



LIMITED

आई एफ सी आई लिमिटेड
(A Government of India Undertaking)
(भारत सरकार का उपक्रम)



IFCI TOWER

ANNUAL REPORT 2018-19

TWENTY-SIXTH ANNUAL GENERAL MEETING

DATE : October 30, 2019

DAY : Wednesday

TIME : 10:30 A.M.

PLACE : Auditorium, 1st Floor, IFCI Tower
61 Nehru Place, New Delhi - 110 019

- NOTE :**
1. Shareholders are requested to bring their copy of the Annual Report with them to the Annual General Meeting.
 2. No gifts or coupons would be given to the shareholders for attending the Annual General Meeting.

APPEAL

1. Shareholders are requested to register their email ID with the Company/ Registrar & Transfer Agent (R&TA) at complianceofficer@ifcilt.com or admin@mcsregistrars.com, helpdeskdelhi@mcsregistrars.com, in case the shares are held in physical form and with their depository participants (DPs) in case the shares are held in Dematerialised form, to support the Green Initiative taken by the Ministry of Corporate Affairs. Save Trees, Save Environment.
2. IFCI Ltd. had been declaring and paying dividend on its paid-up equity capital from time to time. The dividend details are provided in the Annual Reports of the Company and are available at IFCI's website www.ifcilt.com.

As per Section 124(6) of the Companies Act, 2013, all **shares** in respect of which Dividend has not been paid or claimed for 7 consecutive years or more shall be transferred by the Company to IEPF Authority. All subsequent corporate benefits such as Bonus Shares, Dividend etc. except right issue, if any, that may accrue in relation to the above shares will also be credited to the IEPF Authority.

We, therefore, advise you to claim the unclaimed dividends for FY 2012-13 and onwards, by making an application to the Company so as to reach the Company / R&TA of the Company, so that your shares are not transferred to IEPF Authority in compliance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund), Amendment Rules, 2017 (IEPF Rules). Both unclaimed dividend and the shares that have been transferred to IEPF Authority, may be claimed from the IEPF Authority by following prescribed procedure.

3. In terms of SEBI Gazette Notification date June 08, 2018 read with SEBI Press Release date December 03, 2018, after April 01, 2019, transfer of listed securities (Shares, Debentures, Bonds, etc.) would be carried out in dematerialised form only. Therefore, Security holders are requested to get their securities dematerialised in order to avoid any inconvenience, as per Regulation 40 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
4. Security holders holding security in physical form are requested to submit their PAN & Bank Account details with the company or respective R&TAs, in terms of SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018.

CONTENTS

Board of Directors & Principal Officers	2
Financial Highlights	3
Annual Performance Trends	4
Chairman's Speech for Financial Year 2018-19	5
Notice.....	7
Board's Report.....	13
Report on Corporate Governance.....	60
Form AOC-1	70
Independent Auditors' Report.....	72
Balance Sheet	80
Statement of Profit and Loss	81
Cash Flow Statement.....	82
Accounting Policies & Notes to the Financial Statements	84
Independent Auditors' Report (Consolidated).....	161
Consolidated Balance Sheet.....	170
Consolidated Statement of Profit and Loss.....	171
Consolidated Cash Flow Statement	172
Accounting Policies & Notes to the Consolidated Financial Statements	174

BOARD OF DIRECTORS

Dr Emandi Sankara Rao

Managing Director & CEO

Shri Anand Madhukar

Dr Bhushan Kumar Sinha

Ms Kiran Sahdev

Prof N Balakrishnan

Prof Arvind Sahay

(As on 01.08.2019)

CHIEF VIGILANCE OFFICER

Shri Atul Sinha

PRINCIPAL OFFICERS

EXECUTIVE DIRECTORS

Shri V Satyavenkata Rao

Shri Biswajit Banerjee

CHIEF GENERAL MANAGERS

Shri Prasoon

Shri Sachikanta Mishra

GENERAL MANAGERS

Shri Sanjeev Kumar Jain

Shri Shivendra Tomar
(Additional charge as ED-ILD)

Shri Suneet Shukla

Smt Pooja S Mahajan

Shri Pawan Kumar

Shri Bikash Kanti Roy
(On deputation to IFL as MD)

Shri Atul Saxena

Shri Vijay Pal

Smt Rita Jan

Shri Harjeet Singh

Shri Rajeev Ahluwalia

Smt Jhummi Mantri (CFO)

Shri Deepak Mishra

Shri Samik Dasgupta

Shri V Anish Babu

Smt Rupa Deb (Sarkar) (CS)

Shri Rajesh Kumar Gupta
(Chief Risk Officer)

Shri Alok Sabharwal

Smt C Santhi

Shri Shakti Kumar
(On deputation to IVCF as MD)

Shri V K Deshraj

Shri Manoj Kumar Parida

Shri V Sreekumaran Nair

Shri Debashish Gupta

Shri B B Sahu

Shri Dharam Pal Rauhilla

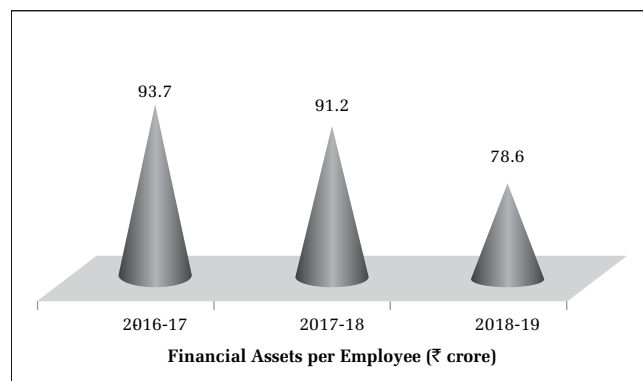
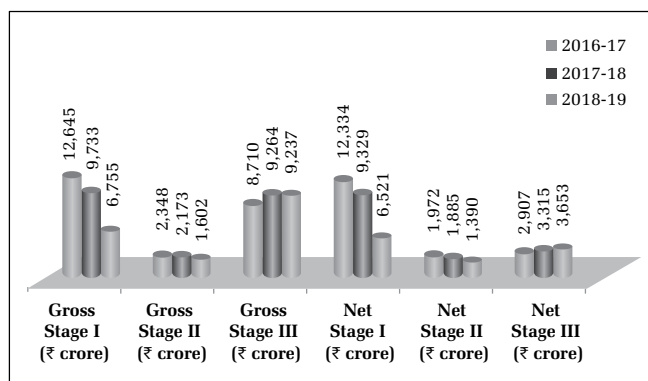
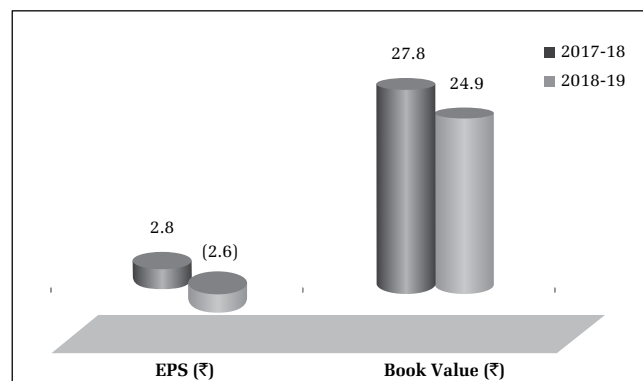
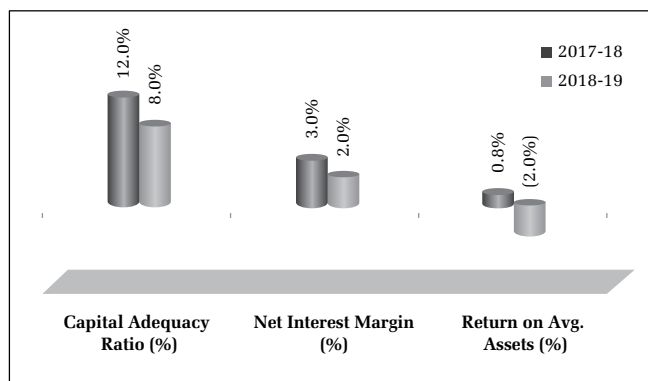
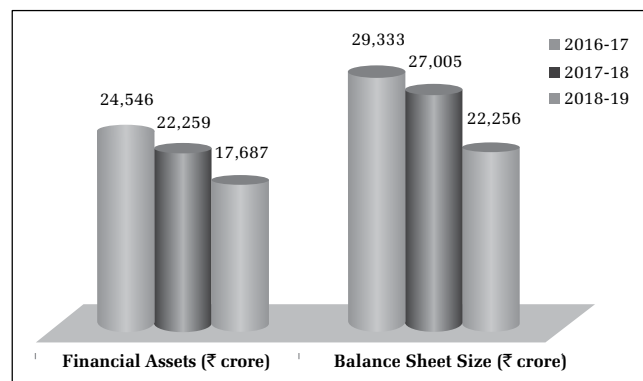
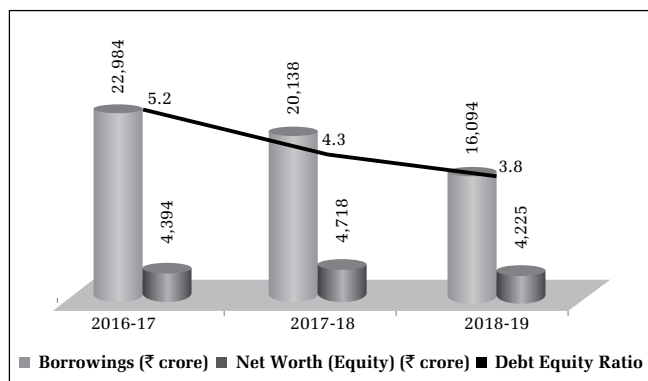
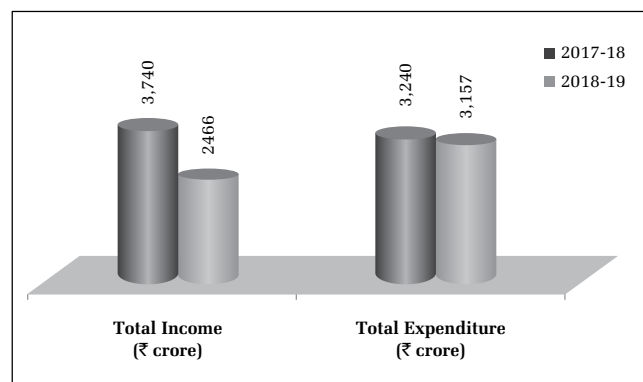
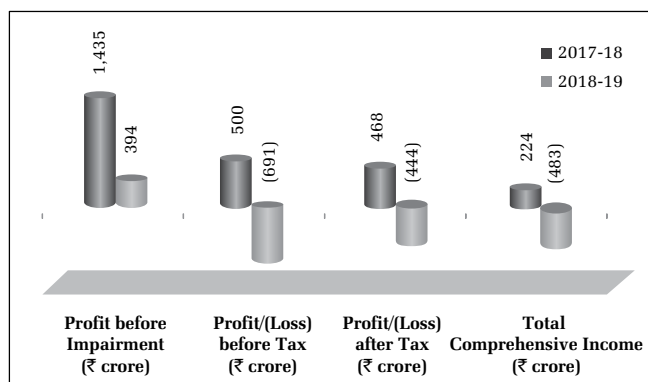
STATUTORY AUDITORS

KPMR & ASSOCIATES
Chartered Accountants

FINANCIAL HIGHLIGHTS

	(₹ crore)		
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
LIABILITIES AND EQUITY			
Financial Liabilities	17,945.78	22,044.20	24,696.29
Non-financial Liabilities	84.47	242.06	242.42
Share Capital	1,695.99	1,695.99	1,662.04
Other Equity	2,529.31	3,022.28	2,732.23
	<u>22,255.55</u>	<u>27,004.53</u>	<u>29,332.98</u>
ASSETS			
Non-financial Assets	4,522.63	4,173.38	4,119.80
Financial Assets	17,687.46	22,259.16	24,546.44
Assets Classified as held for sale	45.46	571.99	666.74
	<u>22,255.55</u>	<u>27,004.53</u>	<u>29,332.98</u>
	<u>2018-2019</u>	<u>2017-2018</u>	
EARNINGS			
Total Income (₹ crore)	2466.20	3,739.99	
Profit before Impairment	393.54	1,434.62	
Profit/(Loss) before Tax (₹ crore)	(691.29)	500.25	
Profit/(Loss) after Tax (₹ crore)	(443.83)	468.37	
Total Comprehensive Income	(483.18)	224.00	
RATIOS			
Capital to Risk Assets Ratio	8.0%	12.0%	
Debt-Equity Ratio	3.8	4.3	

ANNUAL PERFORMANCE TRENDS



CHAIRMAN'S SPEECH FOR FINANCIAL YEAR 2018-19

Dear Shareholders,

I welcome you to the 26th Annual General Meeting of IFCI Ltd. I thank you for your continued trust and unwavering support, extended to IFCI all these years.

Before coming to IFCI's performance, I would like to dwell on the developments in the Indian economy and the Banking & Finance sector during the financial year 2018-19.

MACRO-ECONOMIC SCENARIO & DEVELOPMENTS

The world economy grew at a decelerated rate in 2018 at 3.6% as compared to 3.8% growth registered in 2017. The economic activity slowed down in 2018 on account of the escalation of US-China trade tensions, macroeconomic stress in Argentina and Turkey, disruptions to the auto sector in Germany, tighter credit policies in China, and financial tightening alongside the normalization of monetary policy in the larger advanced economies. All these factors have contributed to a significantly weakened global expansion, especially in the second half of 2018, after experiencing strong growth in 2017 and early 2018, thereby reflecting financial consolidation and slow-down in manufacturing due to trade tensions between major economies.

The Indian economy, consecutively for the 2nd year, was able to retain its place of the fastest growing major economy in the world in FY 2018-19 as well, as it continued its climb on an upward growth path, however, it grew at a slower pace in 2018-19 at 6.8% vis-à-vis 7.2% growth registered in 2017-18. The Indian Economy slow down on account of slowest growth rate observed in Q4 of FY 2018-19 at 5.8%.

The International Monetary Fund (IMF) in its latest World Economic Outlook of April, 2019, issue has pegged a higher growth for Indian Economy at 7.3% and 7.5% for FY 2018-19 and FY 2019-20, respectively, where the World Economy is expected to grow at 3.3% in both the years 2019 & 2020.

Investment has continued to grow robustly, supported by large public sector projects. In contrast, private investment, in particular manufacturing, has been affected by uncertainty ahead of the parliamentary elections, combined with persistent challenges in financing projects, acquiring land and getting all the necessary clearances. Rural consumption, two-wheeler and tractor sales have slowed, driven by subdued agricultural prices and wages. However, the consumer durables market is expected to pick up supported by rising disposable incomes, greater electrification and FDI investments. The FMCG sector continues to perform well and is expected to grow further, fuelled by rising consumption and investment patterns. Retail business which had suffered setback in FY 2018-19 is expected to grow in FY 2019-20 especially with the boost provided by RBI by reducing the risk weightage on retail loans.

GLOBAL DEVELOPMENTS & OUTLOOK

The global economic activity slowed down considerably in second half of 2018, after experiencing strong growth in 2017 and early 2018, thereby reflecting financial consolidation and slow-down in manufacturing due to trade tensions between major economies. The weakening of consumer and business confidence led to loss of momentum in Euro area. Similarly, the new emission standards led to disruptions in car production in Germany. Likewise, investments dropped in Italy as sovereign spreads widened; and external demand, especially from emerging Asia, softened. Trade tensions increasingly took a toll on business confidence and, so, financial market sentiment worsened, with financial conditions tightening for vulnerable emerging markets in the spring of 2018 and then in advanced economies later in the year, weighing on global demand. The global economy is expected to grow at a decelerated rate by 3.2% in 2019, in comparison with 3.6% growth registered in 2018, due to slower growth projected for the advanced economies at 1.8% in 2019 in comparison with 2.2%

growth of 2018. Growth across emerging market and developing economies is projected to stabilize slightly at 4.4% and 4.8% in 2019 and 2020 respectively. The baseline outlook for emerging Asia remains favourable, with Indian Economy's growth projected at 7.0% and 7.2% in 2019 and 2020 respectively.

The Borrowing costs for emerging market and developing economies (EMDEs) have increased. Further, the strengthening of USD, heightened financial market volatility, and rising risk premiums have intensified capital outflow and currency pressures in some large EMDEs, with some vulnerable countries experiencing significant financial stress. Energy prices have fluctuated markedly, mainly due to supply factors, with sharp falls toward the end of 2018. Other commodity prices-particularly metals-have also weakened, posing renewed headwinds for commodity exporters.

DOMESTIC DEVELOPMENTS & OUTLOOK

The Indian economy, consecutively for the 2nd year, was able to retain its place of the fastest growing major economy in the world in FY 2018-19 as well. As per advance estimates released by the Central Statistical Office (CSO), the Indian economy is expected to grow at 7% in FY 2018-19. However, this growth is slower than growth of 7.2% registered in FY 2017-18. The International Monetary Fund (IMF) in its latest World Economic Outlook of April, 2019, issue has pegged a higher growth for Indian Economy at 7.3% and 7.5% for FY 2018-19 and FY 2019-20, respectively. The estimates are on the back of continued recovery of investment and robust consumption amid a more accommodative stance of monetary policy and some expected impetus from fiscal policy.

As per the World Economic Organisation report, efforts to enhance land reforms in order to facilitate and expedite infrastructure development are expected to lead to overall growth of the economy. However, downside risk which could impair India's Growth trend on account of slowdown in global demand on account of fiscal consolidation and uncertainty arising out of global trade tensions and the weak economic outlook in industrial countries.

BANKING SECTOR

The Indian Economy grew at a decelerated rate at 6.8% in FY 2018-19 as compared to 7.2% growth registered in previous FY, owing to the slowdown registered in Q4, as the economy grew by only 5.8% as compared to 6.6% growth registered in previous quarter and 8.0% growth registered in Q1 of FY 2018-19. During the FY 2018-19, the banking sector appears to be on course to recovery after a prolonged period of stress, as the load of impaired assets recedes; Credit growth of Scheduled Commercial Banks (SCBs) improved as it grew by 13.2% (yoy) in March, 2019 vis-à-vis 10.4% growth registered in March, 2018. This growth is largely driven by 21.0% growth registered by Private Sector Banks (PVBs) in March, 2019. The credit and deposit growth rate of Public Sector Banks (PSBs) also registered a growth during the period March, 2018 to March, 2019 from 6.3% to 9.6% and 3.3% to 6.5%, respectively, on yoy basis. The asset quality of banks showed an improvement, although profitability continued to erode.

The Gross Non-Performing Assets (GNPA) ratio of SCBs registered a decline from 11.5% in March, 2018 to 9.3% in March, 2019, which is further expected to decline to a level of 9.0% by March, 2020, whereas in case of PSBs, the GNPA's are expected to come down from 12.6% in March, 2019 to 12.0% in March, 2020.

Provision coverage ratio (PCR) of all SCBs rose sharply to 60.6% in March 2019 vis-à-vis 48.3% in March 2018, increasing the resilience of the banking sector, indicating improvements for both the PSBs and the PVBs. The decline in gross NPA ratio since September 2015 and improved Provision Coverage Ratio (PCR) were the positive signals. Stress test results also suggest further improvement in NPA ratio, though the current level remains high for comfort.

The Capital to Risk-Weighted Assets Ratio (CRAR) of SCBs improved marginally after recapitalization of PSBs from 13.8% in March 2018 to 14.3% in March, 2019. CRAR of PSBs also improved and touched level of 12.2% in March, 2019 vis-à-vis 11.7% in March, 2018. There was a marginal decline in Tier I leverage ratio of the SCBs between March 2019 and March, 2018.

NBFC SECTOR

Non-Banking Financial Companies (NBFCs) have consistently been increasing their share of lending to the Indian financial sector. However, in line with the general trend in banking & financial services industry, a deterioration in asset quality of NBFC sector has been witnessed in the past one year. As on March, 2019, there were 9,659 NBFCs registered with the Reserve Bank of India, of which 88 were deposit accepting (NBFCs-D), and 263 were systemically important non-deposit accepting NBFCs (NBFCs ND-SI). All NBFCs-D and NBFCs-ND-SI are subjected to prudential regulations such as capital adequacy requirements and provisioning norms along with periodic reporting requirements.

The consolidated balance sheet size of the NBFC sector (including NBFC-D and NBFC-ND-SI, including Government NBFCs) registered a 20.6% (YoY) growth and stood at ₹28.8 trillion as on March, 2019 vis-à-vis 17.9% growth at ₹24.5 trillion as on March, 2018. There was a 6.3% (YoY) increase in share capital of NBFCs in March, 2019. The borrowings registered a growth of 19.6% (YoY) in March, 2019 which was same a year back. Loans and advances grew at a decelerated rate at 18.6% (YoY) in March, 2019 as compared to by 21.1% (YoY) and investments increased nearly by two times at 24.4% (YoY) in March, 2019 as against the growth rate of 12.9% (YoY) respectively in March 2018. Net profit of NBFC sector registered a decelerated growth as it expanded by 15.3% (annualised) during FY 2018-19 vis-à-vis 27.5% growth during FY 2017-18. Return on Assets (RoA) for the FY 2018-19 remained static at 1.7% (annualised). Leverage ratio improved marginally to 3.4% as on March 31, 2019 from 3.2% as on March 31, 2018.

Stressed assets of NBFC sector have increased during the period March, 2018 – March, 2019, since Gross NPAs of the NBFC sector as a percentage of total advances increased to 6.6% as on March 31, 2019 from 5.8% as on March 31, 2018. However, the net NPA ratio declined marginally from 3.8% as on March 2018 to 3.7% as on March 31, 2019. Further, as per extant guidelines, NBFCs (other than Government NBFCs) are required to maintain a minimum capital level consisting of Tier-I and Tier-II capital, of not less than 15% of their aggregate risk-weighted assets. NBFCs' CRAR decreased to 19.3% in March, 2019 from 22.8% in March 2018. From April 1, 2018 onwards, NBFC-ND-SIs and all deposit taking NBFCs are required to maintain 10% of Tier I capital.

OPERATIONAL AND FINANCIAL PERFORMANCE OF IFCI

As the overall economic environment and especially, the credit offtake was subdued during FY 2018-19, IFCI's performance was also affected in line with the overall financial sector. Despite decline in operational income and fair value loss, Your Company could earn profit of ₹393 crore before impairment on financial instruments, though suffered a total comprehensive loss of ₹483.18 crore during the year under report, mainly on account of large amount of impairment made in respect of Stage-3 assets, especially, the cases admitted in National Company Law Tribunal (NCLT). The substantial amount of provisions enhanced the provision coverage ratio to over 60%, however, the capital adequacy ratio declined to 7.97% with Tier-I capital at 5.31%.

Various strategic initiatives including measures for recovery were initiated during the year in order to maximize recovery under Insolvency and Bankruptcy Code (IBC) route and other modes, expedite divestment of non-core assets and strengthen the appraisal and risk management processes and controls, which are expected to improve the asset portfolio quality as well as cash flow of Your Company and make the balance sheet of Your Company healthier.

SANCTIONS AND DISBURSEMENTS

The economic climate was not very conducive during the year due to subdued credit demand, volatility in international crude oil and metal

prices and other global issues like trade war. The strict regulations by the regulators, especially after the failure of certain large NBFCs, made the business more difficult in the NBFC sector. Under such circumstances, Your Company adopted a cautious approach in its business to ensure new business in quality assets while conserving enough liquidity. As a conscious strategy, more standalone and less consortium loans were considered, based on past experience in debt servicing and recovery rates. In order to further improve existing risk profile on the assets and the liabilities side, conscious efforts were made to increase the share of short term loans while reducing level of project loans.

During the year under consideration, Your Company, sanctioned and disbursed, loan to the tune of ₹3,760 crore and ₹3,238 crore respectively vis-à-vis sanctions and disbursement of ₹7,216 crore and ₹4,434 crore, respectively in FY 2017-18.

RECOVERY

During the FY 2018-19, Your Company focused on recoveries from Non-Performing Accounts (NPA), by initiating various proactive measures. Aggregate amount of ₹1,207 crore was recovered from NPAs including National Company Law Tribunal (NCLT) resolution cases amounting to ₹1007.30 crore. Besides this, Your Company was also successful in exiting from few of the long standing unquoted project equity investments and recovered ₹780 crore including ₹745 crore from Equity Shares in a thermal power case. Your Company had received security receipts in earlier years towards part value of assignments of certain NPAs to Asset Reconstruction Companies (ARCs). During the year under report, redemption of some of the security receipts resulted in recovery of ₹555 crore. Your Company is committed to continue its aggressive approach for recovery from NPAs and other stressed assets through various modes and strategies.

ADHERENCE TO THE CORPORATE GOVERNANCE

The Report on Corporate Governance for the FY 2018-19 forms separate part of the Annual Report. During the Year under report, Your Company has made all out efforts for compliance of the conditions of Corporate Governance as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises 2010, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015. However, the requirements w.r.t. Board constitution could not be met, in absence of requisite number of Independent Directors on the Board of the Company. Application for appointment of Independent Directors has already been made with the Department of Financial Services, being the Administrative Ministry in Charge. The appointments are awaited.

CONCLUDING REMARKS & ACKNOWLEDGEMENT

With all the efforts being made by Your Company to further strengthen its operational, financial and human resources performance, I hope that it will overcome the challenges & emerge triumphant once again in the very near future.

I take this opportunity to thank the Government of India, especially the Ministry of Finance, the Ministry of Corporate Affairs, The Reserve Bank of India, The Securities & Exchange Board of India and all stakeholders including Banks and Financial Institutions, for the continued support and guidance provided to Your Company. Your Company expresses its gratitude for the professional advice and vision of the Board of Directors. I place on record my sincere thanks to all our esteemed shareholders, clients and investors for their unstinted support to the Company. I also wish to place on record my deep appreciation of the dedicated service of all the employees at all levels of Your Company.

Thank you.

Dr Emandi Sankara Rao
Managing Director & CEO

Date : 24.06.2019

DIN: 05184747

NOTICE

NOTICE is hereby given that the Twenty-Sixth (26th) Annual General Meeting (AGM) of the Members of IFCI Limited will be held on Wednesday, October 30, 2019 at 10:30 A.M. at Auditorium, 1st floor, IFCI Tower, 61 Nehru Place, New Delhi-110019, to transact the following business:

Ordinary Business

1. To consider and adopt the Audited Financial Statements and Consolidated Financial Statements of the Company for the year ended March 31, 2019 and the reports of the Auditors' and Boards' thereon.
2. To confirm the dividend already paid on Preference Shares as Final dividend.
3. To appoint a Director in place of Prof Narayanaswamy Balakrishnan (DIN: 00181842), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
4. To fix remuneration of the Statutory Auditor(s) of the Company in terms of the provisions of Section(s) 139(5) and 142 of the Companies Act, 2013 and to pass the following resolution, with or without modification(s), as an Ordinary Resolution:
"RESOLVED that pursuant to the provisions of Sections 139(5) and 142 and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Board of Directors of the Company, be and is hereby authorized to decide and fix the remuneration of the Statutory Auditor(s) of the Company appointed by Comptroller and Auditor General of India (C&AG) for the Financial Year 2019-20, as may be deemed fit."

Special Business

5. To consider and, if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution(s):-
"RESOLVED that in accordance with the provisions of Section(s) 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and any other applicable laws including the SEBI (Issue & Listing of Debt Securities) Regulations, 2012; SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Securities Contract (Regulations) Act, 1956 and other applicable SEBI regulations and guidelines, the circulars / directions / guidelines issued by the Reserve Bank of India, and any other Rules / Regulations as amended from time to time, the provisions of the Memorandum and Articles of Association of the Company and subject to the receipt of requisite approvals as may be applicable / required, including the approval of any existing lenders / trustees of Debenture Holders, if so required under the terms of agreement / deed and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions which may be agreed to by the Board (the term "Board" shall include any duly constituted Committee thereof, for the time being exercising the power conferred on

the Board by this resolution), consent of the Members be and is hereby accorded to raise funds through private placement of unsecured/secured non-convertible bonds / debentures upto an amount of ₹5,000 crore during a period of one year from the date of passing of this resolution in one or more tranches, to such persons as identified by the Board, who may or may not be the existing bond/debenture holders of the Company, as the Board may at its sole discretion decide, including eligible investors (whether residents and/or non-residents and/or institutions/incorporated bodies and/or individuals and/or trustees and/or banks or otherwise, in domestic and/or one or more international markets) including Non-Resident Indians, Foreign Institutional Investors (FIIs), Venture Capital Funds, Foreign Venture Capital Investors, State Industrial Development Corporations, Insurance Companies, Provident Funds, Superannuation & Pension Funds, Scheduled Commercial Banks, Financial Institutions, Primary/State/ District/Central Co-operative Banks, Regional Rural Banks, Mutual Funds, Bodies Corporate, companies, private or public, trust or any other entities, authorities, and to such other persons or investors category eligible to invest subject to current applicable Rules, Act, Laws etc., in one or more combinations thereof through Private Placement in one or more tranches and including the exercise of a green-shoe option (within the overall limit of ₹5,000 crore, as stated above), if any, at such terms as may be determined under the guidelines as may be applicable and on such terms and conditions as may be finalized by the Board.

RESOLVED FURTHER that for the purpose of giving effect to any Private Placement of unsecured/secured non-convertible bonds/ debentures, the Board, be and is hereby authorized to determine/ approve/ vary or modify the terms of the Issue, including the class of investors to whom the bonds/debentures are to be allotted, the number of bonds/ debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/discount to the then prevailing market price, amount of issue, discount to issue price to a class of bond/ debenture holders, listing, issuing any declaration / undertaking etc. required to be included in the Private Placement Offer Letter and to do and execute all such acts, deeds and things as they may, in their absolute discretion deem necessary, desirable or expedient for any offer, issue, allotment of the aforesaid unsecured/secured non-convertible bonds/ debentures, including but not limited to listing with the Stock Exchanges and to resolve and to settle all questions and difficulties that may arise in the proposed offer, issue and allotment of the aforesaid non-convertible Debentures/ Bonds and to do all such deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit without being required to seek any further consent or approval of the Members of the Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER that the Board of the Company be and is hereby authorise to delegate such powers to the Committee of Directors as it may deem necessary in relation to allotment

of aforesaid unsecured/secured non-convertible bonds/debentures issued on Private Placement basis.”

Registered Office:

IFCI Tower
61 Nehru Place
New Delhi-110 019
CIN: L74899DL1993GOI053677
Tel: 011-41732000
Fax: 011-26230201
Website: www.ifcilt.com
Email: complianceofficer@ifcilt.com

By order of the Board of Directors

Rupa Sarkar
Company Secretary

Dated: June 24, 2019

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DEPOSITED TO THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING, DULY COMPLETED AND SIGNED. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
2. During the period beginning 24 hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than 3 days of Notice in writing is given to the Company.
3. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, (Act), setting out material facts in respect of the special business under item no 5 is annexed hereto.
4. The Board of Directors in their meeting held on July 2, 2018 had approved for variation in the terms of redemption of Preference shares by incorporating the call option /right of IFCI to make pre-mature redemption of IFCI preference shares, subject to the consent of the Preference Shareholders. Consequently, 99.56% of Cumulative Redeemable Preference shareholders had approved the variation in terms of redemption. Accordingly, Preference shareholders were informed about the record date and payment date of premature redemption of preference shares and dividend thereon vide notice dated August 27, 2018. The redemption amount of ₹225 crore along with prorated dividend of ₹0.09 crore for the period April 1, 2018 to August 30, 2018 was paid on 31/8/2018.
5. Brief profile of Director proposed to be appointed/ reappointed is set out in the “Information about Directors seeking appointment/ re-appointment as mandated under Regulation 36 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015” annexed with the Notice.

6. All documents referred to in the accompanying Notice and the Explanatory Statement as well as the other documents as required under the provisions of the Companies Act, 2013 are open for inspection at the Registered Office of the Company on all working days except Saturdays, Sundays and Holidays between 11:00 a.m. to 1:00 p.m. up to the date of this AGM. The Registers required to be maintained u/s 170 of the Companies Act, 2013, will be available for Inspection at AGM.
7. Register of Members and Share Transfer Books for equity shares will remain closed from Thursday, October 24, 2019 to Wednesday, October 30, 2019 (both days inclusive).
8. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company is providing facility of voting through electronic means to its Members in respect of the business to be transacted at the 26th AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL), for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using an electronic voting system from a place other than the venue of the AGM (remote e-voting) will be provided by CDSL.

The instructions for members for voting electronically are as under:-

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders / Members Tab to cast your votes.
- (iii) Now Enter your User ID
 - (a) For CDSL: 16 digits beneficiary ID,
 - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification Code as displayed and Click on Login Tab.
- (v) If you are holding shares in demat form and had earlier logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vi) If you are a first time user, follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the eight digit of the sequence number in the PAN Field (refers sequence number printed on the name and address sticker/ email).