



INDIAN RAILWAY FINANCE CORPORATION LTD.

(A Government of India Enterprise) (CIN : U65910DL1986GOI026363)
Regd. Office : Room Nos. 1316 - 1349, 3rd Floor, Hotel The Ashok, Diplomatic Enclave,
50-B, Chanakypuri, New Delhi - 110021 Phone : 24369766 - 69, Fax :
24369770, E-mail : info@irfc.nic.in, Website : www.irfc.nic.in

No: IRFC/SE/2020-21/23

12th March, 2021

National Stock Exchange of India Limited Listing department, Exchange Plaza, Bandra- Kurla Complex, Bandra (E) Mumbai- 400 051 Scrip Symbol: IRFC	BSE Limited Listing Dept / Dept of Corporate Services, PJ Towers, Dalal Street, Mumbai -400 001 Scrip Code: 543257
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Sub: Outcome of Meeting of the Board of directors held on 12th March, 2021

Sir/ Madam,

We wish to inform you that pursuant to the applicable provisions of SEBI Listing Regulations the Board of Directors of the Company at its meeting held on Friday, 12th March, 2021 inter alia, considered and approved the following:-

1. Pursuant to Regulation 29(1) read with Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended from time to time, this is to inform that Board of Directors at their meeting inter-alia, considered and adopted other financial statements namely Cash Flow Statement for the period ended 31st December, 2020 and Balance Sheet as on that date, special purpose financial statement for the purpose of GMTN raising.
2. Board of Directors has approved the revised The Code of Internal Procedures and Conduct for Prohibition of Insider Trading in Dealing with the Securities of the Company and Whistle Blower Policy/ Vigil Mechanism. The amended Code/Policy is available on website of the Company at www.irfc.nic.in.

The Board Meeting commenced at 12:00 noon and concluded at 2:15 p.m.

This is submitted for your information and record.

Thanking You,

For Indian Railway Finance Corporation Limited


(Vijay Babulal Shinde)
Company Secretary & Compliance Officer



Encl: As Above

Indian Railway Finance Corporation Limited

CIN U65910DL1986GOI026363

BALANCE SHEET AS AT 31 December 2020

(All amounts in millions of INR, unless stated otherwise)

Particulars	As at 31 December 2020 (Reviewed)	As at 31 December 2019 (Audited)	As at 31 March 2020 (Audited)	As at 01 April 2019 (Audited)
ASSETS				
Financial Assets				
Cash and Cash Equivalents				
Bank Balance Other Than Above	1,310.58	14.99	13.80	37.07
Derivative Financial Instruments	921.19	1,026.57	993.83	773.59
Receivables	3.47	-	-	466.90
- Lease Receivables				
Loans	15,91,780.88	14,26,338.05	14,85,798.00	12,50,265.12
Investments	62,430.44	56,495.18	64,233.71	58,954.87
Other Financial Assets	118.84	120.32	115.12	131.45
Total Financial Assets	13,98,788.15	9,54,920.92	11,82,742.54	7,38,239.44
Non-financial assets	30,55,353.55	24,38,916.03	27,33,897.00	20,48,868.44
Current Tax Assets (Net)	9,495.37	6,324.84	6,308.41	414.67
Property, Plant And Equipment	109.26	110.66	110.04	112.25
Other Intangible Assets	0.42	0.47	0.43	0.50
Other Non-Financial Assets	18,215.47	14,792.89	14,725.41	14,987.09
Total Non-Financial Assets	27,820.52	21,228.86	21,144.29	15,514.51
Total Assets	30,83,174.07	24,60,144.89	27,55,041.29	20,64,382.95
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
Derivative Financial Instruments				
Payables	3,580.75	3,134.97	4,065.15	3,105.95
- Trade payables				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-
- Other payables				
(i) Total outstanding dues of micro enterprises and small enterprises	1.55	1.54	0.50	0.08
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	257.81	148.68	377.02	121.65
Debt Securities	16,80,964.26	13,96,395.41	15,52,904.56	12,35,978.99
Borrowings (Other Than Debt Securities)	8,93,692.82	5,31,891.66	7,90,862.65	5,03,347.76
Other Financial Liabilities	1,76,571.09	2,56,750.85	1,03,373.67	72,999.42
Total Financial Liabilities	27,55,068.28	21,88,323.11	24,51,583.55	18,15,553.85
Non-Financial Liabilities				
Current Tax Liabilities (Net)	-	-	-	-
Provisions	94.40	140.63	138.03	117.96
Deferred Tax Liabilities (Net)	-	-	-	-
Other Non-Financial Liabilities	668.24	149.68	322.19	48.15
Total Non-Financial Liabilities	762.64	290.31	460.22	166.11
Total Liabilities	27,55,830.92	21,88,613.42	24,52,043.77	18,15,719.96
Equity				
Equity Share Capital	1,18,804.60	93,804.60	1,18,804.60	93,804.60
Other Equity	2,08,538.55	1,77,726.87	1,84,192.92	1,54,858.39
Total Equity	3,27,343.15	2,71,531.47	3,02,997.52	2,48,662.99
Total Liabilities And Equity	30,83,174.07	24,60,144.89	27,55,041.29	20,64,382.95



Amitabh Banerjee
 (Amitabh Banerjee)
 Chairman & Managing Director
 DIN: 03315975
 Place: New Delhi
 Date: 12/03/2021

Indian Railway Finance Corporation Limited

CIN U65910DL1986GOI026363

Statement of Profit and Loss for the nine month ended 31 December 2020

(All amounts in millions of INR, unless stated otherwise)

Particulars	For the Nine	For the Nine	For the Nine
	Month Period	Month Period	Month Period
	Ended	Ended	Ended
	31 December 2020	31 December 2019	31 March 2020
	(Reviewed)	(Audited)	(Audited)
Revenue From Operations			
Interest Income	27,672.69	22,505.20	27,479.98
Dividend Income	2.32	2.64	5.92
Lease Income	85,480.06	79,647.15	1,06,724.27
Total Revenue From Operations	1,13,155.07	1,02,154.99	1,34,210.17
Other Income	11.84	17.84	0.73
Total Income	1,13,166.91	1,02,172.83	1,34,210.90
Expenses			
Finance Costs	83,192.24	76,629.48	1,01,626.62
Impairment on Financial Instruments	-	-	21.41
Employee Benefit Expense	53.35	35.31	62.65
Depreciation, Amortization and Impairment	3.51	3.38	4.58
Other Expenses	582.00	130.33	574.68
Total Expenses	83,831.10	76,798.50	1,02,289.94
Profit Before Exceptional Items and Tax	29,335.81	25,374.33	31,920.96
Exceptional Items	-	-	-
Profit Before Tax	29,335.81	25,374.33	31,920.96
Tax Expense			
Current Tax	-	-	-
Deferred Tax	-	-	-
Adjustment for Earlier Years	-	-	-
Total Tax Expenses	-	-	-
Profit for the Period from Continuing Operations	29,335.81	25,374.33	31,920.96
Profit from Discontinued Operations	-	-	-
Tax Expense of Discontinued Operations	-	-	-
Profit from Discontinued Operations (After Tax)	-	-	-
Profit for the Period	29,335.81	25,374.33	31,920.96
Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans	0.23	(0.86)	(0.35)
- Remeasurement of Equity Instrument	13.77	(0.06)	(5.17)
(ii) Income tax relating to items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans	-	-	-
- Remeasurement of Equity Instrument	-	-	-
Subtotal (A)	14.00	(0.92)	(5.52)
(B) (i) Items that will be reclassified to profit or loss	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-
Subtotal (B)	-	-	-
Other Comprehensive Income (A + B)	14.00	(0.92)	(5.52)
Total comprehensive income for the period (comprising profit (loss) and other comprehensive income for the period)	29,349.81	25,373.41	31,915.44
Earnings per equity share (for continuing operations)			
Basic (Rs.)	2.47	2.71	3.40
Diluted (Rs.)	2.47	2.71	3.40
Earnings per equity share (for discontinued operations)			
Basic (Rs.)	-	-	-
Diluted (Rs.)	-	-	-
Earnings per equity share (for continuing and discontinued operations)			
Basic (Rs.)	2.47	2.71	3.40
Diluted (Rs.)	2.47	2.71	3.40



Amitabh Banerjee
(Amitabh Banerjee)
Chairman & Managing Director
DIN: 03315975
Place: New Delhi
Date: 12/03/2021

Indian Railway Finance Corporation Limited

CIN U65910DL1986GOI026363

Statement of cash flow for the nine month ended 31 December 2020

(All amounts in millions of INR, unless stated otherwise)

Particulars	For the Nine	For the Nine	For the Nine
	Month Period Ended 31 December 2020 (Reviewed)	Month Period Ended 31 December 2019 (Audited)	Month Period Ended 31 March 2020 (Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxes	29,335.81	25,374.33	31,920.96
<u>Adjustments for:</u>			
Remeasurement of Defined Benefit Plans	0.23	(0.86)	(0.35)
Depreciation and Amortisation	3.51	3.38	4.58
Provision of Interest on Income Tax	5.33	20.91	20.91
Loss on Sale of Fixed Assets	0.17	0.06	0.07
Profit on Sale Of Fixed Assets	(0.01)	-	-
Discount of Commercial Paper	300.12	922.73	1,358.05
Adjustments Towards Effective Interest Rate	279.65	(234.50)	(1,482.30)
Dividend Income Received	(2.32)	(2.64)	(5.92)
Share Issue Expenses	(4.18)	(93.81)	(169.80)
Operating Profit Before Working Capital Changes	29,918.31	25,989.60	31,646.20
Movements in Working Capital:			
Increase/(Decrease) in Payables	(118.16)	28.49	255.79
Increase/(Decrease) in Provisions	(3.06)	1.76	(0.84)
Increase/(Decrease) in Others Non Financial Liabilities	346.05	101.53	274.04
Increase/(Decrease) in Other Financial Liabilities	73,197.42	1,83,751.43	30,374.25
Decrease/(Increase) in Receivables	(1,05,982.88)	(1,76,072.93)	(2,35,532.88)
Decrease/(Increase) in Loans and Advances	1,803.27	2,459.69	(5,278.84)
Decrease/(Increase) in Bank Balance Other Than Cash and Cash Equivalents	72.64	(252.98)	(220.24)
Decrease/(Increase) in Other Non Financial Assets	(3,490.06)	194.20	261.68
Decrease/(Increase) in Other Financial Assets	(2,16,057.01)	(2,16,195.30)	(4,43,061.27)
Cash Generated From Operations	(2,20,313.48)	(1,79,994.51)	(6,21,282.11)
Less: Direct Taxes Paid (Net of Refunds)	3,232.86	5,910.17	5,893.75
Net Cash Flow/(Used) in Operating Activities (A)	(2,23,546.34)	(1,85,904.68)	(6,27,175.86)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property Plant & Equipment and Intangible Assets	(3.16)	(1.87)	(2.41)
Proceeds From Sale of Property Plant & Equipment	0.28	0.05	0.05
Proceeds From Realization of Pass Through Certificates / Sale of Investments	10.05	11.06	11.16
Dividend Income Received	2.32	2.64	5.92
Net Cash Flow/(Used) in Investing Activities (B)	9.49	11.88	14.72
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Issue of Equity Share Capital	-	-	25,000.00
Issue of Debt Securities (Net of Redemptions)	1,66,605.49	1,50,462.86	3,08,125.43
Raising of Rupee Term Loans/ Foreign Currency Borrowings (Net of Repayments)	1,02,162.35	28,862.94	2,89,007.28
Issue of Commercial Paper (Net of Repayments)	(38,934.21)	8,956.03	7,416.27
Final Dividend Paid	(5,000.00)	(2,000.00)	(2,000.00)
Dividend Tax Paid	-	(411.11)	(411.11)
Net Cash Generated By/(Used In) Financing Activities (C)	2,24,833.63	1,85,870.72	6,27,137.87
Net Increase in Cash and Cash Equivalents (A+B+C)	1,296.78	(22.08)	(23.27)
Cash and Cash Equivalents at the beginning of the period	13.80	37.07	37.07
Cash and Cash Equivalents at the End of the Period	1,310.58	14.99	13.80



Amitabh Banerjee
 (Amitabh Banerjee)
 Chairman & Managing Director
 DIN: 03315975
 Place: New Delhi
 Date: 12/03/2021

Notes to Special Purpose Financial Statement ("SPFS")

- A. The SPFS have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') - 34 'Interim Financial Reporting', notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.
- B. The Company has decided to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 on 20th September, 2019. After exercising the option of Section 115BAA, the taxable income under the provisions of Income Tax Act, 1961 comes to nil. Further, after adoption of Section 115BAA, the Company is outside the scope and applicability of MAT provisions under Section 115JB of Income Tax Act, 1961.
- C. As per Gazette notification No S.O 529 (E) dated 5th February 2018, as amended by notification no S.O. 1465 dated 2nd April 2018 issued by Ministry of Corporate Affairs, Government of India, the provisions of Ind AS 12 relating to Deferred Tax Asset/Deferred Tax Liability does not apply to the Company w.e.f. 1st April 2017, accordingly, no provision has been made for Deferred tax liabilities/Deferred tax assets.
- D. The Company has completed its Initial Public Offering (IPO) of 1,78,20,69,000 equity shares of face value of Rs.10/- each at an issue price of Rs.26/- per equity share aggregating to Rs. 46,333.79 millions, consisting of fresh issue 1,18,80,46,000 equity shares aggregating to Rs. 30,889.20 millions and an offer for sale of 59,40,23,000 equity shares aggregating to Rs. 15,444.60 millions by the Government of India. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on 29th January 2020. Accordingly, these unaudited financial results for the nine month ended 31st December 2020 are drawn up for the first time in accordance with Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (the "Listing Requirements").

The utilisation of IPO proceeds as of 13.02.2021 is summarised as below:

Particulars / Objects of the issue	Amount (Rs. in Millions)		
	Amount raised	Upto the date of Board Meeting approving these results	
		Utilised	Unutilised
Augmenting our equity capital base to meet our future capital requirement arising out of growth in our business	30,118.76	30,118.76	-
General Corporate Purpose	500.00	-	500.00
Net Proceeds*	30,618.76	30,118.76	500.00
* Net of Issue expense of Rs. 270.44 millions (also unutilised).			

E. Estimation of uncertainty relating to the Global Health Pandemic COVID-19

The outbreak of coronavirus (COVID -19) pandemic globally and in India is causing disturbance and slowdown of economic activity. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption.

The Company has evaluated the impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there is no significant impact on its financial results. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial results. The Company will continue monitoring any material changes to future economic conditions.

F. The Company during the current financial year initiated a detailed reconciliation of various ledgers of Ministry of Railways, Government of India (MoR) maintained in its books of accounts. The reconciliation is still under process owing to unprecedented situation arising out of COVID-19 and for want of additional information from MoR. The Company noted certain items that

required adjustments in the financials/ information of earlier years as per Ind AS 8, Accounting Policies, Changes in Accounting Estimates & Errors as under:

Financial Year	All amounts in Rs. Million		
	Impact on Profit Before Tax being Decrease in Profits	Impact of 115JB of the Income – tax Act, 1961 u/s the tax	Impact on Other Equity as on 31st March 2020
2017-18	(605.49)	129.22	(476.27)
2018-19	(1,462.42)	315.13	(1,147.29)
2019-20	(5,003.27)	Nil*	(5,003.27)
Total	(7,071.18)	444.35	(6,626.83)
2019-20 (For the nine month ended 31 st December 2019)	(2,082.81)	Nil*	(2,082.81)

*The Company has opted for taxation under section 115BAA of the Income – tax Act, 1961 for financial year 2019-20 & onwards. Hence, the provisions of minimum alternate tax under section 115JB of the Income – tax Act, 1961 are no longer applicable to the Company.

The material consequent impact is decrease in the amount recoverable from MoR, increase in tax refundable from taxation authorities. It may be noted that reconciliation is still under progress. However, no further material adjustment is expected. Necessary consequential restatement has been made in the aforesaid financial information related to nine month ended 31st December 2019 & year ended 31st March 2020.

Reconciliation of the restatements in the profit & loss account related to nine month ended 31st December 2019 & year ended 31st March 2020 is as under:

Particular	For the nine month ended 31st December 2019	For the year ended 31st March 2020
Lease Income (Audited)	80,913.18	1,10,299.37
Adjustments as discussed above	(1,266.03)	(3,575.10)
Restated Lease Income	79,647.15	1,06,724.27
Interest Income(Audited)	22,505.20	28,079.35
Adjustments as discussed above*	-	(599.37)
Restated Interest Income	22,505.20	27,479.98
* Adjusted from Pre- Commencement Lease income (Part of Interest Income)		
Finance Cost (Audited)	75,812.70	1,00,797.81
Adjustments as discussed above	816.78	828.81
Restated Finance Cost	76,629.48	1,01,626.62
Net Impact on Profit & Loss Account	(2,082.81)	(5,003.28)
Reserves & Surplus excluding	1,81,433.23	1,90,819.74

Particular	For the nine month ended 31st December 2019	For the year ended 31st March 2020
revaluation reserve (Audited)		
Adjustments as discussed above	(3,706.36)	(6,626.82)
Restated Reserves & Surplus excluding revaluation reserve	1,77,726.87	1,84,192.92

G.

- a. IRFC commenced project funding to MoR (Ministry of Railways) for creation & development of railway infrastructure projects in October 2015 under finance lease model with commencement of lease rentals after a gestation period of 5 years in October 2020 as per memorandum of understanding entered with MoR in 23th May 2017. The amount advanced to MoR has been shown as 'Advance to MoR for Railway Infrastructure Projects'. The requisite recognition & measurement of lease receivables, finance income, etc. as per Ind AS 116, Leases is yet to be carried out as the terms & conditions of the finance lease arrangements are under discussion & finalization. In the absence of concrete / firm information, determination of impact thereof on the aforesaid financial information is presently not ascertainable.
- b. The pre-lease income on financing of Railway Infrastructure projects has been accounted for at the average cost of incremental borrowing plus margin on the funds amounting to Rs. 1,60,500.00 millions transferred to MoR during the nine month ended 31st December 2020 (31st December 2019: Rs. 1,68,111.00 millions, 31 March 2020: Rs. 3,26,240.00 millions). The margin for the year 2020-21 is yet to be decided. The effect of any variation in income due to change in margin or allocation of borrowing to Railway Infrastructure Projects would be given at the time of finalisation of cost and margin for the current financial year 2020-21 in consultation with MoR.

H. For computing the Lease Rental in respect of the rolling stock assets acquired and leased to the Ministry of Railways amounting to Rs. 1,91,288.32 millions during the nine month ended 31st December 2020 (31st December 2019 :Rs. 2,45,597.19 millions, 31 March 2020: Rs. 3,64,400.00

Millions), the Lease Rental Rate and the Internal Rate of Return have been worked out with reference to the average cost of incremental borrowings made during the nine month period plus the margin equivalent to the previous year. The lease agreement in respect of these assets is yet to be executed and is accordingly based on the Lease Rentals and IRR with reference to average cost of annual incremental borrowings during the year ended plus margin decided at that time. Any variation in the lease rental rate or the internal rate of return for the year will be accounted for at that time.

- I. The Company's main business is to provide leasing and financing to Railway Sector in India. As such, there are no separate reportable business segments within the meaning of Indian Accounting Standard (Ind AS 108 'Operating Segments.')
- J. Previous period figures have been regrouped / rearranged. Details of regrouping/ rearrangement have been given as under:
 - a. Till 31st December 2019, interest income from application money was grouped under "Other Income" in Statement of Profit & loss. As advised by Comptroller and Auditor General of India (CAG), the same is now grouped under "Revenue from Operations" in the Statement of Profit & Loss since year ended 31st March 2020. Therefore, interest on application money for the nine month ended of Rs. 50.69 millions 31st December 2019 have been regrouped.
 - b. During the year ended 31st March 2020, in view of clarification provided in letter no. F.No.17/16/2017-CL-V dated 20th March 2020 by Ministry of Corporate Affairs, Government of India, Rs. 64,641.40 million being the deferred tax liability credited before 1st April 2017 and as appearing in its books of account have been reversed with effect from the date of transition to Ind AS being 1st April 2017 in accordance with the Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.
- K. The interest payable to Ministry of Railways (MOR) on delayed payment for the nine-month period ended December 31, 2020 has been provided on the shortfall in funds transferred to MOR out of Rs. 16,836.83 millions as compared to the assets leased and acquired.


(Amitabh Banerjee)
Chairman & Managing Director
DIN: 03315975
Place: New Delhi
Date: 12/03/2021





KBDS & CO.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS REVIEW REPORT ON THE UNAUDITED SPECIAL PURPOSE FINANCIAL STATEMENT FOR THE NINE MONTH PERIOD ENDED DECEMBER 31, 2020

To,
The Board of Directors,
Indian Railway Finance Corporation Limited
New Delhi

1. We have reviewed the accompanying Unaudited Special Purpose Financial Statement ("the Statement") of Indian Railway Finance Corporation Limited ("the Company) for the nine month period ended December 31, 2020 prepared by the Company.
2. The Statement, which is the responsibility of the Company's Management and is approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim financial reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 as amended and read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity", issued by the Institute of the Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement read with the notes thereon, prepared in accordance with the applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 read, with relevant rules issued thereunder and other recognized accounting practices and policies, has not disclosed the information required to be



disclosed in terms of the regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Emphasis of Matter:

We draw attention to the following matters:

- i. Out of the total lease income of Rs.85,480.06 million, a sum of Rs. 4,359.84 million has been accrued for rolling stock assets leased during the period ended December 31, 2020 under review, on the basis of following assumptions:
 - (a) The lease rentals on lease of rolling stock assets to Ministry of Railways (MOR) for the F.Y. 2020-21 have been computed and accounted for based on the total amount of acquisition of the rolling stock asset of Rs. 1,91,288.32 million for the nine month period ended December 31, 2020.
 - (b) The rate of lease rental as calculated by the Company would be accepted by the lessee.
- ii. Out of the total Pre-Commencement Lease Interest income of Rs 23,156.92 million, a sum of Rs. 176.07 million has been accrued on funds provided for development of Railway Infrastructure Assets nine month period ended December 31, 2020 under review, on the basis of following assumptions:
 - (a) The Pre-Commencement Lease Interest income for the period ended December 31, 2020 has been computed and accounted for based on the total amount of funds provided for development of Railway Infrastructure Assets to MOR amounting to Rs 1,60,500 million during the period under review;
 - (b) The rate of pre-commencement lease interest as calculated by the Company would be accepted by the MOR.
- iii. The interest payable to MOR on delayed payment amounting to Rs.640.05 million for the nine months has been provided on the shortfall in funds transferred to MOR out of Rs.16,836.83 million as compared to the assets leased and acquired.
- iv. In the absence of details and formal lease agreement/contracts with the MOR regarding rollingstock assets and infrastructure assets procured under leases during the period ended December 31, 2020 under review, we are unable to comment on the impact of the same on lease income, interest expenditure for delayed payment.
- v. The Statement has been prepared by the management of the Company for the purpose of



including the same in the Offering Circular in respect of the proposed Global Medium Term Note Programme of the Company and related drawdowns thereunder. As a result, the Statement may not be suitable for any other purpose.

Our report is intended solely for the aforementioned use and should not be distributed or used for any other purpose.

For KBDS & Co.
Chartered Accountants
FRN: 323288E



(CA D K Singh)

Partner

Membership No: 060030

UDIN:21060030AAAADJ9860

Place: New Delhi

Date: 12.03.2021

