv) of the Order is not applicable to the Company.
5. The Company has not accepted deposits or amounts which are deemed to be deposits within the meaning of section 73 to 76 or any other relevant provisions of the Act and the Companies

INDEPENDENT AUDITORS' REPORT (CONTD.)

- (Acceptance of Deposits) Rules, 2014 and hence reporting under clause 3(v) of the Order is not applicable to the Company.
6. The Central Government has not specified the maintenance of cost records under section 148(1) of the Act for the services of the Company and hence reporting under Clause 3(vi) of the Order is not applicable to the Company.
 7. a) The Company is regular in depositing undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income tax, sales tax, custom duty, duty of excise, value added tax, cess and other material statutory dues to the extent applicable during the year with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
 - b) There are no statutory dues mentioned in clause vii (a) above, which have been not deposited on account of any dispute.
 8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence reporting under clause 3(viii) of the Order is not applicable to the Company.
 9. a) Based on our audit procedures and on the basis of information and explanations given to us, we are of the opinion that the Company has not defaulted in the repayment of loans or other borrowings or in the repayment of interest thereon to the lenders and hence reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
 - b) The Company has not been declared as willful defaulter by any bank or financial institution or other lender.
 - c) The term loans (by way of issuance of non-convertible debentures) have been applied for the purposes they have been raised including temporarily parking the funds received in fixed deposits with Banks/mutual funds until its deployment for the stated purposes.
 - d) The Company has not raised any short term funds during the year and hence reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
 - e) The Company does not have any subsidiaries, associates or joint ventures and hence reporting under clause 3(ix)(e) and 3(ix)(f) of the Order is not applicable to the Company.
 10. a) The Company has utilized the monies raised by way of debt instruments (by way of issuance of non-convertible debentures) for the purposes for which they were raised. The Company has not raised any money by way of Initial Public Offer or Further Public Offer during the year.
 - b) There were no preferential allotment and private placement of shares and debentures during the year.
 11. a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by the management.
 - b) During the year, no report under sub section 12 of section 143 of the Act has been filed in Form ADT-4 as prescribed in rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government and hence reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
 - c) No whistle blower complaints were received during the year by the Company and hence provisions of clause 3(xi)(d) of the Order is not applicable to the Company.
 12. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
 13. All the transactions with related parties are in compliance with section 177 and 188 of the Act and all the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.

INDEPENDENT AUDITORS' REPORT (CONTD.)

14. a) The Company has an adequate internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining nature, timing and extent of our audit procedure.
15. During the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Act are not applicable to the Company.
16. a) The Company being an Infrastructure Debt Fund - Non- Banking Financial Company (IDF-NBFC) is registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b) Since, the Company is registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi)(b) and (c) of the Order is not applicable to the Company.
- c) The Company is not a Core Investment Company and there is no core investment company within the "Companies in the Group" as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
17. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
18. There has not been a resignation of the statutory auditors of the Company during the year and hence reporting under clause 3(xviii) of the Order is not applicable to the Company.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and it should not be construed as a guarantee or assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. There are no amounts unspent in respect of corporate social responsibility towards ongoing or other than ongoing projects and hence reporting under clause 3(xx) (a) and (b) of the Order is not applicable to the Company.
21. Since the Company did not have any subsidiary, joint venture or an associate, it is not required to prepare consolidated Financial Statements and hence reporting under clause 3(xxi) of the Order is not applicable to the Company.

For **M. P. Chitale & Co.,**
Chartered Accountants
Firm Registration No. 101851W

Ashutosh Pednekar
Partner
Membership No.: 041037
UDIN: 25041037BMLWOB9622

Date: April 30, 2025
Place: Mumbai

For **G.M. Kapadia & Co.,**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No.: 039569
UDIN: 25039569BMLNCB7871

Date: April 30, 2025
Place: Mumbai

INDEPENDENT AUDITORS' REPORT (CONTD.)

ANNEXURE "B" REFERRED TO IN "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" SECTION OF OUR REPORT TO THE MEMBERS OF NIIF INFRASTRUCTURE FINANCE LIMITED OF EVEN DATE:**Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Act****OPINION**

We have audited the internal financial controls with reference to Financial Statements of the NIIF Infrastructure Finance Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, broadly in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2025, based on the internal control with reference to Financial Statements established by the Company considering the essential Component of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to the 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). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A Company's internal financial control with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability

INDEPENDENT AUDITORS' REPORT (CONTD.)

of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control with reference to Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the entity are being made only in accordance with authorisations of management (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the entity's assets that could have a material effect on the Financial Statements and (4) also provide reasonable

For **M. P. Chitale & Co.,**
Chartered Accountants
Firm Registration No. 101851W

Ashutosh Pednekar
Partner
Membership No.: 041037
UDIN: 25041037BMLWOB9622

Date: April 30, 2025
Place: Mumbai

assurance by the internal auditors through their internal audit reports given to the organisation from time to time.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

For **G.M. Kapadia & Co.,**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No.: 039569
UDIN: 25039569BMLNCB7871

Date: April 30, 2025
Place: Mumbai

STATEMENT OF ASSETS AND LIABILITIES

AS AT MARCH 31, 2025

	Note No.	As at March 31, 2025	As at March 31, 2024
(₹ in Crores)			
ASSETS			
I Financial assets			
(a) Cash and cash equivalents	1a	1,631.98	911.50
(b) Bank Balance other than (a) above	1b	305.97	0.02
(c) Investment	1c	249.53	582.84
(d) Loans	2	25,233.06	21,989.77
(e) Other financial assets	3	3.22	0.26
		27,423.76	23,484.39
II Non Financial assets			
(a) Current tax assets (net)	4	375.74	250.92
(b) Property, plant and equipment	5a	3.04	0.90
(c) Capital work in progress	5b	-	0.98
(d) Right of use Assets	5c	3.92	7.86
(e) Intangible assets	5d	1.26	1.37
(f) Intangible Asset under Development	5e	2.07	0.55
(g) Other non-financial assets	6	2.18	1.01
		388.21	263.59
Total assets		27,811.97	23,747.98
LIABILITIES AND EQUITY			
LIABILITIES			
I Financial liabilities			
(a) Payables			
(i) Trade payables	7		β
(i) total outstanding dues of micro enterprises and small enterprises		0.27	
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1.59	1.63
(ii) Other payables	8		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	0.02
(b) Debt Securities	9	23,426.13	19,782.14
(c) Finance Lease liabilities	10 (a)	4.24	8.17
(d) Other financial liabilities	10 (b)	22.35	74.03
		23,454.58	19,865.99
II Non-Financial liabilities			
(a) Provisions	11	17.59	10.87
(b) Other non-financial liabilities	12	13.82	11.47
		31.41	22.34
EQUITY			
(a) Equity share capital	13A	1,375.28	1,375.28
(b) Instruments Entirely Equity in Nature	13A	-	-
(c) Other equity	13B	2,950.70	2,484.37
		4,325.98	3,859.65
Total liabilities and equity		27,811.97	23,747.98

The accompanying notes are an integral part of these financial statements (See notes 1 to 45)

As per our attached report of even date

For G.M. Kapadia & Co.
Chartered Accountants
ICAI Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569

For M.P.Chitale & Co.
Chartered Accountants
ICAI Firm Registration No. 101851W

Ashutosh Pednekar
Partner
Membership No. 041037

Place: Mumbai
Date: April 30, 2025

For and on behalf of the Board of Directors of
NIIF Infrastructure Finance Limited

Nilesh Shrivastava
Director
DIN No. 09632942

Shiva Rajaraman
Chief Executive Officer

Ankit Sheth
Company Secretary

AKT Chari
Director
DIN No. 00746153

Sudeep Bhatia
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2025

	Notes	For year ended March 31, 2025	For year ended March 31, 2024
(₹ in Crores)			
Revenue from operations			
Interest income	14	2,083.58	1,778.26
Fees and commission income	15 (a)	52.24	30.18
Net gain on fair value changes	15 (b)	34.42	28.18
I Total revenue from operations		2,170.24	1,836.62
II Other income	16	12.79	10.40
III Total income (I+II)		2,183.03	1,847.02
Expenses			
Finance costs	17	1,592.36	1,351.83
Fees and commission expense	18	0.54	0.33
Impairment on financial instruments	19	22.90	29.95
Employee benefits expenses	20	42.02	30.76
Depreciation, amortisation and impairment	5 & 21	6.02	3.07
Other expenses	22	21.67	15.66
IV Total expenses		1,685.51	1,431.60
V Profit before tax (III - IV)		497.52	415.42
VI Tax expense	23	-	-
Current tax			-
Deferred tax		-	-
Earlier year tax adjustment		10.31	(5.05)
Total tax expenses		10.31	(5.05)
VII Profit for the year (V - VI)		487.21	420.47
VIII Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations		(0.26)	(0.52)
- Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other comprehensive income (A+B)		(0.26)	(0.52)
IX Total comprehensive income for the year (VII + VIII) (Comprising profit and other comprehensive income for the year)		486.95	419.95
X Earnings per equity share (nominal value of share- ₹10 each) (not annualised)			
Basic (₹)		3.54	3.06
Diluted (₹)		3.54	3.06

As per our attached report of even date

The accompanying notes are an integral part of these financial statements (See notes 1 to 45)

For G.M. Kapadia & Co.
Chartered Accountants
ICAI Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569

For M.P.Chitale & Co.
Chartered Accountants
ICAI Firm Registration No. 101851W

Ashutosh Pednekar
Partner
Membership No. 041037

Place: Mumbai
Date: April 30, 2025

For and on behalf of the Board of Directors of
NIIF Infrastructure Finance Limited

Nilesh Shrivastava
Director
DIN No. 09632942

Shiva Rajaraman
Chief Executive Officer

Ankit Sheth
Company Secretary

AKT Chari
Director
DIN No. 00746153

Sudeep Bhatia
Chief Financial Officer

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2025

(₹ in Crores)			
		For year ended March 31, 2025	For year ended March 31, 2024
A.	Cash flow from operating activities		
	Profit before tax	497.52	415.42
	Adjustments for:		
	Depreciation, amortisation & Impairment	6.02	3.07
	Interest on Debt Securities - EIR Adjustments	18.55	17.77
	Interest on Loan - EIR adjustment	(40.53)	(19.11)
	Net (gain) / loss on sale of property, plant and equipments	-	(0.03)
	Gain on Mutual fund investment	(34.42)	(28.18)
	Discount accreted on T-Bills	(24.47)	(21.85)
	Write back of excess fund received	-	-
	Interest on Borrowings other than debt securities (Ind AS 116 impact)	0.49	0.45
	Impairment on financial instruments	22.90	29.95
	Operating profit before working capital changes	446.06	397.49
	Changes in working capital:		
	(Decrease)/Increase in trade payables	0.24	0.96
	(Decrease)/Increase in Other payables	(0.02)	1.10
	(Increase)/Decrease in other financial assets	(308.95)	0.01
	(Decrease)/Increase in other financial liabilities	(51.68)	71.65
	Increase/(Decrease) in Provision	6.46	3.07
	Increase/(Decrease) in other non financial liabilities	2.35	9.79
	Increase/(Decrease) Interest accrual on debt securities	71.66	222.04
	(Increase)/Decrease in non-financial assets	(1.17)	(0.51)
	(Increase)/Decrease in loans	(3,225.66)	(4,283.60)
	Cash flow generated from/(used in) operations	(3,060.71)	(3,578.00)
	(Payment) of tax (net)	(135.13)	(98.22)
	Net Cash flow generated from/(used in) operations (A)	(3,195.84)	(3,676.22)
B.	Cash flows from investing activities		
	Purchase of property, plant and equipment/intangible assets	(4.64)	(2.84)
	Sale of property, plant and equipments	-	0.03
	Purchase of Mutual Fund	(10,369.75)	(9,288.59)
	Sale of Mutual fund	10,404.17	9,316.77
	Purchase of T-bills	(3,777.22)	(5,965.98)
	Redemption of T-bills	4,135.00	5,405.00
	Net cash flow generated from/(used in) investing activities (B)	387.57	(535.61)

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(₹ in Crores)			
		For year ended March 31, 2025	For year ended March 31, 2024
C.	Cash flows from financing activities		
	Proceeds from debt securities & CPs issued (Net)	3,553.78	4,592.52
	Payment for the lease liability	(4.40)	(2.77)
	Dividend transfer to equity shareholders	(20.63)	-
	Net cash generated from/(used in) financing activities (C)	3,528.75	4,589.75
	Net Increase / (Decrease) in cash and cash equivalents (D) = (A + B + C)	720.48	377.92
	Cash and cash equivalents at the beginning of the Year (E)	911.50	533.58
	Cash and cash equivalents at the end of the Year (F) = (D) + (E)	1,631.98	911.50
	Cash and cash equivalents include the following		
	Balances with banks in current account	0.61	214.98
	Fixed deposits with maturity less than 3 months	1,631.37	696.52
	Total cash and cash equivalents	1,631.98	911.50

The accompanying notes are an integral part of these financial statements (See notes 1 to 45)
As per our attached report of even date

This is the Cash Flow Statement referred to in our report of even date

For G.M. Kapadia & Co.
Chartered Accountants
ICAI Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569

Nilesh Shrivastava
Director
DIN No. 09632942

AKT Chari
Director
DIN No. 00746153

For M.P.Chitale & Co.
Chartered Accountants
ICAI Firm Registration No. 101851W

Shiva Rajaraman
Chief Executive Officer

Sudeep Bhatia
Chief Financial Officer

Ashutosh Pednekar
Partner
Membership No. 041037

Ankit Sheth
Company Secretary

Place: Mumbai
Date: April 30, 2025

STATEMENT OF CHANGES IN EQUITY

AS AT MARCH 31, 2025

A1 EQUITY SHARE CAPITAL

(₹ in Crores)			
	Note	Number	Amount
As At March 31, 2023		1,37,52,80,631	1,375.28
Issued during the year	13	-	-
Changes in Equity Share Capital due to prior period errors		-	-
As At March 31, 2024		1,37,52,80,631	1,375.28
Conversion of CCPS during the year	13	-	-
As At March 31, 2025		1,37,52,80,631	1,375.28

A2 COMPULSORILY CONVERTIBLE PREFERENCE SHARE CAPITAL

(₹ in Crores)					
	Note	Number Series I	Amount	Number Series II	Amount
As At March 31, 2023		8,79,27,757	184.65	25,70,69,408	694.09
Conversion of CCPS during the year	14	(8,79,27,757)	(184.65)	(25,70,69,408)	(694.09)
As At March 31, 2024		-	-	-	-
Conversion of CCPS during the year	14	-	-	-	-
As At March 31, 2025		-	-	-	-

A3 OTHER EQUITY

(₹ in Crores)						
	Reserves and surplus					
	Securities Premium	Special reserve u/s. 45-IC of the RBI Act, 1934	Impairment Reserve	Surplus in the statement of profit and loss	General Reserve	Total
As at March 31, 2023	547.59	199.41	0.04	782.78	0.88	1,530.70
Dividend on CCPS	-	-	-	(0.02)	-	(0.02)
Transfers to Special reserve u/s. 45-IC of the RBI Act, 1934	-	84.00	-	(84.00)	-	-
Premium on CCPS Converted into equity shares	533.74	-	-	-	-	533.74
Profit for the year	-	-	-	420.47	-	420.47
Other comprehensive income	-	-	-	(0.52)	-	(0.52)
As at March 31, 2024	1,081.33	283.41	0.04	1,118.71	0.88	2,484.37

STATEMENT OF CHANGES IN EQUITY

AS AT MARCH 31, 2025 (CONTD.)

(₹ in Crores)

	Reserves and surplus					
	Securities Premium	Special reserve u/s. 45-IC of the RBI Act, 1934	Impairment Reserve	Surplus in the statement of profit and loss	General Reserve	Total
Dividend on CCPS	-	-	-	-	-	-
Dividend on equity share	-	-	-	(20.63)	-	(20.63)
Transfers to Special reserve u/s. 45-IC of the RBI Act, 1934	-	97.39	-	(97.39)	-	-
Premium on CCPS Converted into equity shares	-	-	-	-	-	-
Profit for the year	-	-	-	487.21	-	487.21
Other comprehensive income	-	-	-	(0.26)	-	(0.26)
As At March 31, 2025	1,081.33	380.80	0.04	1,487.64	0.88	2,950.69

As per our attached report of even date

The accompanying notes are an integral part of these financial statements (See notes 1 to 45)

For G.M. Kapadia & Co.

Chartered Accountants

ICAI Firm Registration No. 104767W

For M.P.Chitale & Co.

Chartered Accountants

ICAI Firm Registration No. 101851W

For and on behalf of the Board of Directors of

NIIF Infrastructure Finance Limited

Atul Shah

Partner

Membership No. 039569

Ashutosh Pednekar

Partner

Membership No. 041037

Nilesh Shrivastava

Director

DIN No. 09632942

AKT Chari

Director

DIN No. 00746153

Shiva Rajaraman

Chief Executive Officer

Sudeep Bhatia

Chief Financial Officer

Ankit Sheth

Company Secretary

Place: Mumbai

Date: April 30, 2025

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

1 CORPORATE INFORMATION

NIIF Infrastructure Finance Limited (Formerly IDFC Infrastructure Finance Limited) ('the Company') is a public limited company, incorporated in India on March 07, 2014, under the provisions of Companies Act, applicable in India and is a Non-Banking Finance Company (NBFC - IDF) regulated by the Reserve Bank of India ('RBI'). The registered office of the Company is located at 3rd Floor, UTI Tower, North Wing, GN Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051.

The Company has received a Non-Banking Financial Company (NBFC - IDF) license from Reserve Bank of India (RBI) on September 22, 2014. The object of the Company is to undertake infrastructure debt fund activities i.e. mainly re-financing existing debt of infrastructure companies.

The Audited financial statement for the year ended March 31, 2025 were authorised for issue in accordance with a resolution of the board of directors on April 30, 2025.

The majority shareholder of the Company is M/s National Investment and Infrastructure Fund II which is an Alternative Investment Fund registered with the Securities and Exchange Board of India (SEBI).

2 MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies applied in the preparation of these Audited Financial Statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

A Basis of preparation

(i) Compliance with Ind AS

The Audited financial Statements have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard notified under Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, prescribed under section 133 of the Companies Act, 2013 as amended, read with relevant rules

thereunder and the other accounting principles generally accepted in India and notification for Implementation of Indian Accounting Standard vide circular: RBI/2019-20/170 DOR(NBFC) CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI.

(ii) Historical cost convention

The Audited Financial Statement have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) are measured at fair value;
- assets held for sale – measured at fair value less cost to sell;
- defined benefit plans – plan assets measured at fair value;

The Financial statement are presented in Indian Currency (₹) and all values are rounded to nearest rupee Crores except when otherwise indicated.

(iii) Order of liquidity

The Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company prepares and present its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of Schedule III to the Act as amended from time to time. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows' as amended from time to time.

(iv) Use of Estimates

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

actual amounts realised may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

Judgement, estimates and assumptions are required in particular for:

Business model assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held.

Impairment of financial assets

The Company recognises loss allowances for expected credit losses on its financial assets measured at amortised cost. At each reporting date, the Company assesses whether the above financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The Company's ECL calculations are outputs of number of underlying assumptions regarding the choice of variable inputs and their interdependencies such as macroeconomic scenarios and estimated recovery from collateral.

Recognition and measurement of provisions and contingencies:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

Determination of lease term:

Ind AS 116 – Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Expected Life of Financial Asset:

The expected life of Loans & advances is considered till the reset date, subject to minimum 5 years.

B Policy on segment

The Company operates in a single reportable segment i.e. lend to Infrastructure projects. The Company also operates in a single geographical segment i.e. domestic. The chief operating decision maker (CODM) in the Company to make decisions for performance assessment and resource allocation, is the Chief Executive Officer

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(CEO) and in the internal reporting provided to the CEO for corporate planning, there are no separate reportable segments (including geographical segments).

C (I) Property plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives of fixed assets.

Vehicles	4 years
Computers	3 years
Office Equipments (mobiles & Camera)	2 years
Office Equipments (Others)	5 years
Leasehold Improvements	Tenure of lease
Buildings (Right of use assets)	Tenure of lease
Server/networkin equipment	6 years
Furniture and fixtuers	10 years

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit and loss within other gains/(losses).

(II) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss.

Intangible assets not ready for use on the date of Balance sheet is shown as Intangible assets under development.

D Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date.
- amounts expected to be payable by the Company under residual value guarantees.
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability.
- any lease payments made at or before the commencement date less any lease incentives received.
- any initial direct costs; and.
- restoration costs.

Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Short term leases are leases with a lease term of 12 months or less and leases of low value

assets. the Company recognises the lease payments associated with short term leases as an expense in profit or loss.

E Impairment of non-financial asset

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

F Taxes on Income

The Company is an Infra Debt Fund-Non Banking Finance Company (IDF-NBFC) registered with the Reserve Bank of India on September 22, 2014. Any income of the Company, being IDF-NBFC, is exempt under section 10(47) of the Income Tax Act, 1961, from with effect from financial year 2019-20.

G Financial instruments

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

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs are added to, or subtracted from, that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in statement of profit and loss.

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Financial assets

Classification and subsequent measurement of financial assets:

Classification of financial assets

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss); and
- those measured at amortised cost.

For assets measured at fair value, gains and losses will either be recorded in profit and loss or other comprehensive income.

Debt Instruments

For investments in debt instruments, this will depend on the classification of debt instruments depending on:

- the Company's business model for managing the asset; and
- the cash flow characteristics of the asset (SPPI).

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- how the asset's performance and the business model is evaluated and reported to key management personnel.
- the risks that affect the performance of the business model and how these risks are assessed and managed.
- how managers are compensated.

Solely Payment of Principal and Interest ("SPPI") Assessment

As a second step of its classification process, the Company assesses the contractual terms of financials to identify whether they meet

the SPPI test, where the business model is to hold assets to collect contractual cash flows, the Company assesses whether the financial instruments cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit and loss.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Equity Instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The Company measures all equity investments at fair value through profit and loss, except where the Company's management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit and loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, continue to be recognised in profit and loss as other income when the Company's right to receive payments is established. Gains and losses on equity investments at FVTPL are included in the statement of profit and loss.

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost e.g. Debentures, Bonds etc. The assets held under amortised costs are not traded/sold, except for management of concentration risk or for any such similar exigency to protect the value of asset. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in investment income using the effective interest rate method.

Fair value through other comprehensive income: Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit and loss on initial recognition):

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

Fair value through profit and loss: Assets that do not meet the criteria for amortised cost or fair value through OCI, are measured at fair value through profit and loss e.g. investments in mutual funds. A gain or loss on a debt investment that is subsequently measured at fair value through profit and loss is recognised in profit and loss and

presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises.

Equity instruments

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

Interest Income

The Company calculates interest income by applying the effective interest rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance). The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

When the Company revises the estimates of future cash flows, the carrying amount of the respective financial asset is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit and loss.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Interest Income from Fixed Deposits placed with banks & mutual fund is recognised on accrual basis by the Company.

Income on discounted instrument is recognised over the tenor of the instrument on a straight line basis

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Modification of loans

The Company sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. When this happens, the Company assesses whether or not the new terms are substantially different to the original terms. The Company does this by considering, among others, the following factors:

- (i) if the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay.
- (ii) whether any substantial new terms are introduced, such as a profit share/ equity-based return that substantially affects the risk profile of the loan.
- (iii) significant extension of the loan term when the borrower is not in financial difficulty.
- (iv) significant change in the interest rate.
- (v) change in the currency the loan is denominated in.
- (vi) insertion of collateral, other security or credit enhancements that significantly affect the credit risk associated with the loan.

If the terms are substantially different, the Company derecognises the original financial asset and recognises a 'new' asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Company also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit and loss as a gain or loss on derecognition.

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Company recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit and loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate.

De-recognition of financial assets

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either.

- (i) the Company transfers substantially all the risks and rewards of ownership; or
- (ii) the Company neither transfers nor retains substantially all the risks and rewards of ownership and the Company has not retained control.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit and loss if such gain or loss would have otherwise been recognised in profit and loss on disposal of that financial asset.

Financial liabilities and equity instruments

Classification as debt or equity:

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

Equity instruments

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

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Classification and subsequent measurement

Financial liabilities are measured at amortised cost.

Financial liabilities (including borrowings and debt securities) are subsequently measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

Interest expenses on Financials Liabilities

The Interest Expenses on Financial liabilities along with amortisation of transaction costs incurred are recognised as Finance Cost in the Statement of Profit and Loss.

De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. A substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit and loss. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred are adjusted to the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability

simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

Fair Value Measurement

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

H Impairment - Expected Credit Loss Measurement

The Company assesses on a forward looking basis the expected credit losses associated with loans and debentures carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer Note 31 for details of impairment methodology applied by the Company.

I Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)**J Provisions and contingent liabilities**

Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the Management of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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

K Employee benefits

Defined contribution benefits include provident fund, Defined Employee benefits includes gratuity fund, compensated absences and long term incentive plans.

Defined contribution plan

The Company pays contribution to provident fund and pension fund as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans

and the contributions are recognised as employee benefit expense when they are due.

Defined benefit plan

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit and loss as past service cost.

Compensated absences

Accumulated leave which is expected to be utilised within next 12 months is treated as short term compensated absences and the accumulated leave which are carried forward beyond 12 months are treated as long term compensated absences. Compensated absences are provided for, based on actuarial valuation report as short term and long term compensated absences. The actuarial valuation is done as per projected unit credit method as at the reporting date. Actuarial gains/losses are immediately taken to Statement of profit and loss and are not deferred.

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)**Short-term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

The Company has a long term incentive plan which is paid in three annual tranches. The Company accounts for the liability as per an actuarial valuation report. The actuarial valuation of the long term incentives liability is calculated based on certain assumptions, as per the projected unit credit method made at reporting period. Actuarial gains/losses are immediately taken to Statement of profit and loss and are not deferred.

Certain eligible employee of the Company are entitled to LTIP units, the value of which is based on underlying value of the share of the Company. the Company recognises the fair value of such units and expenses out the same over the vesting period based on the management's estimate of the vesting and forfeiture conditions.

The above units awarded are treated as cash settled share based payment transactions. Under the cash settled share based payment, the fair value of the units granted is computed at every balance sheet date and is recognised as 'employee benefit expenses' with corresponding increase in liability as payable to employee. The fair value of the units is calculated by an independent valuer based on black scholes model.

L Earnings per share

- (i) Basic earnings per share Basic earnings per share is calculated by dividing:
 - the profit attributable to owners of the group.
 - By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year, conversion of mandatorily convertible instruments from the date the contract is entered into and excluding treasury shares.
- (ii) Diluted earnings per share Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
 - the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
 - the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

M Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

The Company expenses off 50% of eligible input tax credit in line with applicable Goods and Services Tax laws.

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

1a CASH AND CASH EQUIVALENTS

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Cash on Hand	-	β
Balance with bank:		
In current account	0.61	214.98
In deposit account (with original maturity less than 3 months)	1,631.37	696.52
Total	1,631.98	911.50

Note: The figures of ₹ 50,000 or less have been denoted by β.

1b BANK BALANCE OTHER THAN (A) ABOVE

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
In deposit account (for more than 3 months)	305.97	-
Total	305.97	-

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Investment in T bills	249.53	582.84
Investment in MF	-	-
Total	249.53	582.84

2 LOANS (AT AMORTISED COSTS)

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Term loans	19,660.46	15,677.75
Debt Securities	5,718.23	6,406.05
Total Loans (*)	25,378.69	22,083.80
Interest accrued on loans	7.97	11.64
Interest accrued on debt securities	24.12	49.16
Total Gross Loans	25,410.79	22,144.60
Less: Impairment loss allowance	(177.73)	(154.83)
Total Net Loans	25,233.06	21,989.77
(*) The loans outstanding before adjustment of Effective Interest Rate, Premium Amortisation and Discount Accretion	25,389.96	22,118.19
(a) The above amount includes:		
(i) Secured by tangible assets	25,410.79	22,144.60
(ii) Secured by intangible assets	-	-
(iii) Covered by Bank / Government guarantees	-	-
(iv) Unsecured	-	-
Total - Gross	25,410.79	22,144.60
Less: Impairment loss allowance	(177.73)	(154.83)
Total - Net	25,233.06	21,989.77
(b) Loans in India	25,233.06	21,989.77

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

3 OTHER FINANCIAL ASSETS

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Deposits	0.25	0.25
Receivables from Group Company	-	-
Other receivable	2.97	0.01
Total	3.22	0.26

4 CURRENT TAX ASSETS (NET)

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Advance payment of income tax	375.74	250.92
Total	375.74	250.92

The Company had filed application with Central Board of Direct Taxes (CBDT) for notification as Infrastructure Debt Fund (IDF) from Financial year 2014-15, the year of receipt of licence from RBI as NBFC-IDF, and has been claiming tax exemption under Section 10(47) read with Rule 2F of the Income Tax Act.

The CBDT has issued a notification dated October 21, 2019 notifying the Company under Section 10(47) of the Income Tax Act w.e.f. Financial year 2019-20 (i.e from the financial year starting 1st April 2019).

The Company has made an application to CBDT for review of the said notification with a request to notify it under section 10(47) of Income Tax Act with retrospective effect, i.e. w.e.f. Financial year 2014-15 (the year in which it received RBI registration as NBFC-IDF). In the interim, the tax liability from Financial year 2014-15 till financial year 2018-19 has been provided.

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

5 a PROPERTY, PLANT AND EQUIPMENT

As at March 31, 2025	Gross block			Accumulated depreciation			Net block
	Balance as at April 01, 2024	Additions	Disposals	Balance as at April 01, 2024	Depreciation charge for the year/period	On disposals	
	Balance as at March 31, 2025					Balance as at March 31, 2025	
Freehold Land (Refer note below)	0.04	-	-	-	-	-	0.04
Vehicles (owned)	0.24	-	-	0.24	-	0.24	-
Computers	1.35	0.14	0.02	1.47	0.40	0.98	0.49
Office Equipments	0.28	1.15	0.03	1.40	0.19	0.46	0.94
Leasehold Improvements	1.76	2.14	-	3.90	1.76	2.75	1.15
Furniture	0.04	0.45	0.01	0.48	0.04	0.06	0.42
Total tangible assets	3.71	3.88	0.06	7.53	1.70	4.49	3.04

As at March 31, 2024	Gross block			Accumulated depreciation			Net block
	Balance as at April 01, 2023	Additions	Disposals	Balance as at April 01, 2023	Depreciation charge for the year/period	On disposals	
	Balance as at March 31, 2024					Balance as at March 31, 2024	
Freehold Land (Refer note below)	0.04	-	-	-	-	-	0.04
Vehicles (owned)	0.24	-	-	0.23	0.01	0.24	-
Computers	0.76	0.74	0.15	1.34	0.30	0.15	0.75
Office Equipments	0.22	0.07	0.01	0.28	0.07	0.01	0.09
Leasehold Improvements	1.76	-	-	1.76	-	1.76	-
Furniture	0.04	-	-	0.04	0.00	-	0.02
Total tangible assets	3.06	0.81	0.16	2.58	0.38	0.16	0.90

Note: The freehold land has been mortgaged in favour of Debenture Trustees against the secured debentures issued by the Company.

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

5 b CAPITAL WORKING IN PROGRESS

Particulars	Amount in Capital working in progress for the period ended March 31, 2025				
	Less than 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
	(₹ in Crores)				
Projects in progress	-	-	-	-	-

Particulars	Amount in Capital working in progress for the period ended March 31, 2024			
	Less than 1 Year	1-2 Years	2-3 Years	> 3 Years
	(₹ in Crores)			
Projects in progress	0.98	-	-	-
Total				0.98

5 c RIGHT OF USE ASSETS

As at March 31, 2025	Gross block			Accumulated depreciation			Net block
	Balance as at April 01, 2024	Additions	Disposals	Balance as at April 01, 2024	Depreciation charge for the year/period	On disposals	
	Balance as at March 31, 2025					Balance as at March 31, 2025	
Right of use Assets	12.19	-	-	4.33	3.93	-	3.92
Total	12.19	-	-	4.33	3.93	-	3.92

As at March 31, 2024	Gross block			Accumulated depreciation			Net block
	Balance as at April 01, 2023	Additions	Disposals	Balance as at April 01, 2023	Depreciation charge for the year/period	On disposals	
	Balance as at March 31, 2024					Balance as at March 31, 2024	
Right of use Assets	7.66	4.54	-	1.92	2.42	-	7.86
Total	7.66	4.54	-	1.92	2.42	-	7.86

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

5 d INTANGIBLE ASSET

As at March 31, 2025	Gross block				Accumulated depreciation		Net block	
	Balance as at April 01, 2024	Additions	Disposals	Balance as at March 31, 2025	Depreciation charge for the year/period	On disposals at March 31, 2025	Balance as at March 31, 2025	Balance as at March 31, 2025
Intangible Asset	1.71	0.29	-	1.99	0.39	-	0.73	1.26
Total Intangible Asset	1.71	0.29	-	1.99	0.39	-	0.73	1.26

As at March 31, 2024	Gross block				Accumulated depreciation		Net block	
	Balance as at April 01, 2023	Additions	Disposals	Balance as at March 31, 2024	Depreciation charge for the year/period	On disposals at March 31, 2024	Balance as at March 31, 2024	Balance as at March 31, 2024
Intangible Asset	0.94	0.76	-	1.70	0.27	-	0.33	1.37
Total Intangible Asset	0.94	0.76	-	1.70	0.27	-	0.33	1.37

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

5 e INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Crores)		
Particulars	March 31, 2025	March 31, 2024
Becon, SAP & Other automation	2.07	0.55
Total Intangible assets under development	2.07	0.55

Particulars	Amount in Intangible assets under development for the year ended March 31, 2025				
	Less than 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
Projects in progress	1.52	0.55	-	-	2.07
Projects temporarily suspended	-	-	-	-	-

Particulars	Amount in Intangible assets under development for the year ended March 31, 2024				
	Less than 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
Projects in progress	0.55	-	-	-	0.55
Projects temporarily suspended	-	-	-	-	-

6 OTHER NON-FINANCIAL ASSETS

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	1.63	0.88
Supplier Advance	0.36	0.02
Balances with government authorities - cenvat credit receivable	-	-
Other Advance	0.19	0.11
	2.18	1.01

7 TRADE PAYABLES*

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	-	β
Total outstanding dues of creditors other than micro enterprises and small enterprises	1.87	1.63
Total	1.87	1.63

Trade Payables ageing schedule	Outstanding as on March 31, 2025 from due date of payment				
Particulars	< 1 Year	1 to 2 Years	2 to 3 Years	> 3 Years	Total
MSME	0.27	-	-	-	0.27
Others	1.59	-	-	-	1.59
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Note: The figures of ₹ 50,000 or less have been denoted by β.

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Trade Payables ageing schedule	Outstanding as on March 31, 2024 from due date of payment				
Particulars	< 1 Year	1 to 2 Years	2 to 3 Years	> 3 Years	Total
MSME	β	-	-	-	-
Others	1.63	-	-	-	1.63
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

8 OTHER PAYABLES

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	0.02
	-	0.02

9 DEBT SECURITIES

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
At Amortised cost		
Debentures (Secured, non convertible)(*) fully paid up, privately placed	22,708.40	19,136.07
Commercial papers (unsecured)	-	-
Interest accrued but not due	717.73	646.07
Total (A)	23,426.13	19,782.14
(*) The borrowings outstanding before adjustment of unamortised fees under Effective Interest Rate	22,762.00	19,214.00
Debt securities in India	23,426.13	19,782.14
Debt securities outside India	-	-
Total (B)	23,426.13	19,782.14

10 (a) FINANCE LEASE LIABILITIES

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Finance Lease liabilities	4.24	8.17
Total	4.24	8.17

10 (b) OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
Advance receipts from borrowers	22.35	74.01
Dividend payable to CCPS holder	-	0.02
Total	22.35	74.03

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

11 PROVISIONS

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Provision for gratuity	1.54	0.73
Provision for Bonus	6.40	4.40
Provision for compensated absences	2.29	0.82
Provision for long term incentive plan	7.36	4.92
Total	17.59	10.87

12 OTHER NON-FINANCIAL LIABILITIES

(₹ in Crores)		
Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues	13.82	11.47
Total	13.82	11.47

13 A SHARE CAPITAL

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	(₹ in Crores)	Number	(₹ in Crores)
Authorised shares				
Equity shares of ₹ 10 each	1,81,50,00,000	1,815.00	1,81,50,00,000	1,815.00
Compulsorily convertible preference shares of ₹ 21 each (Series I)	8,80,95,238	185.00	8,80,95,238	185.00
Compulsorily convertible preference shares of ₹ 27 each (Series II)	25,92,59,259	700.00	25,92,59,259	700.00
Non convertible redemabale preference shares of ₹ 100000 each	1,50,000	1,500.00	1,50,000	1,500.00
Issued, subscribed & fully paid-up shares				
Equity shares of ₹ 10 each	1,37,52,80,631	1,375.28	1,37,52,80,631	1,375.28
Compulsorily convertible preference shares of ₹ 21 each (Series I)	-	-	-	-
Compulsorily convertible preference shares of ₹ 27 each (Series II)	-	-	-	-
Total		1,375.28		1,375.28

(a) Movements in equity share capital.

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	(₹ in Crores)	Number	(₹ in Crores)
Outstanding at the beginning of the year	1,37,52,80,631	1,375.28	1,03,02,83,466	1,030.28
Conversion of CCPS during the year			34,49,97,165	345.00
Outstanding at the end of the year	1,37,52,80,631	1,375.28	1,37,52,80,631	1,375.28

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(b) Movements in preference share capital (Face Value 21) Series I

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	(₹ in Crores)	Number	(₹ in Crores)
Outstanding at the beginning of the year	-	-	8,79,27,757	184.65
Conversion of CCPS during the year	-	-	(8,79,27,757)	(184.65)
Outstanding at the end of the year	-	-	-	-

Movements in preference share capital (Face Value 27) Series II

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	(₹ in Crores)	Number	(₹ in Crores)
Outstanding at the beginning of the year	-	-	25,70,69,408	694.09
Conversion of CCPS during the year	-	-	(25,70,69,408)	(694.09)
Outstanding at the end of the year	-	-	-	-

(c) Terms / rights attached to equity shares

- The Company has equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- The dividend proposed by the Board of Directors ₹ 0.15 per share is subject to the approval of shareholders at the ensuing Annual General Meeting.

(d) Terms / rights attached to Compulsorily Convertible Preference Shares (CCPS)

- The Company has issued Compulsorily Convertible Preference Shares (CCPS) having a par value of ₹ 21 (Series I) & 27 (Series II) per share.
- The CCPS shall carry a pre-determined cumulative dividend rate of 0.001% per annum. In addition to the same, if the holders of Equity Shares are paid dividend in excess of 0.001% per annum, CCPS holders shall be entitled to dividend at such higher rate. The dividend shall be payable, subject to cash flow solvency, in the event the board of directors of the Company declare any dividend for the relevant year, and shall be paid in priority to Equity Shares
- The CCPS are not redeemable & each CCPS shall be converted into one equity share of ₹10 each upon induction of a new investor or expiry of 3 (Three) years from the date of issuance of First Tranche CCPS (March 30, 2021), whichever is earlier.
- Subject to Section 47(2) of the Companies Act, 2013, the CCPS do not carry any voting rights.
- CCPS shall have liquidation preference over the Equity Shares, in accordance with the Insolvency and Bankruptcy Code, 2016
- In terms of the agreement with CCPS holder; 34,49,97,165 number of CCPS have been converted into equal number of equity shares as on March 30, 2024

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(e) Details of shareholders holding more than 5% of the shares in the Company

Equity shares	As at March 31, 2025		As at March 31, 2024	
	Number	% of Holding	Number	% of Holding
National Investment & Infrastructure Fund II & Nominees	54,63,50,979	39.7%	54,63,50,979	39.73%
Aseem Infrastructure Finance Limited	42,39,32,487	30.8%	42,39,32,487	30.83%
President of India (*)	34,49,97,165	25.1%	34,49,97,165	25.09%
HDFC Bank LTD	6,00,00,000	4.4%	6,00,00,000	4.36%
0.001% Compulsorily Convertible Preference Shares (Series I)				
President of India (*)	-	-	-	-
0.001% Compulsorily Convertible Preference Shares (Series II)				
President of India (*)	-	-	-	-

(*) Represented by and acting through the Secretary, Department of Economic Affairs, Ministry of Finance, Government of India

13 B OTHER EQUITY

Particulars	(₹ in Crores)	
	As at March 31, 2025	As at March 31, 2024
(a) Surplus in the statement of profit and loss	1,487.65	1,118.71
(b) Securities premium	1,081.33	1,081.33
(c) General Reserves	0.88	0.88
(d) Special reserve u/s. 45-IC of the RBI Act, 1934	380.80	283.41
(e) Impairment Reserve	0.04	0.04
Total	2,950.70	2,484.37

(a) Surplus in the Statement of Profit and Loss

Particulars	(₹ in Crores)	
	As at March 31, 2025	As at March 31, 2024
Opening balance	1,118.71	782.78
Net profit for the year	487.21	420.47
Items of other comprehensive income recognised directly in retained earnings	-	-
- Remeasurements of post-employment benefit obligations, net of tax	(0.26)	(0.52)
Transfer to Special Reserve u/s. 45-IC of RBI Act, 1934	(97.39)	(84.00)
Dividend on CCPS	-	(0.02)
Dividend to equity Shareholders	(20.63)	-
Closing balance	1,487.65	1,118.71

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(b) Securities Premium

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	1,081.33	547.59
Changes during the year	-	533.74
Share capital issue expenses	-	-
Closing balance	1,081.33	1,081.33

(c) General Reserve

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	0.88	0.88
addition	-	-
Closing balance	0.88	0.88

(d) Special Reserve u/s. 45-IC of RBI Act, 1934

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	283.41	199.41
Appropriations during the year	97.39	84.00
Closing balance	380.80	283.41

(e) Impairment Reserve

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	0.04	0.04
Appropriations during the year	-	-
Closing balance	0.04	0.04
Total	2,950.70	2,484.37

Nature and purpose of reserve

a) Securities premium

Securites premium represents the excess of issue price over face value of equity shares & compulsorily convertible preference shares (CCPS) issue during the year. As per section 52 (3) expenses on issue of equity share have been adjusted against securities premium.

b) General Reserves

General Reserve represents appropriation of retained earnings and are available for distribution to shareholders.

c) Special reserves u/s 45-IC of RBI Act, 1934

As per section 45-IC of RBI Act, 1934, every non-banking financial company (NBFC) shall create a reserve fund and transfer therein a sum not less than twenty per cent (20%) of its net profit every year as disclosed in the profit and loss account and before any dividend is declared. No appropriation of any sum from the reserve fund shall be made by the non-banking financial company annually.

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

d) Impairment Reserve

In terms of RBI circular reference DOR (NBFC) .CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020, NBFCs are required to hold expected credit loss allowances in accordance with the provisions of IndAS 109. In parallel NBFCs are required to compute provisions as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP). Where the expected credit loss allowance computed under IndAS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs are required to appropriate the shortfall from their retained earnings to a separate 'Impairment Reserve'

14 INTEREST INCOME

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
On financial assets measured at amortised costs		
Interest on loans (refer note no.41)	1,994.78	1,721.52
Interest on deposit	64.33	34.89
Discount accreted on T-Bills	24.47	21.85
Total	2,083.58	1,778.26

15 (a) FEES AND COMMISSION INCOME

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Fees and commission income	52.24	30.18
Total	52.24	30.18

15 (b) NET GAIN ON FAIR VALUE CHANGES

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
- Income from Mutual fund Investment	34.42	28.18
Total	34.42	28.18

16 OTHER INCOME

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Shared Service Cost Recovery	0.05	-
Profit/(Loss) on sale of asset	-	0.03
Profit on sale of Infra Investm	10.13	-
Interest on IT Refunds	2.61	10.37
Total	12.79	10.40

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

17 FINANCE COSTS

(₹ in Crores)		
On financial liabilities measured at amortised costs	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense		
(i) Debt securities	1,588.86	1,348.99
(ii) Lease Liabilities	0.49	0.45
(iii) Other borrowing cost (Rating fee & Other expenses)	3.01	2.39
Total	1,592.36	1,351.83

18 FEES AND COMMISSION EXPENSE

(₹ in Crores)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Commission paid to project authorities	0.54	0.33
Total	0.54	0.33

19 IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in Crores)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
On financial instruments measured at amortised costs		
Term loans & Debentures and Bonds	22.90	29.95
Total	22.90	29.95

20 EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	38.11	27.76
Contribution to gratuity fund {Refer note 28(c)}	0.66	0.52
Contribution to provident and other funds {Refer note 28(b)}	2.05	1.42
Staff welfare expenses	1.20	1.06
Total	42.02	30.76

21 DEPRECIATION, AMORTISATION AND IMPAIRMENT

(₹ in Crores)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of property, plant and equipment	1.70	0.38
Depreciation of right to use assets	3.93	2.42
Intangible Assets	0.39	0.27
Total	6.02	3.07

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

22 OTHER EXPENSES

(₹ in Crores)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Professional fees	2.96	2.14
Rates and taxes	2.06	1.65
Computer and IT related expenses	5.94	3.08
Insurance charges	0.38	0.27
Electricity charges	0.41	0.18
Travelling and conveyance	0.66	0.70
Printing and stationery	0.04	0.09
Communication costs	0.07	0.03
Stamp duty and registration fees	0.26	0.54
Directors' sitting fees	0.73	0.82
Contribution towards corporate social responsibility	7.20	5.27
Auditor's remuneration [see note (b) below]	0.59	0.45
Advertising & publicity	0.03	0.03
Miscellaneous expenses	0.34	0.41
Total	21.67	15.66

(a) Breakup of Auditors' remuneration

(₹ in Crores)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Audit fees	0.48	0.37
Tax audit fees	0.02	0.02
Certification fees	0.06	0.04
Out-of-pocket expenses	0.03	0.02
Total	0.59	0.45

(b) Contribution for corporate social responsibility (CSR)

Amount required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year ₹ 7.20 Crores (previous year ₹ 5.27 Crores). Amount spent towards CSR during the year and recognised as expense in the statement of profit and loss on CSR related activities is ₹ 7.20 Crores (previous year ₹ 5.27 Crores), which comprise of following:

(₹ in Crores)		
	Year ended March 31, 2025	Year ended March 31, 2024
Amount spent during the year on:		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	7.20	5.27
(iii) On purposes other than (i) above- unspent balance	-	-
Total	7.20	5.27

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(₹ in Crores)

	Year ended March 31, 2025	Year ended March 31, 2024
(a) shortfall at the end of the year	-	-
(b) total of previous years shortfall	-	-
(c) reason for shortfall	NA	NA
(d) nature of CSR activities	Promoting Healthcare, Rural Development, Education and Environment	Promoting Healthcare, Rural Development, Education and Environment
(e) details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard,	Nil	Nil
(f) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	Nil	Nil

23 INCOME TAX

The Company is registered as Infrastructure Debt Fund (IDF-NBFC) with RBI. As per Section 10(47) of the Income Tax Act, any income of IDFs notified by Central Board of Direct Taxes (CBDT) for this purpose is exempt from income tax.

24 (I) EMPLOYEE BENEFIT OBLIGATIONS

a) Labour Law

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code and recognise the same when the Code becomes effective.

b) Defined contribution plans

The Company has recognised the following amounts in the statement of profit and loss towards contribution to defined contribution plans which are included under contribution to provident and other funds:

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Provident fund	1.40	1.05
Pension fund	0.65	0.38

c) Defined benefit plans

The Company has a defined benefit gratuity plan in India (funded). The Company's defined benefit gratuity plan is a final salary plan for India employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. As per internal policy gratuity liabilities for all employees is uncapped and ₹ 20 lakhs limit is not applicable.

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
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The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

i) Balance sheet

(₹ in Crores)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2023	3.56	3.37	0.19
Current service cost	0.65		0.65
Past service cost	(0.14)		(0.14)
Interest expense/(income)	0.22		0.22
Return on plan assets	-	0.21	(0.21)
Employer contributions	-	0.54	(0.54)
Remeasurements due to actual return on plan assets less interest on plan assets	-	0.08	(0.08)
Actuarial loss / (gain) arising from change in financial assumptions	0.02		0.02
Actuarial loss / (gain) arising from change in demographic assumptions	0.08		0.08
Actuarial loss / (gain) arising on account of experience changes	0.50		0.50
Reversal of the liability	-		-
Employer contributions	-	-	-
Benefit payments	(0.70)	(0.70)	-
Assets acquired	-	-	-
Liabilities assumed on acquisition	-	-	-
As at March 31, 2024	4.19	3.50	0.69
Current service cost	0.56	-	0.56
Past service cost	-	-	-
Interest expense/(income)	0.27	-	0.27
Return on plan assets	-	0.24	(0.24)
Employer contributions	-	-	-
Remeasurements due to actual return on plan assets less interest on plan assets	-	0.07	(0.07)
Actuarial loss / (gain) arising from change in financial assumptions	0.11	-	0.11
Actuarial loss / (gain) arising from change in demographic assumptions	-	-	-
Actuarial loss / (gain) arising on account of experience changes	0.21	-	0.21
Reversal of the liability	-	-	-
Employer contributions	-	-	-
Benefit payments	(0.15)	(0.15)	-
Assets acquired	-	-	-
Liabilities assumed on acquisition	-	-	-
As at March 31, 2025	5.20	3.66	1.54

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Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Present value of plan liabilities	5.20	4.19
Fair value of plan assets	3.66	3.50
Plan liability net of plan assets	1.54	0.69

ii) **Statement of profit and loss**

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Employee benefit expense	-	-
Losses on acquisition	-	-
Current service cost	0.56	0.65
Past service cost	-	(0.14)
Total	0.56	0.51
Finance costs	0.03	0.01
Gains/(losses) on settlements	-	-
Net impact on the profit before tax	0.59	0.52

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Remeasurements of the net defined benefit liability:		
Opening amount recognised in OCI outside profit and loss account	1.39	0.87
Return on plan assets excluding amounts included in interest expense/income	(0.07)	(0.08)
Actuarial loss / (gain) arising from change in financial assumptions	0.11	0.02
Actuarial loss / (gain) arising from change in demographic assumptions	-	0.08
Actuarial loss / (gain) arising on account of experience changes	0.21	0.50
Actuarial gains/(losses) arising from changes in experience	-	-
Net impact on the other comprehensive income before tax	1.65	1.39

iii) **Defined benefit plan assets**

Category of assets (% allocation)	Year ended March 31, 2025	Year ended March 31, 2024
Insurer managed funds	3.66	3.50
Total	3.66	3.50

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
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iv) **Actuarial assumptions**

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Category of assets (% allocation)	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	6.55%	7.15%
Salary escalation rate*	10.00%	10.00%

*takes into account the inflation, seniority, promotions and other relevant factors

v) **Sensitivity**

Gratuity

(₹ in Crores)

As at March 31, 2025	Change in assumption	Impact on defined benefit obligation	
		Increase	Decrease
Discount rate	0.50%	(5.11)	5.29
Salary escalation rate	0.50%	5.29	(5.11)

(₹ in Crores)

As at March 31, 2024	Change in assumption	Impact on defined benefit obligation	
		Increase	Decrease
Discount rate	0.50%	(4.12)	4.27
Salary escalation rate	0.50%	4.27	(4.12)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

vi) **Maturity**

The defined benefit obligations shall mature after year end as follows:

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Within the next 12 months (next annual reporting period)	2.35	0.73
Between 2 and 5 years	1.72	3.07
Between 5 and 10 years	1.43	0.83
Beyond 10 years	1.41	1.17
Total expected payments	6.91	5.80

The weighted average duration of the defined benefit obligation is 3.64 years (previous year - 3.80 years)

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

vii) Provision for long term incentive plan (LTIP)

(₹ in Crores)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Liability for long term incentive plan	5.25	3.82

viii) Provision for leave encashment

(₹ in Crores)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Liability for compensated absences	2.29	0.82

ix) Provision for long term incentive units (Cash settled share option)

During the year certain eligible employees of the Company are entitled to LTIP units, value of which is based on underlying value of the share of the Company. the Company recognises the fair value of such units and expenses out the same over the vesting period based on the management's estimate of the vesting and forfeiture conditions. Units awarded are cash settled share base payment transaction.

Details of the plan:

Vesting requirement	33% at the end of 2 nd year, 33% at the end of 3 rd years and 34% at the end of 4 years from June 2023 (Grant date)
Method of settlement	Cash settled
Exercise price	Nil
No of Option granted during the year	16,88,765
No of Option exercised during the year	Nil
No of Option outstanding As on 31-03-2024	16,88,765
Measurement of fair value	Black - Scholes Option pricing model
Expense recognised during the year (₹ in Crores)	2.11

24 (II) LEASE

Disclosure on Lease in accordance with Indian Accounting Standard (Ind AS) 116 on 'Leases'

- A) Actual Payment of Rent from April 01, 2024 to March 31, 2025 is ₹ 4.42 Crores (Previous Year ₹ 2.76 Crore).
- B) The following is the breakup of Current and non-current portion of Lease Liability:

(₹ in Crores)		
Particulars	March 31, 2025	March 31, 2024
Current	4.24	3.93
Non Current		4.24
Total Lease Liability	4.24	8.17

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

C) The following is the movement of Lease Liability

(₹ in Crores)		
Particulars	March 31, 2025	March 31, 2024
Opening Balance	8.18	5.96
Addition	-	4.53
Interest Expense on lease liability	0.49	0.45
Actual payment of rent	4.42	2.76
Closing Balance	4.25	8.18

D) The Carrying Value of Right of Use Asset

(₹ in Crores)		
Particulars	March 31, 2025	March 31, 2024
Opening Balance	7.86	5.75
Addition	-	4.53
Gross Carrying value	7.86	10.28
Depreciation	3.93	2.42
Carrying value of right of use asset	3.92	7.86

E) The following represents the Contractual Maturity of the Lease Liability on an undiscounted basis

(₹ in Crores)		
Particulars	March 31, 2025	March 31, 2024
On demand	-	-
Upto 3 months	1.10	1.10
Above 3 months to 12 months	3.31	3.31
Above 1 Year -3 Years	-	4.42
Above 3 Years-5 Years	-	-
Above 5 Years	-	-
Total	4.42	8.83

25. SEGMENT INFORMATION

The Company is engaged in business of financing by way of loans (non banking financial services). All other activities of the Company revolve around the main business and accordingly there are no separate reportable segments, as per Ind AS 108 – Operating Segments.

26. EARNINGS PER SHARE (EPS)

a) The basic earnings per share has been calculated based on the following:

(₹ in Crores)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net profit after tax available for equity shareholders (A)	487.21	420.47
Less : Dividend transfered to CCPS bank account	-	(0.02)
Net profit after tax available for equity shareholders (A)	487.21	420.45
Weighted average number of ordinary shares/(CCPS)	1,37,52,80,631	1,37,52,80,631
Weighted average number of shares (B)	1,37,52,80,631	1,37,52,80,631

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
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b) The reconciliation between the basic and the diluted earnings per share is as follows:

(₹ in Crores)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Basic earnings per share (A/B)	3.54	3.06
Diluted earnings per share (A/B)	3.54	3.06

27. CAPITAL COMMITMENTS

(₹ in Crores)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Estimated amount of contracts remaining to be executed on capital account (net of advances)	0.63	1.64
Total	0.63	1.64
Contingent liabilities	Year ended March 31, 2025	Year ended March 31, 2024
Claims not acknowledged as debts in respect of :		
Income-tax demands under appeal	-	-

28 CAPITAL MANAGEMENT

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI) of India. The adequacy of the Company's capital is monitored using, amongst other measures, the regulations issued by RBI. Company has complied in full with all its externally imposed capital requirements over the reported period. The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

The following additional information is disclosed in terms of the RBI circular RBI/DoR/2023-24/106 DoR.FIN. REC.No.45/03.10.119/2023-24 dated March 21, 2024

(₹ in Crores)		
Capital to risk assets ratio (CRAR):	Year ended March 31, 2025	Year ended March 31, 2024
Tier I capital	4,322.65	3,849.87
Tier II capital	177.73	154.83
Total capital	4,500.38	4,004.70
Risk weighted assets	20,733.34	16,534.49
CRAR (%)	21.71%	24.22%

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(₹ in Crores)		
Capital to risk assets ratio (CRAR):	Year ended March 31, 2025	Year ended March 31, 2024
CRAR - Tier I capital (%)	20.85%	23.28%
CRAR - Tier II capital (%)	0.86%	0.94%
Amount of subordinated debt considered as Tier II capital	-	-
Amount raised by issue of perpetual debt instruments	-	-

Regulatory Tier I capital, which comprises share capital, share premium, special reserves, share option outstanding account, retained earnings including current year profit and non-controlling interests less accrued dividends & Intangible assets. Certain adjustments are made to Ind AS based results and reserves, as prescribed by the Reserve Bank of India.

29 THE TABLE BELOW SHOWS AN ANALYSIS OF ASSETS AND LIABILITIES ANALYSED
ACCORDING TO WHEN THEY ARE EXPECTED TO BE RECOVERED OR SETTLED.

(₹ in Crores)						
Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	1,631.98	-	1,631.98	911.50	-	911.50
Bank Balance other than above	305.97	-	305.97	0.02	-	0.02
Investments	249.53		249.53	582.84		582.84
Loans	1,320.37	23,912.69	25,233.06	1,564.08	20,425.69	21,989.77
Other financial assets	2.97	0.25	3.22	0.01	0.25	0.26
Non-financial assets						
Income tax assets (Net)	-	375.74	375.74	-	250.92	250.92
Property, plant and equipment	-	3.04	3.04	-	0.90	0.90
Capital work in progress	-		-	0.98		0.98
Right of use Assets	-	3.92	3.92	-	7.86	7.86
Intangible assets	-	1.26	1.26	-	1.37	1.37
Intangible Asset under Development	-	2.07	2.07	-	0.55	0.55
Other non-financial assets	2.18	-	2.18	1.01	-	1.01
Total assets	3,513.00	24,298.97	27,811.97	3,060.44	20,687.54	23,747.98
Financial liabilities						
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	1.59	-	1.59	1.63	-	1.63

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(₹ in Crores)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
(II) Other payables						-
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	4.42	-	4.42
Debt securities	2,086.73	21,339.40	23,426.13	2,147.07	17,635.07	19,782.14
Borrowings (Other than debt securities)	-	-	-	-	-	-
Finance Lease liabilities	4.24	-	4.24	3.93	4.24	8.17
Other financial liabilities	22.35	-	22.35	74.03	-	74.03
Non-financial Liabilities						-
Provisions	6.40	11.19	17.59	-	6.47	6.47
Other non-financial liabilities	13.82	-	13.82	11.47	-	11.47
Total liabilities	2,135.13	21,350.59	23,485.72	2,242.55	17,645.78	19,888.33
Net	1,377.87	2,948.38	4,326.25	817.89	3,041.76	3,859.65

30 FAIR VALUE MEASUREMENT

a) Financial Instruments by Category

The following table provides categorisation of all financial instruments at carrying value except for financial assets and financial liabilities not measured at fair value if, the carrying amount is a reasonable approximation of fair value.

(₹ in Crores)

As at March 31, 2025	At FVTPL	At FVOCI	Amortised Cost
Financial Assets			
Loans			
- Term loans	-	-	19,522.59
- Debentures and bonds	-	-	5,678.36
- Accrued interest on loans, debentures and bonds		-	32.10
Cash and Cash Equivalents	-	-	1,631.98
Bank Balance other than above			305.97
Investments			249.53
Other financial assets	-	-	3.22
Total financial assets	-	-	27,423.75

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(₹ in Crores)

As at March 31, 2025	At FVTPL	At FVOCI	Amortised Cost
Financial Liabilities			
Debt Securities			
- Debentures and bonds	-	-	22,708.40
- Accrued interest on borrowings			717.73
Trade payables	-	-	1.87
Other Payables	-	-	-
Finance Lease liability	-	-	4.24
Other financial liabilities	-	-	22.35
Total financial liabilities	-	-	23,454.59

(₹ in Crores)

As at March 31, 2024	At FVTPL	At FVOCI	Amortised Cost
Financial Assets			
Loans			
- Term loans	-	-	15,576.49
- Debentures and bonds	-	-	6,352.48
- Accrued interest on loans, debentures and bonds			60.79
Cash and Cash Equivalents	-	-	911.50
Bank Balance other than above			0.02
Investments	-	-	582.84
Other financial assets			0.26
Total financial assets	-	-	23,484.38
Financial Liabilities			
Debt Securities			
- Debentures and bonds	-	-	19,136.07
- Accrued interest on borrowings			646.07
Trade payables	-	-	1.63
Other Payables			4.42
Lease liability			8.17
Other financial liabilities	-	-	74.03
Total financial liabilities	-	-	19,870.39

Note: There are no other categories of financial instruments other than those mentioned above. The financial assets are shown net of provision for Expected Credit Loss.

b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
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As at March 31, 2025

(₹ in Crores)

Assets and liabilities measured at amortised cost for which fair values are disclosed	Note	Level 1	Level 2	Level 3	Total
Financial assets					
Loans					
- Term loans	4	-	-	19,522.59	19,522.59
- Debentures and bonds	4	-	-	5,678.36	5,678.36
- Accrued interest on loans, debentures and bonds	4			32.10	32.10
Investments	4			249.53	249.53
Total financial assets		-	-	25,482.58	25,482.58
Financial liabilities					
Debt securities					
- Debentures and bonds	11	-	-	22,708.40	22,708.40
- Commercial papers	11	-	-	-	-
- Accrued interest on borrowings	11	-	-	717.73	717.73
Total financial liabilities		-	-	23,426.13	23,426.13

As at March 31, 2024

(₹ in Crores)

Assets and liabilities measured at amortised cost for which fair values are disclosed	Note	Level 1	Level 2	Level 3	Total
Financial assets					
Loans					
- Term loans	4	-	-	15,576.49	15,576.49
- Debentures and bonds	4	-	-	6,352.48	6,352.48
- Accrued interest on loans, debentures and bonds	4	-	-	60.79	60.79
Investments	4			582.84	582.84
Total financial assets		-	-	22,572.60	22,572.60
Financial liabilities					
Debt securities					
- Debentures and bonds	11	-	-	19,136.07	19,136.07
- Commercial papers	11	-	-	-	-
- Accrued interest on borrowings	11	-	-	646.07	646.07
Total financial liabilities		-	-	19,782.14	19,782.14

- i) There are no transfers between levels 1, 2 and 3 during the year.
ii) The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

The Company uses the following hierarchy for determining and disclosing the fair value of financial assets by valuation technique:

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

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The hierarchies used are as follows:

Level 1: Level 1: The fair value of financial instruments traded in active markets (such as mutual funds) is based on quoted market prices at the end of the reporting period. The mutual funds are valued using the closing NAV. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

c) Valuation technique used to determine fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

Specific valuation techniques used to value financial instruments include:

- the fair value of the unquoted mutual fund units is determined using observable NAV representing repurchase price issued by the mutual fund/venture capital fund.
- the fair values of interest rate swaps is calculated as the present value of the estimated future cash flows based on the observable yield curves.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis and the discount rates used were adjusted for counterparty or own credit risk.

d) Fair value of financial assets and liabilities measured at amortised cost

(₹ in Crores)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Loans				
Rupee loans	19,522.59	19,522.59	15,576.49	15,576.49
Debentures and Bonds	5,678.36	5,678.36	6,352.48	6,352.48
Accrued interest on loans, debentures and bonds	32.10	32.10	60.79	60.79
Investments	249.53	249.53	582.84	582.84
Total financial assets	25,482.58	25,482.58	22,572.60	22,572.60
Financial liabilities				
Debt securities				
Debentures	22,708.40	22,708.40	19,136.07	19,136.07
Commercial papers	-	-	-	-
Interest accrued but not due	717.73	717.73	646.07	646.07
Total financial liabilities	23,426.13	23,426.13	19,782.14	19,782.14

Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual creditworthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair

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value of such instruments is not materially different from their carrying amounts. They are classified as Level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk. The fair values of financial liabilities measured at amortised cost i.e. debt securities issued were calculated based on their cash flows discounted using a current borrowing rate. They are classified as Level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risk. Accordingly, fair value of such instruments is not materially different from their carrying amounts. They are classified as Level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risk. For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments include, cash and bank balances, trade and other payables, other financial assets and liabilities. Such amounts have been classified as Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

31 FINANCIAL RISK MANAGEMENT

31.1. Introduction

Risk management is an integral part of the business practices of the Company. The framework of risk management concentrates on formalising a system to deal with the most relevant risks, building on existing management practices, knowledge and structures. The process of risk management is paramount to the Company and each employee is accountable for risks relating to his/her responsibilities. The key risk management tenets adopted by the Company includes maker-checker principle and three levels of defence (first level - employee, second level - risk team, third level - internal audit). The Company is exposed to credit risk, interest rate risk, liquidity risk, price risk and operations risk (including cyber risk) through its business operations.

31.2. Risk management structure

The Company has set up a robust risk governance framework based on the following key principles:

- The Board has ultimate responsibility for the Company's risk management framework. The board is principally responsible for approving the Company's risk related strategies and policies.
- To ensure that the Company has a sound system of risk management and internal controls in place, the board has established a Risk Management Committee (RMC). The RMC assists the board in relation to the oversight and review of the Company's risk management principles and policies, strategies, appetite, processes and controls. The RMC has direct access to the Company's management and has open communication with them.
- Policies, processes and systems are put in place for effective risk management.
- The Company has an independent risk unit which is entrusted with the responsibility of implementing risk policy and processes for risk identification, assessment, measurement, monitoring and control. It reports to the Chief Risk Officer (CRO), who in turn reports directly to the Chief Executive Officer (CEO) of the Company. The board has put in place the policy to safeguard the independence of CRO (The CRO meets the Risk Management Committee (RMC) on a quarterly basis without the presence of CEO).
- The Company's Resources team is primarily responsible for funding and liquidity risks and is guided by the asset liability management policy. The market risks of the Company are supervised by the asset liability committee.
- The Company maintains a Risk Register for all its processes. Operational risks of the Company are monitored by business operations risk committee.
- The portfolio team along with business team monitors project assets on regular basis and highlights pending compliances to senior management on monthly basis. It also conducts annual site visits and monitors financial covenants.
- Annual review of financial and operational performance of projects and their re-rating is conducted by the risk team.

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- Risk management processes are also audited quarterly by internal audit and findings and recommendations are provided to the audit committee.

31.3. Credit risk

Credit risk is the risk of suffering financial loss, should any of the Company's customers, clients or market counterparties fail to fulfil their contractual obligations to the Company. Credit risk arises mainly from loans and advances arising from lending activities.

Credit risk is the single largest risk for the Company's business, management therefore carefully manages its exposure to credit risk. The credit risk management and control are centralised in RMC which reports regularly to the Board. the Company adheres to high standards of credit risk management and mitigation. The lending proposals are subjected to a thorough assessment of promoters; group financial strength and leverage; operational & financial performance track record; cash flows; valuation of collateral.

The exposures are subjected to regular monitoring of (i.e. cash flows of the projects, security cover and operational performance is regularly monitored). The Company manages and controls credit risk by setting limits on the amount of exposure at each sector/sub-sector level. The concentration of risk is monitored in relation to such limits.

31.3.1. Credit risk measurement - loans and advances

The estimation of credit exposure for risk management purposes is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a loans and advances entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations counterparties. The Company measures credit risk using probability of default (PD), exposure at default (EAD) and loss given default (LGD). This is similar to the approach used for the purpose of measuring expected credit loss (ECL) under Ind AS 109.

The Company's concentration risk is managed at the sector/sub-sector level. These limits are approved by the RMC and reviewed at regular intervals. The following table shows the risk concentration towards each sector/sub-sector.

Sector/sub-sector	Exposure limit as per risk policy		Exposure		Amount Outstanding (₹ in Crores)	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Energy Generation - Wind	20%	25%	4.87%	6.89%	1,339.91	1,657.61
Energy Generation - Solar	50%	45%	26.41%	36.54%	7,107.59	7,894.39
Energy Generation - Hydro	15%	15%	1.84%	2.19%	505.65	525.95
Energy Generation - Other	35%	25%	32.20%	21.09%	8,235.80	4,521.46
Energy Transmission	20%	25%	2.66%	3.07%	729.40	738.10
Total Energy Sector	80%	85%	67.98%	69.78%	17,918.35	15,337.51
Ports, Airports, Railways etc. (without tripartite)	25%	25%	7.74%	9.06%	2,119.61	2,160.61
Logistics	25%	25%	2.95%	2.73%	642.10	656.16
Bulk Material Transportation	25%	25%	1.33%	1.59%	365.99	381.99
Other social and commercial infrastructure	25%	25%	1.79%	0.55%	493.01	123.40
Hospitals	25%	25%	0.52%	0.66%	141.62	158.96

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Sector/sub-sector	Exposure limit as per risk policy		Exposure		Amount Outstanding (₹ in Crores)	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Education Institutions	25%	25%	0.00%	0.29%	-	68.65
Transport - Roads	25%	-	3.70%	4.50%	1,016.40	1,073.58
Water & Sanitation	15%	15%	2.02%	2.31%	521.79	521.79
Communication	15%	15%	11.97%	8.53%	2,171.09	1,635.54
Total			100.00%	100.00%	25,389.96	22,118.19

a) Credit risk grading

The Company uses internal credit risk grading framework that reflects its assessment of the probability of default of individual counterparty. Borrower and loan specific information collected at the time of initial application and annual re-rating exercise is fed into risk rating model. This is supplemented by external data such as credit bureau scoring information.

The framework is robust and comparable to credit models used by premier credit rating bureaus. The credit rating model considers various parameters (such as promoter strength, operating risk, market risk, financial factors, etc.) and a score is assigned to each parameter between 1 (lowest) to 5 (highest). The internal rating grade is based on the final score derived from the credit rating model.

The Company's internal rating grades

Internal rating grades	Description of the grade
iAAA	Highest Safety
iAA+	High Safety
iAA	
iAA-	
iA+	Adequate Safety
iA	
iA-	
iBBB+	Moderate Safety
iBBB	
iBBB-	
iBB+, iBB & iBB-	Moderate Risk
iB, iC & iD	High Risk/ Very High Risk/ Default

As per risk rating policy, the Company does not finance the projects having internal rating grade below iBBB-, arrived as per the above mentioned risk rating framework. In case of difference between internal rating grade and external credit rating (if any), then lower of the two ratings would be considered while evaluating the minimum rating criteria.

However, at the time of sanction, if the external credit rating is below internal rating grade, but is expected to improve due to various factors (including refinance loan terms), Company may provide financial assistance to such borrowers on the condition that the disbursement would be made only after the minimum investment grade rating as aforesaid is obtained.

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An annual review of the loans / debentures (credit substitutes) would be conducted to determine the credit migration and rating of the portfolio. The analysis below summarises the credit quality of the Company's debt portfolio at March 31.

Internal rating grades	% of total customer		% of total outstanding	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
iAAA	0%	0%	0%	0%
iAA+, iAA, iAA-	17%	28%	33%	46%
iA+, iA, iA-	56%	52%	48%	41%
iBBB+	20%	11%	12%	7%
iBBB	7%	9%	5%	6%
iBBB-	1%	0%	1%	0%
Total	100%	100%	100%	100%

b) Expected credit loss measurement

Ind AS 109 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired. Refer note 31(b) (i) below for a description of how the Company determines when a significant increase in credit risk has occurred.
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'. Refer note 31(b)(ii) below for a description of how the Company defines credit-impaired and default.
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 have their ECL measured based on expected credit losses on a lifetime basis while for Stage 3, probability of default is taken as 100%. Refer note 31(b)(iii) below for a description of inputs, assumptions and estimation techniques used in measuring the ECL.
- A pervasive concept in measuring ECL in accordance with Ind AS 109 is that it should consider forward-looking information.

The following diagram summarises the impairment requirements under Ind AS 109:

Change in credit quality since initial recognition		
Stage 1	Stage 2	Stage 3
(Initial recognition)	(Significant increase in credit risk since initial recognition)	(Credit-impaired assets)
12-month expected credit losses	Lifetime expected credit losses	PD taken as 100%

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FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)**i) Significant increase in credit risk (SICR)**

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the quantitative, qualitative or backstop criteria have been met.

Quantitative criteria:

The credit risk on a financial asset of the Company are assumed to have increased significantly since initial recognition when contractual payments are 31 days past due but less than 90 days past due, with rebuttable presumption. Accordingly the financial assets shall be classified as Stage 2, if on the reporting date, it has been 31 days past due but less than 90 days past due.

Qualitative criteria:

For all financial instruments held by the Company, if the borrower is on the watch list and/or the instrument meets one or more of the following criteria:

- Internal rating downgrade of two notches or more
- Any event/s of non-cooperation
- Evidence of diversion of funds

- d) The Company has not used the low credit risk exemption for any financial instruments in the year ended March 31, 2025.

ii) Default and credit-impaired asset

The Company defines a financial asset as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria:

The borrower is more than 90 days past due on its contractual payments to be considered in default.

Qualitative criteria:

The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

- the borrower is in long-term forbearance
- the borrower is insolvent

The criteria above have been applied to all financial instruments held by the Company and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the probability of default (PD), exposure at default (EAD) and loss given default (LGD) throughout the Company's expected loss calculations.

iii) Measuring ECL – Explanation of inputs, assumptions and estimation techniques

The Expected Credit Loss (ECL) is measured on either a 12-month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the probability of default (PD), exposure at default (EAD), and loss given default (LGD), defined as follows:

PD Estimation:

The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

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The lifetime PD is developed by applying a maturity profile to the current 12M PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

The credit quality of the portfolio is assessed using internally developed credit rating model. The internal rating grade is determined for every initial application and annual re-rating is also performed for all existing counterparties. In the absence of default/SMA history and limited number of counterparties involved, credit rating data available in public domain has been used to assign PDs to Internal rating grades.

- For Stage 1, 12 month PD are calculated on average of three rating agencies for 1 year cumulative default rate data and GDP forecast estimates have been used to arrive at 12 month PD for base case, best case and worst case economic scenarios
- For Stage 2, Lifetime PD are calculated by considering the survival rate of the counterparty for the remaining maturity. The PD is based on average transition matrices of three rating agencies based on corporates.
- For Stage 3, Lifetime PD is taken as 100%

Internal rating grades – 12 month PD Mapping:

Internal rating grades		PIT PD
Highest Safety	iAAA	0.19%
High Safety	iAA+	0.17%
	iAA	0.17%
	iAA-	0.17%
Adequate Safety	iA+	0.25%
	iA	0.25%
	iA-	0.25%
Moderate Safety	iBBB+	1.08%
	iBBB	1.08%
	iBBB-	1.08%
Moderate Risk	iBB+	3.73%
	iBB	3.73%
	iBB-	3.73%
High Risk	iB	7.33%
Very High Risk	iC	24.87%
Default	iD	100.00%

Exposure at default:

EAD is based on the amounts the Company expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD).

For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12 month or lifetime basis. This will also be adjusted for any expected overpayments made by a borrower. Early repayment/refinance assumptions are also incorporated into the calculation.

Loss given default:

Loss Given Default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit

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of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type and security coverage.

- In case of re-financing of operating road project, the Company enters into a tripartite agreement with the concessionaire and NHAI/any other project authority for ensuring a compulsory buyout with termination payments. The LGD for road project loans is taken as 5% since the entire credit exposure arising out of loan agreement is secured by way of tripartite agreement with Government authorities. 5% assumption on LGD is hence assumed only to capture any time delay in enforcing the tripartite agreement.
- In case of re-financing of other operating infrastructure project loans, the primary credit support is cash flow control and additional comfort is taken as project assets as collateral. In absence of actual instances of default and consequential recoveries, the LGD rates under "Foundation IRB approach" as prescribed by RBI, after considering the threshold level of collateralisation and required level of over collateralisation for full recognition of collateral, have been taken as a proxy measure.

ECL computation:

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month).

iv) Forward-looking information incorporated in the ECL model

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Company has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for portfolio.

Judgment has also been applied in this process. Forecasts of these economic variables (the "base economic scenario") are provided on a regular basis and provide the best estimate view of the economy over the next five years.

The assessment of SICR is performed using the Lifetime PD under each of the base, and the other scenarios, multiplied by the associated scenario weighting, along with qualitative and backstop indicators. This determines whether the whole financial instrument is in Stage 1, Stage 2, or Stage 3 and hence whether 12-month or lifetime ECL should be recorded. Following this assessment, the Company measures ECL as either a probability weighted 12 month ECL (Stage 1), or a probability weighted lifetime ECL (Stages 2 and 3). These probability-weighted ECLs are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting (as opposed to weighting the inputs).

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Company considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the Company's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

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The Company has identified the "GDP growth rate" as a key driver for the expected credit loss. To smoothen the GDP growth rate for past 15 years, GDP growth rates achieved during black swan events such as during the COVID period (FY21) and subsequent high revival growth rate (FY22) have not been considered while taking the GDP numbers for March 2025 ECL workings.

The following table sets out the assumptions used for base case, best case and worst case ECL scenarios, taking GDP growth rate as key driver for expected loss:

Year ended March 31, 2025

ECL Scenario	Assigned probabilities %	FY25	FY26	FY27	FY28	FY29
Base case	50%	7.02%	6.46%	6.47%	6.48%	6.49%
Best case	20%	9.47%	8.91%	8.91%	8.92%	8.93%
Worst case	30%	4.58%	4.02%	4.03%	4.04%	4.04%

Year ended March 31, 2024

ECL Scenario	Assigned probabilities %	FY25	FY26	FY27	FY28	FY29
Base case	50%	6.81%	6.46%	6.47%	6.48%	6.49%
Best case	20%	9.55%	9.20%	9.20%	9.21%	9.22%
Worst case	30%	4.07%	3.72%	3.73%	3.74%	3.75%

The GDP estimates are used to project the grade wise PD for base case, best case and worst case scenario. The final (weighted) ECL is arrived at by assigning 50%, 20% and 30% weights to the base case, best case and worst case ECL respectively.

The GDP estimates are presented for financials years

Particulars	As at March 31, 2025 (₹ in Crores)	As at March 31, 2025 (%)	As at March 31, 2025 (% of Total Loans)	As at March 31, 2024 (₹ in Crores)	As at March 31, 2024 (%)	As at March 31, 2024 (% of Total Loans)
Scenario weighted computed ECL	54.09	30%	0.21%	31.55	20%	0.14%
Management Overlay	123.64	70%	0.49%	123.28	80%	0.56%
Total Impairment Loss Allowance on Loans (Note 2)	177.73	100%	0.70%	154.83	100%	0.70%

Scenario weighted computed ECL as on March 31, 2025 is ₹ 54.09 Crores (March 31, 2024 is ₹ 31.55 Crores). Over and above this, there is management overlay of ₹123.64 Crores (₹123.28 Crores) such that the Total Impairment Loss Allowance will be 0.7% of Total Loans which amounts to ₹ 177.73 Crores (₹ 154.83 Crores)

v) Financial assets measured on a collective basis

ECL is calculated on individual basis for all loan assets.

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vi) Proposal appraisal

The Company collects relevant project/ corporate documents and initiate appraisal of the proposal. The evaluation process encompasses establishment of viability of proposal including borrower's ability to service the loan. The evaluation is undertaken through a combination of review of project/corporate documents, external rating rationales (if any), meetings with project promoters/key officials, site visits, etc.

Proposals shall be approved by the Credit Committee post recommendation by the Decision Committee.

Term loans /debentures can have fixed rate or floating rate of interest linked to the Company's benchmark rate or another agreed benchmark. There may be reset of spreads after defined intervals.

Below is the mix of assets with spread reset dates falling within 1 year and more than 1 year:

Particulars	As at March 31, 2025	As at March 31, 2024
Less than 1 year	12.95%	6.00%
More than 1 year	87.05%	94.00%

vii) Overview of modified and forborne loan

All the loan assets of the Company are categorised under Stage 1 and there are no modified or forborne loans.

c) Credit risk exposure

i) Maximum exposure to credit risk - Loans and debenture measured at amortised subject to impairment

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised. The gross carrying amount of financial assets below also represents the Company's maximum exposure to credit risk on these assets.

(₹ in Crores)

Term loans and debentures	As at March 31, 2025			Total
	Stage 1	Stage 2	Stage 3	
Performing				
Highest Safety	-	-	-	-
High Safety	8,379.68	-	-	8,379.68
Adequate Safety	12,309.76	-	-	12,309.76
Moderate Safety	4,700.52	-	-	4,700.52
Non- performing				
Moderate Risk	-	-	-	-
High Risk/ Very High Risk/ Default	-	-	-	-
Total	25,389.96	-	-	25,389.96

(₹ in Crores)

Term loans and debentures	As at March 31, 2024			Total
	Stage 1	Stage 2	Stage 3	
Performing				
Highest Safety	-	-	-	-
High Safety	10,136.38	-	-	10,136.38

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(₹ in Crores)

Term loans and debentures	As at March 31, 2024			Total
	Stage 1	Stage 2	Stage 3	
Adequate Safety	9,016.28	-	-	9,016.28
Moderate Safety	2,965.53	-	-	2,965.53
Non- performing				
Moderate Risk	-	-	-	-
High Risk/ Very High Risk/ Default	-	-	-	-
Total	22,118.19	-	-	22,118.19

ii) Maximum exposure to credit risk - Financial instruments not subject to impairment

The Company does not have any exposure to Financial instruments not subjected to impairment. The Company is exposed to credit risk from investments held in debt-oriented mutual fund units. These investments are measured at fair value through profit and loss. The following table contains an analysis of the maximum credit risk exposure from investment in mutual funds not subject to impairment (i.e. measured at FVTPL):

iii) Collateral and other credit enhancement

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

The Company employs a range of policies and practices to mitigate credit risk. The most common of these is accepting collateral for funds advanced. The Company has internal policies on the acceptability of specific classes of collateral or credit risk mitigation.

The Company prepares a valuation of the collateral obtained as part of the loan origination process. This assessment is reviewed periodically. The principal collateral types are:

- charges over tangible assets such as property, plant and equipment; and
- charges over book debts, inventories, bank deposits, and other working capital items; and
- charges over financial instruments such as debt securities and equities.

The fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a regular basis.

(₹ in Crores)

Particulars	Gross Exposure	Impairment allowance	Undrawn amount	EIR Adjustment	Carrying amount
As at March 31, 2025					
Loans to corporate entities/individuals:					
- Term loans	20,299.61	137.86	604.97	8.80	19,547.97
- Debentures and bonds	5,695.33	39.87	-	2.47	5,652.99
- Accrued interest on loans, debentures and bonds	32.10	-	-	-	32.10
Total	26,027.04	177.73	604.97	11.27	25,233.06

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(₹ in Crores)

Particulars	Gross Exposure	Impairment allowance	Undrawn amount	EIR Adjustment	Carrying amount
As at March 31, 2024					
Loans to corporate entities/individuals:					
- Term loans	15,746.13	110.22	-	24.48	15,611.42
- Debentures and bonds	6,372.07	44.60	-	9.91	6,317.55
- Accrued interest on loans, debentures and bonds	60.79	-	-	-	60.79
Total	22,178.99	154.82	-	34.39	21,989.76

iv) **Loss allowance**

The loss allowance recognised in the period is impacted by a variety of factors, as described below:

- transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent “step up” (or “step down”) between 12-month and Lifetime ECL;
- additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period;
- impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models;
- impacts on the measurement of ECL due to changes made to models and assumptions;
- financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period.

An analysis of change in the gross carrying amount of the loan portfolio and corresponding loss allowance:

The following table further explains changes in the gross carrying amount of the loan portfolio to help explain their significance to the changes in the loss allowance for the same portfolio as discussed below:

(₹ in Crores)

Term loans and debentures	Year ended March 31, 2025			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	22,144.60	-	-	22,144.60
New assets originated or purchased	7,055.10	-	-	7,055.10
Assets derecognised or repaid	(3,788.91)	-	-	(3,788.91)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
Closing balance	25,410.79	-	-	25,410.79

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(₹ in Crores)

Term loans and debentures	Year ended March 31, 2024			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	17,841.89	-	-	17,841.89
New assets originated or purchased	6,985.74	-	-	6,985.74
Assets derecognised or repaid	(2,683.04)	-	-	(2,683.04)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
Closing balance	22,144.59	-	-	22,144.59

The following table explains the changes in the loss allowance between the beginning and at the end of the annual period due to various factors:

(₹ in Crores)

Term loans and debentures	Year ended March 31, 2025			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	154.83	-	-	154.83
New assets originated or purchased	49.39	-	-	49.39
Assets derecognised or repaid	(26.49)	-	-	(26.49)
Net remeasurement of loss allowance	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
Closing balance	177.73	-	-	177.73

(₹ in Crores)

Term loans and debentures	Year ended March 31, 2024			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	124.88	-	-	124.88
New assets originated or purchased	48.90	-	-	48.90
Assets derecognised or repaid	(18.95)	-	-	(18.95)
Net remeasurement of loss allowance	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
Closing balance	154.83	-	-	154.83

The origination of new loan assets is the primary factor that contributed to the change in the loss allowance during the period.

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

31.3.2. Other financial assets

The Company has credit risk exposure in cash and cash equivalents, deposits with banks, and other financial assets. Cash and cash equivalents and bank deposits are held with only high rated banks/ financial institutions only, therefore credit risk is perceived to be low. The Company has no significant concentration of credit risk.

31.4. Liquidity risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stressful circumstances. To limit this risk management has adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a monthly basis. The Company has developed internal control processes and contingency plans for managing liquidity risk.

Prudent liquidity risk management implies maintaining liquid investments. In accordance with the Company's policy, the liquidity position is assessed by setting limits on the amount of liquidity exposure and monitoring exposures in relation to each such limits:

a) Liquidity Risk framework

Category	Limits
Limits on cumulative negative gaps, as a % of cumulative outflows [maximum]	<ul style="list-style-type: none"> - 10% of cumulative outflows for 0 to 7 days, over 7 days to 14 days - 20% of cumulative outflows for 14 days to 1-month - 25% of cumulative outflows for 1-month to 6-months - 40% of cumulative outflows for 6-months to 1-year - 50% of cumulative outflows for 1-year to 3-years - 50% of cumulative outflows for 3-years to 5-years
Capital adequacy ratio (CRAR) [minimum]	15%
Capital Classification	Tier II Capital shall not exceed Tier I Capital
Borrowings through shorter tenor bonds and commercial papers (CPs)	Up to 10% of total outstanding borrowings
Credit rating [minimum]	A
Liquidity coverage ratio (LCR) [minimum]	1.00
Earnings at risk (EaR) [maximum]	₹ 35 Crores
Liquidity ratio - Long-term assets/Total Assets	Min. 80% - Max 95%

The Company has assumed prepayment in upto 3 year buckets based on behavioral pattern as allowed under RBI circular from Oct 31,2023.

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

b) Analysis of financial assets and liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities balance sheet date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(₹ in Crores)												
As at March 31, 2025	0 - 7 Days	8 - 14 Days	15 Days - 1 Month	Over 1 Month to 2 Months	Over 2 Months to 3 Months	Over 3 Months to 6 Months	Over 6 Months to 1 Year	Over 1 Year to 3 Years	Over 3 Year to 5 Years	Above 5 Years	Total	
Deposits												
Advances	8.75	-	22.26	8.29	269.92	1,605.99	1,912.06	7,508.45	4,789.06	9,253.90	25,378.68	
Investments	149.94	-	99.58	-	-	-	-	-	-	-	249.52	
Borrowings	-	-	-	544.00	250.00	125.00	450.00	9,177.00	3,220.00	8,942.40	22,708.40	
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-	
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-	
(₹ in Crores)												
As at March 31, 2024	0 - 7 Days	8 - 14 Days	15 Days - 1 Month	Over 1 Month to 2 Months	Over 2 Months to 3 Months	Over 3 Months to 6 Months	Over 6 Months to 1 Year	Over 1 Year to 3 Years	Over 3 Year to 5 Years	Above 5 Years	Total	
Deposits	-	-	-	-	-	-	-	-	-	-	-	
Advances	31.42	-	13.78	18.12	218.97	300.53	920.48	3,369.39	4,168.92	13,042.22	22,083.83	
Investments		249.52	229.17	104.15	-	-	-	-	-	-	582.84	
Borrowings				20.00	-	376.00	1,105.00	6,622.00	5,424.00	5,589.07	19,136.07	
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-	
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-	

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)c) **Public disclosure on liquidity risk**

The disclosure in terms of RBI circular ref. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated March 21, 2024 on liquidity risk management framework for NBFCs is provided below-

(i) **Funding concentration based on significant counterparty**

Sr no	Year	No. of counterparties	Amount (₹ in Crores)	% of Total Borrowings	% of Total Liabilities
1	March 31, 2025 #	64	19,111.50	83.96%	81.46%
2	March 31, 2024	20	14,500.00	75.47%	72.91%

For FY 2025 funding concentration has been calculated based on group counterparties.

(ii) **Top 20 large deposits - Nil**(iii) **Top 10 borrowings: ₹ 15,487 Crores (represent 68.04% of total borrowings) (previous year ₹ 11,540 Crores (represent 60.06% of total borrowings))**(iv) **Funding concentration based on significant instrument/product**

Sr no	Name of instrument	March 31, 2025		March 31, 2025	
		Amount (₹ in Crores)	% of Total Liabilities	Amount (₹ in Crores)	% of Total Liabilities
1	Non Convertible Debentures	22,762.00	100.00%	19,214.00	100.00%
2	Commercial papers	-	-	-	-

(v) **Stock ratios:**

Sr no	Instrument	March 31, 2025			March 31, 2025		
		As a % of total public funds	As a % of total liabilities	As a % of total assets	As a % of total public funds	As a % of total liabilities	As a % of total assets
(a)	Commercial papers	NA	Nil	Nil	NA	0%	0%
(b)	Non Convertible Debentures (original maturity <1 year)	NA	Nil	Nil	NA	Nil	Nil
(c)	Other short term liabilities	NA	9%	8%	NA	11%	9%

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)(vi) **Institutional set-up for liquidity risk management:**

The Company has put in place an Asset Liability Management Policy under which the Asset Liability Management Committee (ALCO) has been set up to oversee Asset Liability Management (ALM), including liquidity risk management. The overall ALM framework as well as liquidity risk is managed by-

- Board which provides the overall direction for the Policy and framework.
- ALCO** - comprises of Chief Executive Officer (CEO), Chief Finance Officer (CFO) Chief Risk Officer (CRO) and Chief Business Officer (CBO) and Director - Resources. It is a decision making body responsible for strategic management of interest rate and liquidity risks.
- Asset Liability Management Support Group** - which consist of operating staff from Risk, Finance and Resources group. The ALM support group analyses / monitors the liquidity profile, limits and reports to ALCO.
- Finance Committee** - comprises of CEO, CRO, CBO and CFO. The Finance Committee is authorised to borrow monies through various instruments permitted by RBI, subject to the overall borrowing limits approved by the Board and Shareholders.
- Resources Group** - which is ALM support group and is responsible for the following:
 - Fund raising for the Company.
 - Ensuring compliance with respect to funds raised.
 - Provide market-related inputs post discussion with relevant stakeholders e.g. interest rate, liquidity and exchange rate scenarios to the ALCO.
 - Actively implement the asset and liability management strategy as decided by the ALCO.
 - Maintain appropriate liquidity buffers in consultation with relevant stakeholders (the minimum liquidity buffer would always be as specified by regulatory guidelines)
 - Prepare all regulatory and internal MIS (management information systems) and be responsible for all data collection, aggregation, and limit monitoring for liquidity risk and interest rate risk, as specified in the Policy and/or as suggested from time to time by the ALCO.
- Investment Committee** - Comprises CEO, CRO, CBO, CFO, CCO and GC is responsible for investment of surplus funds of the Company as per the Board approved Investment policy.

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

D) Disclosure on Liquidity Coverage Ratio (LCR) under RBI circular no. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated March 21, 2024 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies

Particulars	(₹ in Crores)					
	31-Mar-25		31-Dec-24		30-Sep-24	
	Total Unweighted Value (average)*	Total Weighted Value (average)#	Total Unweighted Value (average)*	Total Weighted Value (average)#	Total Unweighted Value (average)*	Total Weighted Value (average)#
High Quality Liquid Assets						
1 Total High Quality Liquid Assets (HQLA)₁	757	689	1,190	1,064	1,273	1,147
Balance in Current Account	20	20	112	112	18	18
T-bill	283	283	242	242	416	416
NCDs (HQLA)	454	386	836	711	839	713
Cash Outflows						
2 Deposits (for deposit taking companies)	-	-	-	-	-	-
3 Unsecured wholesale funding	-	-	-	-	-	-
4 Secured wholesale funding	377	433	242	278	763	877
5 Additional requirements, of which	-	-	-	-	-	-
(i) Outflows related to derivative exposures	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-	-	-
6 Other contractual funding obligations	6	7	6	7	2,764	2,867
7 Other contingent funding obligations	-	-	-	-	-	-
8 Total Cash Outflows	383	440	248	285	3,527	3,744
Cash Inflows						
9 Secured lending	-	-	-	-	-	-
10 Inflows from fully performing exposures	385	289	229	172	806	605
11 Other cash inflows	1,574	1,181	1,170	877	2,972	2,755
12 Total Cash Inflows	1,959	1,470	1,399	1,049	3,778	3,360
		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13 Total HQLA		689		1,064		1,147
14 Total Net Cash Outflows (Higher of inflow less outflows or 25% of outflows)		110		71		936
15 LIQUIDITY COVERAGE RATIO (%)		626%		1496%		123%
						163%

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Notes:

- Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).
- Weighted values must be calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.
- There is change in methodology of LCR calculation from Q3 FY 2025 onwards from actual basis to estimated basis for next 30 days.”
 - The main drivers of their LCR results and the evolution of the contribution of inputs to the LCR's calculation over time:
 - intra-period changes as well as changes over time: Quarterly LCR mentioned in table above
 - the composition of HQLAs: Mentioned above
 - concentration of funding sources: Refer 31.4 (c) liquidity risk
 - derivative exposures and potential collateral calls: NA
 - currency mismatch in the LCR: NA
 - other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile: NA

31.5. Market Risk

The risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and mutual fund NAV's.

a) Interest rate risk-lending

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Company's main interest rate risk arises from lending with variable rates, which expose the Company to cash flow interest rate risk. During March 31, 2025 and March 31, 2024, the Company's lending portfolio at variable rate are mainly denominated in Indian rupees (₹).

The Company's fixed rate lending portfolio is carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

i) Interest rate risk exposure

The exposure of the Company's lending portfolio to interest rate changes at the end of the reporting years are as follows:

Particulars	(₹ in Crores)	
	As at March 31, 2025	As at March 31, 2024
Variable rate lending portfolio	329.64	437.85
Fixed rate loans	25,060.00	21,680.34
Total	25,389.64	22,118.19

ii) Sensitivity

a) Interest rate risk - Loans and debenture

Profit or loss may be impacted due to change in interest rate on rate-sensitive assets and liabilities.

Particulars	Impact on profit after tax	
	Year ended March 31, 2025	Year ended March 31, 2024
Interest rates – increase by 100 basis points	29.30	15.13
Interest rates – decrease by 100 basis points	(29.30)	(15.13)

*The sensitivity is derived holding all other variables constant

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

iii) Company does not have any variable rate borrowings; hence its not exposed to borrowing interest rate risk exposure.

b) Price risk

Since the Company does not hold any equity instruments, it is not exposed to price risk. Investment in Mutual fund is subject to price risk.

c) Foreign currency risk:

The Company does not have any foreign currency exposures in respect of financial assets and financial liabilities as at the balance sheet date that will result in net currency gains or losses in the statement of profit and loss due to change foreign currency exchange rates. This mitigates the foreign currency risk exposure for the Company.

31.6. Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. Operational risk management process comprises of identification, assessment, measurement, monitoring/controlling, reporting and mitigation of operational risk. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit. Periodic Business Operational Risk Committee (BORC) meetings are convened to keep a track of operational risks and mitigation plans across the Company.

32 RELATED PARTY DISCLOSURE

List of Related Parties

a) Controlling Stake Holder

National Investment and Infrastructure Fund II

b) Entity with significant influence

National Investment and Infrastructure Fund Limited (Investment Manager of National Investment and Infrastructure Fund II)

Aseem Infrastructure Finance Limited

President of India

c) Key Management Personnel

Mr. Shiva Rajaraman - Chief Executive Officer

Mr. Pankil Mehta - Chief Financial Officer (Appointed wef March 28, 2024)

Mr. Sudeep Bhatia - Chief Financial Officer (Appointed wef June 25, 2024)

Mr. Ankit Sheth - Company Secretary

d) Directors

Mr. AKT Chari - Nominee Director, NIIF

Mr. Ashwani Kumar - Independent Director

Ms. Rosemary Sebastian - Independent Director

Mr. Prashant Kumar Ghose - Independent Director

Mr. Padmanabh Sinha - Nominee Director NIIF Fund II (Ceased w.e.f March 31, 2025)

Mr. Nilesh Shrivastava – Nominee Director NIIF Fund II

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Related Party	Parent		Subsidiaries		Entity with significant influence		KMPs		Relatives of KMPs		Directors		Relatives of Directors		Total	
	FY24	FY25	FY24	FY25	FY24	FY25	FY24	FY25	FY24	FY25	FY24	FY25	FY24	FY25	FY24	FY25
Items																
Recovery against Shared Service Cost	-	0.05	-	-	0.26	-	-	-	-	-	-	-	-	-	0.26	0.05
Processing fees received	-	-	-	-	0.20	-	-	-	-	-	-	-	-	-	0.20	-
Reimbursement of expenses to related Party	-	-	-	-	0.13	-	-	-	-	-	-	-	-	-	0.13	-
Dividend	-	8.20	-	-	-	6.36	-	-	-	-	-	-	-	-	-	14.56
Purchase of Loans & Advances	-	-	-	-	478.33	358.46	-	-	-	-	-	-	-	-	478.33	358.46
Proceeds from issue of equity share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from issue of equity share premium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	3.88	5.25	-	-	-	-	-	-	3.88	5.25
Sitting Fees	-	-	-	-	-	-	-	-	-	-	0.82	0.73	-	-	0.82	0.73
Balances outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	8.25	-	-	478.92	364.82	3.88	5.25	-	-	0.82	0.73	-	-	483.62	379.05

33 The Company has used accounting software for maintaining its books of account which has a feature of recording audit-trail (edit log) and same was operated through-out the year for all relevant transactions recorded in the software. the Company did not use database feature to enable audit trail due to security and performance consideration. However, company has effective control mechanism with respect to database management to check if there is any change in database. Further, the Company is in the process of allowing access to Database and Server only through Privileged Accesses Management.

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

34 OTHER DISCLOSURES:

a) Ratios

Ratios	Description	March 31, 2025	March 31, 2024
Debt-Equity Ratio	Total Debt / Total Equity	5.42	5.13
Current Ratio	NA	NA	NA
Long Term Debt to Working Capital	NA	NA	NA
Bad Debts to Account Receivable Ratio	NA	NA	NA
Current Liability Ratio	NA	NA	NA
Total Debts to Total Assets	Total Debt / Total Asset	0.84	0.83
Debtors Turnover	NA	NA	NA
Inventory Turnover	NA	NA	NA
Profit before tax margin (%)	PBT / Total Revenue	22.79%	22.49%
Net Profit Margin (%)	PAT / Total Revenue	22.32%	22.76%
Net Worth (in ₹ in Crores)	Share capital + Reserves and surplus	4,325.98	3,859.65
Net Profit After Tax (in ₹ in Crores)		487.21	420.47
Earnings Per Share (Basic)	PAT / Total number of shares	3.54	3.06
Earnings Per Share (Diluted)	PAT / Total diluted number of shares	3.54	3.06
Gross/ Net Non-Performing Assets (NPAs)		Nil	Nil
Capital Redemption Reserve/ Debenture Redemption Reserve*	NA	NA	NA
LCR	Liquidity coverage ratio	6.26	2.26

*Not applicable, being a Non-Banking Financial Service Company registered with the Reserve Bank of India.

- b)** There are no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- c)** No proceeding has been initiated during the year or pending against the Company for holding any Benami property
- d)** The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- e)** During the current year the Company has not traded or invested in Crypto currency or Virtual Currency.
- f)** The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

- g)** The Company, has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- h)** The Company, has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- i)** The information as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) has been determined to the extent such parties have been identified on the basis of information received from suppliers regarding their status under the said act as available with the Company and relied upon by the auditors, is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Outstanding principal amount and interest due to suppliers registered under MSMED Act and remaining unpaid at the year end:	0.27	β
- Principal amount	0.27	β
- Interest due thereon	-	-
Interest paid other than under section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the period.	-	-
Interest paid under section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the period.	-	-
Amount of interest due and payable (where the principal has already been paid but interest has not been paid).	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act.	-	-

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)**35 THE FOLLOWING ADDITIONAL INFORMATION IS DISCLOSED IN TERMS OF THE RBI CIRCULAR RBI/DOR/2023-24/106 DOR.FIN.REC.NO.45/03.10.119/2023-24, OCTOBER 19, 2023 AS AMENDED.****(a) Capital to risk assets ratio (CRAR):** Refer note 28**(b) Details of Investments are set out below:**

		As at March 31, 2025	As at March 31, 2024
1	Value of Investments		
(i)	Gross Value of Investments		
(a)	In India	249.53	582.84
(b)	Outside India	-	-
	(A)	249.53	582.84
(ii)	Provision for depreciation		
(a)	In India	-	-
(b)	Outside India	-	-
	(B)	-	-
(iii)	Net Value of Investments		
(a)	In India	249.53	582.84
(b)	Outside India	-	-
	(A-B)	249.53	582.84
2	Movement of provisions held towards depreciation on investments.		
(i)	Opening balance	-	-
(ii)	Add: Provisions made during the year	-	-
(iii)	Less: Write-offs/ write-back of excess provisions during the year	-	-
(iv)	Closing balance	-	-

(c) Details of non-performing financial assets purchased/sold and accounts subjected to restructuring:

The Company has not undertaken any transactions for purchase/sale of NPA's in the current and in the previous year and hence the related disclosure are not applicable to the Company

(d) Asset Liability Management Maturity pattern of certain items of assets and liabilities

Please refer note (31b) for the Asset Liability Management maturity patterns

In computing the above information, certain estimates, assumptions and adjustments have been made by the Management which have been relied upon by auditors.

(e) Exposures to real estate sector (Based on amounts sanctioned):

This disclosure is not applicable to the Company as there are no exposures, direct or indirect to real estate sector as at March 31, 2025 and as at March 31, 2024.

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)**(f) Exposures to Capital Market**

This disclosure is not applicable to the Company as there are no exposures to capital market as at March 31, 2025 and as at March 31, 2024.

(g) Details of Single Borrower Limit and Borrower Group Limit exceeded by the Company

During the years ended March 31, 2025 and as at March 31, 2024, the Company's credit exposure to single borrowers and group borrowers were within the limits prescribed by the RBI.

(h) Borrower group-wise classification of assets financed:

	As at March 31, 2025 net of provision	As at March 31, 2024 net of provision
1	Related parties	
(a)	Subsidiaries	-
(b)	Companies in the same group	-
(c)	Other related parties	-
2	Other than related parties *	25,233.06
Total	25,233.06	21,989.77

(*) Net of provision for standard assets

(i) Unsecured advances

The Company has not given any unsecured advances in the current year and in the previous year.

(j) Registration obtained from other financial regulators

The Company has not obtained registrations from other financial sector regulators.

(k) Penalties / fines imposed by the RBI

During the year ended March 31, 2025 there was no penalty imposed by the RBI and other regulators (Previous Year ₹ Nil).

(n) Break up of 'Provisions and Contingencies' shown under the head 'Expenses' in the Statement of Profit and Loss

	(₹ in Crores)	
Particulars	As at March 31, 2025	As at March 31, 2024
Provisions for depreciation on Investment	-	-
Provision towards NPA	-	-
Provision made towards Income tax	-	-
Other Provision and Contingencies	-	-
Provision for Standard Assets	22.90	29.95
	22.90	29.95

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

In terms of RBI circular reference DOR (NBFC) .CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020, the template of comparison between provisions required under Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109 is provided below:-

(₹ in Crores)

Asset Classification as per RBI norms March 31, 2025	Asset Classification as per Ind AS 109	Gross Carrying amount as per Ind AS	Loss Allowance (Provision as required under Ind AS 109)	Net Carrying Amount	Provision as required as per IRACP norms	Difference between Ind AS 109 provisios under IRACP norms
1	2	3	4	5=3-4	6	7=4-6
Performing Assets						
Standard	Stage 1	25,410.79	177.73	25,233.06	101.64	76.09
	Stage 2	-	-	-	-	-
Subtotal		25,410.79	177.73	25,233.06	101.64	76.09
Non Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful- up to 1 year	Stage 3	-	-	-	-	-
1-3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for Doubtful		-	-	-	-	-
Loss		-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments,	Stage 1	-	-	-	-	-
etc which are in the scope of Ind AS 109 but not	Stage 2					
covered under Current Income Recognition,	Stage 3	-	-	-	-	-
Asset Classification and Provisioning (IRACP) norms						
Total	Stage 1	25,410.79	177.73	25,233.06	101.64	76.09
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	25,410.79	177.73	25,233.06	101.64	76.09

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(₹ in Crores)

Asset Classification as per RBI norms March 31, 2024	Asset Classification as per Ind AS 109	Gross Carrying amount as per Ind AS	Loss Allowance (Provision as required under Ind AS 109)	Net Carrying Amount	Provision as required as per IRACP norms	Difference between Ind AS 109 provisios under IRACP norms
1	2	3	4	5=3-4	6	7=4-6
Performing Assets						
Standard	Stage 1	22,144.60	154.83	21,989.77	88.58	66.25
	Stage 2	-	-	-	-	-
Subtotal		22,144.60	154.83	21,989.77	88.58	66.25
Non Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful- up to 1 year	Stage 3	-	-	-	-	-
1-3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for Doubtful		-	-	-	-	-
Loss		-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments,	Stage 1	-	-	-	-	-
etc which are in the scope of Ind AS 109 but not	Stage 2					
covered under Current Income Recognition,	Stage 3	-	-	-	-	-
Asset Classification and Provisioning (IRACP) norms						
Total	Stage 1	22,144.60	154.83	21,989.77	88.58	66.25
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	22,144.60	154.83	21,989.77	88.58	66.25

(o) Drawdowns from Reserves

The Company has not undertaken any drawdown from reserves during the current year and previous year and hence the related disclosures are not applicable to the Company.

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(p) Concentration of Advances

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Advances to twenty largest borrowers/ customers	11,075.04	10,277.85
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	43.62%	46.47%

(q) Concentration of Exposures

(₹ in Crores)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Exposure to twenty largest borrowers / customers	11,875.11	10,363.29
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	43.19%	46.43%

(r) Concentration of Non Performing Assets (NPAs) /Sectorwise NPAs/ Movement in NPAs

The Company did not have any NPAs in the current year and in the previous year and hence the related disclosures are not applicable to the Company.

(s) The information on Overseas Assets (for those with Joint Ventures and Subsidiaries abroad) is given below:

(₹ in Crores)

Name of the Joint Venture/ Subsidiary	For the year ended March 31, 2025		
	Other Partner in the JV	Country	Total Assets
	Nil	Nil	Nil

(₹ in Crores)

Name of the Joint Venture/ Subsidiary	For the year ended March 31, 2024		
	Other Partner in the JV	Country	Total Assets
	Nil	Nil	Nil

(t) The information on off balance sheet SPV sponsored (which are required to be consolidated as per accounting norms):

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Nil	Nil

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(u) Disclosure of complaints :

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No	Particulars	March 31, 2025	March 31, 2024
Complaints received by the NBFC from its customers			
1	Number of complaints pending at beginning of the year	-	-
2	Number of complaints received during the year	-	-
3	Number of complaints disposed during the year	-	-
	3.1 Of which, number of complaints rejected by the NBFC	-	-
4	Number of complaints pending at the end of the year	-	-
Maintainable complaints received by the NBFC from Office of Ombudsman			
5*	Number of maintainable complaints received by the NBFC from Office of Ombudsman	-	-
	5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombud	-	-
	5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
	5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6.*	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

*It shall only be applicable to NBFCs which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

2) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
March 31, 2025					
Ground - 1					
Ground - 2					
Ground - 3					
Ground - 4					
Ground - 5					
Others					
Total					

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
March 31, 2024					
Ground - 1					
Ground - 2					
Ground - 3					
Ground - 4					
Ground - 5					
Others					
Total					

36 The additional information required to be disclosed in terms of RBI circular (Ref. No. RBI/2009-2010/356/IDMD/4135/11.08.43/2009-10) dated March 23, 2010 is not applicable for the Company.

37 INTRA GROUP EXPOSURE

(₹ in Crores)		
Particulars	March 31, 2025	March 31, 2024
Total amount of intra-group exposures	-	-
Total amount of top 20 intra-group exposures	-	-
Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	-	-

38 Details of loans not in default transferred during the quarter ended March 31, 2025 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

Details of loans not in default acquired from other entities:

Mode of transfer	Assignment and Novation
No.of accounts	4
Aggregate principal outstanding of loans acquired	₹ 298.09 crs
Aggregate consideration paid	₹ 298.78 crs
Weighted average holding period	17 years
Weighted average holding period	N.A.
Retention of beneficial economic interest by the originator	Nil
Coverage of tangible security	> 1x secured
Rating-wise distribution of loans acquired by value:	A - 100%

NOTES FORMING PART OF AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Details of loans not in default transferred to other entity:

Mode of transfer	Assignment and Novation
No.of accounts	8
Aggregate principal outstanding of loans transferred	₹ 117.57 cr #
Weighted average residual tenor of the loans transferred	15.33 years
Net book value of loans transferred (at the time of transfer)	₹ 117.57 cr
Aggregate consideration	₹ 117.57 cr
Additional consideration realised in respect of accounts transferred in earlier years	-
Weighted average holding period	1.24 years
Retention of beneficial economic interest by the originator	-
Coverage of tangible security	> 1x secured
Rating-wise distribution of rated loans transferred	
A-	₹ 29.81 cr
BBB+	₹ 11.24 cr
BBB	₹ 76.52 cr

39 Frauds reported during the year- Nil (Previous year Nil)

40 There are no instances of breach of covenant of loan availed or debt securities issued during the year. (Previous year -Nil)

41 There are no divergence in Asset Classification and Provisioning during the year (Previous year -Nil)

42 There are no unhedged foreign currency exposure during the year (Previous year -Nil)

43 There are no loans granted to Directors & their relatives, Entities associated with directors & their relatives, Senior Officers & their relatives (Previous year -Nil)

44 The figures of ₹ 50,000 or less have been denoted by β.

45 Previous year figures have been regrouped/reclassified wherever necessary to correspond with those of the current year's classification/disclosure.

For G.M. Kapadia & Co.
Chartered Accountants
ICAI Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569

For M.P.Chitale & Co.
Chartered Accountants
ICAI Firm Registration No. 101851W

Ashutosh Pednekar
Partner
Membership No. 041037

Place: Mumbai
Date: April 30,2025

**For and on behalf of the Board of Directors of
NIIF Infrastructure Finance Limited**

Nilesh Shrivastava
Director
DIN No. 09632942

Shiva Rajaraman
Chief Executive Officer

Ankit Sheth
Company Secretary

AKT Chari
Director
DIN No. 00746153

Sudeep Bhatia
Chief Financial Officer

Notes



Rangoli decoration by team NIIF IFL, celebrating 10 years of our business journey.



NIIF IFL INFRASTRUCTURE FINANCING

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