

R.G.N.PRICE & CO.
CHARTERED ACCOUNTANTS

Phone : 28413633 & 28583494
Telefax : 28544569
E-Mail : price@vsnl.com
Offices at : Mumbai, Ernakulam, Quilon, Calicut,
Bangalore, New Delhi
Ref. No. :

Simpson's Buildings,
Post Box No.335
861, Anna Salai,
CHENNAI - 600 002.

Independent Auditor's Report

To the Members of

IFCI Financial Services Limited

Report on the Financial Statements

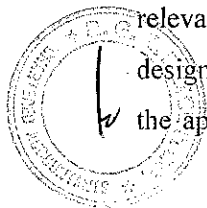
We have audited the accompanying financial statements of IFCI Financial Services Limited which comprise the Balance Sheet as at 31st March 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates



made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statement give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

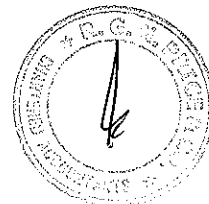
- a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2014;
- b) In the case of Statement of Profit and Loss, of the Loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter:

We draw attention to Note No.VI to the Financial Statements according to which there were unreconciled items appearing in the Bank Reconciliation Statement for more than 3 months for Rs. 16.85 lakhs representing unidentified credit (direct bank deposits) and Rs.11.36 lakhs representing unidentified debits (cheques deposited but not cleared) in the Bank Reconciliation Statement. We were informed that the company is in the process of reconciling the same. Our opinion is not qualified in respect of this matter.

Report on other legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of those books;




- c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report were in agreement with the books of account;
- d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 except non-disclosure of plan assets related details as required for Gratuity fund under Accounting Standard -15(Revised) Employee Benefits.
- e. On the basis of the written representations received from the Directors, as on 31st March 2014 and taken on record by the Board of Directors, we report that none of the Director is disqualified from being appointed as a Director of the company in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 on the said date.
- f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Place: Chennai

Date: 11th April 2014

For R.G.N. PRICE & CO.
Chartered Accountants

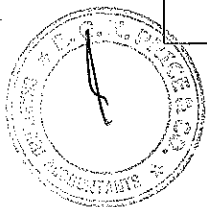

K. Venkatakrisnan
Partner
M. No. 208591
FR No. 002785S

IFCI Financial Services Limited

Annexure referred to in paragraph 1 of our report of even date

- I a. The Company has maintained details of Fixed Assets register showing particulars of location and quantity of those Assets.
- b. The physical verification of Fixed Assets is being done by the Company once in a year which in our opinion is reasonable having regard to the size of the company and nature of its business. During the year the assets have been physically verified by the management and no major variation noticed on comparing with the books.
- c. The Fixed Assets that have been sold / disposed off during the year do not constitute a substantial part of the Total Assets of the company.
- II The inventories (securities) which are held in dematerialized form have been verified by the management. The procedures of verification of inventories (securities) followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. The Company is maintaining proper records of inventory (securities).
- III There are no parties covered under section 301, therefore clauses (a) to (g) are not applicable.
- IV In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to Purchase of fixed Assets, purchase of securities, sale of securities and services During the course of our audit, we have not observed any major weaknesses in internal controls system.
- V There are no parties covered under section 301, therefore clauses (a) and (b) are not applicable.
- VI The Company has not accepted any deposit from the public.
- VII The Company has an internal audit system commensurate with the size and nature of its business.
- VIII The Central Government of India has not prescribed the maintenance of cost records under section 209(1)(d) of the Act for any of the services rendered by the Company.
- IX a. The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Cess and other statutory dues applicable to it. There are no arrears of undisputed amount outstanding statutory dues as at 31st March 2014 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, there are no disputed amounts that remain unpaid that were in arrears as on 31st March 2014 for period of six months from the date they become payable in respect of Cess and Service tax and other statutory dues with exception of the following

Name of Statue	Forum before which the case is pending	Assessment year	Amount(in INR)
Income Tax	CIT (Appeals)	2009-2010	90670 plus applicable interest



- X As on 31st March 2014, the accumulated loss of the Company does not exceed 50% of its net worth. The company had incurred cash loss during this financial year and there was no cash loss during the immediately preceding financial year.
- XI The company has not availed loans from banks.
- XII According to the information and explanation given to us and based on examination of documents and records, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII The provisions of special statute applicable to chit funds / nidhi / mutual benefit funds / society do not apply to this company.
- XIV Based on our examination and according to the explanations provided to us by the management, we are of the opinion that the company has maintained proper records in respect of trading transactions and contract of shares, securities and other investments. There is no trading of debentures during the year. We further noticed that the company had accounted such above transaction on the date of transaction. Further the company has held the investments in its own name.
- XV The company has not given any guarantee for loans taken by others from bank or financial institutions.
- XVI The company has not availed term loans from banks and financial institutions and hence reporting in this regard does not arise.
- XVII According to the information and explanation given to us and on an overall review of utilization of funds, we observed that no short term funds have been used for long term investments.
- XVIII During the year, the company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- XIX During the year, the company has not issued debentures.
- XX During the year the company has not raised any money by way of public issue and hence this clause is not applicable.
- XXI According to the information and explanations given to us and based on our audit procedures performed, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

Place: Chennai

Date: 11th April 2014

For R.G.N. PRICE & CO.
Chartered Accountants

K. Venkatakrishnan
Partner
M. No. 208591
FR No. 002785S

IFCI Financial Services Limited
Balance Sheet as at 31st March 2014

(Amount in Rs.)

Particulars	Note No.	As at 31st March 2014	As at 31st March 2013
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	415,337,090	415,337,090
(b) Reserves and surplus	3	299,061,994	366,807,047
2 Share application money pending allotment		-	-
3 Non-current liabilities			
(a) Deferred tax liabilities (Net)		4,872,383	-
(b) Other Long term liabilities	4	6,553,211	14,708,711
4 Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables		244,922,512	207,447,640
(c) Other current liabilities	5	22,041,240	24,990,680
(d) Short-term provisions	6	3,478,439	4,661,969
Total		996,266,869	1,033,953,137
II. ASSETS			
1 Non-current assets			
(a) Fixed assets	7		
(i) Tangible assets		27,177,391	37,128,115
(ii) Intangible assets		6,140,303	8,051,536
(b) Non-current investments	8	385,223,063	385,223,063
(c) Long-term loans and advances	9	85,869,195	48,571,054
2 Current assets			
(a) Current investments	10	19,031,314	21,442,750
(b) Trade receivables	11	154,907,534	250,437,879
(c) Cash and Bank balances	12	205,080,523	189,836,733
(d) Short-term loans and advances	13	89,726,476	74,397,965
(e) Other current assets	14	23,111,070	18,864,042
Total		996,266,869	1,033,953,137

The Notes 1 to 14 form an integral part of Balance sheet

This is the Balance Sheet referred to in our Report of even date

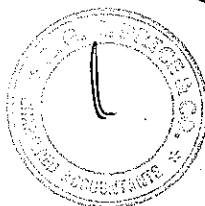
FOR AND ON BEHALF OF THE BOARD OF
IFCI FINANCIAL SERVICES LIMITED

For R.G.N. PRICE & CO.
Chartered Accountants

K. Venkatakrishnan
Partner
M. No. 208591
FR No. 002785S

Place : Chennai

Date : 11th April 2014



S. Shukla
SUNEET SHUKLA

MANAGING DIRECTOR

S. Usha

S.USHA
DIRECTOR

Ashwin Kumar.R

ASHWIN KUMAR.R
COMPANY SECRETARY

IFCI Financial Services Limited
Statement of Profit and loss for the year ended 31st March 2014

(Amount in Rs.)


Particulars	Note No.	For the year ended 31st March 2014	For the year ended 31st March 2013
I. Revenue from operations	15	129,619,815	187,262,770
II. Other Operating Income	16	23,060,185	33,254,412
III. Other Income	17	38,535,963	20,788,979
IV. Total Revenue (I + II + III)		191,215,963	241,306,161
V. Expenses:			
Employee benefits expense	18	106,257,291	111,541,748
Finance costs	19	2,100,850	3,660,213
Depreciation and amortization expense	7	13,512,580	19,396,903
Other expenses	20	99,827,011	132,079,263
Loss on trading in Securities		-	7,114,300
Total expenses (V)		221,697,732	273,792,427
VI. Profit before bad & doubtful debts and tax (IV - V)		(30,481,769)	(32,486,266)
VII. Provision for bad & Doubtful debts	21	32,390,902	42,122,745
VIII. Profit before tax (VI -VII)		(62,872,671)	9,636,479
IX. Tax expense:			
-Current Tax		-	-
- Current Tax - MAT provided		-	-
- Current Tax - MAT Credit Entitlement		-	-
- Deferred Tax Charge (Net)		4,872,383	-
X Profit (Loss) after tax (VIII -IX)		(67,745,054)	9,636,479
XI Earnings per equity share:			
(1) Basic		(1.63)	0.23
(2) Diluted		(1.63)	0.23

The Notes 1 & 15 to 21 form an integral part of Statement of Profit and Loss

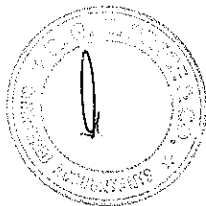
This is the Statement of Profit and Loss referred to in our Report of even date


**FOR AND ON BEHALF OF THE BOARD OF
IFCI FINANCIAL SERVICES LIMITED**


For R.G.N. PRICE & CO.
Chartered Accountants

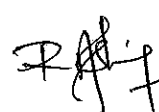

K. Venkatakrisnan
Partner
M. No. 208591
FR No. 002785S

Place : Chennai
Date : 11th April 2014




SUNEET SHUKLA
MANAGING DIRECTOR


S.USHA
DIRECTOR


ASHWIN KUMAR.R
COMPANY SECRETARY

IFCI FINANCIAL SERVICES LIMITED
CASH FLOW STATEMENT AS ON 31ST MARCH 2014

(Amount in Rs)

Particulars		Year ended 31.03.2014		Year ended 31.03.2013
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		(62,872,671)		9,636,479
Adjustments for:				
Depreciation / Amortisation on Fixed Assets	13,512,580		19,396,903	
Provision for Doubtful Debts	-		(30,026,157)	
Bad Debts Written Off	2,222,935		5,403,441	
Dividend Received (considered seperately under Investment Activities)	(559,564)		2,540,301	
Finance Cost (considered seperately under Finance Activities)	2,100,850		2,011,183	
Interest income	(17,700,014)		(15,669,784)	
Profit/(Loss) on Fixed Asset	(29,668)	(452,881)	164,247	(16,179,866)
A Operation Profit before Working Capital Changes		(63,325,552)		(6,543,387)
Adjustments for:				
(Increase) / Decrease in Current Investments	2,411,439		212,544,826	
(Increase) / Decrease in Trade Receivables	93,307,411		57,347,615	
(Increase) / Decrease in Loans & Advances	(52,626,653)		(37,000,763)	
(Increase) / Decrease in Other current Assets	(4,247,028)			
Increase / (Decrease) in Current Liabilities	34,525,431		15,617,711	
Increase / (Decrease) in Provisions	(1,183,530)		(1,180,284)	
Increase / (Decrease) in Non - Current Liabilities	(8,155,500)	64,031,569	5,465,654	252,794,759
Cash Generated from Operation before tax		706,017		246,251,372
Direct taxes paid		-		466,336
Net cash from Operating Activities		706,017		246,717,708
B CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets		(1,700,625)		(4,434,624)
Decrease in Capital advance		-		265,275
(Increase) / Decrease in Fixed Deposits		(7,332,781)		(13,265,618)
Dividend Received		559,564		(2,540,301)
Interest received		17,700,014		17,377,990
investment in subsidiaries		-		(170,000,000)
Sale of Fixed Assets		79,670		181,700
Net Cash used in / raised from Investing Activities		9,305,842		(172,415,578)
C CASH FLOW FROM FINANCING ACTIVITIES				
Short term Borrowing(net)		-		(76,203,909)
Finance Cost		(2,100,850)		(2,011,183)
Repayment of Loans		-		-
Net Changes in Cash & Cash Equivalent (a+b+c)		(2,100,850)		(78,215,092)
Net Changes in Cash & Cash Equivalent (a+b+c)		7,911,010		(3,912,963)
Opening Cash and Cash Equivalent		38,077,808		41,990,772
Closing Cash and Cash Equivalent		45,988,818		38,077,808
Increase / (Decrease) in Cash & Cash Equivalent		7,911,010		(3,912,964)

The above cash flow statement has been prepared under the "indirect method" set out in Accounting Standard-3 on Cash Flow Statement issued as per Company's Accounting Standard Rules,2006.

This is the Cash Flow referred to our report of even date

For R.G.N. PRICE & CO.
Chartered Accountants

K. Venkatakrishnan
Partner
M. No. 208591
FR No. 002785S

Place : Chennai
Date : 11th April 2014



FOR AND ON BEHALF OF THE BOARD OF
IFCI FINANCIAL SERVICES LIMITED

SUNEET SHUKLA
MANAGING DIRECTOR

S.USHA
DIRECTOR

ASHWIN KUMAR.R
COMPANY SECRETARY

IFCI FINANCIAL SERVICES LIMITED

Note 2 Share Capital

(Amount in Rs.)

Particulars	As at 31 March 2014		As at 31 March 2013	
	Number	Rs.	Number	Rs.
Authorised				
Equity Shares of Rs.10/- each	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000
Issued				
Equity Shares of Rs.10/- each	41,533,709	415,337,090	41,533,709	41,53,37,090
Subscribed & Paid up				
Equity Shares of Rs.10/- each	41,533,709	415,337,090	41,533,709	415,337,090
Subscribed but not fully Paid up				
Equity Shares of Rs.10/- each, not fully paid up	-	-	-	-
Total	41,533,709	415,337,090	41,533,709	415,337,090

Particulars	Equity Shares		Equity Shares	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	41,533,709	415,337,090	41,533,709	415,337,090
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	41,533,709	415,337,090	41,533,709	415,337,090

3,93,63,809 Equity Shares (Previous year - 3,93,63,809 equity shares) are held by IFCI Limited, the holding company and its nominees.

Name of Shareholder	As at 31 March 2014		As at 31 March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
IFCI Limited and nominees	39,363,809	95	39,363,809	95

5/3/14 *82* *PAI*

IFCI FINANCIAL SERVICES LIMITED
Note 3 Reserves and Surplus

(Amount in Rs.)

Particulars	As at 31 March 2014	As at 31 March 2013
A. Securities Premium Account		
Opening Balance	451,643,790	13,750,000
Add : Securities premium credited on Share issue	-	437,893,790
Closing Balance	451,643,790	451,643,790
d. Debenture Redemption Reserve		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
e. Revaluation Reserve		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
f. Share Options Outstanding Account		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
B. Other Reserves (Specify the nature and purpose of each reserve)		
i) Amalgamation Reserve:		
Opening Balance	9,763,970	9,763,970
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	9,763,970	9,763,970
ii) General Reserve:		
Opening Balance	9,179,620	9,179,620
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	9,179,620	9,179,620
C. Surplus:		
Opening balance	(103,780,333)	(113,416,812)
(+) Net Profit/(Net Loss) For the current year	(67,745,054)	9,636,479
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	(171,525,386)	(103,780,333)
Total	299,061,994	366,807,047

Note 4 Other Long Term Liabilities

Particulars	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
Security Deposit and Sundry deposits	6,553,211	14,708,711
Total	6,553,211	14,708,711

IFCI FINANCIAL SERVICES LIMITED

Note 5 Other Current Liabilities

(Amount in Rs.)

	As at 31st March 2014	As at 31st March 2013
(a) Other payables		
Creditors for expenses	1,106,331	2,566,848
Statutory dues	19,729,441	19,378,167
Other liabilities	1,205,470	3,045,666
Total	22,041,240	24,990,680

Note 6 Short Term Provisions

Particulars	As at 31st March 2014	As at 31st March 2013
(a) Provision for employee benefits		
Salary & Reimbursements		
Contribution to PF and Statutory funds	-	-
Gratuity	300,000	-
Leave Encashment	681,932	782,666
(b) Others		
Provision for Expenses	2,496,507	3,879,303
Total	3,478,439	4,661,969

LSH 82 RALP

IFCI FINANCIAL SERVICES LIMITED

Note 7 Fixed Assets

Particulars	(Amount in Rs.)								
	Gross Block			Accumulated Depreciation		Net Block			
	Balance as at 1st April 2013	Additions	Disposals	Balance as at 31st Mar 2014	Balance as at 1st April 2013	Depreciation charge for the year	On disposals	Balance as at 31st Mar 2014	Balance as at 31 March 2013
a									
Tangible Assets									
Land	272,500	-	-	272,500	-	-	-	272,500	272,500
Plant and Equipment	44,568,782	-	-	44,568,782	24,626,206	5,548,025	-	14,394,551	19,942,576
Assets under lease	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	5,461,321	22,500	-	5,483,821	2,921,471	482,213	-	2,080,137	2,539,850
Assets under lease	-	-	-	-	-	-	-	-	-
Vehicles	22,150	-	-	22,150	18,175	1,029	-	2,946	3,975
Assets under lease	-	-	-	-	-	-	-	-	-
Office equipment	11,559,724	111,280	25,389	11,645,615	5,347,296	887,787	8,237	5,418,769	6,212,428
Assets under lease	-	-	-	-	-	-	-	-	-
computer hardware	38,367,239	166,950	166,500	38,367,689	30,210,453	3,282,398	133,650	5,008,488	8,156,786
Total	100,251,716	300,730	191,889	100,360,557	63,123,601	10,201,452	141,887	27,177,391	37,128,115
b									
Intangible Assets									
Computer software	31,035,714	1,399,895	-	32,435,609	22,984,178	3,311,128	-	6,140,303	8,051,536
Others - Non compete fees	10,000,000	-	-	10,000,000	10,000,000	-	-	-	-
Total	41,035,714	1,399,895	-	42,435,609	32,984,178	3,311,128	-	6,140,303	8,051,536
Grand Total	141,287,430	1,700,625	191,889	142,796,166	96,107,780	13,512,580	141,887	33,317,693	45,179,650
Previous Year	137,387,336	4,434,624	534,530	141,287,430	76,899,456	19,396,903	188,580	45,179,650	60,487,879

5254 82 RST

IFCI FINANCIAL SERVICES LIMITED**Note 8 Non Current Investments**

(Amount in Rs.)

Particulars	As at 31st March 2014	As at 31st March 2013
Other Investments (Refer B below)		
(b) Investment in Equity instruments	385,223,063	385,223,063
(c) Investments in preference shares	-	-
(d) Investments in Government or Trust securities	-	-
(e) Investments in debentures or bonds	-	-
(f) Investments in Mutual Funds	-	-
(g) Investments in partnership firms	-	-
(h) Other non-current investments	-	-
Total	385,223,063	385,223,063
Less : Provision for diminution in the value of Investments	-	-
Total	385,223,063	385,223,063

Particulars	As at 31st March 2014	As at 31st March 2013
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	385,223,063	385,223,063

25h 82 JAP

IFCI FINANCIAL SERVICES LIMITED
Note 9 Long Term Loans and Advances

(Amount in Rs.)

Particulars	As at 31 March 2014	As at 31 March 2013
a. Capital Advances	-	-
Secured, considered good	-	-
Unsecured, considered good	1,513,710	1,513,710
Doubtful	-	-
Less: Provision for doubtful advances	-	-
	1,513,710	1,513,710
b. Security Deposits		
Secured, considered good		
Unsecured, considered good	77,544,398	38,024,338
Doubtful	-	-
Less: Provision for doubtful deposits	-	-
* Includes Rs. 7,58,85,000 held with various stock exchanges/clearing member for Cash / F&O segment.		
	77,544,398	38,024,338
c. Loans and advances to related parties		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
	-	-
d. Other loans and advances		
Other Loans & Advances	6,811,087	9,033,006
Doubtful	-	-
	6,811,087	9,033,006
Total	85,869,195	48,571,054

Note 10 Current Investments

Particulars	As at 31 March 2014	As at 31 March 2013
(a) Investment in Equity instruments	36,661,738	38,138,588
(b) Investments in preference shares	-	-
(c) Investments in Government or Trust securities	-	-
(d) Investments in Debentures or Bonds	-	-
(e) Investments in Mutual Funds	-	-
(f) Investments in partnership firms	-	-
(g) Other non-current investments	-	-
Total (A)	36,661,738	38,138,588
Less : Provision for dimunition in the value of Investments	17,630,423	16,695,838
Total	19,031,314	21,442,750

Particulars	As at 31 March 2014	As at 31 March 2013
Aggregate amount of quoted investments	19,031,314	21,442,750
Aggregate amount of unquoted investments		

IFCI FINANCIAL SERVICES LIMITED

Note 11 Trade receivable

(Amount in Rs.)

Particulars	As at 31 March 2014	As at 31 March 2013
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	32,346,521	154,762,213
Unsecured, considered good	82,234,563	63,243,711
Unsecured, considered doubtful	79,539,579	12,789,378
	194,120,663	230,795,302
Less: Provision for doubtful debts	79,539,579	12,789,378
	114,581,084	218,005,924
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	39,555,768	31,828,947
Unsecured, considered good	770,681	603,007
Unsecured, considered doubtful	47,113,515	84,630,333
	87,439,964	117,062,288
Less: Provision for doubtful debts*	47,113,515	84,630,333
* Includes Rs. 1,53,03,165 receivables from Holding Company (IFCI Limited)	40,326,449	32,431,954
Total	154,907,532	250,437,879

Handwritten signatures and initials:
 LSH 82 RALF

IFCI FINANCIAL SERVICES LIMITED
Note 12 Cash and bank balances

(Amount in Rs.)

Particulars	As at 31st March 2014		As at 31st March 2013	
In Current Accounts with Banks		45,958,087		38,048,018
Margin money		-		-
Fixed Deposit		159,091,706		151,758,925
Cash equivalents and Bank Deposits				
Bank deposits with more than 12 months maturity	-		-	
b. Cash on hand		30,731		29,790
Total		205,080,523		189,836,733

Note 13 Short term loans and advances

Particulars	As at 31st March 2014		As at 31st March 2013	
a. Loans and advances to related parties				
Secured, considered good	-		-	
Unsecured, considered good	1,849,225		3,757,453	
Doubtful	-		-	
		1,849,225		3,757,453.28
b. Others				
Other Loans and Advances	50,230,511		48,146,876	
Advance Tax (net of provisions)	25,264,812		18,700,162	
Sundry Deposits	9,753,068		253,068	
Prepaid Expenses	2,628,859		3,540,405	
		87,877,251		70,640,512
		87,877,251		70,640,512
Total		89,726,476		74,397,965

Note 14 Other current assets

Particulars	As at 31st Mar 2014	As at 31st Mar 2013
	Rs.	Rs.
Interest accrued on Deposits	23,036,466	18,789,438
Interest Receivable	74,604	74,604
Total	23,111,070	18,864,042




IFCI FINANCIAL SERVICES LIMITED
Note 15 Revenue from Operations

(Amount in Rs.)

Particulars	For the period ended 31st March 2014	For the period ended 31st March 2013
Operating revenues:		
Brokerage On Stock Broking	105,640,398	143,085,352
Commission On Mutual Fund	1,522,439	4,329,127
Insurance Commission	99,602	192,561
Loan Syndication Fee	1,864,000	8,612,000
Fees for Merchant Banking	280,000	305,000
Depository Income	7,660,098	7,827,953
Commision From IPO / Bonds	5,507,671	17,073,807
Commision On Fixed deposits	6,258,670	2,952,120
Account Opening Charges	227,373	344,550
Dividend income	559,564	2,540,301
Total	129,619,814	187,262,770

Note 16 Other Operating Income

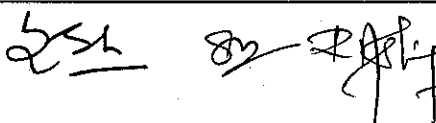
Particulars	For the period ended 31st March 2014	For the period ended 31st March 2013
Sale of Power / Electricity	6,033,574	6,182,986
Delayed Payment Interest	16,376,611	27,071,427
Consultance Fee Received	650,000	-
Total	23,060,185	33,254,412

Note 17 Other Income

Particulars	For the period ended 31st March 2014	For the period ended 31st March 2013
Rental Income	7,026,963	3,304,420
Miscellaneous Income	12,227,901	1,814,775
Interest Income	17,700,014	15,669,784
Profit on Sale of Investments	1,581,085	-
Total	38,535,963	20,788,979

Note 19 Finance Cost

Particulars	For the period ended 31st March 2014	For the period ended 31st March 2013
Interest expenses	484,036	2,011,183
Bank Charges	1,616,814	1,649,029
Total	2,100,850	3,660,213



IFCI FINANCIAL SERVICES LIMITED**Note 18 Employee Benefits expense****(Amount in Rs.)**

Particulars	For the period ended 31st March 2014	For the period ended 31st March 2013
Salaries and incentives	92,141,260	97,620,509
Insurance	6,242,779	6,285,001
Gratuity fund contributions	1,726,596	359,243
Staff welfare expenses	6,146,656	7,276,995
Total	106,257,291	111,541,748

25/8/14 by RAC

IFCI FINANCIAL SERVICES LIMITED
Note 20 OTHER EXPENSES

(Amount in Rs.)

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
Fees To Clearing Member	1,614,787	1,900,156
Information Technology Exp	738,887	1,591,156
Data Feed Charges	1,659,994	1,650,011
Depository Participant Expenses	311,278	148,498
Broking Stamp Expenses	9,263	19,529
Turnover Based Fees - Sebi	48,985	522,522
Professional & Consultancy Charges	20,385,716	28,502,070
Transaction Charges	928,281	756,091
Vsat Charges	20,674	117,678
Advertisement	9,107	60,750
Audit Fees	950,864	325,000
Broking Trade Expenses - Prior Period	-	5,883,896
Electricity Charges	4,379,270	4,650,309
Insurance Expenses	1,390,056	1,727,633
Commission Paid	9,141,985	17,560,630
Miscellaneous Expenses	2,238,167	2,069,598
Postage & Telegram	1,317,840	1,669,544
Printing & Stationery	1,482,289	1,387,364
Rent	29,241,513	34,550,630
Rates & Taxes	931,753	3,242,456
Repairs & Maintenance	3,919,447	3,937,465
Sitting Fees	246,000	315,000
Membership Fee And Subscription	2,190,173	952,022
Telephone Expenses	7,399,252	9,088,901
Training Expenses	163,773	527,925
Travelling & Conveyance Expenses	3,633,039	3,071,078
Office Maintenance	4,558,254	4,313,228
Business Development Expenses	294,931	1,017,490
Contbn To Inv Prot Fund	621,432	356,386
Loss On Sale Of Assets	-	164,247
Total	99,827,011	132,079,263

Note 21 Provision for Bad & Doubtful debts

(Amount in Rs.)

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
Diminution in the value of Securities held as stock in trade	934,585	-
Bad Debts Written off	2,222,935	5,403,441
Reversal of Mar 13 Dimn provn	-	(17,500,029)
Provision for Doubtful Debts and Adv	29,233,382	(30,026,157)
Provision for Doubtful Debts and Advances	-	-
Total	32,390,902	(42,122,745)

IFCI FINANCIAL SERVICES LIMITED

Note No. 1

A. Significant Accounting Policies:

I. The financial accounts have been prepared on accrual basis in accordance with Generally Accepted Accounting Principles in compliance with all material aspects, in accordance with applicable Accounting Standards notified under section 211(3C) of the Companies Act, 1956.

II. Use of Estimates:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any differences of actual results to such estimates are recognized in the period in which the results are known / materialized.

III. Revenue Recognition:

Broking Income

Brokerage Income is recognized on the trade date of the transaction upon confirmation of the transactions by the exchanges.

Interest Income

Interest earned on fixed income bearing securities is accounted on a time proportion basis taking into account the amount outstanding and the rate applicable.

Loan Syndication Fees

- Loan Syndication Fees are recognized when the right to receive the income is established.

Income from Depository Segment




- Depository Services incomes are recognized on the basis of agreements entered into with clients and when the right to receive the income is established.

Insurance Income

- Insurance Commission from Agency business is booked upon actual receipt of commission from the principal.

Commission from marketing of Mutual Fund units and Bonds

- The Company is accounting for commission from marketing of mutual fund units and Bonds on accrual basis.

Equity Index/Stock – derivatives

- Equity Index/Stock Futures are marked to market on daily basis. Debit or Credit Balances disclosed under Current Assets or Current liabilities respectively represent the net amount paid or received on the basis of movement of prices in the Index Stock Futures till the Balance sheet date.
- As at the Balance sheet date, the profit or loss on open positions are accounted for as follows:
 - The unrealized profit determined Scrip wise/Index wise, being anticipated profit, is ignored and no credit is taken in the profit and loss account. The unrealized loss determined Scrip wise/Index wise, being anticipated loss, is recognized in the profit and loss account.
- On final settlement or squaring-up of contracts for Equity Index/Stock Futures, the profit or loss is calculated as difference between settlement/squaring-up price and contract price. Accordingly, debit or credit balance pertaining to the settled/squared-up contract is recognized as profit or loss upon expiry/squaring-up of the contracts. When more than one contract in respect of the relevant series of Equity Index/Stock Futures contract to which the squared-up contract pertains is outstanding at the time of the squaring-up of the contract, the contract price of the contract so squared-up is determined using weighted average method for calculating profit/loss on squaring up.
- Initial and additional margin paid over and above initial margin, for entering into contracts for Equity Index/Stock Futures, which are released on final settlement/squaring-up of underlying contracts, are disclosed under Current Assets.

Fee Income from Portfolio Management and advisory services

- Fee income from Portfolio Management and advisory services is recognized on accrual basis.

Dividend Income

- Dividend income is recognized when the shareholders' right to receive payment is established.

Income from sale of electricity

- Units generated from windmills are sold to the Tamil Nadu Electricity Board (TNEB) at agreed rates and the income is included in the value of power generated from windmills.

IV. Investments:

- The Company acquires holds and deals in shares in its own account also. The investments intended to be held for one year or more were classified as long-term investments and provision for diminution in the value of long term investments being made only if such a decline is other than temporary.

4

LSH on RPL

- Current investments are considered as stock in trade and are valued at lower of cost or net realizable value.

V. Fixed Assets and Depreciation:

- Fixed assets are stated at historical cost less accumulated depreciation.
- Intangible Assets:

Intangible assets are recognized if they are separately identifiable and the Company controls the future economic benefits arising out of them. All other expenses on intangible items are charged to the profit and loss account.

The computer software is identified as Intangible assets and has been amortized at the rate of 40% following WDV method.

The consideration paid as non-compete fees is identified as an Intangible Asset and has been amortized as per the terms of the agreement on straight line basis.

- Depreciation on the fixed assets is provided on the written down value method at the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956.

VI. Impairment of Assets:

- An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the Profit and Loss Account in the period/year in which the said asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of the recoverable amount.

VII. Employee Benefits:

Employee benefits comprise both Defined contribution plan and Defined benefit plans. All short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

Defined contribution plan -

- The Company's Provident Fund Scheme and Employee State insurance scheme are defined contribution plan and company's contribution paid/payable is recognized as expense in Profit & Loss account during the period in which the employee renders the related service.

Defined Benefit Plan -Gratuity

- The Company's liability towards Gratuity is a Defined Benefit Plan. The liability towards Gratuity is determined using the Projected Unit Credit Method which recognizes each period of service as giving rise to additional unit of Employee benefit entitlement. The gratuity Scheme is operated through Group gratuity Scheme of LIC. The gratuity

552 82 JAL

liabilities are provided based on Actuarial Valuation certified by LIC. Actuarial gains and losses are charged to Profit and Loss Account.

▪ **Compensated Absence-Leave Salary**

The policy provides for that an employee is entitled to 24 days of earned leave per year and any leave standing to the credit of the employee at the end of the calendar year will be paid as leave salary calculated on the basic pay along with January month salary of the immediate next calendar year. The expenses on account thus arising are recognized in the profit and loss account.

VIII. Borrowing Costs:

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other Interest and borrowing costs are charged to revenue.

IX. Taxation:

Income Tax expense comprises current tax as determined in accordance with the income tax laws and deferred tax charge or credit reflecting the tax effect of the timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the corresponding deferred tax liability / assets are recognized applying the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty that such assets can be realized in future.

X. Provision , Contingent Liabilities and Contingent Assets:

Provisions are recognized when there is a present obligation as a result of past event and it is probable that there will be outflow of resources.

Contingent liabilities are disclosed without making a provision in books when there is an obligation that may, but probably will not require outflow of resources.

Contingent assets are not recognized/ disclosed financial statements.

254 82 R. P. Singh

B. Notes forming part of the Accounts

I. Nature of Business:

The Company is a SEBI registered Stock Broker on National Stock Exchange of India Ltd (NSE), Bombay Stock Exchange (BSE) and Multi Commodity Stock Exchange (MCX-SX) and primarily engaged in the business of providing securities market related transaction services.

- II.** Loans and advances include a sum of Rs. 463.15 lacs remitted to National Stock Exchange (NSE) and Rs. 59.23 lacs remitted to Bombay Stock Exchange (BSE). The remittance was made on account of trading in securities by certain clients resulting in sharp fall in market value and consequently advised by the above exchanges to remit to them under SEBI guidelines. The company has sent legal notices to NSE & BSE in November 2013 for recovery of above dues. Subsequently, NSE has carried out a limited purpose inspection during January 2014 and February 2014 and submitted its observation to appropriate authority relating to above claim. The recovery of the above said loans and advances are subject to outcome of the decision of appropriate authority. In the opinion of the management, the above amounts are good and recoverable.

III. Contingent Liabilities not provided for:

- (a) Bank guarantees aggregating to Rs.15,00,00,000 (Previous Year – Rs.16,75,00,000/-) to National Stock Exchange of India Limited, Rs.2,00,00,000/- (Previous Year – 2,00,00,000/-) to Bombay Stock Exchange and Rs.1,00,00,000/- (Previous Year – 1,00,00,000) to MCX Stock Exchange Limited as on 31st March 2014 for meeting margin requirements.
- (b) The Company has pledged fixed deposits aggregating to Rs.15, 90, 91,706 /- (Previous Year – Rs.15, 17, 58,925/-) with banks for obtaining the above bank guarantees.
- (c) Counter guarantee given by the Parent Company (IFCI Limited) to a bank for issue of bank guarantee to the subsidiary company IFCI Financial Services Limited – Rs.30,00,00,000/- (previous year – Rs.30,00,00,000/-).

251 82 RAB

(d) Other Contingent liabilities – The Clients has lodged two cases against the company which is pending as follows.

Forum before which the cases are pending	No. of cases	Amount (Rs. In Lakhs)
NSE Arbitrator Tribunal, Chennai*	1	7.54
Additional City Civil & Sessions Judge, Bangalore**	1	127.45

*Two sub brokers has made a claim of Rs.5, 68,000/-and Rs.1, 86,000/- against the company before NSE Arbitrator Tribunal, Chennai and Pune respectively. These cases were pending as of 31st March 2014.

**One DP account holder has instituted a suit against the company before XIV Additional City Civil & Sessions Judge, Bangalore for a claim of Rs.1,27,45,079/- stating the fact that certain transaction carried out during the year Dec'2009 to Sep'2010 are without his authority These cases were pending as of 31st March 2014.

(e) The Company has entered into an agreement to sell electricity to TNEB @ Rs.3.39 per unit. The rate however is on a conditional basis subject to the outcome of the appeal petition of the TNEB before the honorable ATE and, excess tariff, if any, paid will be adjusted by TNEB against the subsequent bills raised by the Company.

IV. Estimated amount of contracts remaining to be executed

Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances) is Rs. NIL (Previous Year –Nil)

V. Managerial Remuneration:

Particulars	2013-14	2012-13
To Whole Time Director		
(a) Salary and Allowances	15,83,788	32,89,274
(b) Contribution to PF and other funds	1,19,032	1,74,969
To Managing Director (On deputation from IFCI Limited)		
(a) Salary and Allowances	18,53,417	-
(b) Contribution to PF and other funds	59,140	-
(c) Gratuity	49,126	-
Total	36,64,503	34,64,243

5/2/14 By P. J. J.

VI. Bank reconciliation

Bank Reconciliation status as of 31st March 2014 includes unreconciled items for more than 3 months for Rs. 16.85 lakhs representing unidentified credit (direct bank deposits) and Rs.11.36 lakhs representing unidentified debits (cheques deposited but not cleared). The company is in the process of reconciling these items.

VII. Earnings Per Share:

The Earning per Share [EPS] has been computed in accordance with the Accounting Standard 20 issued by the Institute of Chartered Accountants of India. The numerators and denominators used to calculate the EPS are:

Particulars	As on 31-03-2014	As on 31-03-2013
Net Loss for the year available for the equity share holders (Before extra-ordinary Item)	(6,78,20,054)	96,36,479
Nominal value per equity share	10	10
Weighted Average No. of outstanding equity shares during the year – Basic & Diluted.	4,15,33,709	4,15,33,709
Basic & Diluted Earnings per Share (Before extra-ordinary Item)	(1.63)	0.23
Net Loss for the year available for the equity share holders (After extra-ordinary Item)	(6,78,20,054)	96,36,479
Basic & Diluted Earnings per Share (After extra-ordinary Item)	(1.63)	0.23

VIII. Current and Deferred Taxation:

(a) No provision for current tax has been made due to losses.

(b) During the year the tax effect on timing difference has resulted in Deferred Tax Liability and the same has been duly accounted as under:

Deferred Tax Asset / Liability	As on 31-03-2014 (Rs.)	As on 31-03-2013 (Rs.)
Deferred Tax Liability – Fixed Assets (accumulated Depreciation)	48,72,383	NIL

54 82 RALP

IX. Details of Auditors Remuneration (Excluding Service Tax):

Nature of Service	2013-14	2012-13
Statutory Audit Fee	5,00,000	3,25,000
Consolidation Fee	75,000	0
For quarterly reporting and Consolidating financial statements	1,80,000	80,000
Tax Audit	27,000	-
Other services	15,000	1,23,000
Total	7,97,000	5,28,000

X. Disclosure as per AS-17 'Segmental Reporting'

Rs (in lakhs)

	Brokerage	Merchant Banking	Depository	Mutual Funds	Insurance income	PMS	Windmill	Total
External -Segment Revenue	1,350.02 (1,748.56)	21.44 (89.17)	76.60 (78.28)	70.30 (214.03)	63.58 (31.45)	- -	60.34 (61.83)	1,642.28 (2,223.32)
Inter Segment Revenue	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Total Revenue	1,350.02 (1,748.56)	21.44 (89.17)	76.60 (78.28)	70.30 (214.03)	63.58 (31.45)	- -	60.34 (61.83)	1,642.28 (2,223.32)
Segment Result	1,087.37 (1,398.12)	21.44 (89.17)	73.49 (76.79)	(21.12) (38.42)	63.58 (31.45)	- -	60.34 (61.83)	1,285.10 (1,695.79)
Unallocated Corporate Expenses net of Income	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	(2,087.82) (1,756.10)
Operating Profit	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	(802.72) (326.49)
Interest Income	177.00 (197.83)	- -	- -	- -	- -	- -	- -	177.00 (352.77)
Net Profit before Tax	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	(625.72) (2,024.06)
Tax Expenses	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (7.81)
Net Profit after Tax	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	(625.72) (2,031.87)

554 82 RPL

Segment Assets	4,204.23 (4,875.70)	278.32 (8.98)	183.06 (47.33)	- (5.44)	27.93 (1.11)	3.06 (3.06)	161.78 (263.67)	4,858.38 (5,205.29)
Unallocated Assets	5,087.94 (5,134.24)	- -	- -	- -	- -	- -	- -	5,087.94 (5,134.24)
Total Assets	9,292.17 (10,009.95)	278.32 (8.98)	183.06 (47.33)	- (5.44)	27.93 (1.11)	3.06 (3.06)	161.78 (263.67)	9,946.32 (10,339.53)
	Brokerage	Merchant Banking	Depository	Mutual Funds	Insurance income	PMS	Windmill	Total
Segment Liabilities	1,900.78 (2,139.02)	- (0.73)	24.43 (24.43)	- -	- -	- -	- -	1,925.21 (2,164.19)
Unallocated Liabilities	8,021.11 (8,175.34)	- -	- -	- -	- -	- -	- -	8,021.11 (8,175.34)
Total Liabilities	9,921.89 (10,314.37)	- (0.73)	24.43 (24.43)	- -	- -	- -	- -	9,946.32 (10,339.53)
Capital Expenditure	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- -
Depreciation	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	(135.13) (193.96)
Non-cash expenses other than Depreciation	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)

XI. Employee Benefits :

- (a) Provisions for employee benefits under revised AS 15:

Defined Contribution plan: Provident and other statutory funds. The amount recognized as an expense during the year is Rs.62, 42,779/- (Previous Year – Rs. 62, 85,001).

- (b) Defined Benefit plan: Liability on account of encashment of leave to employees is paid within one year from the end of the financial year. The expenses recognized in the profit and loss account is Rs.24,70,730 /- (previous year Rs.23,52,985)

- (c) The Company has constituted The Employees Group Gratuity Fund under the Group Gratuity Assurance Scheme administered by the Life Insurance Corporation of India. The scheme provides for Lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each year of completed service or part thereof in excess of 6 months subject to maximum of Rs 10,00,000. Vesting occurs on completion of 5 years of service.

Handwritten signature/initials

The following table sets out the Gratuity plan as required under AS-15 (revised).

Reconciliation of present value of the obligation and the fair value of the plan assets

Particulars	2013-14	2012-13
Fair value of plan assets at the end of the year	Not Available	33,87,849
Present value of the defined benefit obligations at the end of the period	Not Available	36,13,549
Liability recognized in the balance sheet	3,00,000	2,25,700

Gratuity cost for the year ended March 31 2013

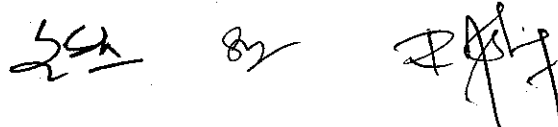
Particulars	2013-14	2012-13
Service cost	Not Available	14,40,042
Interest cost	Not Available	2,41,972
Expected return on plan assets	Not Available	(2,58,787)
Actuarial (gain)/loss	Not Available	(8,85,350)
Net cost	17,26,596	5,37,877

Assumptions

Particulars	2013-14	2012-13
Discount rate	8%	8%
Salary escalation rate	5%	5%
Attrition rate	1-3%	1-3%

XII. Related Party Disclosure as per AS 18:

- (a) Holding Company : IFCI Limited
- (b) Subsidiary Companies : a) IFIN Commodities Limited
b) IFIN Credit Limited
c) IFIN Securities Finance Limited (Formerly known as Narayan Sriram Investments Private Limited)
- (c) Fellow Subsidiaries : a) IFCI Venture Capital Funds Limited
b) IFCI Factors Limited
c) IFCI Infrastructure Development Limited



(d) Key Management Personnel and relatives of such personnel:

Mr. Sujith Kumar Mandal : Whole Time Director-(from 14.01.2012 to 23.07.2013)

Mr. P.N. Swaminathan : Whole Time Director (from 15.01.2013 to 23.07.2013)

Mr. Suneet Sukla : Managing Director (since 23.07.2013)

(On deputation from holding company IFCI Limited)

(e) Transaction with Related Parties:

Sr. No.	Particulars	Holding /Subsidiary/ Fellow Subsidiary Companies		Key Managerial Personnel	Key Managerial Personnel
		2013-14	2012-13	2013-14	2012-13
1	Rent Paid to IFCI Ltd.	1,41,65,795	2,15,59,380	-	-
2	Rent received from IFIN Commodities Ltd.	53,06,628	3,304,420	-	-
3	Brokerage Received from IFCI Ltd	35,13,958	5,004,925	-	-
4	Portfolio Management Services fees received	-	-	-	-
5	Depository Services	27,36,870	2,000,088	-	-
6	Reimbursement of Expenses to IFCI Limited.	1,47,00,162	1,132,034	-	-
7	Reimbursement of Exp received from IFIN Commodities Limited	-	6,562,307	-	-
8	Managerial Remuneration	-	-	36,64,503	34,64,243
9	Consultancy Fee received from IFIN Commodities Limited	-	4,345,445	-	-
10	Loan Availed from IFIN Securities Finance Limited	17,10,00,000	411,930,000	-	-
11	Loan Repaid	17,10,00,000	417,370,814	-	-
12	Corporate Guarantee Issued to IFIN Commodities Ltd	5,00,00,000	50,000,000	-	-
13	Interest Paid	4,65,176	986,293	-	-
14	Equity contribution made in IFIN Securities Finance Limited	-	140,000,000	-	-
15	Equity contribution made in IFIN Commodity Limited	-	30,000,000	-	-
16	Brokerage received from IFCI Factors Ltd	194,643	-	-	-
17	Reimbursement of Expenses	99,98,995	-	-	-

25/8/13

	from IFIN Securities Finance Limited				
18	Amount Due to IFIN Securities Finance Limited	22,95,117	9,32,35,446	-	-
19	Reimbursement of Expenses from IFIN Credit Limited	14,40,000	18,00,000	-	-
20	Amount Due from IFIN Credit Limited	16,76,232	-	-	-
21	Insurance of IFIN Commodities Limited paid by IFCI Financial Services Limited	1,55,947	-	-	-
22	Payable by IFIN Commodities Limited	1,55,947	-	-	-

XIII. Foreign Exchange Inflow and Outflow

During the year, the company has spent a sum of Rs.NIL. (Previous year-NIL) in foreign exchange, towards travelling and conveyance.

XIV. Balances of Sundry Debtors confirmed on a regular basis from the respective parties. In the opinion of the management, the balances are considered as good and recoverable except debtors for an amount of Rs.12,66,53,094.(previous year Rs.9, 74, 19,711) which includes provision of Rs.1,53,03,165/- towards Depository Services provided to M/s IFCI Limited.

XV. The Company had initiated the process of identifying the vendors under Micro, Small & Medium Enterprises Development Act, 2006. The Company is yet to receive intimation from the vendors stating their status under Micro, Small & Medium Enterprises Development Act, 2006. In view of this, the company has not made any provision and disclosure required by this Act.

XVI. Figures of the previous year have been regrouped / rearranged wherever necessary to make them comparable with the current year figures.

XVII. Figures have been rounded off to the nearest Rupee. Figures in bracket represent previous year's figures.

LSL 82 PAF