

Annual Report 2021



Private Equity

IL&FS Investment Managers Limited

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CORPORATE INFORMATION

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

DIRECTORS' REPORT

To The Shareholders of IL&FS Investment Managers Limited

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

FINANCIAL ACHIEVEMENTS AND DIVIDEND

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

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

DIVIDEND

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

REVIEW OF OPERATIONS

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

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

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

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

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

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

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

DIRECTORS' REPORT

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

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

MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR

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

SUBSIDIARIES AND JOINT VENTURES

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

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

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

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

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

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

IL&FS Asian Infrastructure Managers Limited :

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

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

IL&FS Urban Infrastructure Managers Limited :

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

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

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

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

IIML Asset Advisors Limited :

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

IL&FS Investment Advisors LLC :

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

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

DIRECTORS' REPORT

IIML Fund Managers (Singapore) Pte Ltd :

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

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

Andhra Pradesh Urban Infrastructure Asset Management Limited :

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

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

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

IL&FS Infra Asset Management Limited :

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

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

IL&FS AMC Trustee Limited :

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

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

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

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

IL&FS Milestone Realty Advisors Private Limited :

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

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

DIRECTORS & KEY MANAGERIAL PERSONNEL

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

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

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

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

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

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

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

DIRECTORS' REPORT

BOARD INDEPENDENCE

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

NUMBER OF MEETINGS OF THE BOARD

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

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

SELECTION CRITERIA FOR APPOINTMENT OF DIRECTORS

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

BOARD EVALUATION

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) in the preparation of the Annual Accounts for the year ended March 31, 2021, the applicable Accounting Standards have been followed along with proper explanations relating to material departures, if any;
- (b) that such accounting policies as mentioned in Note 2 of the Notes to the Annual Accounts have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of March 31, 2021 and of the Loss of the Company for the year ended on that date;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the Annual Accounts are prepared on a going concern basis;
- (e) that proper internal financial controls were in place and that the internal financial controls were adequate and were operating effectively; and
- (f) that proper systems were devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively

RISK MANAGEMENT & INTERNAL CONTROL SYSTEMS

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

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

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

RELATED PARTY TRANSACTIONS

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

DIRECTORS' REPORT

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

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

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

PARTICULARS OF EMPLOYEES

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

REMUNERATION POLICY

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

POLICY FOR PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

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

STATUTORY AUDITORS

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

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

SECRETARIAL AUDIT

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

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

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

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

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

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

DIRECTORS' REPORT

Statutory Auditors' qualification and its explanation :

On Standalone Financials :

Qualification 1 :

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

Explanation 1 :

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

On Consolidated Financials :

Qualification 1 :

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

Explanation 1 :

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

Qualification 2 :

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

Explanation 2 :

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

Secretarial Auditors' observation and its explanation :

Observations :

- (1) There was no Woman Director appointed on the Board of Directors for the period from April 1, 2020 to November 10, 2020 as required under SEBI Regulation 17(1)(a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. However, the Company has appointed the Woman Director w.e.f. November 11, 2020
- (2) The composition of the Nomination & Remuneration Committee of the Company is not in accordance with Regulation 19(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Committee does not have 3 Directors
- (3) The composition of the Nomination & Remuneration Committee of the Company is not in accordance with the Regulation 19(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as mentioned above and accordingly the Regulation 19(2) of the said Regulations is not complied. Further, the website of the Stock Exchange(s) reflects the Chairperson of the Board of Directors as the Chairperson of Nomination & Remuneration Committee
- (4) No meeting of the Nomination & Remuneration Committee was conducted during the financial year under review as required under Regulation 19 (3A) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Explanations :

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

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

DIRECTORS' REPORT

INCREASE IN SHARE CAPITAL

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

SECRETARIAL STANDARDS

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

CORPORATE GOVERNANCE

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

CORPORATE SOCIAL RESPONSIBILITY

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

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

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

WHISTLE BLOWER POLICY/VIGIL MECHANISM

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

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

DEPOSITS

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

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

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

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

(Amount in lakhs)

	USD	INR
Outflow	0.11	8.26
Inflow	7.48	545.74

COST RECORDS

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

EXTRACT OF THE ANNUAL RETURN

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

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

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