

BOARD'S REPORT

Dear Shareholders,

The Directors are pleased to present the 09th Board's report on the business and operations of your Company and the audited financial statements for the period from April 01, 2023, and ended on March 31, 2024 ("Financial Year / Year").

1. FINANCIAL RESULTS

(Amount in Rupees thousands)

Particulars	April 01, 2023 to March 31, 2024	April 01, 2022 to March 31, 2023
Total Revenue (Including other income)	21,52,523	16,61,459
Total Expenses	17,83,226	15,07,629
Profit before exceptional items and Tax	3,69,297	1,53,830
Exceptional Item: Reversal of management fee	(8,77,404)	-
(Loss)/profit after exceptional items before tax	(5,08,107)	1,53,830
Tax expenses		
Current Tax	-	34,056
Short/(Excess) provision for earlier years	779	-
Deferred Tax (credit)	(1,22,718)	13,157
(Loss)/Profit for the year	(3,86,168)	1,06,617
Other Comprehensive (Loss)/Income	(5,185)	1,432
Total Comprehensive (Loss)/Income	(3,91,353)	1,08,049

2. STATE OF THE COMPANY'S AFFAIRS / OPERATION REVIEW

During the period under review, your Company continued to strengthen its team, focused on consolidation and on various investment opportunities as per the mandates for each of the funds.

During the year, the Company launched its first Bilateral fund i.e. The India-Japan Fund ("IJF") which achieved its first closing in August 2023. The key objective of IJF is to invest within the environmental preservation sectors and low carbon emission strategy landscape in India focused on the reduction of GHG emissions, promote business collaboration between Japanese companies and Indian companies including Japanese investments into India.

The Company has obtained registration to operate as a Fund Management Entity ("FME") within Gujarat International Finance Tec-City ("GIFT City").

3. DIVIDEND

The Board has not recommended/declared any dividend for the shareholders for the Financial Year 2023-2024.

4. TRANSFER TO RESERVES

Your Company has not transferred any amount to free reserves during the financial year.

5. MATERIAL CHANGES AND COMMITMENTS , IF ANY AFFECTING THE FINANCIAL POSITION OF COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes and commitments which have occurred after the closure of the Financial Year 2023-24 till the date of this Report, which would affect the financial position of your Company.

6. NATURE OF BUSINESS

Your Company carries on the business and activities as an Investment Manager/Asset Management Company of Funds to Alternative Investment Funds. There has been no change in nature of business of your Company since its incorporation.

Further, refer clause “state of the Company’s affairs / Operation review” mentioned above for detailed overview of the operations of the Company.

7. APPLICATION UNDER IBC

No application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year against your Company.

8. COMPOSITION OF THE BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (“KMP”) AND CHANGES DURING THE FINANCIAL YEAR

The Board of Directors of your Company is constituted pursuant to the Companies Act, 2013 (the “Act”) and the Articles of Association of your Company.

As on the date of this Report, the Board of your Company comprised of following members:

Sl. No.	Name of the Director	Designation
1.	Mr. Ajay Seth [DIN: 02294494]	Nominee Director
2.	Mr. Rajeev Saxena (DIN: 09659358)	Nominee Director
3.	Mr. Sanjay Bhandarkar (DIN: 01260274)	Nominee Director
4.	Mr. Deepak Shantilal Parekh (DIN: 00009078)	Nominee Director
5.	Mr. Debapratim Hajara (DIN:09804007)	Nominee Director
6.	Mr. Martin Michael Adams (DIN: 09044923)	Nominee Director
7.	Mr. Sanjiv Aggarwal (DIN: 02950196)	CEO and Managing Director
8.	Mr. Ishaat Hussain (DIN: 00027891)	Independent Director
9.	Ms. Teresa Clare Barger (DIN: 08696312)	Independent Director

As on the date of this Report, the Company has the following Key Managerial Personnel:

Sl. No.	Name of the Director	Designation
1.	Mr. Sanjiv Aggarwal (DIN: 02950196)	CEO and Managing Director
2.	Mr. Saurabh Jain	Chief Financial Officer and Chief Operating Officer
3.	Ms. Nilufer Shekhawat	Company Secretary

Particulars of change in the constitution of the Board of Directors/key managerial personnel of your Company during the Financial Year and up to the date of the Report:

Sl. No.	Name of the Director	Designation	Nature of Change	Effective date
1.	Mr. Sujoy Bose (DIN: 02566157)	Chief Executive Officer and Managing Director	Cessation	May 10, 2023
2.	Mr. Rajiv Dhar (DIN:00073997)	Additional Director	Appointment	May 10, 2023
		Chief Executive Officer and Managing Director	Change in designation	May 11, 2023
			Cessation	February 11, 2024
4.	Mr. Sanjiv Aggarwal (DIN: 02950196)	Additional Director	Appointment	February 12, 2024
		Chief Executive Officer and Managing Director	Change in designation	February 12, 2024
5.	Mr. Debapratim Hajara (DIN: 09804007)	Nominee Director	Change in designation	July 31, 2023
6.	Ms. Ekta Agarwal	Company Secretary	Cessation	February 13, 2024
7.	Mr. Saurabh Jain	Chief Financial Officer	Regularisation as Key Managerial Personnel of the Company	July 27, 2024
8.	Ms. Nilufer Shekhawat	Company Secretary	Appointment	July 27, 2024

During the period under review, shareholders at its meeting held on July 31, 2023;

- a. Approved reappointment of Mr. Ishaat Hussain (DIN: 00027891) as an Independent Director of the Company, based on the recommendation of the Nomination and Remuneration Committee and Board, to hold office for a second term commencing with effect from May 7, 2023 upto May 6, 2025.
- b. Approved reappointment of Mr. Teresa Clare Barger (DIN: 08696312) as an Independent Director of the Company, based on the recommendation of the Nomination and Remuneration Committee and Board, to hold office for a second term commencing from March 13, 2023 till March 12, 2026.

Directors Retiring by Rotation

In accordance with the relevant provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Martin Michael Adams (DIN: 09044923), and Mr. Ajay Seth (DIN: 02294494) Nominee Directors of the Company, are liable to retire by rotation at the ensuing Annual General Meeting (“AGM”) and, being eligible, offered himself for re-appointment. Your directors recommended their re-appointment. Profile of Mr. Martin Michael Adams, and Mr. Ajay Seth has been given in the Notice to the AGM.

9. COMPOSITION OF THE COMMITTEES OF BOARD

Your Company has constituted the Audit & Risk Committee (“**ARC**”) under section 177 of the Act, Nomination and Remuneration Committee (“**NRC**”) under section 178 of the Act, read with the Shareholders Agreement dated December 16, 2020 and Corporate Social Responsibility Committee (“**CSR**”) under the Section 135 of the Act. Below is the composition of the said committees:

Audit & Risk Committee

i) As on the date of report, **ARC** is constituted as below:

- I. Mr. Ishaat Hussain (DIN: 00027891): Independent Director
- II. Ms. Teresa Clare Barger (DIN: 08696312): Independent Director
- III. Mr. Sanjay Bhandarkar(DIN: 01260274) : Nominee Director*

The attendance of the members at the ARC meetings were as follows:

S. No.	Date of Meeting	No of Directors Present	Names of Directors Present
1.	June 17, 2023	3	Mr. Ishaat Hussain, Ms. Teresa Clare Barger Mr. Rajeev Saksena
2.	December 09, 2023	3	Mr. Ishaat Hussain, Ms. Teresa Clare Barger, Mr. Rajeev Saksena

**Note-In terms of the Amended and Restated Shareholders’ Agreement dated December 16, 2020, Mr. Sanjay Bhandarkar (DIN: 01260274) substituted Mr. Rajeev Saksena (DIN- 09659358) as a member of ARC w.e.f 09th April 2024 on rotation basis.*

Nomination and Remuneration Committee

ii) As on the date of report **NRC** is constituted as below:

- a. Mr. Ishaat Hussain (DIN: 00027891): Independent Director
- b. Ms. Teresa Clare Barger (DIN: 08696312): Independent Director
- c. Mr. Rajeev Saksena (DIN:09659358):Nominee Director
- d. Mr. Martin Michael Adams(DIN:09044923): Nominee Director**

The attendance of the members at the NRC meetings were as follows:

S. No.	Date of Meeting	No of Directors Present	Names of Directors Present
1.	May 10,2023	4	Mr. Ishaat Hussain Ms. Teresa Clare Barger Mr. Rajeev Saksena Mr. Debapatim Hajara
2.	June 01, 2023	4	Mr. Ishaat Hussain Ms. Teresa Clare Barger Mr. Rajeev Saksena Mr. Debapatim Hajara
3.	June 16, 2023	4	Mr. Ishaat Hussain Ms. Teresa Clare Barger Mr. Rajeev Saksena Mr. Debapatim Hajara
4.	October 30, 2023	4	Mr. Ishaat Hussain Ms. Teresa Clare Barger Mr. Rajeev Saksena Mr. Debapatim Hajara
5.	December 9, 2023	4	Mr. Ishaat Hussain Ms. Teresa Clare Barger Mr. Rajeev Saksena Mr. Debapatim Hajara
6.	March 19, 2024	4	Mr. Ishaat Hussain Ms. Teresa Clare Barger Mr. Rajeev Saksena Mr. Debapatim Hajara

***In terms of the Amended and Restated Shareholders' Agreement dated December 16, 2020, Mr. Mr. Martin Michael Adams (DIN: 09044923) substituted Mr. Debapatim Hajara (DIN- 09804007) as a member of NRC on 09thApril, 2024 on rotation basis.*

Corporate Social Responsibility Committee

iii) As on date of this report, the composition of **CSR** committee is as under:

- I. Mr. Ishaat Hussain (DIN: 00027891): Independent Director
- II. Mr. Deepak Shantilal Parekh (DIN: 00009078) :-Nominee Director
- III. Mr. Sanjay Bhandarkar (DIN: 01260274): – Nominee Director
- IV. Mr. Sanjiv Aggarwal (DIN: 02950196) :Chief Executive Officer and Managing Director***

The attendance of the members at the CSR meeting was as follows:

S. No.	Date of Meeting	No of Directors Present	Names of Directors Present
1.	March 22, 2024	4	Mr. Ishaat Hussain, Mr. Sanjay Bhandarkar Mr. Deepak Shantilal Parekh Mr. Sanjiv Aggarwal

***Mr. Rajiv Dhar (DIN: 00073997), Chief Executive officer and Managing Director of the Company replaced Mr. Sujoy Bose (DIN: 02566157) Chief Executive Officer and Managing Director of the Company with effect from May 10 2023

Mr. Sanjiv Aggarwal (DIN: 02950196), Chief Executive Officer and Managing Director of the Company replaced Mr. Rajiv Dhar, former Chief Executive Officer and Managing Director of the Company with effect from February 19, 2024.

10. NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy has been provided as **Annexure 3** to the Board's Report.

11. INDEPENDENT DIRECTORS ("ID")/ DIRECTOR(S) DISCLOSURE

In terms of Section-149 of the Act, the Company has received the declarations from the Independent Directors to the effect that they fulfill the criteria for independence as laid down under section-149(6) of the Companies Act, 2013 and the rules framed thereunder. There has been no change in the circumstances affecting their status as IDs of your Company. The Board is of the opinion that the Independent Directors fulfil the conditions as specified in the Act and that they are independent of the management.

Further, based on the declarations and confirmations received in terms of the applicable provisions of the Act, other applicable laws, none of the directors of the Company are disqualified from being appointed as directors of the Company

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs, Manesar ('IICA'). The Independent Directors are also required to undertake online proficiency self-assessment test conducted by the IICA within a period of Two years from the date of inclusion of their names in the data bank, unless they meet the criteria specified for exemption. Ms. Teresa Barger has undertaken the online proficiency self-assessment test.

12. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company does not have any subsidiary or joint venture or associates.

13. DEPOSITS

Your Company has not accepted deposits within the meaning of provisions of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and hence the disclosure requirements related to acceptance of deposits will not apply to your Company.

14. MEETINGS HELD DURING THE FINANCIAL YEAR

The Board of Directors duly met 5 (Five) times during this financial year as per below details:

S. No.	Date of Meeting	No of Directors Present
1.	May 10, 2023	8
2.	June 17, 2023	8

3.	October 03, 2023	7
4.	December 09, 2023	8
5.	January 04, 2024	8

The Board meetings have been duly convened on aforesaid dates and the gap between two consecutive Board meetings has not exceeded 120 days, as the case may be, as prescribed under the Act.

During the Financial Year, 01 (One) Extra-ordinary and 01 (One) Annual General Meeting were held in the Company as per below details.

S. No.	Date of Meeting	Type of Meeting	Number of Members Present
1.	July 31, 2023	Annual General Meeting	7
2	January 30, 2024	Extra Ordinary General Meeting	6

15. STATUTORY AUDITORS

M/s. S.R. Batliboi and Associates LLP, Chartered Accountant (ICAI FRN: 101049W/E300004), were appointed by the Shareholders at their 8th Annual General Meeting held on July 31, 2023, as Statutory Auditors of the Company to hold such office from the conclusion of 08th Annual General Meeting till the conclusion of the 13th Annual General Meeting of the Company to be held in the year 2028.

Further, during the year under review, the Auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013 and rules made there under.

Total fees paid for all services to M/s S.R. Batliboi & Associates LLP, Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part, is as follows

Particulars	Amount in ('000)
Fees for audit and related services paid to S.R. Batliboi & Associates LLP & Affiliates firms and to entities of the network of which the statutory auditor is a part	1050
Total	1050

16. BOARD'S RESPONSE TO AUDITORS' QUALIFICATION, RESERVATION OR ADVERSE REMARKS, IF ANY

The report issued by the Statutory Auditors of your Company does not contain any qualification, reservation or adverse remarks for the financial year 2023-24.

17. LOANS, GUARANTEES/SECURITY GIVEN OR INVESTMENT MADE

During the Financial Year, your Company has continued with the loan to the Employee Benefit Trusts in accordance with the provisions of Section 186 of the Companies Act, 2013. The details of loans is given in the notes to the

financial statements. Other than the abovementioned loan, no other borrowings were made, nor any guarantees or securities were given by your Company during the Financial year 2023-24.

18. MAINTENANCE OF COST RECORDS

As per the provisions of section 148 of the Companies Act, 2013 read with the rules made thereunder, your Company is not required to conduct the Cost Audit for the Company and to maintain the Cost Records.

19. FINANCE AND SHARE CAPITAL

I. Issue of Equity share: During the Financial Year, your Company has not issued equity shares and hence the disclosure requirements in this connection will not apply.

II. Issue of Preference shares: During the Financial Year, your Company has not issued preference shares and hence the disclosure requirements in this connection will not apply.

III. Issue of Equity shares with differential rights:

During the Financial Year, your Company has not issued equity shares with differential rights and hence the disclosure requirements in this connection will not apply.

IV. Issue of sweat equity shares:

During the Financial Year, your Company has not issued sweat equity shares and hence the disclosure requirements in this connection will not apply.

V. Issue of employee stock options:

During the Financial Year, your Company has not issued employee stock options and hence the disclosure requirements in this connection will not apply.

20. DETAILS OF INTERNAL FINANCIAL CONTROLS

Your Company has adequate financial controls commensurate with the size, scale and complexity of its operations to promote reliable financial reporting, safeguarding of assets and prevention and detection of frauds and errors. Your Company has policies and procedures in place for ensuring proper and efficient conduct of its business and internal financial controls. Your Company has also appointed Protiviti India Member Private Limited as internal auditor for the financial year ending 31st March 2024 and no major observations were reported.

21. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY ANY REGULATORS / COURTS / TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

There are no orders passed by any Regulators or Courts or Tribunals against your Company during the Financial Year impacting the going concern status and its operations in future.

22. RISK MANAGEMENT POLICY OF THE COMPANY

Your Company has put in place a Risk Management Policy to identify, assess, monitor and mitigate various business risks that could threaten the Company's investments as well its overall existence.

Your Company considers activities at all levels of the organization, i.e., Enterprise level; Division level; Business Unit level in the risk management framework. All these components are inter-related and drive the enterprise wide risk management with focus on the following key elements, viz – risk assessment, risk management and risk monitoring.

23. COMPLIANCE OF SECRETARIAL STANDARDS

During the Financial Year, your Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to Meeting of Board of Directors and General Meetings respectively issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively.

24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts /arrangements / transactions entered by the Company during the Financial Year 2023-24 with the related parties were in the ordinary course of business and at arm's length basis. There were no transactions required to be disclosed in Form AOC-2. Further, we draw your attention to Note no. 25 of the Standalone Financial Statements of the Company for details of related party transactions.

25. ANNUAL RETURN

Your Company has placed a copy of the annual return on its website www.niifindia.in and therefore, extract of the annual return in the prescribed Form MGT-9 is not required to be enclosed.

26. CORPORATE SOCIAL RESPONSIBILITY

The Company's CSR initiatives and activities are aligned to the requirements of Section 135 of the Act and the relevant rules made thereunder.

The annual report on CSR containing details of initiatives taken by your Company during the Financial Year is annexed herewith and marked as **Annexure-1**. The Corporate Social Responsibility Policy has been provided as **Annexure 2** to the Board's Report.

27. DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company is committed to provide a safe and harassment free environment to women employees and thus does not tolerate any discrimination and/or harassment in any form. In accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("**Prevention of Sexual Harassment Act**"), a policy was formulated by your Company to prevent and detect acts of sexual harassment at the workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment ("**POSH**

policy”). Frequent communication of the POSH policy is done in assimilation programs and at regular intervals to the employees.

Your Company has setup an Internal Committee (IC) at both its offices viz., Mumbai and Delhi. ICC has a majority of women representatives and is chaired by a senior woman and has an external woman representation. The composition of the internal committees on date of this report is as under:

Composition of the Internal Committee (IC) at Mumbai

Ms. Nilufer Shekhawat	Presiding Officer
Mr. Padmanabh Sinha	Member
Ms. Piyush Tyagi	External Member
Ms. Swati Bansal	Member

Composition of the Internal Committee (IC) at Delhi

Ms. Nilufer Shekhawat	Presiding Officer
Mr. Nilesh Shrivastava	Member
Ms. Piyush Tyagi	External Member
Ms. Swati Bansal	Member

In case of any complaints, IC would investigate the case and provide its recommendations to the apex authority. The apex authority, upon receiving the recommendations from the IC would arrive at a conclusion and take the appropriate actions.

The following is the summary of the complaints received and disposed off during the Financial Year:

- No. of sexual harassment complaints received: NIL
- No. of sexual harassment complaints disposed off: NA

28. ADOPTION OF VARIOUS POLICIES OF THE COMPANY

Your Company has put in place desired and robust policy framework in line with its operations and business needs which has been reviewed and approved by the Board.

29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT-GOINGS

I. Conservation of Energy

Since your Company is not an energy intensive industry, the particulars as prescribed under section 134(3) (m) read with sub-rule 3 or rule 8 of Companies (Accounts) Rules, 2014 are not relevant to the Company. Nevertheless, your Company is taking adequate steps to conserve and minimize the use of energy wherever it is possible.

II. Technology Absorption

Your company has put in all efforts to use latest technologies in view of the nature of activities carried out in the company. The necessary security mechanisms have been implemented in the company.

At NIIFL, ensuring the security of our data and systems is our top priority. Over the past year, we have enhanced our cybersecurity posture by reinforcing relevant processes and investing in advanced technologies.

III. Foreign Exchange Earnings and Outgo

Details of foreign exchange earnings and expenditures during this Financial Year and previous financial year is mentioned below:

(Amount in Rupees Thousands)

Particulars	April 01, 2023 to March 31, 2024	April 01, 2022 to March 31, 2023
Earnings in Foreign Exchange	Nil	Nil
Expenditure in Foreign Currency	1,57,040	35,371

30. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm and state that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors had selected such accounting policies and applied them consistently and 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 at the end of the financial year and of the profit and loss of the Company for that Period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis; and
- e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. REPORTING OF FRAUDS

During the period, there has been no instance of fraud reported by the Statutory Auditors under Section 143(12) of the Companies Act 2013 and Rules framed thereunder either to your Company or to the Central Government.

32. VIGIL MECHANISM

The Company's vigil mechanism provide an avenue for the stakeholders to raise concerns on improper, illegal and unethical conduct, violation of any legal or regulatory requirements and any other misconduct.

The Whistle-Blower Policy of the Company can be accessed on the Company's website at the link <https://www.niifindia.in/about>

33. GENERAL

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

- a. Receipt of any remuneration or commission from any of its holding or subsidiary Company by the managerial personnel of the Company.
- b. Revision of the Financial Statements for the year under review
- c. Instance of one-time settlement entered with any Banks and/or Financial Institutions.
- d. Failure to implement any Corporate Action.
- e. Transfer of un-paid or unclaimed amount to Investor Education and Protection Fund (IEPF)
- f. Scheme for provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- g. Obtained any registration / license / authorisation, by whatever name called from any other financial sector regulators

34. ACKNOWLEDGEMENT

Your Directors acknowledge the valuable assistance, support and guidance given by the Ministry of Finance, Government of India, other stakeholders, bankers and other service providers.

Your Directors wish to place on record their appreciation to employees of the Company for their significant contributions and dedicated services and commitment to your Company.

For and on behalf of the Board of Directors

SANJAY VIJAY
BHANDARKAR

Digitally signed by SANJAY
VIJAY BHANDARKAR
Date: 2024.08.29 19:06:00
+05'30'

Sanjay Bhandarkar

Director

DIN: 01260274

Address: 33, Moonreach Apartment,
11th Floor, Prabha Nagar,
Tata Press Lane, Prabhadevi,
Mumbai 400025

SANJIV
AGGARWAL

Digitally signed by
SANJIV AGGARWAL
Date: 2024.08.29
19:04:40 +05'30'

Sanjiv Aggarwal

CEO & Managing Director

DIN: 02950196

Address: C-283, First Floor, Defence Colony,
New Delhi 110024

NATIONAL INVESTMENT AND INFRASTRUCTURE FUND LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

Type: Governance Document	Owner: Board of Directors	Custodian: Compliance
Effective Date: July 27, 2024	Review Schedule: Periodically	Last Reviewed/ Amended: May 15, 2021
Communication Plan: Email/website	Privacy Classification: Website Publication	Version: 3

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1. INTRODUCTION

National Investment and Infrastructure Fund Limited (“**Company**” or “**NIIF Limited**”), has been incorporated as a company under the Companies Act, 2013 and is acting as the investment manager to Alternative Investment Funds (as defined under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (“**AIFs**”)) set up under the NIIF (defined hereinafter) umbrella.

National Investment and Infrastructure Fund Limited (NIIFL) is a collaborative investment platform for international and Indian investors, anchored by the Government of India. NIIFL invests across asset classes such as infrastructure, private equity and other diversified sectors in India, with the objective to generate attractive risk-adjusted returns for its investors.

NIIF Limited currently manages capital commitments across National Investment and Infrastructure Fund (“**Master Fund**”), NIIF Fund of Funds-I (“**NIIF FoF**”), National Investment and Infrastructure Fund II (“**NIIF SOF**”) and India-Japan Fund (IJF).

The Master Fund, NIIF FoF, NIIF SOF, IJF, Private Markets Fund-II (PMF II) or such other funds that may be set up from time to time pursuant to regulatory and internal approvals or any other pooling vehicle managed by the Company (including a branch or subsidiary of the Company), shall hereinafter collectively be referred to as the “**NIIF Funds**”

The Company has its registered office at Hindustan Times House, 3rd Floor, 18 - 20 Kasturba Gandhi Marg New Delhi, Central Delhi – 110001. The Company has set up a branch in Gift City, Gandhinagar in FY 2023-24.

2. POLICY OBJECTIVES

This Policy (defined below) is prepared in alignment with the CSR vision of the Company and the objective of the Policy is to lay guidelines and mechanisms to assist the Company in achieving its CSR vision. The Company has formulated this Policy to fulfill its obligations under Applicable Law.

- 2.1. Corporate Social Responsibility represents an approach that encourages companies to integrate social and environmental impact in their business operations and strategies. It is a holistic approach that guides companies on their role in the society and focuses on addressing the needs of all stakeholders, especially underprivileged communities, by creating positive shared value for all. It encompasses concepts such as corporate citizenship, strategic philanthropy, shared value and sustainability.
- 2.2. CSR is an extension of the Company’s overall ethos of responsible investment and business.
- 2.3. The Companies Act mandates that every company having net worth of INR 500 crores or more, or turnover of INR 1000 crores or more of a Net Profit of INR 5 crores or more during the immediately preceding financial year shall spend, in every financial year, at least 2% (two percent) of the average Net Profits of the Company, made during the three immediately preceding financial years, in pursuance of its corporate social responsibility policy.
- 2.4. The Company’s vision is to build a better and sustainable future for India by leveraging their competencies and engaging their stakeholders and partners.
- 2.5. The Company will achieve this vision by supporting social development and environmental programs that are strategically linked to its business and create long-term and sustainable impact within the causes enlisted in Schedule VII of the Act, with a special focus on livelihood generation, community development in catchment areas and environmental protection.

3. **EFFECTIVE DATE**

This policy was adopted on 29th November 2018 and has been subsequently amended periodically. This amended and restated Policy shall supersede any previously existing CSR policies and shall be effective from July 27, 2024

4. **SCOPE**

This Policy will be applicable to all projects/programs that come under the purview of the Company's CSR obligations and is applicable to all Employees of the company across all operations. The geographical scope of the policy extends to CSR programs and activities that are conducted only in India.

5. **KEY DEFINITIONS**

In this Policy, unless repugnant to the subject or context of its usage, the following expressions shall carry meanings assigned to them, namely:

“**Applicable Law**” means all applicable statutes, enactments, laws, ordinances, by-laws, rules, regulations, guidelines, notifications, notices, and/or judgments, decrees, injunctions, writs or orders of any court, statutory or regulatory authority, tribunal, board or stock exchange in any jurisdiction, including but not limited to the Companies Act, the Companies (Corporate Social Responsibility Policy) Rules, 2014, the SEBI Act, the SEBI (Intermediaries) Regulations, 2008 and the SEBI (Alternate Investment Funds) Regulations, 2012;

“**Board**” means the board of directors of the Company;

“**CEO**” means the chief executive officer of the Company appointed by the Board;

“**Companies Act**” means the Companies Act, 2013 (to the extent applicable as on relevant date) and shall include all amendments, modifications and re-enactments of the foregoing, together with the rules, regulations and notifications,

“**Companies (CSR Policy) Rules**”, shall mean the Companies (Corporate Social Responsibility Policy) Rules, 2014 and shall include all amendments, modifications and re-enactments of the foregoing, together with the rules, regulations and notifications;

“**Corporate Social Responsibility**” or “**CSR**” shall have the same meaning ascribed to the term in the Companies (CSR Policy) Rules;

“**Committee**” means the corporate social responsibility committee constituted by the Company;

“**Employees**” mean all regular employees, contract employees, fixed term employees, including but not limited to key management personnel, directors, committee members, officers, secondees, contractors, consultants, advisers, nominees and other representatives of the Company;

“**Net Profit**” shall have the same meaning ascribed to the term in Companies (CSR Policy) Rules;

“**Policy**” means this policy of corporate social responsibility framed and implemented by the Company and includes all subsequent amendments made thereto;

6. **GOVERNANCE STRUCTURE**

The CSR governance structure comprises of the Board and the Committee. The Committee shall consist of three directors of the Company out of which at least one shall be an independent director. The three directors shall be as identified by the Board, and shall be responsible for identifying and initiating CSR activities on the part of the Company.

6.1. The Board will:

- i. approve the Policy;
- ii. ensure to spend at least 2% (two percent) of Net Profits on CSR activities as mentioned in clause 7.1 below;
- iii. make an annual report as per the Companies (CSR Policy) Rules, disclose the contents of the Policy in the annual report; and place the Policy on the Company's website;
- iv. ensure that the programs undertaken by the Company are aligned with the Policy;
- v. specify reasons in its annual report for not spending the earmarked amount in case the Company fails to spend such amount; and
- vi. formulate its annual action plan every year in addition to this Policy which shall include a list of approved programs, manner of execution, modalities of utilization of funds, monitoring and reporting mechanism and details of impact assessment, if required.
- vii. ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.
- viii. Satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.
- ix. In case of [ongoing project](#), the Board shall monitor the implementation of the project with reference to the approved timelines and yearwise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

6.2. The Committee will:

- i. formulate and recommend the Policy to the Board for its approval;
- ii. monitor and revise the Policy from time to time;
- iii. recommend the amount of expenditure to be incurred on particular CSR programs;
- iv. identify CSR programs that are to be implemented;
- v. identify suitable partners for implementation of CSR programs;
- vi. constitute transparent monitoring and evaluation mechanism for ensuring implementation of CSR programs;
- vii. avail the services of sector and domain experts to ensure the smooth implementation of CSR programs as and when required;
- viii. provide periodic update and report of its activities to the Board.

6.3. In the dispensation of its duties, the Committee will make sure that it is in line with the Company's policies of conduct and service and adhere to established corporate governance principles.

6.4. The composition of the Committee shall be disclosed in the Board's report.

7. CSR BUDGET

7.1. For the implementation of the Company's CSR agenda and to achieve the stated aims and objectives, the Company will set aside at least 2% (two percent) of its average Net Profits made during the 3 (three) immediately preceding financial years as its annual CSR budget. Only activities as outlined in this Policy will be applicable for CSR expenditure.

7.2. The Company ensures that any surplus that arises out of the implementation of the CSR activities shall not be considered as profits of the Company and shall be ploughed back into the same project or transferred to the unspent corpus account and shall be spent in pursuance of CSR policy and annual action plan of the Company or transfer such surplus amounts to a fund specified under schedule VII of the Companies Act, within six months of the expiry of the financial year.

7.3. If the Company is unable to spend its CSR budget in a financial year, then it will disclose the reason in the annual CSR report.

7.4. The Board shall ensure that the administrative overheads of the company do not exceed 5% (five percent) of the total CSR expenditure of the Company for the financial year.

8. **IMPLEMENTATION**

8.1 The mode of implementation of CSR programs may include a combination of direct implementation and/or through a trust, society or company that is compliant with Section 8 of the Companies Act or any other entity as permissible under Applicable Law. The Company will select its partners after appropriate due diligence.

8.2 The Company may also collaborate with other companies or institutions for the implementation of its programs.

8.3 The time period/duration of a particular activity will depend on its nature, scale and desired impact.

8.4 CSR support can be extended to different types of programs, ranging from infrastructure development, direct service delivery to underprivileged sections, raising awareness and influencing behaviors, building capacities of stakeholders, supporting relevant social and environmental research for public good etc.

8.5 The Company will not consider programs and/or partner organizations with political affiliations or a communal bias.

8.6 The Company may use the services of expert agencies, consultants etc. wherever required for specialized services such as impact assessment, program design and implementation, employee engagement etc.

8.7 All details, including the manner of implementation, around the company's CSR programs will be published in the annual report and made available to all stakeholders.

9. **MONITORING AND EVALUATION (M&E) FRAMEWORK**

9.1 Each program will have clearly identifiable inputs, activities and outcomes to be achieved in a stipulated time period and fund disbursement will be linked to these milestones.

9.2 The Company will institute a system to monitor and evaluate CSR activities to ensure that they are being implemented as per stated objectives and Policy.

9.3 The monitoring and evaluation framework can include a combination of internal and external validation through field visits, relevant documentation, baseline and end line studies etc.

10. **REVIEW OF POLICY**

10.1 This Policy shall be subject to periodic review and reassessment by the Committee. The Committee may make recommendations for changes in the Policy, subject to approval by the Board. The Policy may be amended and modified to introduce any changes as may be required due to any changes in Applicable Law or changes in the business or the business environment of the Company.

11. **PUBLICATION**

11.1. The Policy will be displayed on the website of the Company. Further, the Board shall mandatorily disclose the composition of the CSR committee and the projects approved by the Board on the website for public access.

Particulars of amendments to Policy are stated as under:

Version Reference	Effective date
Version 1	November 29, 2018
Version 2	May 15, 2021
Version 3	July 27, 2024

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to clause (o) of sub-section (3) of Section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014 as amended]

1. Brief outline on the CSR policy of the Company:

The Company's CSR Policy aims to build a better future for India by leveraging its competencies and engaging stakeholders and partners. The Company will achieve this by supporting social development and environmental programs strategically linked to its business and creating long-term and sustainable impact with a special focus on livelihood generation, community development in catchment areas, and environment protection. Each program will have identifiable inputs, activities, and outcomes to be achieved in a stipulated period.

For financial year 2023-24, Company has undertaken CSR Activities, as approved by CSR Committee and Board.

2. Composition of CSR Committee as on March 31, 2024:

S. No	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ishaat Hussain	Independent Director		1
2	Sanjay Bhandarkar	Nominee Director	1	1
3	Deepak Parekh	Nominee Director		1
4	Sanjiv Aggarwal	CEO & Managing Director		1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company
- https://www.niifindia.in/uploads/about/NIIF-CSR-Policy-2024_v2.pdf

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable – Not Applicable

5.

a)	Average net profit of the Company as per Sub-section (5) of Section 135:	Rs. 43,89,50,038/-
b)	Two percent of average net profit of the company as per Sub-section (5) of Section 135	Rs. 87,79,001/-
c)	Surplus arising out of the CSR projects or programs or activities of the previous financial years.	NIL

d) Amount required to be set off for the financial year	NIL
e) Total CSR obligation for the financial year (a+b-c)	Rs. 87,79,001/-

6.

a) Amount spent on CSR Projects (both ongoing Project and other than Ongoing Projects)	Rs. 58,73,200/-
b) Amount spent in Administrative Overheads	Rs. 0/-
c) Amount spent on Impact Assessment, if applicable.	NA
d) Total amount spent for the financial year [(a)+(b)+(c)]	Rs. 58,73,200/-

e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)		
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.	
58,73,200/-	Rs. 29,05,801/-	Rs. 25-04-2024	0/-
		Name of fund	0/-
		Amount	NA
		Date of transfer	

f) Excess amount for set off, if any: NIL

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per Sub-section (5) of Section 135	87,79,001/-
(ii)	Total amount spent for the Financial Year	58,73,200/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	(-29,05,801)/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0

*Excluding the amount shown under table 7.

7. Details of Unspent CSR amount for the preceding three financial years:

S. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to a fund as specified under Schedule VII as per sub-section (6) of section 135, if any	Amount remaining to be spent in succeeding financial years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of transfer	
1	FY-1 (20-21)	-	-	-	-	-	-
2	FY-2 (21-22)	-	-	-	-	-	-
3	FY-3 (22-23) ¹	14,59,244	14,59,244	-	-	14,59,244	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year:

Yes

No

If Yes, enter the number of Capital assets created/acquired: NOT APPLICABLE

Furnish the details relating to such asset(s) so created or acquired through CSR amount spent in the financial year:

S. No.	Short Particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of Entity/Authority/beneficiary of the registered owner
(1)	(2)	(3)	(4)	(5)	(6)
-	-	-	-	CSR registration number, if applicable	Name Registered Address
-	-	-	-	-	-

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

¹ Due to efficient procurement of equipment and services, the CSR implementation agency was able to complete project works in a lesser amount, and the balance INR 14.59 lakhs is being refunded by the agency to NIIFL. The amount will be deposited in the Schedule VII Funds (Clean Ganga Fund or any other fund set up by the Central Govt) on or before September 2024.

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135:

In FY24, The CSR committee approved a total budget of INR 87.79 lakhs for Project Ravikiran to be implemented at Kashi Tollways, Varanasi. NIFL in FY24 has disbursed an amount of INR 58.73 lakhs from the total budget towards procurement of dehydration units, packing, transportation, installation, and infrastructure set-up on-site along with ancillary equipment. The second tranche of 29.06 lakhs is expected to be disbursed based on project milestones such as onboarding and training of self-help group (SHG) members and project supervision team, implementation of IT monitoring and documentation tools and SHG registration.

Based on CSR Committee approval, the project has been categorised as an ongoing CSR project and an unspent CSR account has been opened. The unspent amount from FY24 has been transferred to an CSR Unspent Account and will be spent on the ongoing CSR project during FY25 based on completion of the project milestones.

For and on behalf of the Board of Directors

SANJAY VIJAY Digitally signed by SANJAY
BHANDARKAR Date: 2024.08.29 19:09:08
+05'30'

Sanjay Bhandarkar

Director

DIN: 01260274

Address: 33, Moonreach Apartment,
11th Floor, Prabha Nagar,
Tata Press Lane, Prabhadevi,
Mumbai 400025

SANJIV Digitally signed by
AGGARWAL Date: 2024.08.29
19:13:43 +05'30'

Sanjiv Aggarwal

CEO & Managing Director

DIN: 02950196

Address: C-283, First Floor, Defence Colony, New
Delhi 110 024



NATIONAL INVESTMENT AND INFRASTRUCTURE FUND LIMITED

NOMINATION AND REMUNERATION POLICY
National Investment and Infrastructure Fund Limited

Type: Policy	Owner: Human Resources	Custodian: Human Resources
Effective Date: 27 July 2024	Review Schedule: As needed	Last Reviewed/ Amended: 15th October 2021
Communication Plan:	Classification:	Version 2



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1. INTRODUCTION

National Investment and Infrastructure Fund Limited (“Company” or “NIIF Limited”), has been incorporated as a company under the Companies Act, 2013 and is acting as the investment manager to Alternative Investment Funds (as defined under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (“AIFs”).

NIIF Limited is a collaborative investment platform for international and Indian investors, anchored by the Government of India. NIIFL invests across asset classes such as infrastructure, growth private equity across sectors in India, with the objective to generate attractive risk-adjusted returns for its investors.

NIIF Limited currently manages capital commitments across National Investment and Infrastructure Fund (“Master Fund”), NIIF Fund of Funds-I (“NIIF FoF”), National Investment and Infrastructure Fund II (“NIIF SOF”) and India-Japan Fund (IJF).

The Master Fund, NIIF FoF, NIIF SOF, IJF, Private Markets Fund-II (PMF II) or such other funds that may be set up from time to time pursuant to regulatory and internal approvals or any other pooling vehicle managed by the Company (including a branch or subsidiary of the Company), shall hereinafter collectively be referred to as the “NIIF Funds”

The Company has its registered office at Hindustan Times House, 3rd Floor, 18-20, Kasturba Gandhi Marg, New Delhi – 110001. The Company has set up a branch in Gift City, Gandhinagar in FY 2023-24.



1. PURPOSE

National Investment and Infrastructure Fund Limited (“**Company**”) has adopted this Nomination and Remuneration policy (“**Policy**”) for the purpose of creating a high-performance culture in the Company. The Policy enables the Company to attract, retain and motivate employees of the Company to achieve the desired results. The remuneration structure is tailored to the laws, regulations, practices, and benchmarks prevalent in the industry. The Company has formulated a philosophy to ensure the payment of equitable and competitive remuneration to all employees.

2. OBJECTIVES

- To ensure that the Company’s compensation practices support and encourage meritocracy.
- To ensure that compensation is market linked and considers the competitive context of each business.
- To leverage compensation as an effective instrument to enhance performance and employee potential, and therefore, to link a significant component of compensation to both employee and collective performance outcomes.
- To design compensation practices such that they reinforce Company’s values and culture (including non-discrimination and equality) and to implement them in a manner that complies with all relevant legal and regulatory requirements.
- To attract, retain, motivate, and promote talent and to ensure long term sustainability of talent and create a competitive advantage.
- To ensure compliances and maintain high standards of governance.

3. PRINCIPLES

- Align compensation with the long-term interests of the Company.
- Minimize complexity and ensure transparency.
- Link compensation to the annual business performance of the Company.
- Promote a culture of meritocracy linked to key performance and business drivers.
- Ensure consistency in application of performance parameters and review mechanisms.
- Compensation structure should be reflective of market competitiveness to attract the best talent.

4. COMPONENTS OF REMUNERATION

Similar to most investment management firms in India and internationally, the Company’s compensation framework includes, (i) an annual fixed pay consisting of salary and benefits, (ii) Short term, and long-term incentives, as applicable, which are decided by the Relevant Committee appointed by the Board of Directors of the Company (“**Board**”) from time to time.

Employees are eligible for annual increments based on their individual performance as well as the Company’s performance effective April 1 each year. The annual increments are approved the Relevant Committee of the Board.

5. DISCLOSURE OF REMUNERATION

The Company shall disclose information regarding remuneration in the annual reports of the Company in line with the applicable laws, rules, and regulations. Within the Company, this Policy and all relevant contents under this Policy will be accessible to all employees.

6. NOMINATION AND REMUNERATION COMMITTEE

The Company has a Nomination and Remuneration Committee (“**Committee**”) that is responsible



for assessing and recommending to the Board, remuneration related aspects of the Company. The Committee shall meet at least two times a year and at such other times as the members of the Committee may deem necessary. Further, the Nomination and Remuneration Committee shall perform such duties and discharge such functions as is prescribed under the provisions of section 178 of the Companies Act, 2013 (as amended) and assigned by the Board from time to time.

The Committee shall have the following rights:

- The Company may appoint any consultant, on such terms as it may deem fit for the purposes of assisting the Committee to evaluate compensation payable to the Chief Executive Officer, Executive Directors or Senior Management.
- The Committee may conduct or authorize, at the cost of the Company, any research / studies with respect to its responsibilities and duties including obtaining / providing access to all books, records, facilities, and personnel of the Company.
- The Committee shall be entitled to obtain advice from auditors, lawyers, or experts as it may deem appropriate as per its' requirements and cost for such advice to be borne by the Company.
- To call for records, documents or seek explanations from officers of the Company or auditors or lawyers or experts, as it may deem appropriate, whether or not as part of any internal investigation into violation of the policies of the Company.

Particulars of amendments to Policy are stated as under:

Version Reference	Effective date
Version 1	October 15, 2021
Version 2	July 27, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of National Investment and Infrastructure Fund Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of National Investment and Infrastructure Fund Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, 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, 2024, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 financial statements.

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 financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the 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 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Responsibility of Management for the Financial Statements (continued)

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 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, to the extent applicable, 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;

Report on Other Legal and Regulatory Requirements (continued)

- (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 except that (i) we were not able to ascertain whether the daily backup of data being performed in a physically located server in India and whether the backed-up data is retained for a minimum period of 8 years due to sufficient proof not being provided by the service provider as explained in note 36 to the financial statements (ii) the matter stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, specified under Section 133 of the Act;
- (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2024, has been paid/ provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
- (h) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);
- (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.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 34 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 34 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

Report on Other Legal and Regulatory Requirements (continued)

- v. No dividend has been declared or paid during the year by the Company.

- vi. Based on our examination which included test checks, and as explained in note 36 to the Financial Statements, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that we were not able to ascertain whether the audit trail feature was enabled for direct database updates due to sufficient proof not being provided by the service provider. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of accounting software(s) where the audit trail has been enabled.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

AMIT KABRA
Digitally signed by AMIT KABRA
DN: cn=AMIT KABRA, c=IN,
o=Personal, email=amit.kabra@srb.in
Date: 2024.08.30 19:11:27 +05'30'

per Amit Kabra

Partner

Membership Number: 094533

UDIN: 24094533BKEXIZ3140

Place of Signature: Gurugram

Date: August 30, 2024

Annexure 1 referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: National Investment and Infrastructure Fund Limited

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) Property, plant and equipment were physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible assets during the year ended March 31, 2024.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

- (iii) (a) During the year, the Company has provided loans to companies, firms, Limited Liability Partnerships or any other parties as follows:

	(Amount in Rs. lakhs)			
	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/provided during the year:				
- Employee benefits trusts	-	-	39.71	-
Balance outstanding as at balance sheet date in respect of above cases				
- Employee benefits trusts	-	-	39.71	-

- (b) During the year, the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.
- (c) The Company has granted loans during the year to companies, firms, Limited Liability Partnerships or any other parties, where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (iv) Loans, Investments, guarantees and security in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to sales tax, customs duty, excise duty, value added taxes and employees' state insurance are not applicable to the Company.
(b) There are no dues of goods and services tax, provident fund, income tax, cess and other statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.
(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
(c) The Company did not have any term loans outstanding during the year. Hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
(d) The Company did not raise any funds during the year. Hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
(b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
(b) During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

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- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There are no other Companies part of the Group. Hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses amounting to Rs. 3,763.31 lakhs in the current financial year. The Company has not incurred cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 37 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub-section 5 of Section 135 of the Act. This matter has been disclosed in note 24 to the financial statements.
- (b) All amounts that are unspent under section (5) of Section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of Section 135 of the said Act. This matter has been disclosed in note 24 to the financial statements.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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Date: 2024.08.30 19:11:45 +05'30'

per Amit Kabra

Partner

Membership Number: 094533

UDIN: 24094533BKEXIZ3140

Place of Signature: Gurugram

Date: August 30, 2024

Annexure 2 referred to in paragraph 2 (f) 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 with reference to financial statements of National Investment and Infrastructure Fund Limited (the "Company") as of March 31, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls 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, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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per Amit Kabra

Partner

Membership Number: 094533

UDIN: 24094533BKEXIZ3140

Place of Signature: Gurugram

Date: August 30, 2024

National Investment and Infrastructure Fund Limited

Balance Sheet as at March 31, 2024

(All amount in Rs. Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	2	185.61	224.69
Intangible assets	3	50.76	68.41
Right-of-use asset	31	1,953.27	2,549.31
Financials assets			
Investments	4	227.49	200.75
Loans	5	198.47	177.76
Other financial assets	7	157.72	304.01
Deferred tax assets (net)	27	2,199.84	955.22
		4,973.16	4,480.15
Current assets			
Financial assets			
Cash and cash equivalents	6	9,287.24	950.57
Bank balance other than above	6	40,419.75	42,620.27
Other financial assets	7	449.61	67.65
Current tax assets (net)		460.59	970.44
Other current assets	8	675.10	662.37
		51,292.29	45,271.30
Total assets		56,265.45	49,751.45
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	51.45	51.45
Other equity	10	34,091.00	38,004.53
Total equity		34,142.45	38,055.98
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	31	987.26	1,624.15
Other financial liabilities	11	801.60	756.80
Provisions	12	1,177.19	1,015.79
		2,966.05	3,396.74
Current liabilities			
Financial liabilities			
Lease liabilities	31	1,078.68	1,041.41
Trade payables			
a) total outstanding dues of micro enterprises and small enterprises	13	42.51	1.80
b) total outstanding dues of creditors other than micro enterprises and small enterprises	13	142.41	11.39
Other financial liabilities	11	11,249.32	337.05
Provisions	12	149.33	538.91
Other current liabilities	14	6,494.70	6,368.17
		19,156.95	8,298.73
Total liabilities		22,123.00	11,695.47
Total equity and liabilities		56,265.45	49,751.45

Material accounting policies 1.2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

Firm registration no. 101049W/E300004

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per Amit Kabra

Partner

Membership no: 094533

**For and on behalf of the Board of Directors of
National Investment and Infrastructure Fund Limited**

**SANJIV
AGGARWAL**
Digitally signed by
SANJIV AGGARWAL
Date: 2024.08.30
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Sanjiv Aggarwal
CEO & Managing Director
DIN : 02950196

Saurabh Jain
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Date: 2024.08.30
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Saurabh Jain
Chief Financial Officer

**SANJAY VIJAY
BHANDARKAR**
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BHANDARKAR
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Sanjay Bhandarkar
Director
DIN : 01260274

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SHEKHAWAT**
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Nilufer Shekhawat
Company Secretary
M. no: A23264

National Investment and Infrastructure Fund Limited
Statement of Profit and Loss for the year ended March 31, 2024
(All amount in Rs. Lakhs, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue			
Revenue from operations	15	18,114.51	14,381.97
Other income	16	3,410.72	2,232.62
Total income		21,525.23	16,614.59
Expenses			
Finance costs	17	192.38	238.66
Employee benefits expenses	18	12,375.38	10,806.75
Depreciation and amortization expense	19	1,317.76	1,385.51
Other expenses	20	3,946.74	2,645.37
Total expenses		17,832.26	15,076.29
Profit before exceptional items and tax		3,692.97	1,538.30
Exceptional item			
Reversal of management fee	35	(8,774.04)	-
(Loss)/profit after exceptional items before tax		(5,081.07)	1,538.30
Tax expense:			
- Current tax	27	-	340.56
- Adjustment of tax relating to earlier years	27	7.79	-
- Deferred tax	27	(1,227.18)	131.57
(Loss)/profit for the year		(3,861.68)	1,066.17
Other comprehensive income			
Items that will not be reclassified to statement of profit and loss			
i. Investments valued at fair value through OCI	4	17.61	37.14
Income tax effect		(4.43)	(9.35)
		13.18	27.79
ii. Remeasurements of defined benefit liability	26	(86.90)	(18.00)
Income tax effect		21.87	4.53
		(65.03)	(13.47)
Other comprehensive (loss)/income for the year, net of tax		(51.85)	14.32
Total comprehensive (loss)/income for the year		(3,913.53)	1,080.49
Earnings per share:			
Basic (Rs.)	21	(760.66)	210.01
Diluted (Rs.)		(760.66)	210.01
Nominal value per share (Rs.)		10	10

Material accounting policies 1.2
The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

Firm registration no. 101049W/E300004

**AMIT
KABRA**
per Amit Kabra

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Date: 2024.08.30 19:12:45 +05'30'

Partner

Membership no: 094533

**For and on behalf of the Board of Directors of
National Investment and Infrastructure Fund Limited**

**SANJIV
AGGARWAL**
Digitally signed by
SANJIV AGGARWAL
Date: 2024.08.30
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Sanjiv Aggarwal
CEO & Managing Director
DIN : 02950196

**Saurabh
Jain**
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Saurabh Jain
Chief Financial Officer

**SANJAY VIJAY
BHANDARKAR**
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Sanjay Bhandarkar
Director
DIN : 01260274

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Nilufer Shekhawat
Company Secretary
M. no: A23264

National Investment and Infrastructure Fund Limited
Statement of Cash Flows for the year ended March 31, 2024
(All amount in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from operating activities		
Loss/profit before tax	(5,081.07)	1,538.30
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation and amortization	1,317.76	1,385.51
Interest income on security deposits	(22.38)	(22.85)
Interest income on term deposits	(3,328.18)	(2,196.30)
Interest on loans to employee benefit trusts	(10.00)	(8.19)
Income from investments in NIIF Funds	(2.80)	(4.41)
Gain on sale of property, plant and equipment	(1.14)	(0.87)
Interest on income tax refund	(46.22)	-
Interest on lease liabilities	192.38	238.66
Operating (loss)/profit before assets and liabilities changes	(6,981.65)	929.85
<i>Adjusted for changes in assets and liabilities:</i>		
Change in trade payables	171.73	(23.45)
Change in provisions	(315.08)	(1,042.62)
Change in other current liabilities	126.53	2,987.98
Change in other financial liabilities	10,957.07	542.22
Change in other financial assets	(248.93)	1,441.65
Change in other current assets	(12.73)	(92.87)
	3,696.94	4,742.76
Tax refunds /payments (net)	548.28	(402.18)
Net cash from operating activities	4,245.22	4,340.58
Cash flows from investing activities		
Interest received on term deposits	3,328.18	2,196.30
Purchase of property plant and equipments	(68.75)	(34.23)
Investments in fixed deposits (net)	2,200.52	(6,134.27)
Proceeds from sale of property plant and equipment	8.22	3.47
Income from investments in NIIF Funds	14.02	4.41
Purchase of investments	(20.35)	(27.76)
Loan to EBTs	(10.71)	(26.42)
Net Cash from/(used in) investing activities	5,451.13	(4,018.50)
Cash flows from financing activities		
Payment of lease liabilities	(1,359.68)	(1,341.10)
Net cash used in financing activities	(1,359.68)	(1,341.10)
Net increase/(decrease) in cash and cash equivalents	8,336.67	(1,019.02)
Cash and cash equivalents at the beginning of the year	950.57	1,969.59
Cash and cash equivalents at the end of the year	9,287.24	950.57
Cash and cash equivalents include: (Refer Note 6)		
In current accounts	414.38	445.32
Deposits with original maturity of less than three months	8,872.86	505.25
Cash and bank balance at the end of the year	9,287.24	950.57

The accompanying notes are an integral part of the financial statements
As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

Firm registration no. 101049W/E300004

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Date: 2024.08.30 19:13:05 +05'30'

per Amit Kabra

Partner

Membership no: 094533

**For and on behalf of the Board of Directors of
National Investment and Infrastructure Fund Limited**

**SANJIV
AGGARWAL**
Digitally signed by
SANJIV AGGARWAL
Date: 2024.08.30
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Sanjiv Aggarwal

CEO & Managing Director

DIN : 02950196

**Saurabh
Jain**
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Saurabh Jain

Chief Financial Officer

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Sanjay Bhandarkar

Director

DIN : 01260274

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Nilufer Shekhawat

Company Secretary

M. no: A23264

National Investment and Infrastructure Fund Limited
Statement of Changes in Equity for the year ended March 31, 2024
(All amount in Rs. Lakhs, unless otherwise stated)

A. Equity share capital

For the year ended 31 March 2024:

Particulars	Number of Shares	Rs. lakhs
Equity shares of Rs. 10 each issued, subscribed and fully paid		
Balance as at April 1, 2023	514,488	51.45
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 1, 2023	514,488	51.45
Issue of share capital	-	-
Balance as at March 31, 2024	514,488	51.45

For the year ended 31 March 2023:

Particulars	Number of Shares	Rs. lakhs
Balance as at April 1, 2022	514,488	51.45
Changes in equity share capital due to prior period errors	-	-
Restated balance as at April 1, 2022	514,488	51.45
Issue of share capital	-	-
Balance as at March 31, 2023	514,488	51.45

B. Other equity

Particulars	Reserves and Surplus		Items of OCI	
	Securities Premium	Retained Earnings	Fair Value through Other Comprehensive Income	Total
For the year ended March 31, 2024:				
Balance as at March 31, 2023	9,418.07	28,545.76	40.70	38,004.53
Loss for the year	-	(3,861.68)	-	(3,861.68)
Other comprehensive loss	-	(65.03)	13.18	(51.85)
Transfer from FVOCI reserve to retained earnings on disposal of investments (net of tax)	-	8.40	(8.40)	-
Total comprehensive loss	-	(3,918.31)	4.78	(3,913.52)
Balance as at March 31, 2024	9,418.07	24,627.45	45.48	34,091.01
For the year ended March 31, 2023:				
Balance as at March 31, 2022	9,418.07	27,493.06	12.91	36,924.04
Profit for the year	-	1,066.17	-	1,066.17
Other comprehensive income	-	(13.47)	27.79	14.32
Total comprehensive income for the year	-	1,052.70	27.79	1,080.49
Balance as at March 31, 2023	9,418.07	28,545.76	40.70	38,004.53

The accompanying notes are an integral part of the financial statements
As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

Firm registration no. 101049W/E300004

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per Amit Kabra

Partner

Membership no: 094533

**For and on behalf of the Board of Directors of
National Investment and Infrastructure Fund Limited**

SANJIV AGGARWAL
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Date: 2024.08.30
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Sanjiv Aggarwal

CEO & Managing Director

DIN : 02950196

Saurabh Jain
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Saurabh Jain

Chief Financial Officer

SANJAY VIJAY BHANDARKAR
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Sanjay Bhandarkar

Director

DIN : 01260274

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Nilufer Shekhawat

Company Secretary

M. no: A23264

Note 1.1: Corporate Information

National Investment and Infrastructure Fund Limited (CIN: U74900DL2015PLC287894) (the "Company") is a Public Company limited by shares incorporated on November 28, 2015. The principal activities of the Company inter alia include to undertake and carry on the business and activities as an Investment Manager of Funds. The registered office of the Company is at Hindustan Times House, 3rd Floor, 18-20 K G Marg, Delhi - 110001, India.

The Company is an Investment Manager to National Investment and Infrastructure Fund, NIIF Fund of Funds - I, National Investment and Infrastructure Fund II and India-Japan Fund. These funds are registered as category II Alternative Investment Fund under SEBI (Alternative Investment Funds) Regulations, 2012 (collectively referred as "NIIF Funds").

These financial statements were approved by the board of the directors on August 29, 2024.

Note 1.2: Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

A) Statement of compliance

These financial statements have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS, prescribed under Section 133 of the Companies Act 2013 (Act) read with relevant rules issued thereunder and the other relevant provisions of the Act.

These financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the financial years presented in the financial statements.

B) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of services and the time between provision of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

C) Basis of measurement

The financial statements have been prepared on a historical cost basis except that certain financial assets and liabilities are measured at fair value (refer accounting policy regarding financial instruments).

D) Functional and presentation currency

The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

E) Use of estimates and judgements

The preparation of the financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and the Statement of Profit and Loss. The actual amounts realized may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

Judgment, estimates and assumptions are required in particular for:

I. Revenue

Recognition of revenue over time or at a point in time:

The Company recognises revenue from investment management services over time because the customer simultaneously receives and consumes the benefits of the company's services, as it performs.

II. Determination of estimated useful lives of property, plant and equipment

Useful lives of property, plant and equipment are based on nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

III. Recognition and Measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial valuation. Key actuarial assumptions which form the basis of above valuation includes discount rate, trends in salary escalation, demographics and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

IV. Recognition of deferred tax assets

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, depreciation carry-forwards and unused tax credits could be utilized.

Note 1.2: Material accounting policies (continued)

E) Use of estimates and judgements (continued)

V. Recognition and measurement of provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

VI. Discounting of financial assets and liabilities

All financial assets/liabilities are required to be measured at fair value on initial recognition. In case of financial assets/liabilities which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest rate method.

VII. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

VIII. Impairment of financial assets

At each reporting date, the Company assesses whether the financial assets are 'credit-impaired'. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

IX. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The 'value in use' calculation is based on a discounted cash flow model. The cash flows are derived from the budget and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

X. Determination of lease term

Ind AS 116 – Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

XI. Discount rate for lease liability

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated.

F. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment (PPE) are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

(a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

(b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Management.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognized in the Statement of Profit and Loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the Statement of Profit and Loss.

Note 1.2: Material accounting policies (continued)

F. Property, plant and equipment (continued)

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

(iii) Depreciation

Depreciation is provided on a pro-rata basis on a straight line method over the estimated useful life of the assets at rates which are equal to or higher than the rates prescribed under Schedule II of the Companies Act, 2013 in order to reflect the actual usage of the assets. Estimated useful lives of assets based on technical evaluation by the management are as follows:

Computers	3 years
Office equipment's	2 - 5 years
Furniture and fixtures	3 - 5 years
Leasehold improvements	Over the period of lease

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

G. Intangible assets

(i) Recognition and measurement

Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other non-refundable taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making 'the asset ready for its intended use and net of any trade discounts and rebates.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

(iii) Amortization

The intangible assets are amortized over the estimated useful lives as given below:

Software	5 - 6 years
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Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

H. Leases

Company as lessee

At inception of the contract, Company assesses whether a contract is, or contains a lease. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

Note 1.2: Material accounting policies (continued)

H. Leases (continued)

- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the period of lease term of the underlying asset. The depreciation starts at the commencement date of the lease.

Non-lease component are recognised separately from lease component, unless non-lease component is not significant.

I. Revenue recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Management fee

Management fees is recognized on accrual basis as per the rates specified in the investment management agreement signed with contributors.

Income from NIF Funds

Revenue on account of distribution from funds is recognised on the receipt of the distribution letter or when right to receive is established.

Interest Income

Interest income on financial assets is recognized on an accrual basis.

Profit on sale of Investment

The profit/loss on sale of investments is recognized in the Statement of Profit and Loss on the trade date.

J. Income tax

Income tax expense comprises current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income (OCI).

Current tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and current tax liabilities are offset only if the Company has a legally enforceable right to set off the recognized amounts, and it intends to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are reviewed at each reporting date and based on management's judgment, are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- (a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

K. Employee benefits

Defined contribution plan

Provident Fund

The Company's contribution to government provident fund is considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The Company has no further obligations.

Note 1.2: Material accounting policies (continued)

K. Employee benefits (continued)

Defined Benefit Plan

New Pension Scheme

For the employees who have opted for New Pension Scheme, the Company contributes up to 10% of employees' salary per annum, to the New Pension Fund administered by PFRDA appointed pension fund manager. The Company recognizes such contributions as an expense in the year they are incurred.

Gratuity

The Company accounts for the liability for future gratuity benefits based on an actuarial valuation. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, as per the independent actuarial valuation report. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method as at the Balance Sheet date. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. Remeasurements are not reclassified to profit or loss in subsequent period. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of Profit and Loss as past service cost.

Compensated Absences

Compensated absences which accrue to employees and which are expected to be availed within twelve months immediately following the year end are reported as expenses during the year in which the employees performs the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefit, and where the availment or encashment is otherwise not expected to wholly occur within the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

Other Employee Benefits

The company has a long term performance cash plan ("LCAP") which entitles the eligible employees a fixed amount of grant (along with interest) which is vested over the period of 3 years beginning from the third anniversary of the grant date based on the performance of the funds. Expense is recognised on a straight line basis over the period of 6 years in the Statement of Profit and Loss.

L. Foreign currency transactions

Transactions in foreign currencies are translated into functional currency at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction and are not retranslated.

M. Earnings per share

Basic earnings per share is calculated by dividing the profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any, that have changed the number of equity shares outstanding, without a corresponding change in resources. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Note 1.2: Material accounting policies (continued)

N. Impairment of non-financial assets

The carrying values of assets (including Right of Use Assets)/cash generating units at each Balance Sheet date are reviewed for impairment if any indication of impairment exists. If any such indication exists and the carrying amount of the assets exceeds the estimated recoverable amount, an impairment is recognized for such excess amount in the Statement of Profit and Loss.

The recoverable amount is the greater of the fair value less costs of disposal and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognized.

O. Provisions and contingent liabilities

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

P. Segment reporting

The Company's main business is to provide investment management services to NIIF Funds. Accordingly, there are no separate reportable operating segments as per IND-AS 108.

Q. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Recognition and Initial measurement

All financial assets are recognized initially at fair value. In the case of financial assets not recorded at fair value through the Statement of Profit or Loss, any transaction fees or costs that are directly attributable and incremental to the origination/acquisition of the financial asset unless otherwise specifically mentioned in the accounting policies are adjusted from the fair value.

Classification

The Company classifies its financial assets as subsequently measured at either amortized cost or fair value based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Business model assessment

The Company makes an assessment of the objective of a business model in which an asset is held such that it best reflects the way the business is managed and is consistent with the information provided to the Management. The information considered includes:

- the objectives for the portfolio, in particular, management's strategy of focusing on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Company's stated objective for managing the financial assets is achieved and how cash flows are realized.
- the risks that affect the performance of the business model, the financial assets held within that business model and how those risks are managed.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs as well as profit margin.

Subsequent measurement

The Company classifies its financial assets in the following measurement categories:

Note 1.2: Material accounting policies (continued)

Q. Financial instruments (continued)

Financial assets at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial instruments (continued)

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest (EIR) method. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR and reported as part of interest income in the Statement of Profit and Loss. The losses, if any, arising from impairment are recognized in the Statement of Profit and Loss.

Financial asset at fair value through Other Comprehensive Income (FVOCI) - Debt Instruments

A financial asset is measured at FVOCI if it meets both of the following conditions:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at fair value. The impairment losses, if any, are recognized through Statement of Profit and Loss. The loss allowance is recognized in OCI and does not reduce the carrying value of the financial asset. On derecognition, gains and losses accumulated in OCI are reclassified to the Statement of Profit and Loss.

Financial asset at fair value through profit and loss (FVTPL)

Any financial asset, which does not meet the criteria for classification as at amortized cost or as FVOCI, is classified to be measured at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

All equity investments except for investments in subsidiary/associate/joint ventures are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL.

Equity instruments at FVOCI

The Company subsequently measures all equity investments at FVTPL, unless the Company has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI, when such instruments meet the definition of definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to the Statement of Profit and Loss. Dividends are recognized in the Statement of Profit and Loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

Financial liabilities

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at FVTPL. Liabilities which are classified at FVTPL, shall be subsequently measured at fair value.

R. Write-offs

Financial assets are written off either partially or in their entirety when there is no realistic prospect of recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in the Statement of Profit and Loss. However, financial assets that are written off may be subject to enforcement activities to comply with the Company's procedures for recovery of amounts due.

S. Derecognition of financial assets and financial liabilities

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- the rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in the Statement of Profit and Loss.

Note 1.2: Material accounting policies (continued)

S. Derecognition of financial assets and financial liabilities (continued)

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

T. Modification of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and a new financial asset is recognized at fair value.

If the cash flows of the modified asset carried at amortized cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in the Statement of Profit and Loss account. Any costs or fees incurred adjust the carrying amount of the modified financial asset are amortized over the remaining term of the modified financial asset. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

Financial liabilities

The Company derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in the Statement of Profit and Loss.

U. Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

V. Measurement of fair values

The Company's accounting policies and disclosures require fair value measurement of financial instruments such as investment in equity instruments, mutual funds, debentures, preference shares and units of the venture fund/alternate investment fund.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Management uses its judgment in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market participants are applied.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

W. Cash and bank balances

Cash and bank balance comprise of cash on hand, balance with banks in current accounts and term deposits with banks.

X. Other receivables

Other receivables are amounts due from customers for services performed or reimbursements in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value.

Y. Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest "Lakhs" as per the requirement of Schedule III, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes in these financial statements.

National Investment and Infrastructure Fund Limited
Notes to the financial statements for the year ended March 31, 2024
(All amount in Rs. Lakhs, unless otherwise stated)

Note 2: Property, plant and equipment

Particulars	Leasehold improvements	Furniture and fixtures	Office equipment	Computers	Total
Cost:					
As at April 1, 2022	988.68	177.12	486.40	112.07	1,764.27
Additions	-	0.77	27.28	6.18	34.22
Disposals/write-offs	-	9.68	12.81	9.43	31.91
As at March 31, 2023	988.68	168.21	500.87	108.82	1,766.58
Additions	-	4.38	35.31	29.06	68.75
Disposals	-	6.27	67.16	19.72	93.15
As at March 31, 2024	988.68	166.32	469.02	118.16	1,742.18
Depreciation and Impairment:					
As at April 1, 2022	887.28	89.91	334.27	68.29	1,379.75
Depreciation charge for the year	44.76	33.07	92.28	21.35	191.46
Disposals/write-offs	-	9.68	10.68	8.96	29.32
As at March 31, 2023	932.04	113.30	415.87	80.68	1,541.89
Depreciation charge for the year	9.55	26.98	43.19	21.03	100.75
Disposals	-	6.24	61.11	18.72	86.07
As at March 31, 2024	941.59	134.04	397.95	82.99	1,556.57
Net book value:					
As at March 31, 2023	56.64	54.91	85.00	28.14	224.69
As at March 31, 2024	47.09	32.28	71.07	35.17	185.61

Note 3: Intangible assets

Particulars	Software	Total
Cost:		
As at April 1, 2022	157.15	157.15
Additions	-	-
Disposals	76.74	76.74
As at March 31, 2023	80.41	80.41
Additions	-	-
As at March 31, 2024	80.41	80.41
Amortisation:		
As at April 1, 2022	48.50	48.50
Amortisation charge for the year	40.24	40.24
Disposals/write-offs	76.74	76.74
As at March 31, 2023	12.00	12.00
Amortisation charge for the year	17.65	17.65
Disposals	-	-
As at March 31, 2024	29.65	29.65
Net carrying value:		
As at March 31, 2023	68.41	68.41
As at March 31, 2024	50.76	50.76

National Investment and Infrastructure Fund Limited
Notes to the financial statements for the year ended March 31, 2024
(All amount in Rs. Lakhs, unless otherwise stated)

Note 4: Investments

Particulars	March 31, 2024	March 31, 2023
Unquoted:		
Investments in NIIF Funds		
National Investment and Infrastructure Fund (March 31, 2024 : 67,432.40 units, March 31, 2023 : 35,968.97 units)	92.52	52.71
NIIF Fund of Funds I (March 31, 2024 : 66,668.47 units, March 31, 2023 : 59,455.27 units)	78.10	67.87
National Investment and Infrastructure Fund II (March 31, 2024 : 29,096.01 units, March 31, 2023 : 51,642.73 units)	52.77	80.17
India-Japan Fund (March 31, 2024 : 4.21 units, March 31, 2023 : NA)	4.10	-
Total	227.49	200.75
Investments outside India	-	-
Investments in India	227.49	200.75
Total	227.49	200.75
Total net	227.49	200.75
Current	-	-
Non Current	227.49	200.75
	227.49	200.75
At fair value through other comprehensive income	227.49	200.75
At cost	167.41	147.06
Unrealised gain	60.08	53.69
Net unrealised gain recognised in the previous years	53.69	16.55
Realised gain for the year	(11.22)	-
Net unrealised gain for the year	17.61	37.14

Note 5: Loans

Particulars	March 31, 2024	March 31, 2023
Unsecured, considered good		
NIIFL Master Fund EBT	81.50	46.80
NIIFL Fund of Funds EBT	73.57	66.24
NIIFL Strategic Opportunities Fund EBT	39.18	64.72
NIIFL India Japan Fund EBT	4.22	-
Total	198.47	177.76
Current	-	-
Non Current	198.47	177.76
	198.47	177.76
At amortised cost	198.47	177.76
Particulars	March 31, 2024	March 31, 2023
Type of Borrower	Amount of loan outstanding	Amount of loan outstanding
Promoter	-	-
Directors	-	-
KMPs	-	-
Related parties	198.47	177.76

National Investment and Infrastructure Fund Limited
Notes to the financial statements for the year ended March 31, 2024
(All amount in Rs. Lakhs, unless otherwise stated)

Note 6: Cash and bank balances

Particulars	March 31, 2024	March 31, 2023
Cash and cash equivalents		
Balances with banks		
In current accounts	414.38	445.32
Deposits with original maturity of less than 3 months	8,872.86	505.25
	9,287.24	950.57
Bank balances other than above		
Deposits with original maturity of more than 3 months and less than 12 months	40,419.75	42,620.27
Total	40,419.75	42,620.27
Total	49,706.99	43,570.84

Note 7: Other financial assets

Particulars	March 31, 2024	March 31, 2023
Security deposits	285.66	304.01
Receivables from NIIF funds and portfolio companies*	321.67	67.65
Total	607.33	371.66
Less: Impairment loss allowance	-	-
Total	607.33	371.66
Current	449.61	67.65
Non Current	157.72	304.01
	607.33	371.66

*Primarily represents receivables towards management fees from NIIF funds and reimbursement of expenses incurred on behalf of NIIF funds and their portfolio companies.

Note 8: Other current assets

Particulars	March 31, 2024	March 31, 2023
Balance with statutory and government authorities	154.26	116.82
Vendor advances	212.78	177.55
Prepaid expenses	294.68	363.56
Employee and other advances	13.38	4.44
Total	675.10	662.37

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Note 9: Share capital

Details of authorized, issued subscribed and paid up share capital

Particulars	March 31, 2024	March 31, 2023
Authorized:		
Equity shares		
66,00,000 equity shares of Rs.10/- each	660.00	660.00
Preference shares		
4,50,000 Compulsorily convertible preference shares of Rs. 10 each-Series A	45.00	45.00
10,00,000 Compulsorily convertible preference shares of Rs. 10 each-Series B	100.00	100.00
10,50,000 Compulsorily convertible preference shares of Rs. 10 each-Series C	105.00	105.00
59,00,000 Compulsorily convertible preference shares of Rs. 10 each-Series D	590.00	590.00
1,13,000 Compulsorily convertible preference shares of Rs. 10 each-Series E	11.30	11.30
34,100 Compulsorily convertible preference shares of Rs. 10 each-Series F	3.41	3.41
25,380 Compulsorily convertible preference shares of Rs. 10 each-Series G	2.54	2.54
	857.25	857.25
Issued, subscribed and fully paid up:		
Equity shares		
5,14,488 equity shares of Rs 10/- each, fully paid up (March 31, 2023: 5,14,488 equity shares)	51.45	51.45
	51.45	51.45
Preference shares		
Issued, subscribed and fully paid-up	-	-

Rights, preferences and restrictions attached to Equity shares

The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Movement in authorized share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Rs. In lakhs	No. of shares	Rs. In lakhs
Equity shares				
At the beginning of year	6,600,000	660.00	6,600,000	660.00
Add : shares issued during the year	-	-	-	-
At the end of year	6,600,000	660.00	6,600,000	660.00
Preference shares				
At the beginning of year	8,572,480	857.25	8,572,480	857.25
Add : shares issued during the year	-	-	-	-
At the end of year	8,572,480	857.25	8,572,480	857.25

Note 9.1: Reconciliation of equity shares outstanding at the beginning and end of the year:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Rs. In lakhs	No. of shares	Rs. In lakhs
Equity shares at the beginning of year	514,488	51.45	514,488	51.45
Add : shares issued during the year	-	-	-	-
Equity shares at the end of year	514,488	51.45	514,488	51.45

Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% of holding	No. of shares	% of holding
Promoter's:				
Government of India	252,099	49.00%	252,099	49.00%
Others:				
2452991 Ontario Limited	55,275	10.74%	55,275	10.74%
AustralianSuper Investments Fund No.2	55,275	10.74%	55,275	10.74%
Platinum Rock B 2014 RSC Limited	52,260	10.16%	52,260	10.16%
CPP Investment Board Private Holdings (4) Inc.	34,098	6.63%	34,098	6.63%
Total	449,007	87.27%	449,007	87.27%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

National Investment and Infrastructure Fund Limited
Notes to the financial statements for the year ended March 31, 2024
(All amount in Rs. Lakhs, unless otherwise stated)

Note 10: Other equity

Particulars	March 31, 2024	March 31, 2023
Securities premium account*	9,418.07	9,418.07
Retained earnings	24,627.45	28,545.76
Fair value through other comprehensive income	45.48	40.70
Total	34,091.00	38,004.53

Nature and purpose of reserves:

*Securities premium account is used to record the premium on issuance of shares. The same will be utilised in accordance with provisions of the Companies Act, 2013.

Note 11: Other financial liabilities

Particulars	March 31, 2024	March 31, 2023
LCAP payable	1,306.09	1,093.85
Liability towards reversal of management fee (Refer note 35)	10,744.83	-
Total	12,050.92	1,093.85
Current	11,249.32	337.05
Non Current	801.60	756.80
	12,050.92	1,093.85

Note 12: Provisions

Particulars	March 31, 2024	March 31, 2023
Provision for employee benefits		
Provision for gratuity (Refer note 26)	619.09	546.74
Provision for compensated absences	707.43	665.71
Provision against management fee	-	342.25
Total	1,326.52	1,554.70
Current	149.33	538.91
Non Current	1,177.19	1,015.79
	1,326.52	1,554.70

Note 13: Trade payables

Particulars	March 31, 2024	March 31, 2023
(i) total outstanding dues of micro enterprises and small enterprises*	42.51	1.80
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	142.41	11.39
Total (I)	184.92	13.19
(II) Other payables		
(i) total outstanding dues of micro enterprises and small enterprises*	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total (II)		
Total	184.92	13.19

*The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on information received and available with the Company, there are no amounts payable other than disclosed above to Micro and Small Enterprises as at March 31, 2024 and March 31, 2023.

National Investment and Infrastructure Fund Limited
Notes to the financial statements for the year ended March 31, 2024
(All amount in Rs. Lakhs, unless otherwise stated)

Note 13: Trade payables (continued)

Particulars	March 31, 2024	March 31, 2023
Principal amount remaining unpaid to supplier as at the end of the year	42.51	1.80
Interest due on the principal remaining outstanding as at the end of the year	-	-
Interest paid under the Micro, Small and Medium Enterprises Development Act, 2006 beyond the appointed day during the year	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Interest accrued and remaining unpaid at the end of the year	-	-
Amount of further interest remaining due and payable even in the 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 the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Trade payables ageing schedule

As at March 31, 2024	Not due trade payable*	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSME	26.86	15.65	-	-	-	42.51
Undisputed dues - Others	-	142.41	-	-	-	142.41
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	26.86	158.06	-	-	-	184.92

As at March 31, 2023	Not due trade payable*	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSME	1.80	-	-	-	-	1.80
Undisputed dues - Others	-	11.39	-	-	-	11.39
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	1.80	11.39	-	-	-	13.19

Trade payables are non-interest bearing and are normally settled on 30-60 days terms in the normal course of business.

*Not due trade payable represent balances which aren't due as per credit terms agreed with the vendor.

Note 14: Other current liabilities

Particulars	March 31, 2024	March 31, 2023
Deferred revenue*	1,448.15	3,361.71
Payable for expenses	4,487.52	2,489.90
Payable for capex	-	25.75
Statutory dues payable	559.03	490.81
Total	6,494.70	6,368.17

*Deferred revenue represents the management fee adjustment in respect of reduction in commitments of one of the NIIF Funds.

National Investment and Infrastructure Fund Limited
Notes to the financial statements for the year ended March 31, 2024
(All amount in Rs. Lakhs, unless otherwise stated)

Note 15: Revenue from operations

Particulars	March 31, 2024	March 31, 2023
Management fee*	18,114.51	14,381.97
Total	18,114.51	14,381.97
Type of services		
Investment management services	18,114.51	14,381.97
	18,114.51	14,381.97
Geographical markets		
India	18,114.51	14,381.97
Outside India	-	-
	18,114.51	14,381.97
Timing of revenue recognition		
At a point in time	-	-
Over a period of time	18,114.51	14,381.97
	18,114.51	14,381.97

*For the year ended March 31, 2024, an adjustment of INR 8,774.04 lakhs towards a potential reversal of management fee is presented as an exceptional item in the Statement of Profit and Loss. Had this not been classified as such, the revenue from operations would have been INR 9,340.47 lakhs instead of INR 18,114.51 lakhs (Refer note 35).

Note 16: Other income

Particulars	March 31, 2024	March 31, 2023
Interest Income on:		
Term deposits with banks	3,328.18	2,196.30
Income tax refund	46.22	-
Security deposits	22.38	22.85
Loans to employee benefit trusts	10.00	8.19
Income from investments in NIIF Funds	2.80	4.41
Gain on sale of property, plant and equipment	1.14	0.87
Total	3,410.72	2,232.62

Note 17: Finance costs

Particulars	March 31, 2024	March 31, 2023
Interest on lease liabilities (refer Note 31)	192.38	238.66
Total	192.38	238.66

Note 18: Employee benefits expenses

Particulars	March 31, 2024	March 31, 2023
Salaries, bonus and incentives	10,740.14	9,351.11
Contribution to Provident Fund and New Pension Scheme (refer Note 26)	444.57	402.26
Staff welfare expenses	186.76	173.57
Gratuity expense (refer Note 26)	169.90	159.09
Compensated absences expense (refer Note 26)	379.95	251.28
Other employee related expenses	454.06	469.44
Total	12,375.38	10,806.75

National Investment and Infrastructure Fund Limited
Notes to the financial statements for the year ended March 31, 2024
(All amount in Rs. Lakhs, unless otherwise stated)

Note 19: Depreciation and amortization:

Particulars	March 31, 2024	March 31, 2023
Depreciation on Right-of use assets (refer Note 31)	1,199.36	1,153.81
Depreciation on Property, plant and equipment (refer Note 2)	100.75	191.46
Amortization on Intangible Assets (refer Note 3)	17.65	40.24
Total	1,317.76	1,385.51

Note 20: Other expenses

Particulars	March 31, 2024	March 31, 2023
Accounting outsourcing fee	28.10	26.41
Advertisement, branding and PR agency	195.95	135.68
Communication, IT and business application subscriptions	345.49	278.63
Directors fees, allowances and expenses	64.80	19.20
Contribution towards corporate social responsibility (refer Note 24)	87.79	179.62
Legal and professional fee	911.15	1,105.45
Net loss on foreign currency transactions	1.82	2.59
Payment to auditor (A)	10.58	10.81
Printing and stationery	17.76	19.67
Repairs and maintenance	232.95	177.17
Advisory fee*	1,237.25	-
Subscription related expenses	298.53	268.15
Travel and conveyance	503.30	409.35
Miscellaneous expenses	11.27	12.64
Total	3,946.74	2,645.37

Particulars	March 31, 2024	March 31, 2023
(A) Payment to auditor		
Audit fee	8.50	8.50
Tax audit fee	2.00	2.00
Reimbursement of expenses	0.08	0.31
Total	10.58	10.81

*Advisory fee is payable to JBIC IG Partners for services rendered in respect of one of the funds managed by the company.

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National Investment and Infrastructure Fund Limited
Notes to the financial statements for the year ended March 31, 2024

(All amount in Rs. Lakhs, unless otherwise stated)

Note 21: Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	March 31, 2024	March 31, 2023
Following reflects the profit and share data used in EPS computations:		
Basic		
Weighted average number of equity shares for computation of Basic EPS (in Nos.)	514,488	514,488
Net profit for calculation of basic EPS (In Lakhs)	(3,913.53)	1,080.49
Basic earning per share (In Rs.)	(760.66)	210.01
Diluted		
Weighted average number of equity shares for computation of Diluted EPS (in Nos.)	514,488	514,488
Net profit for calculation of Diluted EPS (in Rs.)	(3,913.53)	1,080.49
Diluted earning per share (In Rs.)	(760.66)	210.01
Nominal / Face Value of equity shares (In Rs.)	10	10

There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

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National Investment and Infrastructure Fund Limited
Notes to the financial statements for the year ended March 31, 2024
(All amount in Rs. Lakhs, unless otherwise stated)

Note 22: Contingent liabilities and commitments

a. Contingent liabilities - Nil (March 31, 2023:Nil)

b. Commitments

Particulars	March 31, 2024	March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Total	-	-

Note 23: Segment information

The Company is in the business of providing Investment management services to NIIF Funds. The primary segment is identified as asset management services as all services are in relation to asset management, there is no separate segment identified.

Note 24: Details of Corporate Social Responsibility expenditure

The Company's CSR programme initiatives are approved by the CSR committee and the Board. The Company aims to positively contribute towards economic, environmental, and social well-being of communities through its Corporate Social Responsibility agenda. Accordingly, a climate change adaptation and livelihood enhancement project was envisaged and implemented for the year ended March 31, 2024 and March 31, 2023.

Details of Corporate Social Responsibility expenditure

Particulars	March 31, 2024	March 31, 2023
a) Gross amount required to be spent for the year	87.79	179.62
b) Amount spent during the year ended March 31, 2024	Already Paid 58.73	Yet to be paid 29.06
c) Amount spent during the year ended March 31, 2023	179.62	-
d) Details related to spent/unspent obligations:	March 31, 2024	March 31, 2023
i) Contribution to Trust/NGO	58.73	179.62
ii) Unspent amount in relation to: Ongoing project (FY24)	29.06	-
Details of ongoing project:		
Opening balance	-	6.18
Amount required to be spent during the year	87.79	179.62
Amount spent during the year	(58.73)	(185.80)
Closing balance	29.06	-

e) Reason for shortfall :

During the year ended March 31, 2024, the company has disbursed an amount of INR 58.73 lakhs towards procurement of dehydration units, packing, transportation, installation, and infrastructure set-up on-site along with ancillary equipment. The second tranche of INR 29.06 lakhs is to be disbursed based on project milestones such as onboarding and training of self-help group (SHG) members and project supervision team, implementation of IT monitoring and documentation tools and SHG registration.

The project has been categorised as an ongoing CSR project and an unspent CSR account has been opened. The unspent amount from the FY24 has been transferred to an CSR unspent account and will be spent on the ongoing CSR project during FY 25 based on completion of the project milestones.

f) Details of related party transactions	NIL	NIL
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National Investment and Infrastructure Fund Limited
Notes to the financial statements for the year ended March 31, 2024

(All amount in Rs. Lakhs, unless otherwise stated)

Note 25: Related Party disclosures

A. Names of Related Parties

Particulars	Nature of relationship
Key Management Personnel	
Mr. Ajay Seth	Nominee Director
Mr. Ishaat Hussain	Independent Director
Ms. Teresa Clare Barger	Independent Director
Mr. Rajeev Saxena	Nominee Director
Mr. Sanjay Vijay Bhandarkar	Nominee Director
Mr. Deepak Shantilal Parekh	Nominee Director
Mr. Debapratim Hajara	Nominee Director
Mr. Martin Adams	Nominee Director
Mr. Sanjiv Aggarwal	Chief Executive Officer & Managing Director (appointed on February 12, 2024)
Mr. Rajiv Dhar	Chief Executive Officer & Managing Director (appointed on May 11, 2023 and resigned on February 11, 2024)
Mr. Sujoy Bose	Managing Director & Chief Executive Officer (resigned on May 10, 2023)
Mr. Saurabh Jain	Chief Financial Officer
Ms. Ekta Aggarwal	Company Secretary (resigned on Feb 13, 2024)
Name of the related party where control exists	
NIIFL Master Fund EBT	Company is the Trustee
NIIFL Fund of Funds EBT	Company is the Trustee
NIIFL Strategic Opportunities Fund EBT	Company is the Trustee
NIIFL India Japan Fund EBT	Company is the Trustee

B Transactions with Key Management Personnel

Key Management Personnel compensation

Particulars	March 31, 2024	March 31, 2023
Short-term employee benefits	1,574.85	1,007.73
Post-employment defined benefit	44.79	35.12
Independent Director		
Director sitting fee	64.80	19.20

C Transactions and balances with Related Parties

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Nature of transactions	Year ended March 31, 2024	Year ended March 31 2023
Interest on Loans to:		
NIIFL Master Fund EBT	3.15	1.78
NIIFL Fund of Funds EBT	3.62	3.09
NIIFL Strategic Opportunities Fund EBT	3.22	3.27
NIIFL India Japan Fund EBT	0.01	-
Loan to (year end balance):		
NIIFL Master Fund EBT	81.50	46.80
NIIFL Fund of Funds EBT	73.57	66.24
NIIFL Strategic Opportunities Fund EBT	39.18	64.72
NIIFL India Japan Fund EBT	4.22	-

Terms and conditions of transactions with related parties:

'The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balance at the year end are unsecured and settlement occurs through bank transfer.

Note 26: Employee Benefits

The Company contributes to the following post-employment benefit plans:

1) Defined contribution plan:

Particulars	March 31, 2024	March 31, 2023
Contribution to Provident Fund	385.75	354.05
Contribution to New Pension Scheme	58.82	48.21
	444.57	402.26

2) Defined benefit plan:

a) Gratuity :

The Company accounts for the liability for future gratuity benefits based on an independent actuarial valuation. The gratuity obligation is unfunded. The net present value of the Company's obligation towards the same is determined based on the Projected Unit Credit method as at the Balance Sheet date.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognized in the Company's financial statements as at Balance Sheet date:

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of unfunded defined benefit obligation (A)	619.09	546.74
Fair value of plan assets (B)	-	-
Net (asset) / liability recognized in the Balance Sheet (A-B)	619.09	546.74

Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) / liability and its components:-

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset)/liability	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Opening balance	546.74	388.22	-	-	546.74	388.22
Included in profit or loss	-	-	-	-	-	-
Current service cost	129.66	130.91	-	-	129.66	130.91
Interest cost (income)	40.24	28.18	-	-	40.24	28.18
	716.64	547.31	-	-	716.64	547.31
Included in OCI						
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions	-	(2.97)	-	-	-	(2.97)
Financial assumptions	9.03	(6.67)	-	-	9.03	(6.67)
Experience adjustment	77.87	27.64	-	-	77.87	27.64
Actual return on plan assets less interest on plan assets	-	-	-	-	-	-
	86.90	18.00	-	-	86.90	18.00
Other						
Benefits paid	(184.45)	(18.57)	-	-	(184.45)	(18.57)
Closing balance	619.09	546.74	-	-	619.09	546.74
Represented by						
Net defined benefit asset					-	-
Net defined benefit liability					619.09	546.74
					619.09	546.74

(All amount in Rs. Lakhs, unless otherwise stated)

Note 26: Employee Benefits (continued)

Expenses recognized in Statement of Profit and Loss

Particulars	March 31, 2024	March 31, 2023
Current service cost	129.66	130.91
Interest on net defined benefit liability / (asset)	40.24	28.18
	169.90	159.09

Remeasurements recognized in other comprehensive income

Particulars	March 31, 2024	March 31, 2023
Actuarial (gain)/loss arising from:		
Demographic assumptions	-	(2.97)
Financial assumptions	9.03	(6.67)
Experience adjustments	77.87	27.64
Actual return on plan assets less interest on plan assets	-	-
Adjustment to recognize the effect of asset ceiling	-	-
	86.90	18.00

Defined benefit obligations

i. Actuarial assumptions

The key actuarial assumptions adopted for the purposes of this valuation are given below:-

Particulars	March 31, 2024	March 31, 2023
Discount rate (p.a.)	7.22%	7.36%
Salary escalation rate (p.a.)	7.50%	7.50%

ii. Sensitivity analysis

Gratuity is a lump sum plan and the cost of providing this benefit is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to discount rate and future salary escalation rate. The following table summarizes the change in defined benefit obligation compared with the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

	March 31, 2024		March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (50 bps movement)	(31.75)	34.38	(24.30)	26.34
Salary escalation rate (50 bps movement)	34.12	(31.81)	26.18	(24.38)

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous year in the methods and assumptions used in preparing the sensitivity analyses.

b) Accumulated Compensated Absences

The Company provides for accumulated compensated absences as at the Balance Sheet date on the basis of an actuarial valuation. The Company recognized Rs. 379.95 Lakhs (Previous year : Rs. 251.28 Lakhs) for compensated absences in the Statement of Profit and Loss.

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Note 27: Tax expense

a. Amounts recognized in the Statement of Profit and Loss

Particulars	March 31, 2024	March 31, 2023
Current tax expense		
Current income tax charge	-	340.56
Adjustments in respect of current income tax of previous year	7.79	-
Total current tax expense (A)	7.79	340.56
Deferred income tax liability / (asset), net		
Change relating to origination and reversal of temporary differences	(1,227.18)	131.56
Deferred tax expense (B)	(1,227.18)	131.56
Tax expense for the year (A)+(B)	(1,219.39)	472.12

b. Amounts recognized in Other Comprehensive Income (OCI)

Particulars	March 31, 2024			March 31, 2023		
	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
Remeasurements of defined benefit liability	(86.90)	21.87	(65.03)	(18.00)	4.53	(13.47)
Investments valued at fair value through OCI	17.61	(4.43)	13.18	37.14	(9.35)	27.79
Total	(69.29)	17.44	(51.85)	19.14	(4.82)	14.32

c. Reconciliation of effective tax rate

Particulars	March 31, 2024		March 31, 2023	
	Amount	%	Amount	%
Profit before tax	(5,081.07)		1,538.30	
Tax using the Company's domestic tax rate	(1,278.80)	25.17%	387.16	25.17%
Tax effect of:				
Non-deductible expenses/other items	51.62	(1.02%)	84.97	5.52%
Tax for earlier years	7.79	(0.15%)	-	0.00%
Tax at effective Income Tax rate	(1,219.39)	24.00%	472.13	30.69%
Income tax expense reported in the Statement of Profit and loss	(1,219.39)		472.13	

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National Investment and Infrastructure Fund Limited
Notes to the financial statements for the year ended March 31, 2024
(All amount in Rs. Lakhs, unless otherwise stated)

Note 27: Tax expense (continued)

Movement in deferred tax balances

Particulars	March 31, 2024					
	Net balance March 31, 2023	Recognized in profit or loss	Recognized in OCI	Net balance March 31, 2024	Deferred tax asset	Deferred tax liability
Deferred tax asset/(liabilities)						
Property, plant and equipment	234.58	(14.07)	-	220.51	220.51	-
Investments at FVOCI	(13.51)	2.82	(4.43)	(15.12)	-	(15.12)
Employee benefits	305.15	6.84	21.87	333.86	333.86	-
Right-of use assets	(641.60)	150.00	-	(491.60)	-	(491.60)
Lease liabilities	670.87	(150.91)	-	519.96	519.96	-
Provision for management fee	86.14	(86.14)	-	-	-	-
Disallowance on LCAP payable/others	313.59	367.27	-	680.86	680.86	-
Carry forward losses	-	951.37	-	951.37	951.37	-
Total	955.22	1,227.18	17.44	2,199.84	2,706.56	(506.72)

Particulars	March 31, 2023					
	Net balance March 31, 2022	Recognized in profit or loss	Recognized in OCI	Net balance March 31, 2023	Deferred tax asset	Deferred tax liability
Deferred tax asset/(liabilities)						
Property, plant and equipment	228.03	6.55	-	234.58	234.58	-
Investments at FVOCI	(4.16)	-	(9.35)	(13.51)	-	(13.51)
Employee benefits	247.01	53.61	4.53	305.15	305.15	-
Right-of use assets	(344.97)	(296.63)	-	(641.60)	-	(641.60)
Lease liabilities	361.29	309.58	-	670.87	670.87	-
Provision for management fee	402.15	(316.01)	-	86.14	86.14	-
Disallowance on LCAP payable/others	202.26	111.33	-	313.59	313.59	-
Total	1,091.61	(131.57)	(4.82)	955.22	1,610.33	(655.11)

Reconciliation of deferred tax assets

	March 31, 2024	March 31, 2023
Opening balance	955.22	1,091.61
Tax Income/(expense) during the period recognised in profit and loss	1,227.18	(131.57)
Tax Income/(expense) during the period recognised in OCI	17.44	(4.82)
Closing balance	2,199.84	955.22

Components of deferred tax are as follows

	March 31, 2024	March 31, 2023
Deferred tax assets	2,706.56	1,610.33
Deferred tax liabilities	(506.72)	(655.11)
Reflected in the Balance Sheet as Deferred tax assets (net)	2,199.84	955.22

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

National Investment and Infrastructure Fund Limited
Notes to the financial statements for the year ended March 31, 2024
(All amount in Rs. Lakhs, unless otherwise stated)

Note 28: Financial instruments – Fair values and risk management

A. Classification of financial assets and financial liabilities:

Other than investment in Alternative Investment Fund measured at fair value through other comprehensive income, all other financial assets and financial liabilities are measured at amortised cost. Management has determined that the carrying amount of Other financial assets, Trade receivables, Cash & cash equivalents and Financial liabilities measured at amortised cost are reasonable approximation of their fair values, either due to their short-term nature or near the end of the reporting period.

B. Fair value hierarchy:

Fair value measurements are analysed by level in the fair value hierarchy as follows:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Financial assets and liabilities measured at fair value

Particulars	As at March 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets				
<i>Investments at FVOCI</i>				
- Alternative Investment Funds	-	-	227.49	227.49
Total financial assets	-	-	227.49	227.49

Particulars	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets				
<i>Investments at FVOCI</i>				
- Alternative Investment Funds	-	-	200.75	200.75
Total financial assets	-	-	200.75	200.75

As per Ind AS 107, 'Financial Instruments: Disclosures', the fair values of the financial assets or financial liabilities are defined as the price that would be received on sale of asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities and lowest priority to unobservable inputs.

Fair values under level 3 are determined in whole or in part using a valuation techniques based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

National Investment and Infrastructure Fund Limited
Notes to the financial statements for the year ended March 31, 2024
(All amount in Rs. Lakhs, unless otherwise stated)

Note 28: Financial instruments – Fair values and risk management (continued)

Valuation techniques used to determine fair value

Financial Instrument	Valuation technique
Alternate Investment Funds	Net Asset Value (NAV) declared by NIIF funds

Fair value measurement using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended March 31, 2024 and March 31, 2023

As at April 1, 2022	135.85
Acquisitions (net of redemptions)	27.76
Gain recognised in other comprehensive income	37.14
As at April 1, 2023	200.75
Acquisitions (net of redemptions)	20.35
Realised gains (transferred from FVOCI reserve to retained earnings)	(11.22)
Gain recognised in other comprehensive income	17.61
As at March 31, 2024	227.49

Note 29: Financial risk management

29.1: Introduction and risk profile

Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company also has a system of internal controls to reduce the residual risk in each of these categories and the effectiveness of these controls is assessed periodically.

The Company has exposure to the following risks arising from Financial Instruments:

Risk	Exposure arising from
Credit risk	Cash and cash equivalents, trade & other receivables, financial assets measured at amortised cost
Liquidity risk	Leases, trade payables and other financial liabilities
Market risk	Investments in Alternate Investment Funds
Foreign currency risk	Liability towards foreign service providers.

29.1.1: Risk management structure and policies

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Audit and Risk Committee, which is responsible for monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit and Risk Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

National Investment and Infrastructure Fund Limited
Notes to the financial statements for the year ended March 31, 2024
(All amount in Rs. Lakhs, unless otherwise stated)

Note 29: Financial risk management (continued)

29.2: Credit risk

Credit risk is the risk of actual or probable financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans, other financial assets and other current assets.

The gross carrying amounts of following financial assets represent the maximum credit risk exposure:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Loan to Employee Benefit Trusts	198.47	177.76
Cash and bank balances*	49,706.99	43,570.84
Other financial assets #	607.33	371.66
Total	50,512.79	44,120.26

*the company maintains all current account and term deposits only with 3 largest scheduled banks in India.

Other financial assets primarily represents amounts receivable from NIIF funds under contractual arrangement with them.

29.3: Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows.

Maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

As at March 31, 2024

Particulars	Carrying Value	Within 1 year	More than 1 year
Other financials liabilities	12,050.92	11,249.32	801.60
Trade payables	184.92	184.92	-
Lease liabilities	2,227.89	1,196.49	1,031.40
	14,463.73	12,630.73	1,833.00

As at March 31, 2023

Particulars	Carrying Value	Within 1 year	More than 1 year
Other financials liabilities	1,093.85	337.05	756.80
Trade payables	13.19	13.19	-
Lease liabilities	2,937.52	1,200.58	1,736.94
	4,044.56	1,550.82	2,493.74

29.4: Market risk

The company's exposure to Alternate investment funds price risk arises from investments held by the company and classified in the balance sheet at fair value through other comprehensive income.

Company's investments are units of alternative investment funds, consequently, exposures to risk of fluctuation in the market price. Price of such instruments are closely linked to movement in market variables like trade multiples of comparable business, price variation etc.

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Alternate Investment Funds		
NAV - Increased by 5%	11.37	10.04
NAV - Decreased by 5%	(11.37)	10.04

29.5: Foreign currency risk

The Company's exposure to currency risk is not significant as all revenues and expenditures are denominated in Indian rupees, the Company's functional currency. Management regularly reviews the Company's exposure to foreign currency risk and decides on appropriate measures to mitigate any potential risks should material exposure be anticipated.

National Investment and Infrastructure Fund Limited**Notes to the financial statements for the year ended March 31, 2024**

(All amount in Rs. Lakhs, unless otherwise stated)

Note 30: Capital disclosure

For the purpose of the company's capital management, capital includes issued capital and other equity reserves. The primary objective of the company's capital management is to maximise shareholders value.

Note 31: Leases where the Company is a lessee

The Company's lease asset primarily consist of office premises. The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

a. Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	March 31, 2024	March 31, 2023
Opening net carrying balance	2,549.31	1,370.70
Addition	603.32	2,332.42
Depreciation	(1,199.36)	(1,153.81)
Closing net carrying balance	1,953.27	2,549.31

b. Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	March 31, 2024	March 31, 2023
Opening balance	2,665.56	1,435.58
Addition	567.68	2,332.42
Accretion of interest	192.38	238.66
Payments	(1,359.68)	(1,341.10)
Closing balance	2,065.94	2,665.56

Amounts recognised in Balance sheet:

Particulars	March 31, 2024	March 31, 2023
Current	1,078.68	1,041.41
Non Current	987.26	1,624.15
	2,065.94	2,665.56

c. Amounts recognised in the statement of Profit and Loss:

Particulars	March 31, 2024	March 31, 2023
Interest expense on lease liabilities	192.38	238.66
Depreciation on right to use assets	1,199.36	1,153.81

Note 32: Expenditure and earning in foreign currency

Additional information pursuant to the provisions of Schedule III to the Companies Act, 2013 is given below:

Expenditure in foreign currency

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Expenditure in foreign currency	1,570.40	353.71
Total	1,570.40	353.71

There are no foreign currency earnings as the company operates solely within India and generates all its income domestically.

Note 33:

The Indian Parliament has approved the Code on Social Security, 2020 which assumes the Provident Fund and the Gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

Note 34: Other statutory information (as per MCA notification dated March 24, 2021):

- (a) The Company does not have any benami property, where any proceeding have been initiated or pending against the company for holding any benami property.
- (b) The company does not have any transactions with companies struck off.
- (c) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (d) The company has not traded or invested in crypto currency or virtual currency during the financial year.
- (e) The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
 - (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- (f) The company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the company shall :
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (ultimate beneficiaries) or
 - (ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- (g) The company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (h) The Company has not undertaken any borrowing during the current year or in previous year hence the disclosure on the wilful defaulter is not applicable.
- (i) The Company has not made any investment in downstream companies during the current year and previous year. Hence, the compliance under clause 87 of section of the Companies Act read with the Companies (Restriction on number of layers) rules, 2017 is not applicable.
- (j) The Company has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013 during the current year and previous year.
- (k) The Company has not revalued its property, plant and equipment or tangible assets or both during the current year and previous year.
- (l) The Company is not a declared wilful defaulter by any bank or financial institutions or other lender, in accordance with the guidelines issued by the Reserve Bank of India.
- (m) The Company does not own any immovable property. All the lease arrangements are duly executed in the favour of the Company where the Company is the lessee.

Note 35: The Company recognizes management fee based on contractual arrangements with the Funds it manages, generally based on the capital committed during the Fund's commitment period as defined by the Fund documents. As per the fund documents of National Investment and Infrastructure Fund II (the "SOF"), the capital commitment for Class A1 Units and Class B Units held by Government of India, collectively, had to be 49% of the aggregate capital commitments of the SOF at the final closing, i.e. by March 31, 2024. However, this condition could not be met by March 31, 2024. Consequently, the Company has agreed on a management fee adjustment with SOF investors of INR 10,744 lakhs and liability for the same has been recognized in the financial statements for the year ended March 31, 2024. Out of this amount, management fee reversal of INR 8,774 lakhs relates to the income recognized in previous years until March 31, 2023, and therefore presented as an exceptional item in the Statement of Profit and Loss.

Note 36: Microsoft Dynamics 365 Business Central is the accounting software used by the Company for maintaining its books of account. The software has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded. Microsoft has also confirmed that direct database updates are not possible, backup database are stored in India and backup data is retained for 8 years, however no supporting evidence has been provided by them in this regard.

National Investment and Infrastructure Fund Limited
Notes to the financial statements for the year ended March 31, 2024
(All amount in Rs. Lakhs, unless otherwise stated)

Note 37: Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reason for variance
Current ratio	Current assets	Current liabilities	2.68	5.46	(50.92%)	Due to Increase in current liability on account of reversal of management fees
Debt- Equity Ratio	Total debt	Shareholder's equity	-	-	-	- Not applicable
Debt Service Coverage ratio	Net profit after taxes (+) Non-cash operating expenses	Interest & lease Payments (+) principal repayments	-	-	-	- Not applicable
Return on Equity ratio	Net profits after taxes (-) Preference dividend	Average shareholder's equity	(10.70%)	2.84%	(476.41%)	Due to losses for the year ended March 31, 2024
Inventory Turnover ratio	Cost of goods sold	Average inventory	-	-	-	- Not applicable
Trade Receivable Turnover Ratio	Net credit sales	Average accounts receivable	-	-	-	- Not applicable
Trade Payable Turnover Ratio	Net credit purchases	Average trade payables	-	-	-	- Not relevant for Company's nature of business
Net Capital Turnover Ratio	Revenue from operations	Current assets (-) current liabilities	29.07%	38.90%	(25.28%)	Decrease in revenue on account of reversal of management fees
Net Profit ratio	Net Profit	Revenue from operations	(41.34%)	7.41%	(657.70%)	Losses for the year ended March 31, 2024, primarily due to reversal of management fees
Return on Capital Employed	Profit before taxes	Shareholders' funds	(14.88%)	4.04%	(468.16%)	Losses for the year ended March 31, 2024, primarily due to reversal of management fees
Return on Investment	Net return on investments	Average investments	12.98%	31.20%	(58.40%)	Due to increase in investments in current year

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

Firm registration no. 101049W/E300004

AMIT KABRA
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DN: cn=AMIT KABRA, c=IN,
o=Personal,
email=amit.kabra@srb.in
Date: 2024.08.30 19:14:11 +05'30'

per Amit Kabra

Partner

Membership no: 094533

For and on behalf of the Board of Directors of

National Investment and Infrastructure Fund Limited

SANJIV AGGARWAL
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Date: 2024.08.30 18:25:28 +05'30'

Sanjiv Aggarwal
CEO & Managing Director
DIN : 02950196

Saurabh Jain
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Saurabh Jain
Chief Financial Officer

SANJAY VIJAY BHANDARKAR
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Sanjay Bhandarkar
Director
DIN : 01260274

NILUFER GAURAV SHEKHAWAT
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Nilufer Shekhawat
Company Secretary
M. no: A23264