H. O.: Tel: 91-11-23270624, Telefax: 91-11-23279414

B. O.: Tel: 91-11-25278405/6, Fax: Extn. 21 e-mail: ca@lunawat.com / lunawat@vsnl.com

website: www.lunawat.com





Chartered Accountants

Audit Report on Review of Interim Financial Information

Introduction

We have reviewed the accompanying Balance Sheet of *IFCIVenture CapitalFunds Limited* as of September 30, 2018 and the related Statement of Profit &Loss for the six (6) months period then ended, and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with applicable financial reporting framework. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial informationconsists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the state of affairs of the entity as at September 30, 2018, and of its results of operations for the six (6) months period then ended in accordance with applicable financial reporting framework i.e. Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Companies Act 2013 read with the relevant rules issued thereunder.

Other Matters

1. The Comparative financial information of the Company for the half year ended 30th September 2017 included in these financial statements, are based on previously issued unaudited standalone financial results prepared in accordance with the Companies (Accounting Standards) Rules, 2006 reviewed by the predecessor auditor whose report for the half year ended 30th September 2017 expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have not been reviewed by us.



2. Attention is also drawn to Note No. 1.7 & 1.9 accompanying the financial statements.

For Lunawat& Co.

Chartered Accountants

F.R.No. 000629N

CA. Ramesh K. Bhatia

Partner

M. No. 080160

Address: 54, Darya Ganj,

New Delhi-110002

Place:- New Delhi
Date:- 3 DECEMBER, 2018

IFCI Venture Capital Funds Limited CIN: U65993DL1988GOI030284 Unaudited Balance sheet As On September 30, 2018

ASSETS	Particulars	Note	Ind AS as at September 30, 2018	Ind AS as at September 30, 201
Property, plant and equipment 2	ASSETS			100,201
Intargible assets	Non-Current Assets			
Initiagible assets	Property, plant and equipment			
Financial Assets	Intangible assets		4,08,720	2,23,00
Finvestments		3	12,296	17,35
Comparison Com		1		
Current Financial Assets General Superior				79,19,11,61
Common current assets Text			16,08,84,129	2,11,07,19,73
Total Non-Current Assets Total Non-Current Assets Planancial Assets Current Assets Financial Assets Financial Assets	Deferred tax assets (Net)			
Total Non-Current Assets 98,93,26,189 3,18,29,38			32,99,82,525	28,00,67,556
Current Assets	Total Non-Current Assets		98 93 26 490	
Investments			30,93,26,189	3,18,29,39,26
Cash and Cash Equivalents				
Pank Balance cyther than above				
-Bank Balances other than above 8 - 2,53,76,23,060 3,03,56,97 -Chenr Financial Assets 5 2,53,76,23,060 3,03,56,97 -Chter Financial Assets 9 8,26,12,767 6,89,94, -Current Tax Assets (net) 10 25,59,721 89,24, -Current Assets 11 9,31,338 9,22,1 -Cotal Current Assets 11 9,31,338 9,22,1 -Cotal Current Assets 11 9,31,338 9,22,1 -Cotal Assets 3,17,78,62,572 3,14,01,44, -Cullty AND LIABILITIES 4,16,71,88,761 6,32,30,84, -Cullty AND LIABILITIES 5 -Cullty Share capital 12 60,37,10,080 60,37,10,0 -Cotal Equity 13 1,18,41,96,640 1,30,57,78,2 -Iabilities 11,78,79,06,720 1,90,94,88,2 -Con Current Liabilities 14 1,58,88,86,668 2,49,11,52,6 -Corrowings 14 1,58,88,86,668 2,49,11,52,6 -Cotal Non Current liabilities 15 2,05,04,931 1,34,52,26 -Cotal Non Current Liabilities 16 1,60,93,91,599 2,50,46,04,2 -Cotal Non Current Liabilities 16 76,89,16,117 1,34,52,26 -Cotal Non Current Liabilities 16 76,89,16,117 1,63,07,78,07 -Cotal Requirement Liabilities 17 8,90,905 7,64,76 -Cotal Requirement Liabilities 17 8,90,905 7,64,76 -Cotal Current Liabilities 18 76,98,90,441 1,90,89,91,49 -Cotal Current Liabilities 18 76,98,90,441 1,90,89,91,49 -Cotal Liabilities 76,98,90,441 1,90,89,91,49 -Cotal Liabilities 76,98,90,441 1,90,89,91,49 -Cotal Liabilities 76,98,90,441 1,90,89,91,49 -Cotal Equity and Liabilities 76,98,90,401 1,90,89,91,49 -Cotal Liabilities 76,98,90,401 1,90,89,91,49 -Cotal Liabilities 76,98,90,401 1,90,89,91,49 -Cotal Current Current Liabilities 76,90,401 1,90,89,91,49 -Cotal Current Liabilities 76,90,401 1,90,89,91,49 -Cotal Current Liabilities 76,90,	-Cash and Cash Equivalents		48,81,31,548	2,74,560
-Loans	Bank Balances other than above		6,60,04,139	
Substitution Subs	-Loans		-	2,00,01,204
Other Financial Assets 9 8,26,12,767 6,89,94 Current Tax Assets (net) 10 25,59,721 69,24, Other Current Assets 11 9,31,338 9,22,7, Total Current Assets 3,17,78,62,572 3,14,01,44 4,16,71,88,761 6,32,30,84, EQUITY AND LIABILITIES 4,16,71,88,761 6,32,30,84, 6,32,30,84, Equity share capital 12 60,37,10,080 60,37,10,0 60,37,10,0 Other Equity 13 1,18,41,96,640 1,30,57,78,2 1,90,94,88,2 Ion Current Liabilities 1,78,79,06,720 1,90,94,88,2 1,90,94,88,2 1,90,94,88,2 Other financial liabilities 14 1,58,88,86,668 2,49,11,52,0 2,49,11,52,0 Other financial liabilities 15 2,05,04,931 1,34,52,20 1,34,52,20 Other financial liabilities 16 1,60,93,91,599 2,50,46,04,2 2,50,46,04,2 Urrent Liabilities 16 76,89,16,117 1,63,07,78,0 7,64,78,0 Ovisions 17 8,90,905 7,64,78,0 7,64,78,0	Other Financial Assets		2,53,76,23,060	3.03.56.97.516
Current Tax Assets (net)	Other Financial Assets		8,26,12,767	
Other Current Assets 10 25,59,721 89,24,1 Total Current Assets 11 9,31,338 9,22,3 Total Assets 3,17,78,62,572 3,14,01,44,4 EQUITY AND LIABILITIES 4,16,71,88,761 6,32,30,84,4 Equity 12 60,37,10,080 60,37,10,0 Cotal Equity 13 1,18,41,96,640 1,30,57,78,2 Liabilities 1,78,79,06,720 1,90,94,88,2 Ion Current Liabilities 14 1,58,88,86,668 2,49,11,52,0 Cother financial liabilities 15 2,05,04,931 1,34,52,20 Other financial liabilities 16 16 1,40,93,91,599 2,50,46,04,2 Inancial liabilities 14 - 27,67,67,63 1,60,93,91,599 2,50,46,04,2 International liabilities 16 76,89,16,117 1,63,07,78,01 1,63,07,78,01 International liabilities 15 89,0,905 7,64,76 1,63,07,78,01 International liabilities 16 76,89,0,905 7,64,76 1,63,07,78,01 International liabilities	Current Tax Assets (net)			3,00,01,140
Total Assets	Other Current Assets		25,59,721	89,24,055
Cotal Assets	otal Current Assets	11	9,31,338	9,22,585
EQUITY AND LIABILITIES Equity Sequity			3,17,78,62,572	
EQUITY AND LIABILITIES quity Equity share capital Other Equity 12 60,37,10,080 60,37,10,0 Other Equity 13 1,18,41,96,640 1,30,57,78,2 iabilities Inancial Liabilities Inancial Liabilities Inancial Liabilities Inancial Liabilities International Liabiliti				
Equity Share capital	QUITY AND LIABILITIES			0,02,00,04,018
Other Equity 12 60,37,10,080 60,37,10,080 60,37,10,080 60,37,10,080 60,37,10,080 60,37,10,080 1,30,57,78,20 1,30,57,78,20 1,30,57,78,20 1,90,94,88,2 1,90,94,1,92 1,90,94,1,94,1 1,90,89,91,49	quity			A CONTRACTOR OF THE CONTRACTOR
13	quity share capital			
Total Equity	Other Equity		60,37,10,080	60.37.10.080
Internal	otal Equity	13		
Internal Content Liabilities	iabilities			
Inancial Liabilities Sorrowings Sorrow	on Current Liabilities			1,30,34,00,283
Sorrowings 14	nancial Liabilities			
15	orrowings			
rovisions ther Non Current liabilities otal Non Current Liabilities urrent Liabilities urrent Liabilities orrowings other financial liabilities ther current liabilities ovisions ther current liabilities ovisions trent Tax Liabilities (Net) tal Liabilities tal Liabilities 15 2,05,04,931 1,34,52,20 1,60,93,91,599 2,50,46,04,24 1,60,93,91,599 2,50,46,04,24 1,60,93,91,599 2,50,46,04,24 1,60,93,91,599 2,50,46,04,24 1,63,07,78,01 1,63,07,78,01 1,63,07,78,01 1,63,07,78,01 1,64,78	Other financial liabilities		1,58,88,86,668	2 49 11 52 029
1,34,52,20 1,34,52,20 1,34,52,20 1,34,52,20 1,34,52,20 1,34,52,20 1,34,52,20 1,34,52,20 1,34,52,20 1,34,52,20 1,60,93,91,599 2,50,46,04,20 1,60,93,91,599 2,50,46,04,20 1,60,93,91,599 2,50,46,04,20 1,60,93,91,61 1,63,07,78,01 1,63,07				
otal Non Current Liabilities 1,60,93,91,599 2,50,46,04,24 urrent Liabilities 1,60,93,91,599 2,50,46,04,24 orrowings 14 27,67,67,63 ther financial liabilities 16 76,89,16,117 1,63,07,78,01 ovisions 17 8,90,905 7,64,78 ovisions 15 83,419 6,81,05 tal Current Liabilities 18 - tal Liabilities 76,98,90,441 1,90,89,91,49 tal Equity and Liabilities 2,37,92,82,040 4,41,35,95,73	ther Non Current liabilities		2,05,04,931	1 34 52 206
1,60,93,91,599 2,50,46,04,24	otal Non Current Liabilities	16		1,01,02,200
rancial liabilities orrowings ther financial liabilities ther current liabilities for current liabilit	irrent Liabilities		1,60,93,91,599	2 50 46 04 244
orrowings 14 27,67,67,63 ther financial liabilities 16 76,89,16,117 1,63,07,78,01 her current liabilities 17 8,90,905 7,64,78 ovisions 15 83,419 6,81,05 trent Tax Liabilities 18 - tal Current Liabilities 76,98,90,441 1,90,89,91,49 tal Liabilities 2,37,92,82,040 4,41,35,95,73	nancial liabilities			2,00,40,04,244
tel Final Current liabilities 16 76,89,16,117 1,63,07,78,01 17 8,90,905 7,64,78 18 15 83,419 6,81,05 18 16 76,89,16,117 1,63,07,78,01 19 17 8,90,905 7,64,78 19 18 18 18 19 19 19 19 19 19 19 19 19 19 19 19 19				
ther current liabilities 16 76,89,16,117 1,63,07,78,01 1,63,07,78,01 1,63,07,78,01 1,64,78 1,6	ther financial liabilities		-	27 67 67 625
ovisions 17 8,90,905 7,64,78 irrent Tax Liabilities (Net) 15 83,419 6,81,05 tal Current Liabilities 76,98,90,441 1,90,89,91,49 tal Liabilities 2,37,92,82,040 4,41,35,95,73	her current liabilities		76,89,16,117	1 63 07 78 016
tal Current Liabilities (Net) tal Current Liabilities tal Liabilities 76,98,90,441 1,90,89,91,49 tal Equity and Liabilities 2,37,92,82,040 4,41,35,95,73				
tal Current Liabilities 18	rrent Tax Liabilities (Net)		The state of the s	
tal Liabilities 76,98,90,441 1,90,89,91,49 tal Equity and Liabilities 2,37,92,82,040 4,41,35,95,73	tal Current Liabilities	18	-	0,01,034
tal Equity and Liabilities 2,37,92,82,040 4.41.35.95.73	tal Liabilities		76,98,90.441	1 90 89 94 400
4,41,35,95,73				The state of the s
ntingent liabilities committee 4.16.71 88 764 I	ntingent liabilities, commitments and guarantees		4,16,71,88,761	6,32,30,84,018

IFCI Venture Capital Fund Limited CIN: U65993DL1988GOI030284 Unaudited Statement of Profit and Loss For the half year ended 30th September 2018

Particulars INCOMES	Note No.	For the half year ended September 30, 2018	For the half year ended September 30, 2017
Revenue From Operations		The state of the s	30, 2017
Other Income	19	48,77,88,496	
Total Incomes(A)	20	88,86,412	58,12,79,172
MOSITION(A)		49,66,74,908	41,934
EXPENSES		40,00,74,908	58,13,21,106
Employee Benefits expense			
Finance costs	21	1,89,77,181	
Depreciation and amortization Expense	22	14,67,92,868	1,91,79,104
Other Expense	2&3	47,300	24,33,66,373
Total Expenses(B)	23	31,67,78,679	92,589
		48,25,96,028	21,11,52,635
Profit / (loss) before exceptional items and tax (A-B)		10,20,30,020	47,37,90,702
Exceptional Items		1,40,78,880	
Profit / (loss) before tax		1,40,70,000	10,75,30,405
ax Expense:		1,40,78,880	40.77.00
1. Current Tax		1,40,70,000	10,75,30,405
2. Deferred Tax		1,68,94,000	(2.00.44.00=
rofit/(loss) for the period		6,34,02,171	(3,08,41,895)
		(6,62,17,291)	(54,01,838)
ther comprehensive Income		(-),,201)	7,12,86,672
(i) Items that will not be reclassified to profit.			
Controdoutement () the net defined benefit the time			
modifie tax relatifie to trems that will not be replaced.		6,62,783	1
(i) Items that will be reclassified to profit or loss		6,62,783	
pecity itellis and amounts)			
Income tax relating to items that will be reclassified to profit or loss			i.
ubtotal (B)			
		-	
her Comprehensive Income (A+B)			
		6,62,783	-
tal Comprehensive Income for the period (Comprising Profit (Loss) and			
ner Comprehensive Income for the period)			
		(6,55,54,508)	7,12,86,672
rnings per equity share			
sic (Rs.)			
uted (Rs.)		(1.09)	1.18
Oktoberation provides and the second		(1.09)	1.18



1. Notes on Transitional details

1.1. Adoption of IND AS

The financial results of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016. The Company has adopted Ind AS from April 01, 2018 with effective transition date of April 01, 2017 and accordingly, these financial results together with the results for the comparative reporting period 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 ('the Act') read with relevant rules issued thereunder and the other accounting principles generally accepted in India.

This transition to Ind AS has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder, guidelines issued by the Reserve Bank of India (The RBI') and other generally accepted accounting principles in India (collectively referred to as 'the Previous GAAP'). Accordingly, the impact of transition has been recorded in the opening reserves as at April 01, 2017 and the corresponding adjustments pertaining to comparative previous period/quarter as presented in these financial results have been restated/reclassified in order to conform to current period presentation.

These financial results have been drawn up on the basis of Ind AS that are applicable to the Company from 01 April 2018 based on the Press Release issued by the Ministry of Corporate Affairs ("MCA") on January 18, 2016. Any application guidance/ clarifications/ directions issued by RBI or other regulators will be implemented as and when they are issued/ applicable.

1.2. Financial Assets - Loans

Under the previous GAAP Loans were recognised at outstanding balance. Under IndAS Loans are Measured at amortised cost basis using effective interest rate method in accordance with para 4.1.2 of IndAS 109. As a result interest on NPA accounts which was not recognised in the P&L account but only in memoranda records has now been recognised for measuring the loans at amortised cost.

1.3 Investments

Quoted investments have been measured at fair value where changes in fair value are passed through Profit & Loss Account.



1.4 Other Financial Assets

Interest on Loans & investments has been recognized following the effective interest method with respective Loan/Investment accounts.

1.5 Financial Liabilities - Borrowings

Under the previous GAAP borrowings were recognised at outstanding balance. Under IndAS Borrowings are Measured at amortised cost basis using effective interest rate method in accordance with para 4.1.2 of IndAS 109. As a result interest on borrowings is recognised along with outstanding Loan amount.

1.6 Other Financial Liabilities

Interest on borrowings has been recognised following the effective interest method with respective borrowings.

1.7 Provisioning

Provisioning of Standard and NPA Loan Accounts recognised under previous GAAP, based on RBI prudential norms, has been reversed and Expected Credit Loss on loans have been recognized in accordance with para 5.5.1 of Ind AS 109.

1.8 Acturial gain /losses

As per IND AS 1, actuarial gains and losses, return on plan asset and any change in the effect of the asset ceiling are to be recognized in other comprehensive income. Hence, the actuarial (gain)/loss recognized on gratuity has been reclassified to Other Comprehensive Income from gratuity expense.

1.9 Provision for Current Tax/ Deferred tax

The Current & Deferred Tax has been calculated on the basis of previous GAAPs, as there is no clarification with regard to current and/or deferred tax effect on Interest recognized on previously classified NPA Accounts.

1.10 Comparative results of September 30, 2017

The above comparative results of September 30, 2017 have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that the comparative results provide a true & fair view of its affairs.



1.11 Reconciliation of September 30, 2017

As required by paragraph 32 of Ind AS 101, the net profit reconciliation between the figures previously reported under Previous GAAP and restated as per Ind AS for quarter ended September 30, 2017 is as under:

(Amt. in Rs.)

Par	ticulars	Half year ended September 30, 2017
Net	Profit after tax as reported under previous GAAP	(1,84,63,248)
	stments resulting in increase/(decrease) in net profit after tax as orted under previous GAAP:	
i)	Adjustment on account of expected credit loss	(6,90,04,878)
ii)	Interest Income on memorandam account	20,83,91,434
iii)	Fair valuation of financial assets at fair value through profit and loss	(67,232)
iv)	Others	2,50,769
3-33-6	fit after tax as reported under Ind AS	12,11,06,845
1100 1000	er comprehensive income /(loss) (net of tax)	-
	al comprehensive income (after tax) as reported under	12,11,06,845

For IFCI Venture Capital Funds Ltd

Shakti Kumar Managing Director DIN: 07457801

Date: December 3, 2018

Place: New Delhi