

## DIRECTORS' REPORT

To,  
The Members,  
**Aseem Infrastructure Finance Limited**

Your Directors have pleasure in presenting First Directors' Report on the business and operation of the Company ("Aseem Infrastructure Finance Limited" or "AIFL" or "the Company") with the audited standalone and consolidated financial statements of the Company for the period from May 23, 2019 to March 31, 2020.

### 1. FINANCIAL STATEMENTS & RESULTS:

#### a. FINANCIAL RESULTS:

The Company's performance during the period May 23, 2019 to 31st March 2020 is summarized below:

Particulars	Rupees
	For the period from May 23, 2019 to March 31, 2020
<b>Other Income</b>	4,55,17,898
<b>Less : Expenses</b>	4,00,96,326
<b>Profit before tax</b>	54,21,572
<b>Less : Provision for tax</b>	28,27,372
<b>Profit after tax</b>	25,94,200
<b>Share of profit from associate</b>	42,34,722
<b>Profit after tax and share of profit of Associate</b>	68,28,922

#### b. OPERATIONS:

The Company was incorporated on May 23, 2019 vide Certificate of Incorporation issued by the Ministry of Corporate Affairs under the Corporate Identity Number (CIN) U65990MH2019PLC325794. The Company is currently 100% owned by National Investment and Infrastructure Fund II including its nominees ("**NIIF Fund II**"). NIIF Fund II has been set up as a trust under the Indian Trusts Act, 1882 by the Secretary, Department of Economic Affairs, Ministry of Finance, Government of India, on behalf of the Government of India ("**GoI**") by way of the Indenture of Trust dated March 1, 2018. NIIF Fund II is registered with the Securities and Exchange Board of India ("**SEBI**") as a Category II – Alternative Investment Fund ("**AIF**") under the SEBI (Alternative Investment Funds) Regulations, 2012. The National



Investment and Infrastructure Fund Limited (“NIIFL”), a public limited company, incorporated under the Companies Act, 2013 is the investment manager of NIIF Fund II. The GoI is the largest shareholder in NIIFL, holding 49% (Forty Nine Percent) of the equity share capital of NIIFL. The GoI is the sponsor and currently the sole investor in NIIF Fund II.

Significant milestones achieved by the Company since its incorporation:

1. The Company has been granted the Certificate of Registration (COR) from RBI as an NBFC-Infrastructure Finance Company (“IFC”) (NBFC-IFC) vide Certificate of Registration bearing No. N-13.02382 dated January 28, 2020;
2. The Company has increased its Authorised Share Capital upto Rs. 1,300 crores and raised the share capital to the extent of Rs. 1,286.37 crores fully subscribed by NIIF Fund II
3. In accordance with the Share Purchase Agreement dated October 30, 2018 (as amended from time to time) (“SPA”) entered into between NIIF Fund II, IDFC Financial Holding Company Limited (“IDFC FHCL”), IDFC Limited and NIIF Infrastructure Finance Limited (Formerly “IDFC Infrastructure Finance Limited”) (NIIF IFL), NIIF Fund II has acquired controlling stake of 51.48% equity stake of NIIF IFL from IDFC FHCL. Pursuant to the terms of said SPA, it was proposed to acquire 30% equity stake in NIIF IFL by NIIF Fund II through its NBFC-IFC (AIFL) and accordingly, NIIF IFL had applied for prior approval from RBI for change in sponsor and shareholding from IDFC FHCL to Asem Infrastructure Finance Limited (Company).
4. Pursuant to the approval of RBI, the Company has invested Rs. 16,20,00,000 equity shares having face value of Rs 10/- each at an investment price of Rs. 16.41 per share aggregating Rs. 266,33,35,776/- in equity shares of NIIF Infrastructure Finance Limited (“NIIF IFL”) which is an Infrastructure Debt Fund-Non-Banking Finance Company (NBFC-IDF) on March 30, 2020 and became the sponsor of NIIF IFL holding a 30% stake in NIIF IFL, in compliance with the provisions of the Master Directions and NBFC-IDF Regulations. The Company has further invested Rs. 84,37,50,000/- in equity shares of NIIF IFL by way of rights issue and the Company presently holds 30.82% of equity stake in NIIF IFL.
5. The Company has put in place all the compliance policies as applicable to NBFC-ND-SI and NBFC-IFC as per the extant RBI Regulations.



The Company has taken all necessary steps to commence its operation in Infrastructure Finance business. Accordingly, the Company is expected to commence its operations in the current Financial Year.

**c. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:**

In terms of the SPA, as mentioned in paragraph under "Operations", acquisition of 30% equity stake in NIIF IFL by the Company was completed during the financial year. However, apart from the said investments, it did not have any subsidiary, associate and joint venture company.

In accordance with the provisions of Section 136 and Section 129(3) of the Act, the Company has prepared Consolidated Financial Statements under Indian GAAP including requisite details of its the subsidiaries/associates. Further, a statement containing the salient features of performance and financial positions of the subsidiary companies/associates/joint ventures in the format AOC-I is provided below:

AOC - I STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES/ASSOCIATES/JOINT VENTURES [Pursuant to first proviso to sub-section 3 of Section 129 of the Act, read with Rule 5 of the Companies (Accounts) Rules, 2014]

The Company does not have subsidiaries/joint ventures.

The details of Associate is provided below:

	<b>Associates</b>	<b>Amount in Rupees lakhs</b>
	Name	NIIF Infrastructure Finance Limited
	Latest balance sheet date	31-Mar-20
	The date on which Associate was acquired	30-Mar-20
	Shares of Associate held by the Company on the year end:	
	-Numbers of shares	162,000,000
	-Amount of Investment in Associates	



		26,633
	-Extent of Holding %	30%
	Description of how there is significant influence	Refer Note 1 below
	Reason why the associate/joint venture is not consolidated	Not Applicable
	Net worth attributable to Shareholding as per latest audited Balance Sheet	83,345
	Profit for the year	452
	i) Considered in Consolidation	42
	ii) Not considered in Consolidation (Refer Note 2 below)	410
	Notes:	
1	The Company has significant influence through holding more than 20% of the equity shares in the investee company in terms of Accounting Standard 23, issued by ICAI.	
2	The 30% stake was acquired on March 30, 2020, the profit for 2 days has been consolidated.	

**d. DIVIDEND:**

With a view to conserve resources, your Directors have thought it prudent not to recommend any dividend for the financial period under review.

**e. TRANSFER TO RESERVES:**

The Board has not recommended transfer of any amount of profit to reserves during the period under review. The details of amount transferred to reserves are given in Note No. 4 of the Notes forming part of the financial statements.

**f. REVISION OF FINANCIAL STATEMENT:**

This being the first period of operations, provisions related to revision of financial statements of previous financial years is not applicable to the Company.

**g. DEPOSITS:**

The Company has not accepted any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.



**h. DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred.

**i. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:**

Pursuant to Rule 5 of the Companies (Accounts) Rules, 2014, no significant/material orders have been passed by the Regulators or Courts or Tribunals which can have impact on the going concern status and the Company's operations in future

**j. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:**

No transactions/contracts/arrangements, as defined under Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, have been entered into by the Company with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial period under review.

The Company has put in place the policy on Related Party Transactions ("RPT"). Since all RPTs entered into by the Company were in ordinary course of business and were on arm's length basis, Form AOC-2 is not applicable to the Company. The details of all RPTs are available in Note 15 of the Notes forming part of the financial statements.

**k. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:**

There are no loans and guarantees given. The particulars of investments made by the Company have been disclosed in the Note 7 to the Financial Statements of the company.

**2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

As per the Articles of Association of the Company, First Directors as named therein occupied their respective offices of Director of the Company, to hold office upto the date of first Annual General Meeting of the Company, viz;

- A) Surya Prakash Rao Pendyala (DIN 02888802)
- B) Rajiv Dhar (DIN 00073997)
- C) Saurabh Jain (DIN 02052518)



As per the provisions of Section 152 of the Companies Act, 2013, appointment of the First Directors shall be required to be approved by the shareholders of the Company at the ensuing First Annual General Meeting of the Company and accordingly necessary resolutions for the respective appointment of the First Directors are included in the Notice of the First Annual General Meeting for consideration and approval of shareholders of the Company.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, the Company is required to appoint two Independent Directors including a Woman Director.

Accordingly, the Board of Directors of the Company at their meeting held on 22<sup>nd</sup> July 2020, appointed Mr. V Chandrasekaran (DIN 03126243) as Additional Director in the category of Non-executive, Independent Director. Mr. V Chandrasekaran holds office till the date of ensuing Annual General Meeting. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a shareholder of the Company proposing Mr. V Chandrasekaran for appointment as a Director of the Company. Besides this, the appointment of Mr. V Chandrasekaran as Non-executive, Independent Director of the Company for a term of three years from 22<sup>nd</sup> July 2020 to 21<sup>st</sup> July 2023, is required to be approved by the shareholders of the Company. Separate resolutions have been proposed in the Notice of the First Annual General Meeting of the Company for consideration and approval of the shareholders.

The Board of Directors of the Company at their meeting held on 16<sup>th</sup> September 2020, also appointed Ms. Rosemary Sebastian (DIN 07938489) as Additional Director in the category of Non-executive, Independent Director. Ms. Rosemary Sebastian holds office till the date of ensuing Annual General Meeting. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a shareholder of the Company proposing Ms. Rosemary Sebastian for appointment as a Director of the Company. Besides this, the appointment of Ms. Rosemary Sebastian as Non-executive, Independent Director of the Company for a term of two years from 16<sup>th</sup> September 2020 to 15<sup>th</sup> September 2022, is required to be approved by the shareholders of the Company. Separate resolutions have been proposed in the Notice of the First Annual General Meeting of the Company for consideration and approval of the shareholders.



In terms of provisions of Section 203 of the Companies Act, 2013, Mr. Virender Pankaj has been appointed as the Chief Executive Officer of the Company, by the Board of Directors of the Company at its meeting held on March 24, 2020. The Company is taking necessary steps for compliance with the requirements of Section 203 of the Companies Act, 2013 with regard to appointment of Whole-time Company Secretary and Chief Financial Officer of the Company.

3. **DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:**

a. **BOARD MEETINGS:**

The Board of Directors met 5 (Five) times during the financial period from 23<sup>rd</sup> May 2019 to 31<sup>st</sup> March 2020 in accordance with the provisions of the Companies Act, 2013 and rules made there under.

b. **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 first period ended March 31, 2020, the Board of Directors hereby confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed and there were no material departures from the same;
- b. 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 at March 31, 2020 and of the profit of the Company for the first period;
- c. 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;
- d. the annual accounts of the Company have been prepared on a going concern basis;
- e. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



**c. RISK MANAGEMENT POLICY:**

Pursuant to the provisions of RBI Directions for Infrastructure Finance Companies, the Board of Directors adopted Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Necessary policies have been approved in this regard. Key business risks and their mitigation will be considered in the annual/ strategic business plans and in periodic management reviews.

**d. INTERNAL CONTROL SYSTEMS:**

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are being put in place for satisfactory operation. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

**4. AUDITORS AND REPORTS:**

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

**a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE FIRST PERIOD ENDED MARCH 31, 2020:**

The observations made by the Statutory Auditors in their report for the financial period ended March 31, 2020 read with the explanatory notes therein are self-explanatory and do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

**b. FRAUD REPORTING:**

During the period 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 of the Company during the course of the audit conducted.





**c. APPOINTMENT OF STATUTORY AUDITORS:**

S.R. Batliboi & Co. LLP Chartered Accountants (Firm Registration No. 301003E/E300005) were appointed by the Board of Directors as the First Auditors to hold office upto the conclusion of First Annual General Meeting.

As per the provisions of Section 139 of the Companies Act, 2013, the Board of Directors has recommended the appointment of S.R. Batliboi & Co. LLP Chartered Accountants (Firm Registration No. 301003E/E300005) as the Statutory Auditors of the Company for the term of 4 years i.e. to hold office from the conclusion of the First Annual General Meeting till the conclusion of Fifth Annual General Meeting of the Company.

Necessary resolution for appointment of the Statutory Auditors has been included in the Notice of the First Annual General Meeting for approval of members.

**d. SECRETARIAL AUDIT REPORT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Company has obtained Secretarial Audit Report in Form MR-3 from M/s Mehta & Mehta, Practicing Company Secretaries, Secretarial Auditors of the Company, which is annexed to this report. The Secretarial Auditors have made following observations in their report.

- a. As on January 15, 2020 the paid-up share capital of the Company was INR 5,77,00,00,000/- (Rupees Five Hundred and Seventy Seven Crores only) however the company has not appointed a Woman Director as required under second proviso to Section 149(1) of the Act, an Internal Auditor as required under section 138(1) of the Act and Independent Directors as required under Section 149(4) of the Act. Further the company has not constituted an Audit Committee as per Section 177(1) of the Act and a Nomination and Remuneration Committee as per Section 178(1) of the Act;
- b. As on January 15, 2020 the paid-up share capital of the Company was INR 5,77,00,00,000/- (Rupees Five Hundred and Seventy Seven Crores only) however the company has not appointed the requisite Key Managerial Personnel ("KMP") as per Section 203(1) of the Act, however, the Company had appointed Chief Executive Officer w.e.f. March 24, 2020.



In this regard your Directors would like to inform that as mentioned earlier, the Board of Directors has appointed Mr. V Chandrasekaran (DIN 03126243) and Ms. Rosemary Sebastian as Non-executive, Independent Director pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions of the Companies Act, 2013 and applicable Rules thereunder, on 22nd July 2020 and 16<sup>th</sup> September 2020 respectively. The Board of Directors has also appointed M/s Deloitte Touche Tohmatsu India LLP, Chartered Accountants as the Internal Auditors of the Company for the Financial Year 2020-21 pursuant to the provisions of Section 138 and other applicable provisions of the Companies Act, 2013 and applicable Rules thereunder, on 22<sup>nd</sup> July 2020. The Company has constituted Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committees with effect from September 16, 2020, in accordance with the provisions of the Companies Act. The Company is also making continuous efforts for appointment of suitable professionals a Whole-time Company Secretary and Chief Financial Officer as per the requirements under Section 204 of the Companies Act, 2013 and applicable Rules thereunder.

5. **OTHER DISCLOSURES:**

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

a. **EXTRACT OF ANNUAL RETURN**

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the Extract of the Annual Return for the period from 23<sup>rd</sup> May 2019 to 31<sup>st</sup> March 2020 is given in Annexure I in prescribed Form MGT-9 and forms part of this report.

b. **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, there are no particulars in respect of 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.

During the period under review, the Company has neither earned nor used any foreign exchange.



**c. PARTICULARS OF EMPLOYEES:**

The provisions of Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, pertaining to furnishing of information of employees, are not applicable as the Company did not have any employee during the period under review.

**6. CORPORATE SOCIAL RESPONSIBILITY:**

This being the first period of operations, the Company was not required to incur expenses towards Corporate Social Responsibility under Section 135 of the Companies Act, 2013. However, during the period under review, the Company's net worth crossed the threshold amount of Rs. 500 Crores as prescribed under Section 135 of the Companies Act, 2013. Therefore, a Corporate Social Responsibility Committee (CSR Committee) is constituted on September 16, 2020. Corporate Social Responsibility Policy (CSR Policy) will be formulated which shall indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Company.

**7. GENERAL:**

Your Directors 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) 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 remuneration or commission from any of its subsidiaries by the managerial personnel of the Company.

Your Directors further state that the Company did not have any employees during the period under review and no case pertaining to sexual harassment has been reported during the period ended March 31, 2020. The Company is in process of formation of the Internal Complaints Committee in accordance with the provisions of The Sexual Harassment of Women at Workplace



(Prevention, Prohibition and Redressal) Act, 2013 and such other compliance as applicable to the Company.

8. **ACKNOWLEDGEMENTS AND APPRECIATION:**

Your Directors take this opportunity to thank the shareholders, associates, and the Central Government for their consistent support and encouragement to the Company.

By Order of the Board of Directors



**Surya Prakash Rao Pendyala**  
Director  
DIN: 02888802



**Rajiv Dhar**  
Director  
DIN: 00073997

Place: Mumbai

Date: September 21, 2020

Registered Office  
UTI Tower, GN Block,  
4th Floor Bandra Kurla Complex  
Mumbai 400051

CIN: U65990MH2019PLC325794  
email: amol.ranade@niifl.com

**Annexure I**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial period ended on 31<sup>st</sup>March, 2020**  
**(for the period from May 23 2019 {date of incorporation} till March 31, 2020)**

*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

**I. REGISTRATION AND OTHER DETAILS:**

<b>CIN</b>	:	U65990MH2019PLC325794
<b>Registration Date</b>	:	23/05/2019
<b>Name of the Company</b>	:	Aseem Infrastructure Finance Limited
<b>Category / Sub-Category of the Company</b>	:	Company Limited by Shares Non-Government Company
<b>Address of the Registered office and contact details</b>	:	UTI Tower, GN Block, 4th Floor Bandra Kurla Complex Mumbai-400051
<b>Whether listed company</b>	:	No
<b>Name, Address and Contact details of Registrar and Transfer Agent, if any:</b>	:	KFin Technologies Private Limited Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

<b>Sr. No.</b>	<b>Name and Description of main products/services</b>	<b>NIC Code of the Product/service</b>	<b>% to total turnover of the Company</b>
1	Non-Banking Finance Company (Infrastructure Finance Company)	64990	Nil*

\*The Company is yet to commence its business



III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN	Holding/ Subsidiary / Associate	% of shares held	Applicable section
1.	NIIF Infrastructure Finance Limited North Wing, 3rd Floor, UTI Tower, GN Block, Bandra Kurla Complex, Mumbai-400051	U67190MH2014PLC 253944	Associate Company	30	2(6)



**I SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):**

**i. Category-wise Share Holding:**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	-				-				-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other (Trust)	-	-	-	-	57,70,00,000		57,70,00,000	100	100
<b>Sub-total(A)(1):</b>	-	-	-	-	-	-	-	-	-

<b>(2) Foreign</b>										
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):	-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	+	-	-	57,70,00,000		57,70,00,000	100		100
<b>B. Public Shareholdin g</b>										
(1) Institutions	-	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	-	-	-	-	-	-	-	-	-	-
(2)Non- Institutions	-	-	-	-	-	-	-	-	-	-



Sub-total(B)(2):	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	-	-	-	57,70,00,000		57,70,00,000	100	100

*\*The Company was incorporated on May 23, 2019 hence the shares at the beginning of the year has been shown as "Nil" and since this is the first period the change in shareholding has been shown as 100%.*

ii. SHAREHOLDING OF PROMOTERS:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year	Shareholding at the end of the year	% change in shareholding during
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		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbe red to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbe red to total shares	the year*
1.	National Investment and Infrastructure Fund II	-	-	-	57,69,99,994	100	-	100%
2.	Mr. Saurabh Jain as a nominee for National Investment and Infrastructure Fund Trustee Limited	-	-	-	1	0	-	100%
3.	Mr. Saurabh Suneja as a nominee for National Investment and	-	-	-	1	0	-	100%

	Infrastructure Fund Trustee Limited							
4.	Ms. Ekta Agarwal as a nominee for National Investment and Infrastructure Fund Trustee Limited	-	-	-	1	0	-	100%
5.	Ms. Cynthia D'souza as a nominee for National Investment and Infrastructure Fund Trustee Limited	-	-	-	1	0	-	100%
6.	Ms. Ritika Khanna as a nominee for National Investment and	-	-	-	1	0	-	100%

	Infrastructure Fund Trustee Limited							
7.	Ms. Subhashree Sen as a nominee for National Investment and Infrastructure Fund Trustee Limited	-	-	-	1	0	-	100%
<b>Total</b>		-	-	-	<b>57,70,00,000</b>	<b>100</b>	-	-

*\*The Company was incorporated on May 23, 2019 hence the shares at the beginning of the year has been shown as "Nil" and since this is the first period the change in shareholding has been shown as 100%.*

iii. **CHANGE IN PROMOTERS' SHAREHOLDING:**

Sr. No.	Particulars	Shareholding at the beginning of the year on incorporation		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year (on incorporation)	-*	-	-	-
	Issue of equity shares on incorporation	20,00,000**	100		
	Issue of Shares – Rights Issue	57,50,00,000	100		
	At the End of the year	57,70,00,000	100	57,70,00,000	100

\* The Company was incorporated on May 23, 2019 hence the shares at the beginning of the year has been shown as "Nil"

\*\*include 6(six) equity shares held by Nominees

iv. **SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	For each of the Top 10 Shareholders				
	At the beginning of the year	The entire shareholding of the Company is held by the National Investment and Infrastructure Fund II, hence there are no other shareholders in the Company except the said National Investment and Infrastructure Fund II and its Nominees.			
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)				
	At the End of the year (or				

	on the date of separation, if separated during the year)	
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**v. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
		NA*			

**\*One Director is holding 1 (one) Equity Share in the capacity of Nominee of National Investment and Infrastructure Fund II.**

**II INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-		-	
ii) Interest due but not paid	-		-	
iii) Interest accrued but not due	-		-	
Total (i+ii+iii)	-		-	
Change in Indebtedness during the financial year				
Addition	-		-	
Reduction	-		-	

Net Change	-		-	
Indebtedness at the end of the financial year				
Principal Amount	-			
ii) Interest due but not paid	-			
iii) Interest accrued but not due	-			
Total (i+ii+iii)	-			

### III REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

#### A. *Remuneration to Managing Director, Whole-time Directors and/or Manager:*

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Not Applicable as the Company did not have Managing Director, Whole time Director or Manager during the first period from May 23,2019 till March 31, 2020	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	- others, specify		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		



**B. REMUNERATION TO OTHER DIRECTORS:**

Sr. No.	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors	Not Applicable as none of the directors of the Company has been paid any remuneration during the first period from May 23,2019 till March 31, 2020	
	Fee for attending board / committee meetings		
	Commission		
	Others, please specify		
	Total (1)		
2.	Other Non-Executive Directors		
	Fee for attending board / committee meetings		
	Commission		
	Others, please specify		
	Total (2)		
	Total =(1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary	Not Applicable			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites				



	u/s 17(2) Income-tax Act, 1961	
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	
2	Stock Option	
3	Sweat Equity	
4	Commission	
	- as % of profit	
	- others, specify	
5	Others, please Specify	
	Total	

**IV PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment					
Compounding					



**For and on behalf of the Board  
ASEEM INFRASTRUCTURE FINANCE LIMITED**



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**Surya Prakash Rao Pendyala**  
**Director**  
**DIN:02888802**



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**Rajiv Dhar**  
**Director**  
**DIN: 00073997**

**Date: September 21, 2020**  
**Place: Mumbai**

# Mehta & Mehta

## COMPANY SECRETARIES

201-206, SHIV SMRITI, 2ND FLOOR, 49/A, DR. ANNIE BESANT ROAD, ABOVE CORPORATION BANK, WORLI, MUMBAI-400 018  
TEL.: +91-22-6611 9696 • E-mail: dipti@mehta-mehta.com • Visit us : www.mehta-mehta.com

### AUTHORISED AGENTS FOR TRADEMARK, COPYRIGHT AND PATENT

#### FORM MR-3

#### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

{Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,  
The Members,  
**Aseem Infrastructure Finance Limited**  
UTI Tower, GN Block, 4<sup>th</sup> Floor,  
Bandra Kurla Complex, Mumbai - 400051

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

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial period ended on March 31, 2020 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder (during the period under review not applicable to the Company);
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) 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 (during the period under review not applicable to the Company);



- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (during the period under review not applicable to the Company);
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (during the period under review not applicable to the Company);
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (during the period under review not applicable to the Company);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (during the period under review not applicable to the Company);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (during the period under review not applicable to the Company);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (during the period under review not applicable to the Company);
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (during the period under review not applicable to the Company) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (during the period under review not applicable to the Company);
- (vi) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (applicable to the company with effect from January 28, 2020);
- (vii) Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions (applicable to the company with effect from January 28, 2020).
- (viii) Non-Banking Financial – Corporate Governance (Reserve Bank) directions (applicable to the company with effect from January 28, 2020).
- (ix) Master Direction - Information Technology Framework for the NBFC Sector (applicable to the company with effect from January 28, 2020)
- (x) Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016 (applicable to the company with effect from January 28, 2020).



- (xi) Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 (applicable to the company with effect from January 28, 2020);

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (during the period under review not applicable to the Company);

During the period under review the Company has complied with the provisions of Act, Rules, Regulations, Guidelines, etc. mentioned above **subject to the following observations;**

- a. **As on January 15, 2020 the paid-up share capital of the Company was INR 5,77,00,00,000/- (Rupees Five Hundred and Seventy Seven Crores only) however the company has not appointed a Woman Director as required under second proviso to Section 149(1) of the Act, an Internal Auditor as required under section 138(1) of the Act and Independent Directors as required under Section 149(4) of the Act. Further the company has not constituted an Audit Committee as per Section 177(1) of the Act and a Nomination and Remuneration Committee as per Section 178(1) of the Act;**
- b. **As on January 15, 2020 the paid-up share capital of the Company was INR 5,77,00,00,000/- (Rupees Five Hundred and Seventy Seven Crores only) however the company has not appointed the requisite Key Managerial Personnel ("KMP") as per Section 203(1) of the Act, however, the Company had appointed Chief Executive Officer w.e.f. March 24, 2020.**

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of the Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act, **except the observations as stated above.**

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

Majority decision is carried through while the dissenting members' view, if any are captured and recorded as part of the Minutes.

**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 audit period the Company had the following specific events /actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.



- a) The Reserve Bank of India had issued the certificate of registration of NBFC-IFC on January 28, 2020.
- b) The Board of Directors at their meeting held on January 10, 2020 approved a Rights Issue of 57,50,00,000 Equity shares at a price of Rs. 10 each i.e. at par amounting to Rs.5,75,00,00,000 (Rupees Five Hundred and Seventy Five Crores Only).
- c) Pursuant to the Rights Issue approved on January 10, 2020, the Board of Director vide Circular Resolution dated January 15, 2020 allotted 57,50,00,000 Equity Shares of INR 10 to National Investment and Infrastructure Fund Trustee Limited.
- d) The Board of Directors at their meeting held on March 24, 2020 approved the following:
- Subject to the approval of members, increase in Authorized Share Capital of the Company from the present Rs. 6,20,00,00,000/- (Rupees Six Hundred Twenty Crore only) divided into 62,00,00,00,000 (sixty two crore) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 13,00,00,00,000/- (Rupees Thirteen Hundred Crore only) divided into 130,00,00,00,000 (one hundred thirty crores) Equity Shares of Rs. 10/- (Rupees Ten only) each by creation of new 68,00,00,00,000 (sixty eight crore) Equity Shares of Rs. 10/- (Rupees Ten only) each ranking pari passu with the existing Equity Share Capital of the Company in all respects and also consequent alteration in the Capital Clause of the Memorandum of Association of the Company.
  - Issue of 72,00,00,000 (Seventy Two crores) Equity shares of Rs. 10/- each fully paid up aggregating to Rs. 7,20,00,00,000/- (Rupees Seven Hundred Twenty Crore only) to the existing shareholders for cash at par on right basis in the proportion of 1,24,783.3622 Equity Shares for every 1,00,000 Equity Shares held in the Company.
  - Subject to the approval of members, authority to the board of directors to avail borrowings upto Rs. 50,00,00,00,000/- (Rupees Five Thousand Crore only) for the operation of the company.
  - Subject to the approval of members, raising of funds by issue of debentures in the nature of secured redeemable non-convertible debentures on a private placement basis upto an amount of Rs. 50,00,00,00,000/- (Rupees Five Thousand Crore only).



Note: Due to lockdown under COVID-19, Certification on this Form MR-3 is done on the basis of documents made available to us in electronic form (i.e. scan copies over email) by the Secretarial Team of the Company and such documents will be verified physically after the lockdown is lifted.

**For Mehta & Mehta,  
Company Secretaries  
(ICSI Unique Code P1996MH007500)**

Atul Mehta  
Partner



PCS No: 5782

Place: Mumbai

UDIN: F005782B000449599

CP No: 2486

Date: July 14, 2020

Note: This report is to be read with our letter of even date which is annexed as '**ANNEXURE A**' and forms an integral part of this report.

To,  
The Members,  
**Aseem Infrastructure Finance Limited**  
UTI Tower, GN Block, 4<sup>th</sup> Floor,  
Bandra Kurla Complex, Mumbai - 400051

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

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records 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 basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) 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 laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in points vi to x of our Secretarial Audit Report in Form No. MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
- 7) 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 **Mehta & Mehta,**  
**Company Secretaries**  
(ICSI Unique Code P1996MH007500)



Atul Mehta  
Partner



PCS No: 5782  
CP No: 2486

Place: Mumbai  
Date: July 14, 2020

UDIN: F005782B000449599



# **S.R. BATLIBOI & CO. LLP**

Chartered Accountants

12th Floor, The Ruby  
29 Senapati Bapat Marg  
Dadar (West)  
Mumbai - 400 028, India  
Tel: +91 22 6819 8000

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Aseem Infrastructure Finance Limited

Report on the Audit of the Standalone Financial Statements

### **Opinion**

We have audited the accompanying standalone financial statements of Aseem Infrastructure Finance Limited (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, and the Cash Flow Statement for the period May 23, 2019 to March 31, 2020, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit and its cash flows for the period May 23, 2019 to March 31, 2020.

### **Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as 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 Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Emphasis of Matter**

We draw attention to Note 19 of these standalone financial statements which describes the extent to which COVID-19 Pandemic impact the Company's operations and its financial results on financial assets will depend on future developments, which are highly uncertain.

Our opinion is not modified in respect of this matter.

### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

↓

### Responsibility of Management for the Standalone 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 of these standalone financial statements that give a true and fair view of the financial position, financial performance including cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act read with the Companies (Accounts) Rules, 2014. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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 1" 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;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
  - (e) The matter described in Emphasis of Matter above, in our opinion, may have an adverse effect on the functioning of the Company;
  - (f) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report;
  - (h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the period May 23, 2019 to March 31, 2020; and
  - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 would impact its financial position;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

  
per Rutushtra Patell  
Partner

Membership Number: 123596  
UDIN: 20123596AAAAJC7695  
Place of Signature: Mumbai  
Date: June 30, 2020

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Aseem Infrastructure Finance Limited

- (i) The Company does not have any fixed assets and hence, the provisions of clause 3(i) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under clause 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, as amended ("the Act"). Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Act, for the services of the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to sales tax, customs duty, excise duty, value added taxes, employees' state insurance and provident fund are not applicable to the Company.  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, goods and service tax and other statutory dues were outstanding, at the period end, for a period of more than six months from the date they became payable.  
(c) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, and cess which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given by the management, the Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the period.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer/further public offer/debt instruments and term loans hence, reporting under clause 3(ix) of the order is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the period.
- (xi) According to the information and explanations given by the management, no managerial remuneration has been paid and provided hence, reporting under clause 3(xi) of the order is not applicable to the Company and hence not commented upon.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

## **S.R. BATLIBOI & Co. LLP**


Chartered Accountants

- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has complied with provisions of section 42 of the Act in respect of the private placement of equity shares during the year. According to the information and explanations given by the management, we report that, the amounts raised have been used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with the directors as referred to in section 192 of the Act.
- (xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003

  
per Rutushtra Patell  
Partner

Membership No. 123596

UDIN: 20123596AAAAJC7695

Place: Mumbai

Date: June 30, 2020

Annexure 2 referred to in paragraph 2 (g) under the heading "Report on other legal and regulatory requirements" of our report of even date

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

We have audited the internal financial controls over financial reporting of Aseem Infrastructure Finance Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the period May 23, 2019 to March 31, 2020.

#### Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these 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 as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these 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 judgement, 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 internal financial controls over financial reporting with reference to these financial statements.

#### Meaning of Internal Financial Controls over Financial Reporting with Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these 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 company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005



per Rutushtra Patell  
Partner

Membership Number: 123596  
UDIN: 20123596AAAAJC7695  
Place of Signature: Mumbai  
Date: June 30, 2020

**Aseem Infrastructure Finance Limited**

**Standalone Financial Statements**

**For the period ended March 31, 2020**



**Aseem Infrastructure Finance Limited**  
**Standalone Balance Sheet as at March 31, 2020**  
(Amount in Rs. unless otherwise stated)

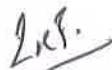
	Note	<u>As at March 31, 2020</u>
<b>Equity and liabilities</b>		
<b>Shareholders' funds</b>		
Share capital	3	5,77,00,00,000
Reserves and surplus	4	<u>25,94,200</u>
		<b>5,77,25,94,200</b>
<b>Current liabilities</b>		
Short-term provisions	5	43,16,181
Other current liabilities	6	<u>4,00,90,319</u>
		<b>4,44,06,500</b>
<b>Total</b>		<b><u>5,81,70,00,700</u></b>
<b>Assets</b>		
<b>Non-current assets</b>		
Non-current investments	7	2,65,91,01,054
Deferred tax asset	8	60,40,628
		<u>2,66,51,41,682</u>
<b>Current assets</b>		
Cash and bank balances	9	3,15,13,15,217
Other current assets	10	<u>5,43,801</u>
		<b>3,15,18,59,018</b>
<b>Total</b>		<b><u>5,81,70,00,700</u></b>

Summary of significant accounting policies and other explanatory information  
The accompanying notes form an integral part of these financial statements.

2


As per our report of even date.

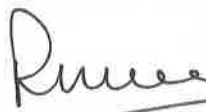
**For S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 301003E/E300005

  
**Rutushtra Patell**  
Partner  
Membership No : 123596

Place: Mumbai  
Date: June 30, 2020

**For and on behalf of the Board of Directors of  
Aseem Infrastructure Finance Limited**

  
**Surya Prakash Rao Pendyala**  
Director  
DIN: 02888802

  
**Rajiv Dhar**  
Director  
DIN: 00073997

Place: Mumbai  
Date: June 30, 2020

  
**Virender Pankaj**  
Chief Executive Officer



**Aseem Infrastructure Finance Limited**  
**Standalone Statement of Profit and Loss for the period May 23, 2019 to March 31, 2020**  
(Amount in Rs. unless otherwise stated)


	Note	For the period May 23, 2019 to March 31, 2020
<b>Income</b>		
Other income	11	4,55,17,898
<b>Total</b>		<u>4,55,17,898</u>
<b>Expenses</b>		
Finance cost	12	5,232
Other expenses	13	4,00,91,094
<b>Total</b>		<u>4,00,96,326</u>
<b>Profit before tax</b>		54,21,572
<b>Tax expenses</b>		
Current tax: pertaining to profit for the current period		88,68,000
Deferred tax		<u>(60,40,628)</u>
<b>Total tax expense</b>		<u>28,27,372</u>
<b>Profit after tax for the period</b>		<u>25,94,200</u>
<b>Earnings per equity share [Nominal value per share ₹ 10]</b>	14	
Basic Earnings per equity share (₹)		0.02
Diluted Earnings per equity share (₹)		0.02

Summary of significant accounting policies and other explanatory information  
The accompanying notes form an integral part of these financial statements.

2

As per our report of even date.


For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No. 301003E/E300005


  
**Rutushtra Patell**  
Partner  
Membership No : 123596


Place: Mumbai  
Date: June 30, 2020



For and on behalf of the Board of Directors of  
**Aseem Infrastructure Finance Limited**

  
**Surya Prakash Rao Pendyala**  
Director  
DIN: 02888802

  
**Rajiv Dhar**  
Director  
DIN: 00073997

  
**Virender Pankaj**  
Chief Executive Officer

Place: Mumbai  
Date: June 30, 2020


**Aseem Infrastructure Finance**  
**Standalone Cash Flow Statement for the period May 23, 2019 to March 31, 2020**  
(Amount in Rs. unless otherwise stated)

	For the period May 23, 2019 to March 31, 2020
<b>Cash flow from operating activities</b>	
Profit before tax	54,21,572
Adjustments	-
<b>Operating profit before working capital changes</b>	<u>54,21,572</u>
<b>Movements in working capital:</b>	
Increase in other liabilities	4,00,90,319
(Increase) in other current assets	<u>(5,43,801)</u>
<b>Cash from operating activities</b>	<u>4,49,68,090</u>
Income taxes paid	<u>(45,51,819)</u>
<b>Net cash flow from operating activities</b>	<b>(A) <u>4,04,16,271</u></b>
<b>Cash flows from investing activities</b>	
Purchase of non-current investments	<u>(2,65,91,01,054)</u>
<b>Cash flow used in investing activities</b>	<b>(B) <u>(2,65,91,01,054)</u></b>
<b>Cash flows from financing activities</b>	
Proceeds from issuance of equity share capital	<u>5,77,00,00,000</u>
<b>Net cash flow from financing activities</b>	<b>(C) <u>5,77,00,00,000</u></b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<u><u>3,15,13,15,217</u></u>
Cash and cash equivalents at beginning of the period	-
<b>Cash and cash equivalents at the end of the period</b>	<u><u>3,15,13,15,217</u></u>
<b>Components of cash and cash equivalents</b>	
Cash on hand	-
Balance with bank in current accounts	7,15,128
Balance in bank deposits account (maturity less than 3 months)	<u>3,15,06,00,089</u>
<b>Total cash and cash equivalents (refer note 9)</b>	<u><u>3,15,13,15,217</u></u>

As per our report of even date

**For S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 301003E/E300005

**For and on behalf of the Board of Directors of  
Aseem Infrastructure Finance Limited**

  
**Rutushtra Patell**  
Partner  
Membership No : 123596

  
**Surya Prakash Rao Pendyala** **Rajiv Dhar**  
Director Director  
DIN: 02888802 DIN: 00073997

  
**Virender Pankaj**  
Chief Executive Officer

Place: Mumbai  
Date: June 30, 2020

Place: Mumbai  
Date: June 30, 2020



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the standalone financial statements**  
**For the period ended March 31, 2020**

**Note 1: Corporate Information**

Aseem Infrastructure Finance Limited (CIN:U65990MH2019PLC325794) (the 'Company') is a public limited company, incorporated in India on May 23, 2019 under the provisions of the Companies Act, 2013 (the 'Act') and is a Non-Banking Finance Company ('NBFC'), a Systemically Important Non-Banking Finance Institution regulated by the Reserve Bank of India ('RBI'). The registered office of the Company is located at 4th Floor, UTT Tower, North Wing, GN Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051, India.

The Company has received the NBFC license certificate no. N 13.02382 from RBI on January 28, 2020. The object of the Company is to undertake infrastructure financing activities.

The Company is a wholly owned subsidiary of National Investment and Infrastructure Fund-II (the 'Fund') which has been organised as a Trust by The Department of Economic Affairs. The Trust has been organised as a contributory umbrella trust and settled in India by the Settlor under the provisions of the Indian Trust Act, 1882 by way of an Indenture of trust dated March 01, 2018. The Fund is registered with the Securities and Exchange Board of India ("SEBI") as a Category II Alternative Investment Fund under SEBI (Alternative Investment Funds) Regulations, 2012 ("AIF Regulations").

These financial statements were approved by the board of directors on June 30, 2020.

**Note 2: Significant accounting policies**

**i) Basis of accounting and preparation of the standalone financial statements**

The standalone financial statements of Aseem Infrastructure Finance Limited (the "Company" / "Group") have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act") and the relevant provisions of the Act, as applicable. The standalone financial statements have been prepared on accrual basis under the historical cost convention. This is the year of incorporation and therefore these are first financial statements of the Company.

Current assets do not include elements which are not expected to be realised within one year and current liabilities do not include items which are due after one year.

**ii) Use of estimates**

The preparation of financial statements require the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses for the reporting period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods. Example of such estimates includes provision for income taxes.

**iii) Investments**

**a. Non current investments:**

Non-current investments are investments intended to be held for a period of more than a year. Non-current investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Goodwill comprises the portion of a purchase price for an acquisition that exceeds the market value of the identifiable assets, with deductions for liabilities, calculated on the date of acquisition.

**b. Current investments**

Current investments are investments intended to be held for a period of less than a year. Current investments are stated at the lower of cost and market value, determined on an individual investment basis.

**iv) Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Company has present obligations, as result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but disclosed in the financial statements. A Contingent asset is neither recognised nor disclosed in the financial statements.



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the standalone financial statements**  
**For the period ended March 31, 2020**

**Note 2: Significant accounting policies (contd.)**

**v) Impairment of assets**

At each Balance Sheet date, the Company reviews, whether there is any indication of impairment of an asset. If any such condition exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). Recoverable amount of the asset is the higher of an asset's net selling price and value in use. In assessing the value in use, the estimated future cash flow expected from continuing use of the asset and from its disposal is discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific to the asset. If the recoverable amount of an asset is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased above the lower of recoverable amount and the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

**vi) Taxation**

**Income taxes**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provision of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax corresponds to the net effect of tax on all timing differences, which occur as a result of items being allowed for income tax purposes during a year different from when they were recognised in the financial statements.

Deferred tax is recognised on the timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward losses and items relating to capital losses, Deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

**vii) Operating cycle**

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

**viii) Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

Potential dilutive equity shares are deemed to be converted as at the beginning of the year, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the standalone financial statements**  
**For the period ended March 31, 2020**  
**(Amount in Rs. unless otherwise stated)**

**Note 3: Share capital**

	<u>As at</u> <u>March 31, 2020</u>
<b>Authorised shares</b>	
62,00,00,000 equity shares of Rs. 10 each	<u>6,20,00,00,000</u>
<b>Issued, subscribed and fully paid-up shares</b>	
57,70,00,000 equity shares of Rs. 10 each	<u>5,77,00,00,000</u> <u>5,77,00,00,000</u>

**a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**  
**Equity shares**

	<u>As at</u> <u>March 31, 2020</u>	
	<u>Number</u>	<u>Amount</u>
At the beginning of the period	-	-
Issued during the period	<u>57,70,00,000</u>	<u>5,77,00,00,000</u>
<b>Balance at the end of the period</b>	<u>57,70,00,000</u>	<u>5,77,00,00,000</u>

**b) Rights and preference of equity shareholders**

Each holder of an equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Details of shareholder holding more than 5% shares in the company**

	<u>As at</u> <u>March 31, 2020</u>	
<u>Name of the shareholder</u>	<u>No of shares</u>	<u>% holding</u>
National Investment and Infrastructure Fund-II	<u>57,70,00,000</u>	<u>100%</u>
	<u>57,70,00,000</u>	<u>100%</u>



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the standalone financial statements**  
**For the period ended March 31, 2020**  
**(Amount in Rs. unless otherwise stated)**

**Note 4: Reserves and surplus**

	<u>As at</u> <u>March 31, 2020</u>
<b>Statutory reserve u/s. 45-IC of RBI Act, 1934</b>	
Balance at the beginning of the period	-
Add: Transferred from surplus in Statement of Profit and Loss	5,18,840
<b>Balance at the end of the period</b>	<u>5,18,840</u>
<b>Surplus in the statement of profit and loss</b>	
Balance at the beginning of the period	-
Add: Profit for the period	25,94,200
Less: Transfer to Special Reserve u/s. 45-IC of RBI Act, 1934	(5,18,840)
<b>Balance at the end of the period</b>	<u>20,75,360</u>
	<u>25,94,200</u>

\*Appropriations to the Special Reserve under Section 36(1)(viii) of the Income Tax Act, 1961 and the Special Reserve under Section 45-IC of Reserve Bank of India Act, 1934 are carried out of distributable profits of the Company.

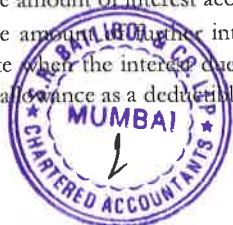
**Note 5: Provisions**

	<u>Long-term</u> <u>As at</u> <u>March 31, 2020</u>	<u>Short-term</u> <u>As at</u> <u>March 31, 2020</u>
<b>Provision for taxation</b>		
Provision for income tax (net of taxes paid Rs 45,51,819)	-	43,16,181
	<u>-</u>	<u>43,16,181</u>
<b>Note 6: Other current liabilities</b>		
Tax deducted at source payable	-	9,97,222
Amount due to related parties (refer note 15c)	-	3,82,54,696
Expenses payable	-	8,38,401
	<u>-</u>	<u>4,00,90,319</u>

**Note:**

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:

<b>Particulars</b>	<u>As at</u> <u>March 31, 2020</u>
Outstanding principal amount and interest due to suppliers registered under MSMED Act and remaining unpaid at the period end	-
- Principal amount	-
- 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 accounting period.	-
The amount of 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.	-



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the standalone financial statements**  
**For the period ended March 31, 2020**  
**(Amount in Rs. unless otherwise stated)**

**Note 7: Non-current investments**

	<b>As at March 31, 2020</b>
<b>Unquoted</b>	
<b>Investment in equity instruments</b>	
NIIF Infrastructure Finance Limited (Formerly, IDFC Infrastructure Finance Limited)	2,65,91,01,054
(16,20,00,000 equity shares having face value of Rs.10 @ Rs 16.41)	
(Holding 30% as of reporting date)	
	<b><u>2,65,91,01,054</u></b>

Note: The excess of purchase consideration paid by the company over the aggregate value of the net assets acquired has been treated as goodwill. Goodwill of Rs. 11,19,49,298 comprises the value of expected synergies arising from the acquisition which is not separately recognised.

**Note 8: Deferred tax asset**

	<b>As at March 31, 2020</b>
<b>Deferred tax asset arising on:</b>	
Preliminary expenses written off	60,40,628
	<b><u>60,40,628</u></b>

**Note 9: Cash and bank balances**

	<b>As at March 31, 2020</b>
<b>Cash and cash equivalents</b>	
Cash on hand	-
Balance with bank in current accounts	7,15,128
Balance in bank deposits account (maturity less than 3 months)	3,15,06,00,089
	<b><u>3,15,13,15,217</u></b>

**Note 10: Other current assets**

	<b>As at March 31, 2020</b>
(Unsecured, considered good)	
Interest accrued on Bank deposits	5,43,801
	<b><u>5,43,801</u></b>





**Aseem Infrastructure Finance Limited**  
**Notes forming part of the standalone financial statements**  
**For the period ended March 31, 2020**  
**(Amount in Rs. unless otherwise stated)**

**Note 11: Other income**

	<b>For the period May 23, 2019 to March 31, 2020</b>
Interest income on Bank deposits	4,55,17,898
	<u>4,55,17,898</u>

**Note 12: Finance cost**

	<b>For the period May 23, 2019 to March 31, 2020</b>
Bank charges	5,232
	<u>5,232</u>

**Note 13: Other expenses**

	<b>For the period May 23, 2019 to March 31, 2020</b>
Pre-incorporation expenses written off	3,00,01,531
Pre-operataive expenses written off	58,09,083
Legal and professional fees	36,57,280
Payment to auditor (refer note a below)	5,75,000
Other expenses	48,200
	<u>4,00,91,094</u>
<b>a. Payment to auditor</b>	
Statutory audit fees	3,50,000
Certification fees	2,25,000
	<u>5,75,000</u>

**Note 14: Earnings per Share (EPS)\***

Net profit attributable to equity shareholders	25,94,200
Weighted average number of shares outstanding during the period for computing basic and diluted EPS (nos)	14,66,65,605
<b>Earnings per equity share (nominal value of share- Rs. 10 each)</b>	<b>10</b>
Basic Earnings per equity share (₹)	0.02
Diluted Earnings per equity share (₹)	0.02

\*The company is incorporated during the financial year. Hence earning per share (EPS) is not represent annualised value.



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the standalone financial statements**  
**For the period ended March 31, 2020**  
**(Amount in Rs. unless otherwise stated)**

**Note 15: Related party disclosure**

**a. Name of related parties and related party relationship**

**i) Parties where control exists**

Holding entity	National Investment and Infrastructure Fund-II
Investment manager of holding entity	National Investment and Infrastructure Fund Limited

**ii) Key management personnel**

Director	Mr. Saurabh Jain
Director	Mr. Surya Prakash Rao Pendyala
Director	Mr. Rajiv Dhar
Chief executive officer	Mr. Virender Pankaj

**iii) Associate company**

NIIF Infrastructure Finance Limited

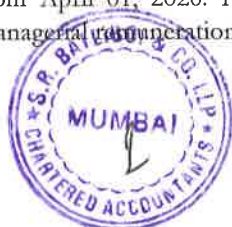
**b. Transactions with related parties during the period**

Nature of transaction	Relationship	For the period May 23, 2019 to March 31, 2020
<b>Purchase of equity shares</b>		
NIIF Infrastructure Finance Limited	Associate company	2,65,91,01,054
<b>Expenses on Company's behalf by</b>		
National Investment and Infrastructure Fund-II	Holding entity	3,00,01,531
National Investment and Infrastructure Fund Limited	Investment manager of holding entity	83,34,917
NIIF Infrastructure Finance Limited	Associate company	8,28,220

**c. Closing balance of the transactions with related parties**

Nature of transaction	Relationship	As at March 31, 2020
<b>Investment in equity shares</b>		
NIIF Infrastructure Finance Limited	Associate company	2,65,91,01,054
<b>Expenses on Company's behalf payable</b>		
National Investment and Infrastructure Fund-II	Holding entity	3,00,01,531
National Investment and Infrastructure Fund Limited	Investment manager of holding entity	75,07,767
NIIF Infrastructure Finance Limited	Associate company	7,45,398

Note : Mr. Virender Pankaj appointed as chief executive officer (CEO) in board meeting dated March 24, 2020 with effect from April 01, 2020. Hence, there are no transaction during the period which are required to be reported under the managerial remuneration paid or payable to the company's chief executive officer under Key management personnel.



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the standalone financial statements**  
**For the period ended March 31, 2020**  
**(Amount in Rs. unless otherwise stated)**

**Note 16: Earning and expenditure in foreign currency**

There is no earning and expenditure in foreign currency during the period

**Note 17: Segment information**

The Company is considered to have one segment for the purpose of Accounting Standard 17 on Segment Reporting. The Company operates in a single geographical segment i.e., domestic.

**Note 18: Subsequent events after balance sheet date**

**a. Increase in authorised share capital**

The Authorized Share Capital of the Company increased from the present Rs. 6,20,00,00,000/- (Rupees Six Hundred Twenty Crores only) to Rs. 13,00,00,00,000/- (Rupees One Thousand Three hundred crores) divided into 1,30,00,00,000 (One hundred Thirty crores) Equity Shares of Rs. 10/- (Rupees Ten only) each by creation of new 68,00,00,000 (Sixty-eight crore) Equity Shares of Rs. 10/- (Rupees Ten only) each.

**b. Issue of share capital**

The Company has received Rs. 7,09,37,49,990 towards equity share capital at par (Face value of Rs. 10/- per equity share) by way of rights issue from its shareholder, M/s National Investment & Infrastructure Fund II, which was allotted on May 21, 2020.

**Note 19: Impact of COVID-19**

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe including India. On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. COVID-19 has taken its toll on not just human life, but business and financial markets too, the extent of which is currently indeterminable. In many countries, including India, there has been severe disruption to regular business operations due to lockdowns, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. On March 24, 2020, the Indian government announced a strict 21-day lockdown which was further extended by 19 days and 14 days across the country to contain the spread of virus.

The Indian Government, the Reserve Bank of India and other regulators have announced various measures and relaxations acknowledging the current situation to ensure that there is enough liquidity in the hands of market participants and provided moratoriums to the borrowers in terms of their repayments to the financial institutions.

The Company, being a Infrastructure Finance Company -NBFC (IFC-NBFC), is in the business of providing loans to infrastructure projects. The Company has not disbursed any loans and also not made any borrowings as of March 31, 2020. It has enough liquidity which is invested in fixed deposits with bank. The Company believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of the financial statements. The Company has further assessed the recoverability and carrying value of its assets comprising mainly Investments as at balance sheet date, and has concluded that there are no material adjustments required in the financial Statements, other than those already considered. However, the impact assessment of COVID-19 on future operations is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions. Given that the Company is monitoring Covid-19's impact on infrastructure sectors, any future lending/investment opportunities shall be assessed considering the expected impact, if any.



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the standalone financial statements**  
**For the period ended March 31, 2020**  
**(Amount in Rs. unless otherwise stated)**

Note 20: The following additional information is disclosed in terms of the RBI circular (Ref No. DNBR .PD. 008 / 03.10.119 / 2016-17 dated September 01, 2016) and RBI circular DNBR(PD) CC No. 053 / 03.10.119 / 2015-16 :

a). Capital to Risk Asset Ratio ('CRAR'):

	As at March 31, 2020
CRAR (%)	638.88%
CRAR - Tier I Capital (%)	638.88%
CRAR - Tier II Capital (%)	0.00%
Amount of Subordinated Debt considered as Tier-II Capital	-
Amount raised by issue of Perpetual Debt Instruments	-

b). Details of Investments are set out below:

1 Value of Investments

(i) Gross Value of Investments		
(a) In India		2,65,91,01,054
(b) Outside India		-
	(A)	2,65,91,01,054
(ii) Provision for depreciation		
(a) In India		-
(b) Outside India		-
	(B)	-
(iii) Net Value of Investments		
(a) In India		2,65,91,01,054
(b) Outside India		-
	(A-B)	2,65,91,01,054

2. Movement of provisions held towards depreciation on investments.

(i) Opening balance	-
(ii) Add: Provisions made during the period	-
(iii) Less: Write-offs/ write-back of excess provisions during the period	-
(iv) Closing balance	-

c) Investor group wise classification of all investments (Current and Long Term) in shares and securities (both Quoted and Unquoted):

	As at March 31, 2020	
	Market Value/ Breakup Value / Fair Value / NAV	Book Value Net of Provision
1. Related parties		
a) Subsidiaries	-	-
b) Companies in the same group	2,65,91,01,054	2,65,91,01,054
c) Other related parties	-	-
2. Other than related parties	-	-
<b>Total</b>	-	-

d) Disclosure on Risk exposure on derivatives

The company has not undertaken any transaction of derivatives in the current period hence the related disclosures are not applicable to the Company.

e) Securitisation /Assignment

The Company has not under taken any transactions of Securitisation/Assignment in the current period and hence the related disclosures are not applicable to the Company.

f) 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 period and hence the related disclosure are not applicable to the Company.



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the standalone financial statements**  
**For the period ended March 31, 2020**  
**(Amount in Rs. unless otherwise stated)**

Note 20: Additional disclosures required by the RBI (Cont'd)  
g) Asset Liability Management Maturity pattern of certain items of assets and liabilities  
Current period as on March 31, 2020

	1 to 7 days	8 to 14 days	15 days to 30 /31 days	Over 1 month upto 2 Months	Over 2 months upto 3 months	Over 3 month & up to 6 months	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
<b>Liabilities</b>											
Borrowings from banks	-	-	-	-	-	-	-	-	-	-	-
Market borrowings	-	-	-	-	-	-	-	-	-	-	-
<b>Assets</b>											
Advances	-	-	-	-	-	-	-	-	-	-	-
Investment	-	-	-	-	-	-	-	-	-	-	-
Joint Liability Group (JLG) Loans	-	-	-	-	-	-	-	-	-	-	-
Micro Enterprises Loans (MEL)	-	-	-	-	-	-	-	-	-	-	-
Rural Micro Enterprises Loans	-	-	-	-	-	-	-	-	-	-	-
Gold Loans (GL)	-	-	-	-	-	-	-	-	-	2,65,91,01,054	2,65,91,01,054

h) Loan portfolio and provision for standard and non-performing assets:

Portfolio Loans Outstanding (Gross)	Provision for Standard and Non-Performing Assets			Portfolio Loans Outstanding (Net)
	Provision transferred from RR	Provision made during the period	Provision written back during the period	
For the period May 23, 2019 to March 31, 2020	-	-	-	For the period May 23, 2019 to March 31, 2020
Standard assets	-	-	-	-
Non-performing assets	-	-	-	-



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the standalone financial statements**  
**For the period ended March 31, 2020**  
**(Amount in Rs. unless otherwise stated)**

**Note 20: Additional disclosures required by the RBI (Cont'd)**

**i) 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, 2020.

**j) Exposures to Capital Market**

This disclosure is not applicable to the Company as there are no exposures to capital market as at March 31, 2020.

**k) Details of Single Borrower Limit and Borrower Group Limit exceeded by the Company**

During the period ended March 31, 2020, the Company's credit exposure to single borrowers and group borrowers were within the limits prescribed by the RBI.

**l) Borrower group-wise classification of assets financed:**

	<b>As at March 31, 2020 net of provision (*)</b>
1. Related parties	
a) Subsidiaries	-
b) Companies in the same group	-
c) Other related parties	-
2. Other than related parties	-
<b>Total</b>	<b>-</b>
(*) Net of provision for standard assets	

**m) Unsecured advances**

The Company has not given any unsecured advances in the current period.

**n) Registration obtained from other financial regulators**

The Company has not obtained registrations from other financial sector regulators.

**o) Penalties / fines imposed by the RBI**

During the period ended March 31, 2020 there was no penalty imposed by the RBI and other regulators.

**p) Drawdowns from Reserves**

The Company has not undertaken any drawdown from reserves during the current period and hence the related disclosures are not applicable to the Company.

**q) Concentration of Advances**

	<b>As at March 31, 2020</b>
Total Advances to twenty largest borrowers/ customers	-
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	-

**r) Concentration of Exposures**

	<b>As at March 31, 2020</b>
Total Exposure to twenty largest borrowers / customers	-
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	-



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the standalone financial statements**  
**For the period ended March 31, 2020**  
**(Amount in Rs. unless otherwise stated)**

**Note 20: Additional disclosures required by the RBI (Cont'd)**

**s) Concentration of Non Performing Assets (NPAs) /Sector-wise NPAs/ Movement in NPAs**

The Company did not have any NPAs in the current period and hence the related disclosures are not applicable to the Company.

**t) The information on Overseas Assets (for those with Joint Ventures and Subsidiaries abroad) is given below:**

Name of the Joint Venture/ Subsidiary	As at March 31, 2020		
	Other Partner in the JV	Country	Total Assets
	Nil	Nil	Nil

**u) The information on off balance sheet SPV sponsored (which are required to be consolidated as per accounting norms):**

For the period May 23, 2019 to March 31, 2020	
	Nil

**v) Debenture holders' complaints:**

No. of complaints pending at the beginning of the period	Nil
No. of complaints received during the period	Nil
No. of complaints redressed during the period	Nil
No. of complaints pending at the end of the period	Nil

The above information is certified by management and relied upon by the auditors.

**Note 21: Public disclosure on liquidity risk**

The disclosure in terms of RBI circular ref. DOR.NBFC(PD)CC.NO.102/03.10.001/2019-20 dated November 04, 2019 on liquidity risk management framework for NBFCs is provided below-

**i) Funding concentration based on significant counterparty**

Sr no	No of significant counterparties	Amount	% of Total deposits	% of Total Liabilities
	Nil	Nil	Nil	Nil

**ii) Top 20 large deposits: Nil**

**iii) Top 10 borrowings: Nil**

**iv) Funding concentration based on significant instrument/product**

Sr no	Name of instrument	Amount	% of Total Liabilities
	Nil	Nil	Nil

**v) Stock ratios:**

Sr no	Name of instrument	As a % of total public funds	As a % of total liabilities	As a % of total assets
a)	Commercial papers	Nil	Nil	Nil
b)	Non Convertible Debentures (original maturity <1 year)	Nil	Nil	Nil
c)	Other short term liabilities	Nil	Nil	Nil

**vi) Institutional set-up for liquidity risk management**

The Company has not made any borrowings and given any loans as of March 31, 2020. Liquidity risk management is under supervision of the Board of Directors.



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the standalone financial statements**  
**For the period ended March 31, 2020**  
**(Amount in Rs. unless otherwise stated)**

**Note 22:** Frauds reported during the period - Nil

**Note 23:** There are no contingent liabilities and no capital commitments as at March 31, 2020.

**Note 24:** This being the first Balance Sheet laid before the Company, there are no corresponding amounts for the immediately preceding previous period.

As per our report of even date.

**For S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 301003E/E300005



**Rutushtra Patell**  
Partner  
Membership No : 123596

Place: Mumbai  
Date: June 30, 2020

**For and on behalf of the Board of Directors of**  
**Aseem Infrastructure Finance Limited**



**Surya Prakash Rao Pendyala**  
Director  
DIN: 02888802

Place: Mumbai  
Date: June 30, 2020



**Rajiv Dhar**  
Director  
DIN: 00073997

**Virender Pankaj**  
Chief Executive Officer





**INDEPENDENT AUDITOR'S REPORT**

To the Members of Aseem Infrastructure Finance Limited

Report on the Audit of the Consolidated Financial Statements

**Opinion**

We have audited the accompanying consolidated financial statements of Aseem Infrastructure Finance Limited (hereinafter referred to as "the Holding Company"), and its associate comprising of the consolidated Balance Sheet as at March 31, 2020, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the period May 23, 2019 to March 31, 2020, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Holding Company and its associate as at March 31, 2020, their consolidated profit and their consolidated cash flows for the period May 23, 2019 to March 31, 2020.

**Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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 Consolidated Financial Statements' section of our report. We are independent of the Holding Company and associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Emphasis of Matter**

We draw attention to Note 19 of these consolidated financial statements which describes the extent to which COVID-19 Pandemic impact the Holding Company and its associate's operations and its financial results on financial assets will depend on future developments, which are highly uncertain.

Our opinion is not modified in respect of this matter.

**Other Information**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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## Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Holding Company including its associate in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 (as amended). The respective Board of Directors of the companies included in the Holding Company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Holding Company and of its associate 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Holding Company and of its associate are responsible for assessing the ability of the Holding Company and of its associate 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 Holding Company or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the Holding Company and of its associate are also responsible for overseeing the financial reporting process of the Holding Company and of its associate.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Holding Company and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements 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 Holding Company and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities of the Holding Company and its associate of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matter

The consolidated financial statements also include the Holding Company's share of net profit of Rs. 42,34,722 for the period March 30, 2020 to March 31, 2020. We did not audit the financial statements and other financial information, in respect of an associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the report(s) of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of associate, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) The other auditors whose report we have relied upon 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 the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
- (e) The matter described in Emphasis of Matter above, in our opinion, may have an adverse effect on the functioning of the Holding Company and its associate;
- (f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its associate company, none of the directors of the Holding Company and its associate incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

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Report on Other Legal and Regulatory Requirements (continued)

- (g) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company and its associate company incorporated in India, refer to our separate report in "Annexure 1" to this report;
- (h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Holding Company, incorporated in India for the period May 23, 2019 to March 31, 2020; and
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the associate as noted in the 'Other matter' paragraph:
- i. The Holding Company and its associate do not have any pending litigations which would impact its consolidated financial position;
  - ii. The Holding Company and its associate did not have any material foreseeable losses in long-term contracts including derivative contracts during the period May 23, 2019 to March 31, 2020; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its associate incorporated in India during the period May 23, 2019 to March 31, 2020.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Rutushtra Patell

Partner

Membership Number: 123596

UDIN: 20123596AAAAJD3976

Place of Signature: Mumbai

Date: June 30, 2020

ANNEXURE 1 to the independent auditor's report of even date on the consolidated financial statements of Aseem Infrastructure Finance Limited

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

In conjunction with our audit of the consolidated financial statements of Aseem Infrastructure Finance Limited as of March 31, 2020 and for the period May 23, 2019 to March 31, 2020, we have audited the internal financial controls over financial reporting of Aseem Infrastructure Finance Limited (hereinafter referred to as the "Holding Company") and its associate, which are companies incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. 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 the respective 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated 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 as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated 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 over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated 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 judgement, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

#### Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated 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 company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated 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 over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Holding Company and its associate company, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding 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.

### **Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to its associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such associate company incorporated in India.

For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005



per Rutushtra Patell  
Partner

Membership Number: 123596  
UDIN: 20123596AAAAJD3976  
Place of Signature: Mumbai  
Date: June 30, 2020

**Aseem Infrastructure Finance Limited**

**Consolidated Financial Statements**

**For the period ended March 31, 2020**

**Aseem Infrastructure Finance Limited**  
**Consolidated Balance Sheet as at March 31, 2020**  
(Amount in Rs. unless otherwise stated)

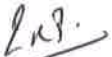
	Note	As at March 31, 2020
<b>Equity and liabilities</b>		
<b>Shareholders' funds</b>		
Share capital	3	5,77,00,00,000
Reserves and surplus	4	68,28,922
		<u>5,77,68,28,922</u>
<b>Current liabilities</b>		
Short-term provisions	5	43,16,181
Other current liabilities	6	4,00,90,319
		<u>4,44,06,500</u>
<b>Total</b>		<u><u>5,82,12,35,422</u></u>
<b>Assets</b>		
<b>Non-current assets</b>		
Non-current investments	7	2,66,33,35,776
Deferred tax asset	8	60,40,628
		<u>2,66,93,76,404</u>
<b>Current assets</b>		
Cash and bank balances	9	3,15,13,15,217
Other current assets	10	5,43,801
		<u>3,15,18,59,018</u>
<b>Total</b>		<u><u>5,82,12,35,422</u></u>

Summary of significant accounting policies and other explanatory information  
The accompanying notes form an integral part of these financial statements.

2

As per our report of even date.


**For S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 301003E/E300005


  
**Rutushtra Patell**  
Partner  
Membership No : 123596


Place: Mumbai  
Date: June 30, 2020



**For and on behalf of the Board of Directors of  
Aseem Infrastructure Finance Limited**

  
**Surya Prakash Rao Pandyala**  
Director  
DIN: 02888802

  
**Rajiv Dhar**  
Director  
DIN: 00073997

  
**Virender Pankaj**  
Chief Executive Officer

Place: Mumbai  
Date: June 30, 2020



**Aseem Infrastructure Finance Limited**

**Consolidated Statement of Profit and Loss for the period May 23, 2019 to March 31, 2020**

(Amount in Rs. unless otherwise stated)

	Note	<u>For the period May 23, 2019 to March 31, 2020</u>
<b>Income</b>		
Other income	11	4,55,17,898
<b>Total</b>		<u>4,55,17,898</u>
<b>Expenses</b>		
Finance cost	12	5,232
Other expenses	13	4,00,91,094
<b>Total</b>		<u>4,00,96,326</u>
<b>Profit before tax</b>		54,21,572
<b>Tax expenses</b>		
Current tax: pertaining to profit for the current period		88,68,000
Deferred tax		(60,40,628)
<b>Total tax expense</b>		<u>28,27,372</u>
<b>Profit after tax for the period</b>		<u>25,94,200</u>
Share of profit from associate		42,34,722
<b>Profit after tax and share of profit for the period</b>		<u><u>68,28,922</u></u>
<b>Earnings per equity share [Nominal value per share ₹ 10]</b>	14	
Basic Earnings per equity share (₹)		0.05
Diluted Earnings per equity share (₹)		0.05
Summary of significant accounting policies and other explanatory information The accompanying notes form an integral part of these financial statements.	2	

As per our report of even date.

**For S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005



**Rutushtra Patell**

Partner

Membership No : 123596

Place: Mumbai

Date: June 30, 2020



**For and on behalf of the Board of Directors of  
Aseem Infrastructure Finance Limited**



**Surya Prakash Rao Pendyala**

Director

DIN: 02888802



**Rajiv Dhar**

Director

DIN: 00073997



**Virender Pankaj**

Chief Executive Officer

Place: Mumbai

Date: June 30, 2020

# Aseem Infrastructure Finance

## Consolidated Cash Flow Statement for the period May 23, 2019 to March 31, 2020

(Amount in Rs. unless otherwise stated)

	For the period May 23, 2019 to March 31, 2020
<b>Cash flow from operating activities</b>	
Profit before tax	54,21,572
Adjustments	-
<b>Operating profit before working capital changes</b>	<u>54,21,572</u>
<b>Movements in working capital:</b>	
Increase in other liabilities	4,00,90,319
(Increase) in other current assets	(5,43,801)
<b>Cash from operating activities</b>	<u>4,49,68,090</u>
Income taxes paid	(45,51,819)
<b>Net cash flow from operating activities</b>	<b>(A) <u>4,04,16,271</u></b>
<b>Cash flows from investing activities</b>	
Purchase of non-current investments	(2,65,91,01,054)
<b>Cash flow used in investing activities</b>	<b>(B) <u>(2,65,91,01,054)</u></b>
<b>Cash flows from financing activities</b>	
Proceeds from issuance of equity share capital	5,77,00,00,000
<b>Net cash flow from financing activities</b>	<b>(C) <u>5,77,00,00,000</u></b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<u><u>3,15,13,15,217</u></u>
Cash and cash equivalents at beginning of the period	-
<b>Cash and cash equivalents at the end of the period</b>	<u><u>3,15,13,15,217</u></u>
<b>Components of cash and cash equivalents</b>	
Cash on hand	-
Balance with bank in current accounts	7,15,128
Balance in bank deposits account (maturity less than 3 months)	3,15,06,00,089
<b>Total cash and cash equivalents (refer note 9)</b>	<u><u>3,15,13,15,217</u></u>

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

Rutushtra Patell

Partner

Membership No : 123596

For and on behalf of the Board of Directors of  
Aseem Infrastructure Finance Limited

Surya Prakash Rao Pendyala

Director

DIN: 02888802

Rajiv Dhar

Director

DIN: 00073997

Virender Pankaj

Chief Executive Officer

Place: Mumbai

Date: June 30, 2020

Place: Mumbai

Date: June 30, 2020



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the consolidated financial statements**  
**For the period ended March 31, 2020**

**Note 1: Corporate Information**

Aseem Infrastructure Finance Limited (CIN:U65990MH2019PLC325794) (the "Company") is a public limited company, incorporated in India on May 23, 2019 under the provisions of the Companies Act, 2013 (the "Act") and is a Non-Banking Finance Company ("NBFC"), a Systemically Important Non-Banking Finance Institution regulated by the Reserve Bank of India ("RBI"). The registered office of the Company is located at 4th Floor, UPI Tower, North Wing, GN Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051, India.

The Company has received the NBFC license certificate no. N 13.02382 from RBI on January 28, 2020. The object of the Company is to undertake infrastructure financing activities.

The Company is a wholly owned subsidiary of National Investment and Infrastructure Fund-II (the "Fund") which has been organised as a Trust by The Department of Economic Affairs. The Trust has been organised as a contributory umbrella trust and settled in India by the Settlor under the provisions of the Indian Trust Act, 1882 by way of an Indenture of trust dated March 01, 2018. The Fund is registered with the Securities and Exchange Board of India ("SEBI") as a Category II Alternative Investment Fund under SEBI (Alternative Investment Funds) Regulations, 2012 ("AIF Regulations").

These financial statements were approved by the board of directors on June 30, 2020.

**Note 2: Significant accounting policies**

**i) Basis of accounting and preparation of the consolidated financial statements**

The consolidated financial statements of Aseem Infrastructure Finance Limited (the "Company" / "Group") have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act") and the relevant provisions of the Act, as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. This is the year of incorporation and therefore these are first financial statements of the Company.

Current assets do not include elements which are not expected to be realised within one year and current liabilities do not include items which are due after one year.

**ii) Principles of consolidation**

The consolidated financial statements relate to Aseem Infrastructure Finance Limited (the "Company") and the Company's share of profit / loss in its associates. The consolidated financial statements have been prepared on the following basis:

a) The financial statements of associate used in the consolidation are drawn upto the same reporting date as that of the Company i.e., March 31, 2020 or upto the date on which it ceased to be an associate of the Company whichever is earlier.

b) The consolidated financial statements include the share of profit/ (loss) of associate company, which have been accounted for using the equity method as per AS 23 (Accounting for Investments in Associates in Consolidated Financial Statements). The profit from March 30, 2020 till March 31, 2020 has been taken.

Accordingly, the share of profit/ (loss) of the associate company (the loss being restricted to the cost of the investment) has been added/deducted to the costs of investments.

c) The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is identified in the consolidated financial statements as Goodwill or Capital Reserve as the case may be and adjusted against the carrying amount of investment in the associate.

**iii) Use of estimates**

The preparation of financial statements require the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses for the reporting period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods. Example of such estimates includes provision for income taxes.

**iv) Investments**

**a. Non current investments:**

Non-current investments are investments intended to be held for a period of more than a year. Non-current investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Goodwill comprises the portion of a purchase price for an acquisition that exceeds the market value of the identifiable assets, with deductions for liabilities, calculated on the date of acquisition.

**b. Current investments**

Current investments are investments intended to be held for a period of less than a year. Current investments are stated at the lower of cost and market value, determined on an individual investment basis.



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the consolidated financial statements**  
**For the period ended March 31, 2020**

**Note 2: Significant accounting policies (contd.)**

**v) Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Company has present obligations, as result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but disclosed in the financial statements. A Contingent asset is neither recognised nor disclosed in the financial statements.

**vi) Impairment of assets**

At each Balance Sheet date, the Company reviews, whether there is any indication of impairment of an asset. If any such condition exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). Recoverable amount of the asset is the higher of an asset's net selling price and value in use. In assessing the value in use, the estimated future cash flow expected from continuing use of the asset and from its disposal is discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific to the asset. If the recoverable amount of an asset is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased above the lower of recoverable amount and the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

**vi) Taxation**

**Income taxes**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provision of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax corresponds to the net effect of tax on all timing differences, which occur as a result of items being allowed for income tax purposes during a year different from when they were recognised in the financial statements.

Deferred tax is recognised on the timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward losses and items relating to capital losses, Deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

**vii) Operating cycle**

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

**viii) Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

Potential dilutive equity shares are deemed to be converted as at the beginning of the year, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the consolidated financial statements**  
**For the period ended March 31, 2020**  
**(Amount in Rs. unless otherwise stated)**

**Note 3: Share capital**

	<b>As at March 31, 2020</b>
<b>Authorised shares</b>	
62,00,00,000 equity shares of Rs. 10 each	<u>6,20,00,00,000</u>
<b>Issued, subscribed and fully paid-up shares</b>	
57,70,00,000 equity shares of Rs. 10 each	<u>5,77,00,00,000</u>
	<u><u>5,77,00,00,000</u></u>

**a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**  
**Equity shares**

	<b>As at March 31, 2020</b>	
	<b>Number</b>	<b>Amount</b>
At the beginning of the period	-	-
Issued during the period	<u>57,70,00,000</u>	<u>5,77,00,00,000</u>
<b>Balance at the end of the period</b>	<u><b>57,70,00,000</b></u>	<u><b>5,77,00,00,000</b></u>

**b) Rights and preference of equity shareholders**

Each holder of an equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Details of shareholder holding more than 5% shares in the company**

	<b>As at March 31, 2020</b>	
<b>Name of the shareholder</b>	<b>No of shares</b>	<b>% holding</b>
National Investment and Infrastructure Fund-II	<u>57,70,00,000</u>	<u>100%</u>
	<u><b>57,70,00,000</b></u>	<u><b>100%</b></u>



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the consolidated financial statements**  
**For the period ended March 31, 2020**  
**(Amount in Rs. unless otherwise stated)**

**Note 4: Reserves and surplus**

	<b>As at</b>
	<b>March 31, 2020</b>
<b>Statutory reserve u/s. 45-IC of RBI Act, 1934</b>	
Balance at the beginning of the period	-
Add: Transferred from surplus in Statement of Profit and Loss	5,18,840
<b>Balance at the end of the period</b>	<b>5,18,840</b>
<b>Surplus in the statement of profit and loss</b>	
Balance at the beginning of the period	-
Add: Profit for the period	25,94,200
Less: Transfer to Special Reserve u/s. 45-IC of RBI Act, 1934	(5,18,840)
Share of profit from associate	42,34,722
<b>Balance at the end of the period</b>	<b>63,10,082</b>
	<b>68,28,922</b>

\*Appropriations to the Special Reserve under Section 36(1)(viii) of the Income Tax Act, 1961 and the Special Reserve under Section 45-IC of Reserve Bank of India Act, 1934 are carried out of distributable profits of the Company.

**Note 5: Provisions**

	<b>Long-term</b>	<b>Short-term</b>
	<b>As at</b>	<b>As at</b>
	<b>March 31, 2020</b>	<b>March 31, 2020</b>
<b>Provision for taxation</b>		
Provision for income tax (net of taxes paid Rs 45,51,819)	-	43,16,181
	-	<b>43,16,181</b>
<b>Note 6: Other current liabilities</b>		
Tax deducted at source payable	-	9,97,222
Amount due to related parties (refer note 15c)	-	3,82,54,696
Expenses payable	-	8,38,401
	-	<b>4,00,90,319</b>

**Note:**

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:

<b>Particulars</b>	<b>As at</b>
	<b>March 31, 2020</b>
Outstanding principal amount and interest due to suppliers registered under MSMED Act and remaining unpaid at the period end	-
- Principal amount	-
- 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 accounting period.	-
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.	-



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the consolidated financial statements**  
**For the period ended March 31, 2020**  
**(Amount in Rs. unless otherwise stated)**

**Note 7: Non-current investments**

	<u>As at</u> <u>March 31, 2020</u>
<i>Unquoted</i>	
<b>Investment in equity instruments</b>	
NIIF Infrastructure Finance Limited (Formerly, IDFC Infrastructure Finance Limited)	2,65,91,01,054
(16,20,00,000 equity shares having face value of Rs.10 @ Rs 16.41)	
(Holding 30% as of reporting date)	
Share of profit from associate	42,34,722
	<u><u>2,66,33,35,776</u></u>

Note: The excess of purchase consideration paid by the company over the aggregate value of the net assets acquired has been treated as goodwill. Goodwill of Rs. 11,19,49,298 comprises the value of expected synergies arising from the acquisition which is not separately recognised.

**Note 8: Deferred tax asset**

	<u>As at</u> <u>March 31, 2020</u>
<b>Deferred tax asset arising on:</b>	
Preliminary expenses written off	60,40,628
	<u><u>60,40,628</u></u>

**Note 9: Cash and bank balances**

	<u>As at</u> <u>March 31, 2020</u>
<b>Cash and cash equivalents</b>	
Cash on hand	-
Balance with bank in current accounts	7,15,128
Balance in bank deposits account (maturity less than 3 months)	3,15,06,00,089
	<u><u>3,15,13,15,217</u></u>

**Note 10: Other current assets**

	<u>As at</u> <u>March 31, 2020</u>
(Unsecured, considered good)	
Interest accrued on Bank deposits	5,43,801
	<u><u>5,43,801</u></u>



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the consolidated financial statements**  
**For the period ended March 31, 2020**  
**(Amount in Rs. unless otherwise stated)**

**Note 11: Other income**

	<b>For the period May 23, 2019 to March 31, 2020</b>
Interest income on Bank deposits	4,55,17,898
	<u>4,55,17,898</u>

**Note 12: Finance cost**

	<b>For the period May 23, 2019 to March 31, 2020</b>
Bank charges	5,232
	<u>5,232</u>

**Note 13: Other expenses**

	<b>For the period May 23, 2019 to March 31, 2020</b>
Pre-incorporation expenses written off	3,00,01,531
Pre-operataive expenses written off	58,09,083
Legal and professional fees	36,57,280
Payment to auditor (refer note a below)	5,75,000
Other expenses	48,200
	<u>4,00,91,094</u>

**a. Payment to auditor**

Statutory audit fees	3,50,000
Certification fees	2,25,000
	<u>5,75,000</u>

**Note 14: Earnings per Share (EPS)\***

Net profit attributable to equity shareholders	68,28,922
Weighted average number of shares outstanding during the period for computing basic and diluted EPS	14,66,65,605
<b>Earnings per equity share (nominal value of share- Rs. 10 each)</b>	<b>10</b>
Basic Earnings per equity share (₹)	0.05
Diluted Earnings per equity share (₹)	0.05

\*The company is incorporated during the financial year. Hence earning per share (EPS) is not represent annualised value.





**Aseem Infrastructure Finance Limited**  
**Notes forming part of the consolidated financial statements**  
**For the period ended March 31, 2020**  
**(Amount in Rs. unless otherwise stated)**

**Note 15: Related party disclosure**

**a. Name of related parties and related party relationship**

**i) Parties where control exists**

Holding entity	National Investment and Infrastructure Fund-II
Investment manager of holding entity	National Investment and Infrastructure Fund Limited

**ii) Key management personnel**

Director	Mr. Saurabh Jain
Director	Mr. Surya Prakash Rao Pendyala
Director	Mr. Rajiv Dhar
Chief executive officer	Mr. Virender Pankaj

**iii) Associate company**

NIIF Infrastructure Finance Limited

**b. Transactions with related parties during the period**

Nature of transaction	Relationship	For the period May 23, 2019 to March 31, 2020
<b>Purchase of equity shares</b>		
NIIF Infrastructure Finance Limited	Associate company	2,65,91,01,054
<b>Expenses on Company's behalf by</b>		
National Investment and Infrastructure Fund-II	Holding entity	3,00,01,531
National Investment and Infrastructure Fund Limited	Investment manager of holding entity	83,34,917
NIIF Infrastructure Finance Limited	Associate company	8,28,220

**c. Closing balance of the transactions with related parties**

Nature of transaction	Relationship	As at March 31, 2020
<b>Investment in equity shares</b>		
NIIF Infrastructure Finance Limited	Associate company	2,66,33,35,776
<b>Expenses on Company's behalf payable</b>		
National Investment and Infrastructure Fund-II	Holding entity	3,00,01,531
National Investment and Infrastructure Fund Limited	Investment manager of holding entity	75,07,767
NIIF Infrastructure Finance Limited	Associate company	7,45,398

Note : Mr. Virender Pankaj appointed as chief executive officer (CEO) in board meeting dated March 24, 2020 with effect from April 01, 2020. Hence, there are no transaction during the period which are required to be reported under the managerial remuneration paid or payable to the company's chief executive officer under Key management personnel.



**Aseem Infrastructure Finance Limited**  
**Notes forming part of the consolidated financial statements**  
**For the period ended March 31, 2020**  
**(Amount in Rs. unless otherwise stated)**

**Note 16: Earning and expenditure in foreign currency**

There is no earning and expenditure in foreign currency during the period

**Note 17: Segment information**

The Company is considered to have one segment for the purpose of Accounting Standard 17 on Segment Reporting. The Company operates in a single geographical segment i.e., domestic.

**Note 18: Subsequent events after balance sheet date**

**a. Increase in authorised share capital**

The Authorized Share Capital of the Company increased from the present Rs. 6,20,00,00,000/- (Rupees Six Hundred Twenty Crores only) to Rs. 13,00,00,00,000/- (Rupees One Thousand Three hundred crores) divided into 1,30,00,00,000 (One hundred Thirty crores) Equity Shares of Rs. 10/- (Rupees Ten only) each by creation of new 68,00,00,000 (Sixty-eight crore) Equity Shares of Rs. 10/- (Rupees Ten only) each.

**b. Issue of share capital**

The Company has received Rs. 7,09,37,49,990 towards equity share capital at par (Face value of Rs. 10/- per equity share) by way of rights issue from its shareholder, M/s National Investment & Infrastructure Fund II, which was allotted on May 21, 2020.

**Note 19: Impact of COVID-19**

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe including India. On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. COVID-19 has taken its toll on not just human life, but business and financial markets too, the extent of which is currently indeterminable. In many countries, including India, there has been severe disruption to regular business operations due to lockdowns, disruptions in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. On March 24, 2020, the Indian government announced a strict 21-day lockdown which was further extended by 19 days and 14 days across the country to contain the spread of virus.

The Indian Government, the Reserve Bank of India and other regulators have announced various measures and relaxations acknowledging the current situation to ensure that there is enough liquidity in the hands of market participants and provided moratoriums to the borrowers in terms of their repayments to the financial institutions.

The Company, being a Infrastructure Finance Company -NBFC (IFC-NBFC), is in the business of providing loans to infrastructure projects. The Company has not disbursed any loans and also not made any borrowings as of March 31, 2020. It has enough liquidity which is invested in fixed deposits with bank. The Company believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of the financial statements. The Company has further assessed the recoverability and carrying value of its assets comprising mainly Investments as at balance sheet date, and has concluded that there are no material adjustments required in the financial Statements, other than those already considered. However, the impact assessment of COVID-19 on future operations is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions. Given that the Company is monitoring Covid-19's impact on infrastructure sectors, any future lending/investment opportunities shall be assessed considering the expected impact, if any.

**Note 20:** There are no contingent liabilities and no capital commitments as at March 31, 2020.

**Note 21:** This being the first Balance Sheet laid before the Company, there are no corresponding amounts for the immediately preceding previous period.

As per our report of even date.

**For S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 301003E/E300005

**Rutushtra Patell**

Partner

Membership No : 123596

Place: Mumbai

Date: June 30, 2020



**For and on behalf of the Board of Directors of**

**Aseem Infrastructure Finance Limited**

**Surya Prakash Rao Pendyala**

Director

DIN: 02888802

Place: Mumbai

Date: June 30, 2020

**Rajiv Dhar**

Director

DIN: 00073997

**Virender Pankaj**

Chief Executive Officer