



Infrastructure Leasing & Financial Services Limited

October 19, 2023

The Secretary,
Bombay Stock Exchange Limited
Listing Department (Debt Listing)
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

Name of the Company: Infrastructure Leasing and Financial Services Limited

Sub: Compliance Reporting Requirements

1. Infrastructure Leasing and Financial Services Limited (“ILFS”) is registered with the Reserve Bank of India as a Core Investment Non-Banking Finance Company. The Securities (Debentures and Preference Shares) are listed on the Bombay Stock Exchange Limited
2. In this regard, please note that the erstwhile board of directors of Infrastructure Leasing & Financial Services Limited (“IL&FS”) was reconstituted by the Hon’ble National Company Law Tribunal, Mumbai Bench (“NCLT”), based on an application filed by the Union of India (acting through the Ministry of Corporate Affairs, Government of India (“MCA”) under Section 241(2) of the (Indian) Companies Act, 2013, on the grounds *inter alia* that the erstwhile board of IL&FS had *prima facie* mismanaged and compromised on corporate governance norms and risk management and had indiscriminately raised long term and short term loans/borrowings through public sector banks and financial institutions. The NCLT vide its orders dated October 1, 2018, October 3, 2018 and December 21, 2018 also appointed directors on the board of IL&FS (the “**New Board**”).
3. We also wish to highlight that a report titled “*Report on Progress and Way Forward*” has been submitted to the Ministry of Corporate Affairs (“MCA”) by IL&FS on October 30, 2018, and has been filed by the MCA with the NCLT on October 31, 2018), in compliance of the NCLT’s October 1, 2018 order. The report provides, amongst other things, broad options for the resolution of the IL&FS group and the indicative way forward. The New Board is engaged in evolving a transparent resolution process, while keeping public interest, financial stability, legality, various stakeholder interests (including interests of our joint venture partners) and commercial feasibility in view.



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4. Subsequently, various reports have also been submitted to the MCA (which in turn were filed by the MCA with the NCLT and the Hon'ble National Company Law Appellate Tribunal), which *amongst others* sets out certain cost optimization measures which have been undertaken by the New Board and the initial assessment of the options for resolution of the IL&FS Group and the resolution procedure for the IL&FS Group. Subsequently, the Hon'ble NCLAT, has approved in entirety the resolution procedure for the IL&FS Group set out by the MCA in its affidavits, *vide* its order and judgment dated March 12, 2020.
5. Further note that IL&FS had in December 2019 and June 2020 filed certain applications with the NCLT seeking exemption/extension of time for preparation of the consolidated financial statements of certain IL&FS Group companies. In response to the said applications, the MCA had filed an affidavit with the NCLT on December 4, 2020. MCA has stated in its affidavit dated December 04, 2020 that it had no objections to the grant of extension of time to these companies to present its consolidated financial statements to its members, subject to the following conditions:
 - “a) *The financial statements (standalone and / or Consolidated) being proposed to be presented before the shareholders in the AGM / EGM, shall not be uploaded or published and further subject to any modifications or qualifications in the recasted financial statements of FY 2013-14 to FY 2017-18 for IL&FS, ITNL and IFIN, whenever the same are finalized. It shall further be subject to approval of the recasted financial statements by NCLT in terms of the provisions of Section 130 of the Companies Act, 2013 and the order dated 01/01/2019 passed by this Hon'ble Tribunal.*
 - b) *The financial statements (standalone and consolidated) being proposed to be presented before the shareholders at the AGM / EGM shall, not be published or uploaded unless Consolidated Financial Statements of the Applicant is ready for publication and the same is reflecting the recasted accounts with auditors report and Directors report including qualifications in the recasted financial statements of FY 2013-14 to FY 2017-18 for IL&FS, ITNL and IFIN whenever the same are finalized.”*
6. Subsequently, on December 31, 2020, IL&FS had filed another application with the NCLT *inter alia* seeking directions of the NCLT to prepare, finalize and audit the financial statements of the IL&FS, IL&FS Transportation Networks Limited (ITNL) and IL&FS Financial Services (IFIN) for FY 2019-2020 required under Section 129 of the Act and hold their respective AGMs to present such audited financial statements after the financial statements for FY 2019-2020 are prepared and audited based upon their reopened and recast financial statements for the F.Y. 2013-14 to F.Y. 2017-18.



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7. In light of the foregoing circumstances, the Company is unable to hold its annual general meeting for adoption of Audited Standalone Financial Statements for the year ended March 31, 2023 together with the Reports of the Board of Directors and the Auditors thereon and will be a position to consider the same as and when the Company is able to provide the Standalone and Consolidated financials of the Company taking into consideration the recasted financials for FY 2013-14 to 2017-18 in the financials of 2018-19 and 2019-20.

In view of the above and as informed to you vide our letter dated February 25, 2021, November 12, 2021, January 31, 2022, April 18, 2022, June 14, 2022, May 18, 2023 and July 13, 2023, it is our humble request to you to kindly note that the Company shall not be able to meet the applicable compliance reporting requirements relating to the financial statements for the year ended March 31, 2020, March 31, 2021, March 31, 2022 and March 2023 and the subsequent period, till such time the process of recasting the financial statements of the Company for the FY 2013 – 2018 is completed and the same is reflected in the consolidated financial statements of the Company in accordance with the abovementioned directives of the MCA. Since our last letter, the Company has been able to complete the recasted accounts of IL&FS, IFIN and ITNL for FY 2013- 14 to 2017-18 and the same have been filed with MCA for submission to NCLT. Post approval of NCLT thereof, IL&FS, ITNL and IFIN would need to give effect to the same in the financial statements for subsequent years. Considering the scope and implications thereof on the financial statements for subsequent years, the Company is unable to provide any guidance as of date as to when it would be able to complete the financial statements for QE September'23. You are thus respectfully requested to take the same on record.

We look forward to your continued support and cooperation.

Yours Sincerely,

For Infrastructure Leasing and Financial Services Limited

Shekhar Prabhudesai
Company Secretary