



# **IFIN SECURITIES FINANCE LIMITED**

*(Subsidiary of IFCI Financial Services Limited)*

**CIN: U65991TN1989GOI017792**

## **ANNUAL REPORT- 2023-24**

### **35<sup>th</sup> ANNUAL GENERAL MEETING**

DATE: September 25, 2024

DAY: Wednesday

TIME: 12.00 noon

*Registered Office: Continental Chambers, 3rd Floor, 142 MG Road,  
Nungambakkam, Chennai – 600034, Tamil Nadu*

*Website: [www.isflonline.com](http://www.isflonline.com)*

*Ph: 044 2830 6613*

*Email- [cs@ifinltd.in](mailto:cs@ifinltd.in)*

## ISFL Vision & Mission Statement



To be the Lender of the first choice

To be a Partner in Growth -  
Building Lives and Businesses



## **IFIN SECURITIES FINANCE LIMITED**

### **Board of Directors\***

Mr. Manoj Kumar Parida  
Mr.Sanjay Wasantrao Tanksale  
Mr. Ramkumar Srinivasan  
Ms. S Karpagam  
Mr. Anilkumar B.S  
Mr. R.C. Mittal

Chairman and Nominee Director  
Independent Director  
Non- Executive Director  
Managing Director  
Additional Director  
Additional Director

*\* As on the date of this Report*

### **Chief Financial Officer**

Mr. A.V. Pushparaj

### **Statutory Auditors**

M/s. Munusami & Co.  
Chartered accountants  
FRN 005602S  
CA S Prabakar Pandidurai  
M.no: 216328  
Partner

### **Registered Office**

Continental Chambers, 3<sup>rd</sup> Floor  
142, Mahatma Gandhi Road  
Nungambakkam, Chennai - 600 034  
Ph: 044 2830 6600  
E-mail: [cs@ifinltd.in](mailto:cs@ifinltd.in)  
Website: [www.isflonline.com](http://www.isflonline.com)

## **Contents**

<b>S. No.</b>	<b>Items</b>	<b>Page No.</b>
1.	Notice of the 35 <sup>th</sup> Annual General meeting.	5
2.	Board's Report for the FY 2023-24.	16
3.	Auditors' Report and Financial Statements for the year 2023-24.	39



**NOTICE**

Notice is hereby given that the 35<sup>th</sup> Annual General Meeting of the shareholders of M/s. IFIN Securities Finance Limited will be held through video conferencing at Continental Chambers, 142, III Floor, Mahatma Gandhi Road, Nungambakkam, Chennai – 600034 on Wednesday, September 25, 2024 at 12.00 noon to transact the following business:

**AS ORDINARY BUSINESS****1. Approval and Adoption of Financial Statements for Financial year 2023-24**

To receive, consider and adopt the audited Financial Statements of the Company for the year ended on March 31, 2024, together with the Board of Directors' Report and Auditors' Report thereon, including annexures thereto and thought fit, to pass with or without modification, the following resolution, as an Ordinary resolution:

“**RESOLVED THAT** the Audited Financial Statements of the Company for the year ended March 31, 2024, together with Board of Directors' Report and the Auditors Report thereon, including annexures thereto be and are hereby approved and adopted.”

**2. Re-appointment of Shri Ramkumar Srinivasan (DIN: 01175498) as Non- Executive Director of the Company.**

To appoint a director in place of Shri Ramkumar Srinivasan, who retires by rotation and being eligible, offers himself for re-appointment and to consider and thought fit, to pass with or without modification, the following resolution, as an Ordinary resolution:

“**RESOLVED THAT** Shri Ramkumar Srinivasan, who retires by rotation and being eligible, offers himself for reappointment, be and is hereby reappointed as a Non- Executive Director of the Company.”

**3. Appointment and Remuneration of Statutory Auditors.**

To fix remuneration of the Statutory Auditor of the Company in terms of the provisions of Section 139(5) and 142 of the Companies Act, 2013 and to consider and thought fit, to pass with or without modification, the following resolution, as an Ordinary resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 139(5) and 142 and all other

applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration of the Statutory Auditor of the Company to be appointed by Comptroller and Auditor General of India (CAG) for the Financial Year 2024-25, as may be deemed fit.”

#### **SPECIAL BUSINESS**

##### **4. To appoint Shri Anilkumar B.S (DIN: 10697847) as a Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to provisions of Section 152 and 161 and any other applicable provisions of Companies Act, 2013 and the rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] Shri Anilkumar B.S (DIN: 10697847), who was appointed by the Board of Directors as an Additional Director on July 23<sup>rd</sup>, 2024 be and is hereby appointed as a Director of the Company liable to retire by rotation with immediate effect.”

“**RESOLVED FURTHER THAT** any of the Directors or the Company Secretary of the Company be and are hereby authorized to digitally sign and file necessary e-form with the Registrar of Companies and other statutory authorities as may be necessary in connection with the above appointment.”

##### **5. To appoint Shri R.C. Mittal (DIN: 10611610) as a Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to provisions of Section 152 and 161 and any other applicable provisions of Companies Act, 2013 and the rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] Shri R.C. Mittal (DIN: 10611610), who was appointed by the Board of Directors as an Additional Director on July 23<sup>rd</sup>, 2024 be and is hereby appointed as a Director of the Company liable to retire by rotation with

immediate effect.”

“**RESOLVED FURTHER THAT** any of the Directors or the Company Secretary of the Company be and are hereby authorized to digitally sign and file necessary e-form with the Registrar of Companies and other statutory authorities as may be necessary in connection with the above appointment.”

**By order of the Board  
For IFIN Securities Finance Limited**

**Place: Chennai  
Date: 03.09.2024**

**Ramkumar Srinivasan  
Director  
(DIN: 01175498)**

**Important Notes:**

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 5th, 2020, clarification circular No. 02/2021 dated January 13th, 2021 and General Circular 3/2022 dated May 5, 2022 and General Circular 10/2022 dated December 28 2022 issued by the Ministry of Corporate Affairs (collectively referred to as “MCA Circulars”), permitted the holding of Annual General Meeting (AGM) through VC/ OAVM, without physical presence of the member at common Venue. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. The members have the option to participate in the meeting either in person or through Video Conferencing (VC)/Other Audio-Visual Means (OAVM).
3. In compliance with applicable provisions of the Act read with the MCA Circulars, the AGM of the Company is being conducted through VC/OAVM, the proceedings of the AGM shall be deemed to be conducted at the Continental Chambers, 3rd Floor, 142 M G Road, Nungambakkam, Chennai- 600034, Tamil Nadu which shall be the deemed venue of the AGM
4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the Circulars, issued by the Ministry of Corporate Affairs, through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available in case of AGM through video conferencing.
5. However, the Body Corporates members (i.e. other than individuals) are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat. The body corporate are required to forward a scanned copy or hard copy of its board or governing body's resolution/authorization letter etc. authorizing their representatives to attend the AGM. The said resolution/authorization shall be sent to the Company by email through its registered email address to cs@ifinltd.in or the hard copy can be sent at Continental Chambers, 3<sup>rd</sup> Floor, 142 MG Road, Nungambakkam, Chennai- 600034 addressing to company secretary.
6. Those Shareholders whose email IDs are not registered, are requested to register their email ID with the company by sending E-mail to cs@ifinltd.in along with the following credentials: i. Name registered as per the records of the company ii. DPID-Client ID/ Folio Number iii. Email ID to be registered for attending the Meeting.
7. In case of joint holders, the Member whose name appears as the first holder in the order of names as

*per the Register of Members of the Company will be entitled to vote at the AGM*

- 8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for all shareholders of the company. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, who are allowed to attend the Annual General Meeting without restriction on account of first come first served basis.*
- 9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.*
- 10. The Members will be allowed to pose questions during the course of the Meeting. The questions/queries can also be given in advance at [cs@ifinltd.in](mailto:cs@ifinltd.in).*
- 11. As per the MCA Circular, the Notice calling the AGM has been uploaded on the website of the Company at [www.isflonline.com](http://www.isflonline.com) and the notice along with the Annual Report is being sent through electronic mode to the members whose E-mail ID are registered with the company. Members may note that the Notice will also be available on the Company's website at [www.isflonline.com](http://www.isflonline.com). Further, updation if any, will be provided on the website of the Company at [www.isflonline.com](http://www.isflonline.com).*
- 12. All documents referred to in the Notice calling the AGM and the Explanatory Statement are open for inspection electronically and/or at the registered office of the company during the office hours between 9.30 AM to 11.30 AM on all working days except Saturday. The same shall be shared with the members on receipt of request. The members desiring to inspect the relevant documents referred are required to send request on the email address- [cs@ifinltd.in](mailto:cs@ifinltd.in). An extract of such documents would be send to the members on their registered email address.*
- 13. The route map for the venue of AGM is not annexed to this notice as the AGM is being conducted through Video conferencing and/or other audio-visual means.*
- 14. Details of Directors seeking appointment or re-appointment at the Annual General Meeting of the Company to be held on Wednesday, September 25<sup>th</sup>, 2024 are provided in Annexure - A of this notice.*
- 15. For any queries & clarifications, members can contact through e-mail on [cs@ifinltd.in](mailto:cs@ifinltd.in) or 044- 2830 6613.*
- 16. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Businesses, as set out above is annexed hereto.*

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. AGM through VC/OAVM: Members will be provided with a facility to attend the AGM through video conferencing platform – Life size cloud
2. The meeting invitation link and login credentials to join the AGM will be sent to the Members on their registered email IDs latest by September 24<sup>th</sup>, 2024. This will be done on first come first served basis.
3. Members whose email IDs are not registered with the company, may get their email IDs registered with the company by sending E-mail to [cs@ifinltd.in](mailto:cs@ifinltd.in) along with the following credentials: i. Name registered as per the records of the company ii. DPID-Client ID/ Folio Number. In case of joint holding, the credentials of the first named holder shall be accepted.
4. Members may attend the AGM, by following the invitation link sent to their registered email ID. Members will be able to locate Meeting ID/ Password/ and JOIN MEETING tab. By Clicking on JOIN MEETING they will be redirected to Meeting Room via browser or by running Temporary Application. In order to join the Meeting, follow the step and provide the required details (mentioned above – Meeting Id/Password/Email Address) and Join the Meeting. Members are encouraged to join the Meeting through Laptops for better experience.
5. In case of Android/Iphone connection, Participants will be required to download and Install the appropriate application as given in the mail to them. Application may be downloaded from Google Play Store/ App Store.
6. Further Members will be required to allow Camera and use Internet audio settings as and when asked while setting up the meeting on Mobile App.
7. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches. Use of headphones is highly recommended.
8. Members who need assistance before or during the AGM may contact Ms. JM Sathyavathi, Company Secretary- IFCI Financial Services Limited by sending an email request at the email id: [cs@ifinltd.in](mailto:cs@ifinltd.in) or Contact on – 044- 28306613.

*Additional Information on Directors recommended for appointment/re-appointment:*

*1) Additional Information of the Directors Mr. Ramkumar Srinivasan*

<b>Name of the Director</b>	<b>Ramkumar Srinivasan</b>
Date of Birth	June 12 <sup>th</sup> , 1970
Date of Appointment	June 21 <sup>st</sup> , 2017
Expertise in Specific functional area	Banking and Financial Services
Qualification	B.A (CS) & CMA
Experience	30 years functional experience in Stock, Currency and Commodity Broking, Investment Banking and Retail Banking
Directorships in other Companies	1. IFIN Credit Limited
Number of Board Meetings attended during the Year (2023-24)	8
Chairman/ Membership of the Committee across all Companies	<b>1. IFIN Securities Finance Limited</b> a) Member in Audit Committee of the Board b) Member in Nomination and Remuneration Committee of the Board c) Member in Share Transfer Committee of the Board d) Member in Risk and Asset liability management Committee of the Board e) Member in Risk Committee f) Member in Credit Committee g) Member in Investment Committee <b>2. IFIN Credit Limited</b> a) Member in Share Transfer Committee of the Board
Shareholding in the Company	1 Share
Relationship with other Directors	Nil

2) Additional Information of the Directors Mr. Anilkumar B.S and Mr. R.C. Mittal are given below:

<b>Name of the Director</b>	<b>Anilkumar B.S.</b>	<b>R.C. Mittal</b>
Date of Birth	January 14 <sup>th</sup> , 1968	November 1 <sup>st</sup> , 1967
Date of Appointment	July 23 <sup>rd</sup> , 2024	July 23 <sup>rd</sup> , 2024
Expertise in Specific functional area	Financial Sector	Financial Sector
Qualification	B Com, CA (Inter)	Fellow Member of Institute of Cost Accountants of India (FCMA), Certified Associates of Indian Institute of Bankers (CAIIB), Diploma in Forensic Audit (DFA), Fellow of Insurance Institute of India (FIII). He has also qualified Online Proficiency Self-Assessment Test for Independent Director's Data Bank conducted by Indian Institute of Corporate Affairs (under the Aegis of Ministry of Corporate Affairs, Government of India).
Experience	25 plus years of experience in Stockbroking & financial product and services	25 plus years of experience in Stockbroking, Insurance and Merchant Banking
Directorships in other Companies	Nil	Nil
Number of Board Meetings attended during the Year (2023-24)	-	-



Chairman/ Membership of the Committee across all Companies	Nil	Nil
Shareholding in the Company	Nil	Nil
Relationship with other Directors	Nil	Nil

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT,****2013:****Item no. 5:**

Shri Anilkumar B.S (DIN: 10697847) was appointed as an Additional Director by the Board of Directors with effect from July 23<sup>rd</sup>, 2024 in accordance with provision of Section 152 and 161 of the Companies Act, 2013 and will hold office of Directorship only until the conclusion of this Annual General Meeting under Section 161 of the Companies Act, 2013.

A brief profile of Shri Anilkumar B.S is provided below for the reference of the members:

Shri Anilkumar B.S is a distinguished professional with 25 years of immersive experience within the financial sector. He has been working with M/s. IFCI Financial Services Limited since 2009 and having sound knowledge in Stockbroking & financial product distribution. His qualification is B.Com and CA (Inter).

In terms of requirement of provisions of Companies Act, 2013 approval of members of the Company is required for regularization of Shri Anilkumar B.S. Hence, the Directors recommend the resolution at Item No.4 as Ordinary Resolution for the approval of Shareholders.

None of the Directors and the Key Managerial Personnel of the Company and their relatives except Shri Anilkumar B.S, are in any way concerned or interested in the said resolution.

**Item no. 6:**

Shri R.C.Mittal (DIN: 10611610) was appointed as an Additional Director by the Board of Directors with effect from July 23<sup>rd</sup>, 2024 in accordance with provision of Section 152 and 161 of the Companies Act, 2013 and will hold office of Directorship only until the conclusion of this Annual General Meeting under Section 161 of the Companies Act, 2013.

A brief profile of Shri R.C.Mittal is provided below for the reference of the members:

Shri R.C.Mittal is a distinguished professional with 25 years of immersive experience within the financial sector, Insurance and Merchant Banking. He has been working with M/s. IFCI Financial Services Limited since 2006 and having sound knowledge in Stockbroking & financial product distribution. He has various professional qualifications viz. Fellow Member of Institute of Cost Accountants of India (FCMA), Certified Associates of Indian Institute of Bankers (CAIIB), Diploma in Forensic Audit (DFA), Fellow of Insurance Institute of India (FIII). He has also qualified Online Proficiency Self Assessment Test for Independent Director's Data Bank conducted by Indian Institute of Corporate Affairs (under the Aegis of Ministry of Corporate Affairs, Government of

India). Mr Mittal has passed the Insolvency Professional Exam in Dec 2017 conducted by IBBI under IBC and attended 50 hours mandatory training for Registered Valuer as required by IBBI under IBC to be a registered valuer.

In terms of requirement of provisions of Companies Act, 2013 approval of members of the Company is required for regularization of Shri R.C.Mittal. Hence, the Directors recommend the resolution at Item No.4 as Ordinary Resolution for the approval of Shareholders.

None of the Directors and the Key Managerial Personnel of the Company and their relatives except Shri R.C.Mittal, are in any way concerned or interested in the said resolution.

## **BOARD'S REPORT**

To

The Members of

**IFIN Securities Finance Limited**

The Board of Directors of your Company presents the 35<sup>th</sup> Annual Report of IFIN Securities Finance Limited (ISFL) together with the Audited Financial Statement, for the year ended on March 31<sup>st</sup>, 2024.

### **1. Financial Performance**

(Rs. in lakh)

Particulars	FY- 2023-24	FY- 2022-23
Revenue from Operations	149.00	108.80
Other Income	127.23	126.65
<b>Total Income</b>	<b>276.23</b>	<b>235.45</b>
Employee cost	34.16	43.04
Other expenses	144.95	148.07
Impairment on Financial Instruments	(28.80)	11.43
<b>Total expenses</b>	<b>150.31</b>	<b>202.54</b>
Surplus of Income over expenditure	125.92	32.91
Profit before tax	125.92	32.91
Tax	11.22	(6.12)
Profit after Tax	114.70	39.03
Book size (Rs. In cr)	10.67	13.80

### **2. Business Outlook and Performance**

#### **Business Environment for NBFC**

India's non-banking financial company (NBFC) sector continues to remain instrumental in driving credit growth for the country's untapped segments. In 2023-24, the contribution of NBFCs to India's gross domestic product (GDP) stood at 12.60%, thus becoming an essential part of the country's economic engine. Various market forces have been shaping the NBFC landscape over the last few

years. Some of the key trends observed revolve around 1) innovation in business and operating models led by digital adoption, 2) evolution of the digital public infrastructure and 3) the evolving regulatory landscape for the NBFC sector. Furthermore, stiff competition from incumbents and FinTechs, rising technology advancements, and rapid shifts in customers' expectations require NBFCs to constantly revisit their business outlook.

### **The evolution of NBFCs in the digital era**

NBFCs have emerged as a crucial source of finance for a large segment of the population, including micro, small and medium enterprises (MSMEs), and economically unserved and under-served population. They have managed to cater to the diverse needs of the borrowers in the fastest and most efficient manner, by considering their vast geographical scope and understanding various financial requirements of the people. Furthermore, non-bank moneylenders have played an important role in the financial inclusion process by supporting the growth of millions of MSMEs and independently employing people

In 2023-24, the contribution of NBFCs to India's gross domestic product (GDP) stood at 12.60% (Source: PwC), and accounted for almost 30% market share of the total non-food credit in the country. For the last five years, the market share of NBFCs has been growing with every passing year and spilling over into the banks' market share. NBFCs have undertaken product innovations to cater to the specific needs of different customer segments, thereby providing niche product offerings. Credit facilitation frameworks – like account aggregator (AA), Open Credit Enablement Network (OCEN) and Open Network for Digital Commerce (ONDC) – are further propagating new ways of lending. Furthermore, digitization has enabled straight-through processing and frictionless journeys. Data democratization and emerging technologies like artificial intelligence (AI), analytics and early warning system (EWS) are further enhancing operations across the lending value chain – sourcing, onboarding, credit underwriting, monitoring and collections. FinTech companies and digital platforms have proliferated access to credit by partnering with various NBFCs. Additionally, FinTech firms are now aspiring to transition from customer engagement platforms to NBFCs themselves. To this effect, various FinTech companies in the recent past have applied to the regulator for obtaining NBFC licences.

The Government and Reserve Bank of India (RBI) have taken various initiatives – like Mudra Loans, Trade Receivables electronic Discounting System (TreDS), account aggregators and ONDC – to push

and support growth of small businesses. Other regulatory frameworks like co-lending and First Loss Default Guarantee (FLDG) have also enabled NBFCs and FinTech organizations to partner with banks and extend greater credit offerings to customer segments. In order to adapt its regulatory architecture to the evolving risk profiles of NBFCs, the RBI rolled out a regulation in October 2021, which factors in the scale of NBFCs. This move was meant to refine the categorization of these financial entities in line with their shifting risk profile – by considering the growing size, escalating complexity and growing interconnectedness of NBFCs within the financial sector.

Despite potential transient setbacks, we anticipate that retail NBFCs will experience substantial growth, backed by technological advancements. This will be fueled by a strong demand in urban areas and rise in credit penetration which will sustain expansion in consumer finance. However, growth might be subdued in the rural sector for a while. Lending market share of NBFCs in consumer durables stood at nearly 61% in 2023-2024. We are optimistic about further growth in consumer finance, owing to the increase in disposable incomes. In terms of MSMEs, the NBFC advances market share stood at a meagre 1%. However, looking at the current trends, we believe that business and supply chain finance offerings will see an upward trend this year. Advances in other products like gold and vehicle loans will continue to grow (NBFCs had almost 60.0% and 43.5% market share of gold and vehicle loans respectively in 2023).

#### **NBFCs unleashing potential through digital adoption**

With digital transformation taking place across NBFCs, they are increasingly focusing on paperless customer acquisition/onboarding, digital underwriting, disbursements and collections and technology-led product innovations.

- Customer acquisition and onboarding: NBFCs are now adopting digital journeys for their customer acquisition and onboarding processes. Even a base to large layer NBFC has developed an end-to-end paperless journey in loan offering
- Super apps and segment-specific digital assets: NBFCs are building super apps to list all their financial services offerings under one roof.
- Mobile apps and online platforms: NBFCs are gradually prioritizing the development of user-friendly mobile apps and online platforms to provide convenient access to financial services. A large NBFC has acquired substantial number of users and runs multiple in-app program for its customers.

□ Automation, AI and chatbots in operations: NBFCs are automating various aspects of their operations, including loan underwriting, risk assessment and customer service. Furthermore, they are now building multilingual chatbots to enhance customer experience and service.

### Governance and compliance

In the past few years, the regulatory landscape governing NBFCs in India has experienced significant transformation under the purview of the RBI. This evolution reflects the dynamic nature of the financial sector, necessitating frequent updates and revisions to regulatory frameworks, in order to address emerging risks, strengthen resilience and enhance consumer protection. The RBI has periodically revised and increased its supervisory focus. This constant evolution of regulations has prompted NBFCs to adopt a compliance-plus approach at all the times, and increase focus on automation for internal monitoring of compliance.

### Product wise performance

ISFL presently has two main products under its portfolio basket viz Loan against shares and Loan against mutual funds. ISFL is focusing on online digital mode through Software as a Service (SaaS) models. It may be noted that there were no slippages to NPA during FY 2023-24.

### Portfolio Status

ISFL has taken a conscious decision to diversify its risk by focusing on retail clients. The evolution of ISFL's portfolio of Loan accounts is as given in the chart below:

Details	As on 30th Jun 2023 (1st Qtr.)	As on 30th Sep 2023 (2nd Qtr.)	As on 31st Dec 2023 (3rd Qtr.)	As on 31st March 2024 (4th Qtr.)
No. of active clients	281	314	335	293
Loan Outstanding (Rs. In Cr)	13.60	13.30	12.67	10.88
Average ticket size Per Client (Rs. In lakhs)	4.83	4.23	3.78	3.71

To scale up the business operations for better viability, the business plan seeking higher investments in Infrastructure and resources was placed with the parent Company (IFIN) and so Fresh lending has been on hold w.e.f. February 2024.

### Loan Outstanding Comparison – Year on Year - March 2023 & 2024

Year on Year	No of Active Client	Loan Outstanding Rs. In Crore	Average Loan Ticket Size Rs. in Lakhs
As on 31st March 2023	248	13.88	5.60
As on 31st March 2024	293	10.88	3.71

### Financial performance

Revenue from the operations of the Company has increased from Rs 108.80 lakhs in FY 22-23 to Rs 149.00 lakhs in FY23-24, mainly due to increase in Interest Income on loans from Rs 106.55 lakhs in FY 22-23 to Rs 145.85 lakhs in FY 23-24. However, other Income showed a marginal increase from Rs 126.65 lakhs in FY 22-23 to Rs 127.23 lakhs in FY 2023-24, despite lesser profit on sale of Investments (Rs.24.55 lakhs vis-a-vis Rs. 62.14 lakhs in the last year), mainly due to increase in the Interest on FDs with Banks from Rs. 52.33 lakhs in FY 2022-23 to Rs. 92.50 lakhs in FY 2023-24.

While the Employee Expenses showed a remarkable reduction from Rs 43.05 lakhs in FY 22-23 to Rs 34.16 lakhs in FY 23-24 other expenses excluding Commission paid, Loss on Fair Value change, Depreciation showed increase from Rs 114.22 lakhs in FY 22-23 to Rs 120.08 lakhs in FY 23-24. However, as a result of lesser impairment in FY 2023-24 on account of reversal of Provisions on Standard Assets Rs (28.80) lakhs in FY 2023-24 vis-a-vis Rs.11.43 lakhs in FY 2022-23), total expenses during FY 23-24 decreased significantly to Rs. 150.31 lakhs from Rs.202.54 lakhs in last year ( FY 22-23 ).

Increased Total Income and decreased Total Expenses in FY 23-24 contributed to a significant increase in Profit before Tax to Rs.125.92 lakhs in FY 23-24 from Rs.32.91 lakhs in FY 22-23. Profit After Tax too showed an increase to Rs.114.70 lakhs in FY 23-24 from Rs.39.01 lakhs in FY 22-23.

### Material Developments in Human Resources/ Industrial Relations front, including number of employees:

The company has adequate human resources including deputed employees commensurate to the size of the business. As on March 31<sup>st</sup>, 2024, there were 4 employees on rolls of the company. It further utilized the services of 3 employees who were on deputation from its parent company- IFIN.

### 3. Dividend

No dividend is being recommended by the Directors for the year ended March 31<sup>st</sup>, 2024.



#### 4. Transfer To Reserves

For the FY 2023-24, the Company had reported a profit after tax of Rs. 114.70 lakhs and Rs. 22.93 Lakhs was transferred to Statutory Reserve as on March 31<sup>st</sup>, 2024.

#### 5. Directors and Key Managerial Personnel

##### **Changes in Directors and KMP during the year 2023-24:**

- i) Ms Sanjana Chhabra, Company Secretary had been appointed as Company Secretary with effect from 31.10.2022. She tendered her resignation as Company Secretary and was relieved of her services with effect from 26.07.2023.
- ii) Ms JM Sathyavathi, Company Secretary had been appointed as Company Secretary with effect from 12.01.2024.
- iii) Mr. Ramkumar Srinivasan (DIN: 1175498), Director will retire by rotation at the conclusion of the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.
- iv) Mr. Anilkumar B.S (DIN 10697847) was appointed as an Additional Director of the Company in the Board of Directors meeting dated 23.07.2024 with immediate effect and his appointment is getting regularized in the ensuing Annual General Meeting proposed to be convened on September 25, 2024.
- v) Mr. R.C. Mittal (DIN 10611610) appointed as an Additional Director of the Company in the Board of Directors meeting dated 23.07.2024 with immediate effect and his appointment is getting regularized in the ensuing Annual General Meeting proposed to be convened on September 25, 2024.
- vi) The Board wishes to place on record its gratitude and appreciation for the valuable contributions made by all the Directors/KMPs who have resigned from their respective offices during their tenure in the Company.

As at March 31, 2024, the Board consisted of 4 (four) Directors comprising of one Nominee Director/Chairman, one Non-Executive Director, one Independent Director and one Managing Director. The Management of the Company is headed by the Managing Director who operates under the overall supervision and control of the Board.

The composition of the Board, number of meetings held, attendance of the Directors at the Board Meeting and the number of Directorship in other companies in respect of each Director, who was on Board as on March 31<sup>st</sup>, 2024, is as given below:-

S. No.	Name of Director	Attendance Particulars		No. of other Directorships as on March 31 <sup>st</sup> , 2024
		No. of Meetings during the tenure of respective directors in FY 2023-24		Other Directorships (Including Private Limited Companies)
		Held	Attended	
1.	Mr. Sanjay Wasantrao Tanksale	8	8	-
2.	Mr. Alan Savio Pacheco	8	8	3
3.	Mr. Ramkumar Srinivasan	8	8	1
4.	Ms. S Karpagam	8	8	3

During the Financial Year 2023-24 Eight (8) Board Meetings were held on the following dates:

11.05.2023	07.08.2023	05.09.2023	27.09.2023
03.10.2023	02.11.2023	12.01.2024	31.01.2024

#### Remuneration of Directors

The Non-Executive Directors except nominees of IFCI Limited and IFCI Financial Services Limited (IFIN) (parent company) are paid sitting fees for every meeting of the Board and its Committees attended by them. Sitting fees has been paid to the Independent Director (Non- Executive) for the Board and Committee meeting attended by him during Financial Year 2023-24.

### **6. Committee of Board of Directors**

#### **A) Audit Committee:**

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013. The composition of the committee as on March 31<sup>st</sup>, 2024 is as follows:

S. No.	Name of the Director	Designation /Category	No. of Meetings during the tenure of respective directors in FY 2023-24	
			Held	Attended
1.	Mr. Sanjay Wasantrao Tanksale	Chairman	5	5
2.	Mr. Ramkumar Srinivasan	Member	5	5
4.	Ms. S Karpagam	Member	5	5

The Committee met Five (5) times during the year on the following dates:

11.05.2023	07.08.2023	27.09.2023
02.11.2023	31.01.2024	

#### Terms of reference in brief:

1. The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
2. Review and monitor the auditor's independence and performance, and effectiveness of the audit process;
3. Examination of the financial statements of the Company and the auditors' report thereon;
4. Approval or any subsequent modification of transactions of the company with related parties;
5. Scrutiny of inter-corporate loans and investments;
6. Valuation of undertakings or assets of the company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters;
9. Overseeing the vigil mechanism / Whistle Blower policy of the Company;
10. Such other terms and reference mentioned under Companies Act, 2013 and as amended from time to time;
11. Such other matters as may be prescribed by the Board from time to time.

#### B) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Company is constituted as per requirements of the Companies Act and the composition of the committee as on March 31<sup>st</sup>, 2024 is as follows:

S. No.	Name of the Director	Designation Category	No. of Meetings during the tenure of respective directors in FY 2023-24	
			Held	Attended
1.	Mr. Sanjay Wasantrao Tanksale	Chairman	3	3
3.	Mr. Ram Kumar Srinivasan	Member	3	3
4	Mr. Alan Savio Pacheco	Member	2	2
5	Ms. S Karpagam	Member	1	1

The Committee met six (6) times during the year on the following dates:

11.05.2023	07.08.2023	27.09.2023
03.10.2023	02.11.2023	31.01.2024

**Terms of reference in brief:**

1. Identifying persons who are qualified to become directors and who may be appointed in Senior Management as per the criteria laid down and recommending to the Board their appointment and removal.

"Senior Management" means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

2. The Committee shall evaluate performance of every Director.
3. The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director.
4. The Committee shall also formulate and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial personnel and other employees.
5. Such other terms and reference mentioned under Companies Act, 2013 and as amended from time to time
6. Other functions and duties specified by Board of Directors from time to time.

**C) Risk and Asset Liability Management Committee**

The Risk and Asset Liability Management Committee of the Board is duly constituted in the company w.e.f 02.11.2023.

The composition of the committee as on March 31st, 2024 is as follows:

S. No.	Name of the Director	Designation Category	No. of Meetings during the tenure of respective directors in FY 2023-24	
			Held	Attended
1.	Mr. Sanjay Wasantrao Tanksale	Chairman	1	1
3.	Mr. Ram Kumar Srinivasan	Member	1	1
5	Ms. S Karpagam	Member	1	1

The Committee met one (1) time during the year on 12.01.2024

**Terms of Reference in brief:**

1. To identify and monitor key risks of the institution;
2. To devise the policy and strategy for integrated risk management;
3. To satisfy itself that policies and procedures are in place to manage risks to which the institution is exposed, including credit, market, operational and reputational risk;
4. To critically assess the Company's business strategies and plans from a risk perspective and advising the Board suitably;
5. To decide the risk measurement methodologies, setting limits for risk management and reviewing, periodically, the actual position vis-a-vis the limits set;
6. To satisfy itself that exceptional reporting framework is in place in the institution;
7. To review the statement of short-term Dynamic Liquidity, structural Liquidity, Interest rate sensitivity;
8. To review the current and prospective risk arising when the Company is unable to meet its obligations as they come due without adversely affecting the Company's financial conditions;
9. To review the risk of losses resulting from movements in interest rates and their impact on future cash-flows;
10. To review banking arrangements and cash management;
11. To review the mechanism to ensure the maintenance of adequate capital on an continuous basis;
12. To review the adequate liquidity while managing the Company's spread between the interest income and interest expense;
13. To adopt any guideline, policy, code of conduct etc. in relation to any of the matters aforesaid;
14. To delegate authorities from time to time to the executives/authorized persons to implement the decisions of the Committee; and
15. To review approve any other matter incidental or ancillary to the matters stated aforesaid."

**D) Share Transfer Committee**

The Share transfer committee is duly constituted in the company.

The composition of the committee as on March 31<sup>st</sup>, 2024 is as follows:

S. No.	Name of the Director	Designation /Category
1.	Ms. S Karpagam	Chairman (Since 05.10.2022)
2.	Mr. Ramkumar Srinivasan	Member

**D) Other Internal Committees:**

The Company has also constituted the following internal committees:

- i) Credit Committee
- ii) Internal Complaints Committee Under The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013
- iii) Risk Management Committee
- iv) Asset Liability Management Committee (ALCO)
- v) Investment Committee

**7. General Meetings held during the Financial Year 2023-24.**

The General Meetings of the company held during the financial year are as under:

General Meeting	34 <sup>th</sup> Annual General Meeting
Venue	Continental Chamber, 3 <sup>rd</sup> Floor, 142 M.G. Road, Nungambakkam, Chennai – 600034, Tamil Nadu Through Video Conferencing
Date and Day of meeting	Friday, September 29 <sup>th</sup> , 2023

**8. Annual Return**

Pursuant to the provisions of the Companies Act, 2013, the Company shall place a copy of the Annual return in prescribed format on the website of the company and the web-link of Such annual return shall be disclosed in the Board's report.

The link is provided below:

URL:	<a href="https://www.isflonline.com/aboutus">https://www.isflonline.com/aboutus</a>
------	---

## 9. Directors' Responsibility Statement

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134 (3)(c) of the Companies Act, 2013:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2023-24 and of the profit and loss of the company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis; and
- e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 10. Declaration given by independent directors under sub-section (6) of section 149.

The Independent Director of the company has declared that he meets the criteria of independence in terms of sub-section (6) of section 149 of the Companies Act, 2013 and there is no change in his status of independence as on March 31<sup>st</sup>, 2024. The sitting fees had been paid to the Independent Director for the Board and Committee Meetings attended by him during the year 2023-24.

## 11. Policy on Directors' appointment and remuneration and other details.

The Company has in place a Nomination and Remuneration Policy for Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178.

### Salient Features:

The salient features of the policy include the following:

- The objectives of the policy
- Framework of the policy
- Eligibility criteria for recommending a candidate to be appointed on the Board of Directors such as the education qualification, relevant experience and expertise, disqualifications, ascertainment of ‘fit and proper criteria’, criteria of independence of Independent Directors
- Board level remuneration structure
- Monitoring and evaluation and of the performance of all Directors as also the Board and its Committees.
- Board Diversity

The copy of the policy has been made available at the website of the Company. The link is provided below:

URL:	<a href="https://www.isflonline.com/docs/4.%20Annexure%20-%20III%20-%20NRC%20Policy.pdf">https://www.isflonline.com/docs/4.%20Annexure%20-%20III%20-%20NRC%20Policy.pdf</a>
------	---

## 12. Auditors

Being subsidiary of a Government Company, your Company is also a Government Company. The Office of Comptroller and Auditor General of India (CAG) vide its letter dated September 22, 2023 had appointed M/s. K Munusami & Co., Chartered Accountant, Chennai (FRN- FRN 005602S) as the Statutory Auditors of the Company for the FY 2023-24. The CAG will appoint the statutory auditor for the financial year 2024-25.

## 13. Details of Frauds

There is no fraud as reported by Auditors during the year under review.

## 14. Explanations/comments on the report of Comptroller & Auditor General of India

The report of Comptroller & Auditor General of India on the accounts for the year ended 31st March, 2024 under Companies Act, 2013 is attached herewith as **Annexure-I** to this report.

## 15. The RBI Norms and Accounting Standards

Your Company complies with the directives issued as well as the norms prescribed by Reserve Bank of India for NBFCs and in the preparation of the financial statements, the applicable accounting standards had been followed along with proper explanation relating to material departures.



**16. Disclosure requirements as per RBI regulations for NBFCs**

The Company during the whole of the Financial Year ended March 31, 2024, as well as till this date in the current financial year, has not accepted/held public deposits, as defined in Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016. The company will not accept public deposits in future also without obtaining prior written permission of Reserve Bank of India.

**17. Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013**

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 form part of the notes to the financial statement.

**18. Related Party Transactions**

All transactions entered by the Company with Related Parties were in the ordinary course of business and at an Arm's Length pricing basis. The transactions entered with holding company/group company are as follows:

Sr. No.	Name (s) of the related party & nature of relationship	Nature of contracts/ Arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any
1	IFCI Financial Services Limited- Holding Company	Reimbursement of office expenses	As per Omnibus approval for FY 2023-24	Ordinary course of business
		Sharing of man power	As per Omnibus approval for FY 2023-24	Ordinary course of business
		Unsecured Short term loan with interest and processing fees	As per Omnibus approval for FY 2023-24	Ordinary course of business
		DP Charges	As per Omnibus approval for FY	Ordinary course of business

			2023-24	
2	Stockholding Corporation of India Limited	Commission payable	As per Omnibus approval for FY 2023-24	Ordinary course of Business

During the financial year 2023-24, the company had no materially significant transactions with the related parties which may have a potential conflict with the interest of the company.

The particulars of Contracts or Arrangement with related parties are given in notes to the financial statement. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure-II** in Form AOC-2.

The Company has formulated a policy on materiality of related party transactions and on Dealing with related party transactions which has been duly approved by the Board. The policy is available on the website of the company at: <https://www.isflonline.com/aboutus>.

#### 19. The details relating to deposits, covered under chapter V of the Act

During the Financial Year 2023-24, the Company did not accept any deposits within the meaning of provisions of chapter V – Acceptance of Deposits by Companies of the Companies Act, 2013 read with rules thereunder.

#### 20. Material changes and commitments

There were no material changes and commitments affecting the financial position of the Company between the end of Financial Year (March 31<sup>st</sup>, 2024) and the date of this report.

#### 21. Conservation of energy, technology absorption and foreign exchange earnings and outgo & expenditure on research and development.

In view of the nature of activities which are being carried on by the Company, Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, conservation of energy and technology absorption does not apply to the Company.

However, the company has taken measures to conserve energy by having energy efficient electronic equipment. As regards absorption of technology, your Company has installed computer systems, software packages and other office equipment to increase its organizational efficiency, maximize productivity and to gain competitive advantage.

Your Company has neither incurred any expenditure nor earned any income in foreign exchange. Further, your Company has not incurred any expenditure on Research and Development.

## **22. Risk Concerns and Management**

The company is exposed to various risks that are inherent part of the financial services business. The Company has formulated and put in place a Board approved Risk Management policy. The policy encompasses identification, assessment, measurement, monitoring and mitigation of various risks faced by the company. The policy is reviewed every year. The company has constituted the Risk Management Committee and the Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The risks identified on a time-to-time basis are addressed through mitigating actions on a continuing basis.

Risk Management Committee inter alia reviews various risks to which the company is exposed to / risks associated with any new initiatives and considers the mitigants suggested by the business heads / departmental heads / Chief Risk Officer. Risk Management Committee thereafter submits its recommendations on the various risks and the mitigants thereof to the Board.

As on March 31, 2024, the Committee comprised of three members viz., Ms S Karpagam (Chairperson), Mr Ramkumar Srinivasan (Member) and Mr. AV Pushparaj, (Member). The Risk Management Committee met twice in FY 2023-24. (17.07.2023 & 27.09.2023)

## **23. Internal Financial Control**

The Company has put in place adequate Internal Financial Controls commensurate with the size of the Company and nature of its business which ensures orderly and efficient conduct of its business, including adherence to company's policies and safeguarding of its assets. The Board of Directors had appointed M/s S Chenthilkumar & Co., Chartered Accountants as the Internal Auditor of the Company for the FY 2023-24 to conduct internal audit of the functions and the activities of the

Company. The findings and recommendations of the Internal Auditors were reviewed by the Audit Committee and the Board of Directors and necessary corrective actions were duly undertaken.

In keeping with the Directions issued by RBI on Managing Risks and Code of Conduct in Outsourcing of Financial services by NBFCs, the activity of internal audit was outsourced to M/s S Chenthilkumar & Co., Chartered Accountants though the control of the audit remained with the Management and Audit committee of ISFL.

#### **24. Vigil Mechanism/ Whistle Blower Policy**

Pursuant to Section 177(9) and Section 177(10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors had approved the policy on Vigil Mechanism/Whistle Blower and the same was hosted on the website of the company. This policy inter-alia provides a direct access to the Managing Director of the company and the Chairman of the Audit Committee, as the case may be.

Your Company hereby affirms that no employee/ Director have been denied access to the Managing Director/ Chairman of the Audit Committee, as the case may be and that no such complaints were received during the year.

#### **25. Anti- Sexual Harassment Policy**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

An internal Complaints Committee has been set up for redressal of complaints of their nature and that all employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaint has been received by the internal Complaints Committee/ by the Company during the year.

#### **26. Board Evaluation**

The Nomination and Remuneration Committee of Board of Directors have reviewed the performance of Board and its committees taking into consideration the contributions made by the Directors/members of the Committee in its meeting held on July 23, 2024.

Subsequently, the Board has made formal annual evaluation of its own performance, and that of its committees and individual directors taking into consideration the evaluation criteria as set in the Nomination and Remuneration Policy of the Company in its meeting held on July 23, 2024.

**27. Significant and Material Orders passed by the Regulators or Courts or Tribunals impacting the Going Concern status and company's operations in future**

There are no significant and material orders passed by the regulators or courts or Tribunals which would impact the going concern status of the Company.

**28. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.**

The Company has neither made any application nor are any proceedings pending against the Company under The Insolvency and Bankruptcy Code, 2016 during the year under review. Consequently there are no details required to be disclosed, as the said clause is not applicable to it for year ended 31.03.2024.

**29. The details of difference between amount of the Valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institution along with the reasons thereof.**

The Company has not availed any one time settlement facility, during the year under review, therefore providing of details with respect to difference in the amount of valuation done at the time of one time Settlement and the Valuation done while taking loan from the Banks or Financial Institution does not apply to the company.

**30. Details of employees under Section 197 read with Sub rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

The company has no employee in respect of whom the information required under Section 197 read with Sub rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is required to be given. The Board further places on record its appreciation of the services of all the employees of the Company.

**31. Acknowledgement**

The Board of Directors express their gratitude for the co-operation, guidance and support received from M/s. IFCI Limited, IFCI Financial Services Limited, its bankers, Reserve Bank of India, Stock Exchanges, clients, statutory authorities, employees and other stakeholders of the Company.

**By Order of the Board  
For IFIN Securities Finance Limited**

**S Karpagam  
Managing Director  
DIN: 09755388**

**Ramkumar Srinivasan  
Director  
DIN: 01175498**

**Date: 03.09.2024**

**Place: Chennai**

Annexure-I



भारतीय लेखापरीक्षा एवं लेखा विभाग  
प्रधान निदेशक वाणिज्यिक लेखापरीक्षा का कार्यालय, चेन्नै  
**Indian Audit and Accounts Department**  
*Office of the Principal Director of Commercial Audit, Chennai*

No: PDCA/CA-II/4-97/2024-25/235

Date: 02.08.2024

To

**The Chairman.**  
IFIN Securities Finance Limited  
Continental Chambers, Third Floor,  
142, Mahathma Gandhi Road,  
Nungambakkam, Chennai -600034

Sir,

Sub: Comments of the Comptroller and Auditor General of India under section 143(6)(b) of the Companies Act, 2013 on the financial statements of **IFIN Securities Finance Limited** for the year ended 31 March 2024.

I forward herewith the comments of the Comptroller and Auditor General of India under section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of **IFIN Securities Finance Limited**, for the year ended 31 March 2024. The dates of holding of Annual General Meeting may be intimated. Further five (5) copies of the Printed Annual Report (2023-24) may kindly be furnished to this office.

Receipt of this letter may kindly be acknowledged.

Yours faithfully,

Encl: As stated.

*S. Velliangiri*  
(S. Velliangiri) 2.8.2024  
Principal Director of Commercial Audit



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF IFIN SECURITIES FINANCE LIMITED FOR THE YEAR ENDED 31 MARCH 2024**

The preparation of financial statements of IFIN Securities Finance Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 20 April 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of IFIN Securities Finance Limited for the year ended 31 March 2024 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the  
Comptroller & Auditor General of India

*S. Velliangiri*  
(S. Velliangiri)

Principal Director of Commercial Audit

Place: Chennai  
Date: 02.08.2024



**Form No. AOC – 2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm's length basis**

S. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements/transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions	Nil
f)	Date of approval by the Board	Nil
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

**2. Details of all contracts or arrangements or transactions at Arm's length basis.**

The transactions at arm length basis are as follows:

S. No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	1. IFCI Financial Services Limited
b.	Nature of contracts/arrangements/transaction	a) Reimbursement of office expenses b) Sharing of man power c) Unsecured Short-term loan with interest d) Sharing of expenses related to Medical, Employee Group term and personal policy e) Charging Processing fee of 0.5% for unsecured short-term Loan to IFIN
c.	Duration of the contracts/arrangements/transaction	As per Omnibus approval for FY 2023-24

d.	Salient terms of the contracts or arrangements or transaction including the value, if any	Ordinary Course of business
e.	Date of approval by the Board	11.05.2023 and 31.01.2024
f.	Amount paid as advances, if any	Nil
<b>S. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	2. Stockholding Corporation of India Limited
b)	Nature of contracts/arrangements/transaction	Commission payable
c)	Duration of the contracts/arrangements/transaction	As per Omnibus approval for FY 2023-24
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Ordinary Course of business
e)	Date of approval by the Board	11.05.2023
f)	Amount paid as advances, if any	Nil

**By Order of the Board**  
**For IFIN Securities Finance Limited**

**S Karpagam**  
**Managing Director**  
**DIN: 09755388**

**Ramkumar Srinivasan**  
**Director**  
**DIN: 01175498**

**Date: 03.09.2024**

**Place: Chennai**

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF M/S.IFIN SECURITIES FINANCE LIMITED**  
**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the Financial Statements of IFIN Securities Finance Limited ("the company), which comprise the balance sheet as at March'2024, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at March'2024, and its loss, total comprehensive income, the changes in equity and its cash flows for the year ended as on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 'Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2024. These matters were addressed in the context of our audit of the Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.

Reporting of Key audit matters as per SA 701 is not applicable to the company as it is an unlisted company.





## **Responsibility of Management and those charged with governance for the financial statements**

The Company's management is responsible for matters stated in section 134(5) of the Companies Act, 2013, in this regard as amended from time to time with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flow and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate Internal Financial Controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate Internal Financial





Controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.





### **Report on other legal & regulatory requirement**

1. As required by the companies (Auditor's Report) Order, 2020 ("the order"), issued by the Central Government of India in terms of Sub Section (11) of Section 143 of the companies Act 2013, we give in Annexure "A". a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(5) of the Companies Act, 2013, we enclose herewith in "Annexure - C", the directions including sub-directions issued by the Comptroller & Auditor General of India.
3. As required by Section 143 (3) of the Companies Act, 2013 and We report that: -
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and they have been found satisfactory.
  - (b) In our opinion proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books;
  - (c) The balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act;
  - (e) We have been informed that the provisions of the Section 164(2) of the Act in respect of the disqualification of Directors are not applicable to the Company, being a Government Company in terms of Notification No. GSR 463(E) dated June 5, 2015 issued by the Ministry of Corporate Affairs. On the basis of the written representations received from the directors as on March 31'2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31'2024 from being appointed as a director in the terms of section 164(2) of the Act;
  - (f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the company with reference to these Financial Statements and the operating effectiveness of such controls, refer to our separate report in "Annexure -B".
4. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i) The company has informed that No pending litigations against the company and no effect in its financial position in its Financial Statements.
  - ii) The company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection fund by the Company, as it is not applicable.
  - iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or






entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v). The Company informed that there is no dividend declared and paid during the year by the company.
- vi). Proviso to Rule 3(1) Of the Companies (Accounts) Rules,2014, for maintaining books of accounts using accounting software which has a feature of recording audit trail(editlog) facility is applicable to the company with effect from April 1, 2023 ,accordingly reporting under 11(g) of Companies (Audit & Auditors )Rules 2024 is applicable and it is found that the facility was not implemented from April,1 2023 and also it is not functioning properly( like effective date ,transaction date menu was not functioned correctly).

Place: Chennai-04  
Date: 20.04.2024

For K. Munusami & Co  
Chartered Accountants  
(FRN: 005602S)

  
(S Prabakar Pandidurai)  
Partner. M. No 216328  
UDIN: 24216328BKCQWG7973





**Annexure-A to the Independent Auditors' Report**

**(Referred to in Paragraph 1 under ' Report on other legal and regulatory requirements' section of our report to the members of IFIN Securities Finance limited of even date)**

1) In respect of the Company's Tangible and intangible assets:

- a) (A) Fixed Assets register was not maintained. Asset Identification number is not mentioned in the Fixed Assets.  
(B) The Company has not maintained proper records showing full particulars of intangible assets.
- b) Physical verification of Assets was not properly done during the period.
- c) Since there is no Immovable property, the question of title deeds in the name of the company does not arise.
- d) The company does not have revaluation of the property during the year.
- e) There is no proceedings have been initiated (or) are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

2) a) The Company is a service company, preliminary rendering lending against Shares and mutual funds . Accordingly, it does not hold any physical inventories. Accordingly, paragraph 3(ii) of the Order is not applicable.

- a) The company has not been sanction working capital limits, the question of quarterly statements filed by the company with banks are in agreement with the Books of accounts does not arise.

3) In our opinion and according to information and explanation given to us, the company has not granted loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013

4) In our opinion and according to information and explanation given to us, the company has not lent money to anybody and hence the compliance of provisions section 185 and 186 of the Act does not arise

5) In our opinion and according to information and explanation given to us, the company has not accepted any deposits during the year and does not have any unclaimed deposits as at March'2024.

6) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

7) According to information and explanation given to us and on the basis of our examination of the records of the company:

- a) The Company had the amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, Income-tax, Goods and service tax, cess and other material statutory dues have been regularly deposited during the year.

- b) The Company had no undisputed amounts payable in respect of provident fund, income tax, Indirect taxes, Goods and service tax, cess and other material statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.





- 8) In our opinion and according to information and explanation given to us, The Company does not have any unrecorded transactions/income during the year in the tax assessment under Income Tax act, 1961.
- 9) In our opinion and according to information and explanation given to us, the company does not have any default in repayment of loans or borrowings from any financial institution, banks, government, or debenture holders during the year.
- 10) In our opinion and according to information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year and the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 11) a) In our opinion and according to information and explanation given to us, the company has not involved any fraud on the company has been noticed or reported during the year.
- b) No report was filed under Sub Section (12) of the section 143 of Companies Act by the Auditors in form ADT-4.
- c) As informed, the company has not received any whistle blower complaints during the year by the company.
- 12) According to information and explanation given to us, the company not having Nidhi company with the net owned funds to Deposits in the ratio of 1:20 to meet out the liability.
- 13) According to information and explanation given to us and based on of our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act. Where Applicable, the details of Such Transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) a) In our opinion the Company has an internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- 15) In our opinion the company does not having the non – cash transactions with directors or person connected with him as per the provision of Section 192 of the Companies Act 2013.
- 16) According to the Information and explanations given to us and based on our examination of the records of the company, the company is required to be registered under section 45-IA of the Reserve Bank of India Act 1934, it was registered.
- 17) The company has not incurred cash loss in the financial year ended 31.3.2024.
- 18) According to the Information and explanations given to us, there is a change of Auditors as per the direction of C&AG Of India and thus Previous Statutory Auditors Resigned of the company.



- 19) In our opinion the company does not having material uncertainty exists on meeting liability during the period.
- 20) With respect to the obligation as any unspent amount under sub section (5) of section 135 of the companies Act -CSR to be transferred to specified funds is not applicable.
- 21) There is no adverse remarks from Auditors of the group Company as informed and on perusal of parent company's Auditors Report.

Place: Chennai-04  
Date: 20.04.2024

For K. Munusami & Co  
Chartered Accountants  
(FRN: 005602S)



(S Prabakar Pandidurai)  
Partner M. No 216328  
UDIN: **24216328BKCQWG7973**





## **Annexure-B to the Independent Auditors' Report**

### **Report on the Internal Financial Controls under Clause (i) of Section 143 (3) of the Companies Act, 2013.**

We have audited the Internal Financial Controls over financial reporting of IFIN Securities Finance Limited, Chennai as on 31.03.2024 in conjunction with our audit of the Financial Statements of the company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's Internal Financial Controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company Internal Financial Controls system over financial reporting.





## **Meaning of Internal Financial Controls Over Financial Reporting**

A company's Internal Financial Control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's Internal Financial Control over financial reporting includes those policies / procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion:**

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's financial statement will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India.

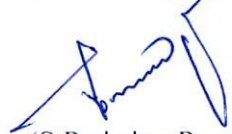
We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Companies Act, 2013, attached Financial Statements comprising of the Balance Sheet, Profit and loss account and Cash flow statements other information in Annexures attached to the Trial Balance of the IFIN Securities Finance Limited ("the Company") as at 31st March 2024. We have considered the



material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit.

Place: Chennai-04  
Date: 20.04.2024

For K. Munusami & Co  
Chartered Accountants  
(FRN: 005602S)



(S Prabakar Pandidurai)  
Partner M. No 216328  
UDIN: **24216328BKCQWG7973**





**Annexure-C to the Independent Auditors' Report**

**(Referred to in Paragraph 2 under 'Report on other legal and regulatory requirements' section of our report to the members of IFIN Securities Finance limited of even date)**

S.No	Matters Specified in Directions issued by C&A through web site applicable from the year 2018-19 and onwards	Reply by Auditors
1	Whether the company has system in place to process all the accounting transactions through IT System? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company maintains the Loan accounting transactions through third party softwares like Dhanlap, Miles and tally software for maintaining the books of account. The main activity is accounting for interest income earned from clients for loan against equities and mutual funds which are extracted from loan management softwares. Internal Auditor has observed that there are some entries between Tally and LMS needs reconciliation. However, the difference amount is not material. In respect of payroll -Talent maximus, related data, based on the files received from the payroll department, entries are updated periodically/monthly in the respective ledger account in the accounting software. There is no policy for synchronization of Tally, Talent maximus and Loan Management softwares.
2	Whether there is any restructuring of an existing loan or cases of waiver /write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. (In case, lender is Government company, then this direction is also applicable for statutory auditor of lender company)	The company has no borrowings and hence the question of restructure /waiver /write-off does not arise.
3	Whether funds (grants/subsidy etc) received /receivable for specific schemes from Central/State Government or its Agencies were properly accounted for /utilized as per its term and conditions? List the cases of Deviations.	Not Applicable. Since no Grant/Subsidy was received.

Place: Chennai-04  
Date: 20.4.2024

For K. Munusami & Co  
Chartered Accountants  
(FRN: 005602S)

(S. Prabakar Pandiurai)  
Partner M. No 216328

UDIN: 24216328BKCQWG7973



**IFIN SECURITIES FINANCE LIMITED**

Registered Office: Continental Chambers, 3rd Floor, 142, Mahatma Gandhi Road, Nungambakkam, Chennai – 600034

**AUDITED BALANCE SHEET AS AT 31ST MARCH 2024****CIN:U65991TN1989GOI017792****(Amount in Rs. In Lakhs unless otherwise stated)**

<b>ASSETS</b>			
<b>Particulars</b>	<b>Note No.</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
<b>Financial Assets</b>			
Cash and cash equivalents	1	10.31	35.09
Bank balances other than above	2	1,838.46	1,244.78
Loans	3	1,067.01	1,349.03
Investments	4	91.56	254.00
Other Financial Assets	5	1.58	3.07
<b>Non - Financial Assets</b>			
Current Tax Assets (Net)	6	47.26	44.31
Deferred Tax Assets (Net)			3.38
Property, Plant and Equipment	7	1.09	2.15
Other Intangible Assets	8	9.04	9.23
Other non - financial assets	6A	2.20	1.79
<b>Total Assets</b>		<b>3,068.51</b>	<b>2,946.83</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Particulars</b>	<b>Note No.</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
Payables			
(I) Trade Payables		1.76	3.86
(II) Other Payables	9		
(i) total outstanding dues of micro enterprises and small enterprises		2.06	0.05
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2.06	2.07
<b>Non-Financial Liabilities</b>			
Current tax liabilities (Net)	10	7.68	1.99
Provisions	11	3.39	3.58
Deferred tax liabilities (Net)		1.29	-
<b>Equity</b>			
Equity Share capital	12	3,001	3,001
Other Equity	13	49.27	(65.72)
<b>Total Liabilities and Equity</b>		<b>3,068.51</b>	<b>2,946.83</b>

Summary of Material Accounting Policy Information 25

The accompanying notes are an integral part of the financial statements

**For K. Munusami & Co.**

Chartered Accountants

Firm Reg.No.005602S

**-Sd-****CA S. Prabakar Pandidurai**

Partner

Membership No.216328

**-Sd-****S Karpagam**

Managing Director

DIN:09755388

**-Sd-****Ramkumar Srinivasan**

Director

DIN:01175498

**-Sd-****A V Pushparaj**

Chief Financial Officer

**-Sd-****Sathyavathi J M**

Company Secretary

Membership No.43618

Place : Chennai-34

Date :20th April, 2024

**IFIN SECURITIES FINANCE LIMITED**

Registered Office: Continental Chambers, 3rd Floor, 142, Mahatma Gandhi Road, Nungambakkam, Chennai – 600034

**Statement of Profit and Loss for the Period ended 31st March 2024**
**CIN:U65991TN1989GOI017792**

(Amount in Rs. In Lakhs unless otherwise stated)

	Particulars	Note No.	Year ended (Audited)	
			31.03.2024	31.03.2023
I	<b>Revenue From Operations</b>			
	Interest income including processing fees	14	145.85	106.55
	Net gain on fair value changes	15	-	-
	Net gain on derecognition of financial instruments under amortised cost category	16	-	-
	Others	17	3.15	2.25
	<b>Total Revenue From Operations</b>		<b>149.00</b>	<b>108.80</b>
II	<b>Other Income</b>	18	127.23	126.65
III	<b>Total Income (I+II)</b>		<b>276.23</b>	<b>235.45</b>
	Finance costs	19	-	-
	Commission expenses	20	10.84	13.20
	Net loss on fair value changes	21	11.98	18.89
	Net loss on derecognition of financial instruments under amortised cost category		-	-
	Impairment on financial instruments	22	(28.80)	11.43
	Employee benefits expenses	23	34.16	43.05
	Depreciation, amortization and impairment	7 & 8	2.05	1.77
	Other expenses	24	120.08	114.22
	<b>Total expenses (IV)</b>		<b>150.31</b>	<b>202.56</b>
V	Profit / (loss) before exceptional items and tax (III - IV)		125.92	32.89
VI	Exceptional items		-	-
VII	<b>Profit / (loss) before tax (V - VI)</b>		<b>125.92</b>	<b>32.89</b>
VIII	Tax expense:			
	(1) Current tax		6.55	10.13
	(2) Deferred tax		4.67	(7.68)
	(3) Short/(Excess) Provision of Tax of earlier years		-	(0.19)
	(4) MAT Credit Entitlement		-	(8.38)
IX	Profit / (loss) for the period from continuing operations (VII - VIII)		114.70	39.01
X	Profit / (loss) from discontinuing operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit / (loss) for the period from discontinued operations (after tax) (X - XI)		-	-
XIII	<b>Profit / (loss) for the period (IX+XII)</b>		<b>114.70</b>	<b>39.01</b>
XIV	Other Comprehensive Income			
	A(i) Items that will not be reclassified to Profit or Loss		0.30	(0.29)
	A(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		0.01	0.08
	<b>Subtotal (A)</b>		<b>0.31</b>	<b>(0.21)</b>
	B(i) Items that will be reclassified to Profit or Loss		-	-
	B(ii) Income Tax relating to items that will be reclassified to Profit or Loss		-	-
	<b>Subtotal (B)</b>		<b>-</b>	<b>-</b>
	<b>Other Comprehensive Income (A+B)</b>		<b>0.31</b>	<b>(0.21)</b>
XV	<b>Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (loss) and other Comprehensive Income for the period)</b>		<b>115.01</b>	<b>38.80</b>
XVI	Earnings Per share (for the continuing Operations)			
	Basic (Rs.)	V	3.82	1.30
	Diluted (Rs.)	V	3.82	1.30
XVII	Earnings Per share (for the discontinuing Operations)			
	Diluted (Rs.)		-	-
XVII I	Earnings Per share (for the continuing and discontinuing Operations)			
	Basic (Rs.)	V	3.82	1.30
	Diluted (Rs.)	V	3.82	1.30

Summary of Material Accounting Policy Information

The accompanying notes are an integral part of the financial statements

25

**For K. Munusami & Co.**

Chartered Accountants

Firm Reg.No.005602S

-Sd-

**CA S. Prabakar Pandidurai**

Partner

Membership No.216328

-Sd-

**S Karpagam**

Managing Director

DIN:09755388

-Sd-

**Ramkumar Srinivasan**

Director

DIN:01175498

-Sd-

**A V Pushparaj**

Chief Financial Officer

-Sd-

**Sathyavathi J M**

Company Secretary

Membership No.43618

Place : Chennai-34

Date :20th April, 2024



**IFIN SECURITIES FINANCE LIMITED****CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2024**

CIN:U65991TN1989GOI017792

(Amount in Rs. In Lakhs unless otherwise stated)

Particulars		For the Year ended 31.03.2024	For the year ended 31.03.2023
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before tax as per P&L a/c		125.92	32.89
Adjustments for:			
Depreciation on Property, plant and equipment	2.05		1.77
Loss on sale of Asset	-		0.09
Provision for diminution in value of Trade Investments	-		18.89
Gain / Loss in fair value of Trade Investments	11.98		-
Loan Impairment provisions / (Write-back)	(28.80)		11.43
Capital gains on sale of Mutual funds	(24.55)		(62.14)
		(39.32)	(29.96)
<b>Operating Profit before adjustment for financial and non- financial assets</b>		<b>86.60</b>	<b>2.93</b>
Adjustments for changes in Financial and Non-Financial Instruments			
(Increase) / Decrease in Loans	310.82		(536.54)
(Increase) / Decrease in Other Financial Assets	(2.96)		(22.56)
(Increase) / Decrease in Other Non - Financial Assets	(0.40)		0.39
Increase / (Decrease) in Other Payables	(0.96)		2.46
Increase / (Decrease) in Provisions	0.10		(3.64)
		306.59	(559.89)
<b>Cash Generated from Operation before tax</b>		<b>393.19</b>	<b>(556.95)</b>
Direct taxes payments		1.50	(25.79)
<b>Net cash from Operating Activities</b>		<b>394.69</b>	<b>(582.74)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase/Sale of Fixed Assets	(0.79)		(3.69)
(Purchase) / Sale of Investment	175.00		810.73
Bank deposits	(593.68)		(346.00)
<b>Net Cash used in / raised from Investing Activities</b>		<b>(419.47)</b>	<b>461.05</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>			
Increase / (Decrease) in Borrowings		-	-
<b>Net Changes in Cash &amp; Cash Equivalent (A+B+C)</b>		<b>(24.78)</b>	<b>(121.69)</b>
Opening Cash and Cash Equivalents		35.09	156.78
Closing Cash and Cash Equivalents		10.31	35.09
<b>Increase / Decrease in Cash &amp; Cash Equivalent</b>		<b>(24.78)</b>	<b>(121.69)</b>

Summary of Material Accounting Policy Information

The accompanying notes are an integral part of the financial statements

**For K. Munusami & Co.**

Chartered Accountants

Firm Reg.No.005602S

**For and on behalf of the Board of Directors of****IFIN Securities Finance Limited****-Sd-****CA S. Prabakar Pandidurai**

Partner

Membership No.216328

**-Sd-****S Karpagam**

Managing Director

DIN:09755388

**-Sd-****Ramkumar Srinivasan**

Director

DIN:01175498

**-Sd-****A V Pushparaj**

Chief Financial Officer

**-Sd-****Sathyavathi J M**

Company Secretary

Membership No.43618

Place : Chennai-34

Date :20th April, 2024

## IFIN SECURITIES FINANCE LIMITED

### STATEMENT OF CHANGES IN EQUITY

#### A.Equity Share Capital

1.Current reporting period for period ended 31/03/2024

(Amount in Rs. In Lakhs unless otherwise stated)

Balance at the beginning of the Current reporting period	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
3,001	-	-	-	3,001

2.Previous reporting period

(Amount in Rs. In Lakhs unless otherwise stated)

Balance at the beginning of the previous reporting period	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
3,001	-	-	-	3,001

## B. Other Equity

### 1. Current reporting period

(Amount in Rs. In Lakhs unless otherwise stated)

OCI												
Reserves and Surplus												
	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserves (Cap.redempt.reserve, Stat.Reserve and General reserve & Impairment Reserve)	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	OCI Income (specify nature)
Balance at the beginning of the current reporting period	-	-	2.51	-	141.78	(212.06)	2.05	-	-	-	-	-
Changes in accounting policy prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the current year	-	-	-	-	-	-	0.31	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	114.70	-	-	-	-	-	-
Any other change (Impairment Reserve)	-	-	-	-	4.27	(4.27)	-	-	-	-	-	-
Balance at the end of the current reporting period	-	-	2.51	-	146.05	(101.63)	2.37	-	-	-	-	-

## 2.Previous reporting period

(Amount in Rs. In Lakhs unless otherwise stated)

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	OOC Income (specify nature)
			Capital Reserve	Securities Premium	Other Reserves (Cap, redemption reserve, Stat. Reserve and General reserve)	Retained Earnings						
Balance at the beginning of the previous reporting period	-	-	2.51	-	133.97	(243.28)	2.27	-	-	-	-	-
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the previous year	-	-	-	-	-	-	(0.22)	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	39.03	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	7.81	(7.81)	-	-	-	-	-	-
Balance at the end of the previous reporting period	-	-	2.51	-	141.78	(212.06)	2.05	-	-	-	-	-

**IFIN SECURITIES FINANCE LIMITED****Note # 1 - Cash and Cash Equivalents****(Amount in Rs. In Lakhs unless otherwise stated)**

<b>Particulars</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
<b>Cash and cash equivalents</b>		
(i) Cash in hand	0.05	0.03
(ii) Balances with Banks		
- Current Accounts	10.26	35.06
- Demand Deposits	-	-
<b>Total</b>	<b>10.31</b>	<b>35.09</b>

**Note # 2 - Bank Balances other than above****(Amount in Rs. In Lakhs unless otherwise stated)**

<b>Particulars</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
<b>Bank balances other than above</b>		
(i) Bank Deposits with original maturity of more than three months	1,782.69	1,215.00
Interest Accrued on Fixed deposits with Banks	55.77	29.78
<b>Total</b>	<b>1,838.46</b>	<b>1,244.78</b>

(Amount in Rs. In Lakhs unless otherwise stated)									
Particulars	As* at 31.03.2024				As at 31.03.2023				Total
	Amortised cost	At Fair Value			Total	Amortised cost	At Fair Value		
		At Fair Value through other comprehensive income	At Fair Value through profit and loss account	Sub Total			At Fair Value through other comprehensive income	At Fair Value through profit and loss account	
(A) Loans									
(i) Against Shares / Margin Funding/ Mutual fund	1,067.01	-	-	-	1,067.01	1,377.83	-	-	1,377.83
Total (A) - Gross	1,067.01	-	-	-	1,067.01	1,377.83	-	-	1,377.83
Less: Impairment loss allowance						28.80			28.80
Total (A) - Net	1,067.01	-	-	-	1,067.01	1,349.03	-	-	1,349.03
(B). Secured / Unsecured									
(i) Secured by tangible assets	1,067.01	-	-	-	1,067.01	1,377.83	-	-	1,377.83
(ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-
(iii) Covered by Bank/ Government Guarantees	-	-	-	-	-	-	-	-	-
(iv) Unsecured	-	-	-	-	-	-	-	-	-
Total (B) - Gross	1,067.01	-	-	-	1,067.01	1,377.83	-	-	1,377.83
Less: Impairment loss allowance						28.80			28.80
Total (B) - Net	1,067.01	-	-	-	1,067.01	1,349.03	-	-	1,349.03
C. Sector Analysis									
(C I) Loans in India									
(i) Public Sectors									
(ii) Private parties	1,067.01	-	-	-	1,067.01	1,377.83	-	-	1,377.83
Total (C I) - Gross	1,067.01	-	-	-	1,067.01	1,377.83	-	-	1,377.83
Less: Impairment loss allowance						28.80			28.80
Total (C I) - Net	1,067.01	-	-	-	1,067.01	1,349.03	-	-	1,349.03
(C II) Loans outside India									
Total (C II) - Gross	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-
Total (C II) - Net	-	-	-	-	-	-	-	-	-
Total (C I and C II)	1,067.01	-	-	-	1,067.01	1,349.03	-	-	1,349.03

**IFIN SECURITIES FINANCE LIMITED**  
**Note # 4 - Investments**

(Amount in Rs. In Lakhs unless otherwise stated)

Particulars	As at 31.03.2024						As at 31.03.2023						(Amount in Rs. in Lakhs unless otherwise stated)					
	Amortised cost	Through other comprehensive income	Through profit and loss account	Designated at fair value through profit and loss account	Sub-Total	Others*	Total	Amortised cost	Through other comprehensive income	Through profit and loss account	Designated at fair value through profit and loss account	Sub-Total	Others*	Total				
<b>Investments</b>																		
<b>A. Security type</b>																		
(i) Mutual funds	-	-	91.56	-	91.56	-	91.56	-	-	254.00	-	254.00	-	254.00				
(ii) Government securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
(iii) Other approved securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
(iv) Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
(v) Equity instruments (other than investment in subsidiaries, associates and joint ventures)	-	-	0.05	-	0.05	-	0.05	-	-	0.05	-	0.05	-	0.05				
<b>Gross</b>	-	-	<b>91.61</b>	-	<b>91.61</b>	-	<b>91.61</b>	-	-	<b>254.05</b>	-	<b>254.05</b>	-	<b>254.05</b>				
Less: Impairment loss allowance	-	-	0.05	-	0.05	-	0.05	-	-	0.05	-	-	-	0.05				
Total	-	-	91.56	-	91.56	-	91.56	-	-	254.00	-	254.00	-	254.00				
<b>B. Sector Analysis</b>																		
(i) Investments in India	-	-	91.61	-	91.61	-	91.61	-	-	254.05	-	254.05	-	254.05				
(ii) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
<b>Gross</b>	-	-	<b>91.61</b>	-	<b>91.61</b>	-	<b>91.61</b>	-	-	<b>254.05</b>	-	<b>254.05</b>	-	<b>254.05</b>				
Less: Impairment loss allowance	-	-	0.05	-	0.05	-	0.05	-	-	0.05	-	0.05	-	0.05				
<b>Net</b>	-	-	<b>91.56</b>	-	<b>91.56</b>	-	<b>91.56</b>	-	-	<b>254.00</b>	-	<b>254.00</b>	-	<b>254.00</b>				



**IFIN SECURITIES FINANCE LIMITED****Note # 5 - Other Financial Assets****(Amount in Rs. In Lakhs unless otherwise stated)**

<b>Particulars</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
<b>Other Financial Assets</b>		
Advances to Staff	0.08	0.16
Security deposit with CDSL	1.50	1.50
Other Advances	-	1.25
Interest accrued on Loans	-	0.16
<b>Total</b>	<b>1.58</b>	<b>3.07</b>

**Note # 6 - Current Tax Assets (Net)****(Amount in Rs. In Lakhs unless otherwise stated)**

<b>Particulars</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
<b>Advance tax and tax deducted at source :</b>		
FY 2012-13	5.37	5.37
FY 2011-12	4.66	4.66
FY 2015-16	7.00	7.00
FY 2019-20	-	4.26
FY 2022-23	-	16.79
FY 2023-24	19.55	-
Receivable from GST - ITC	10.68	6.23
<b>Total</b>	<b>47.26</b>	<b>44.31</b>

**Note # 6A - Other non - financial assets****(Amount in Rs. In Lakhs unless otherwise stated)**

<b>Particulars</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
<b>Prepaid Expenses</b>		
PREPAID EXPENSES	0.22	0.18
PREPAID EXPENSES D&O Insurance	0.16	0.20
PREPAID EXPENSES Health Insurance	1.82	1.41
<b>Total</b>	<b>2.20</b>	<b>1.79</b>

**IFIN SECURITIES FINANCE LIMITED**
**Notes # 7 & 8 - Property, Plant and Equipment & Other Intangible Assets**

(Amount in Rs. In Lakhs unless otherwise stated)

	Particulars		Tangible Assets		Sub Total (A)	Intangible Assets	Intangible Assets	Ageing Period	Sub Total (B)	Grand Total (A)+(B)
			Office Equipments	Computers		Software	Software under development			
Gross Block		As at April 01, 2022	1.60	5.67	7.26	19.68	-		19.68	26.94
	2022-23	Additions during the year	-	0.43	0.42	-	3.27	16.00	-	0.42
		Deletions during the year	0.65	-	0.65	-	-	-	-	0.65
		Transfers/Adjustments	-	-	-	-	-	-	-	-
		As at March 31, 2023	0.95	6.10	7.03	19.68	3.27		19.68	26.71
	2023-24	Additions during the year	-	0.14	0.14	3.92	-	158.00	3.92	4.06
		Deletions during the year / Written off	-	-	-	-	-	-	-	-
		Transfers/Adjustments	-	-	-	-	-	-	-	-
		As at Mar 31, 2024	0.95	6.24	7.17	23.60	3.27		23.60	30.77

(Amount in Rs. In Lakhs unless otherwise stated)

	Particulars		Tangible Assets		Sub Total (A)	Intangible Assets	Intangible Assets	Sub Total (B)	Grand Total (A)+(B)
			Office Equipments	Computers		Software	Software under development		
Depreciation		As at April 01, 2022	1.38	2.95	4.33	13.05	-	13.05	17.38
	2022-23	Charge for the year	0.04	1.05	1.09	0.67	-	0.67	1.76
		Deletions during the year / written off	0.55	-	0.55	-	-	-	0.55
		Transfers/Adjustments	-	-	-	-	-	-	-
		Transfers/Adjustments	0.87	4.01	4.87	13.72	-	13.72	18.59
	2023-24	Charge for the year	-	1.21	1.21	0.84	-	0.84	2.05
		Deletions during the year / written off	-	-	-	-	-	-	-
		Transfers/Adjustments	-	-	-	-	-	-	-
		Transfers/Adjustments	0.87	5.22	6.08	14.56	-	14.56	20.64
Net Block		Net Block							
		As at March 31, 2023	0.08	2.09	2.16	5.96	3.27	9.23	8.12
		As at Mar 31, 2024	0.08	1.02	1.09	9.04	3.27	9.04	10.13

**IFIN SECURITIES FINANCE LIMITED****Other Financial Liabilities****Note # 9 Other Payables****(Amount in Rs. In Lakhs unless otherwise stated)**

<b>Particulars</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
Trade Payables	1.76	3.86
<b>Total</b>	<b>1.76</b>	<b>3.86</b>

**Note # 9a Other Payables****(Amount in Rs. In Lakhs unless otherwise stated)**

<b>Particulars</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
Creditors for expenses:		
MSME	2.06	0.05
Non MSME	-	-
Salary Payable	0.12	0.17
Credit balances in loan accounts	1.94	1.90
<b>Total</b>	<b>4.12</b>	<b>2.12</b>

**Note # 10 - Current Tax Liabilities (Net)****(Amount in Rs. In Lakhs unless otherwise stated)**

<b>Particulars</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
Provision for Tax:		
- FY 2023-24	6.55	-
Statutory remittances	1.13	1.99
<b>Total</b>	<b>7.68</b>	<b>1.99</b>

**Note # 11 Provisions****(Amount in Rs. In Lakhs unless otherwise stated)**

<b>Particulars</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
Leave Encashment	1.99	2.23
Provision for Bonus	0.14	0.20
Provision for Gratuity	1.26	1.15
<b>Total</b>	<b>3.39</b>	<b>3.58</b>

**IFIN SECURITIES FINANCE LIMITED**

**Note # 12- Equity Share Capital**

(Amount in Rs. In Lakhs unless otherwise stated)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number	Amount	Number	Amount
<b>Authorised</b>				
Equity Shares of Rs.100/- each	59,75,500	5,975.50	59,75,500	5,975.50
Preference Shares	24,500	24.50	24,500	24.50
<b>Total</b>	<b>60,00,000</b>	<b>6,000.00</b>	<b>60,00,000</b>	<b>6,000.00</b>
<b>Issued</b>				
Equity Shares of Rs.100/- each	30,01,000	3,001.00	30,01,000	3,001.00
<b>Subscribed &amp; Paid up</b>				
Equity Shares of Rs.100/- each	30,01,000	3,001.00	30,01,000	3,001.00
<b>Total</b>	<b>30,01,000</b>	<b>3,001.00</b>	<b>30,01,000</b>	<b>3,001.00</b>

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	30,01,000	3,001.00	30,01,000	3,001.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<b>30,01,000</b>	<b>3,001.00</b>	<b>30,01,000</b>	<b>3,001.00</b>

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

Name of Shareholder	As at 31.03.2024		As at 31.03.2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
IFCI Financial Services Limited (Holding Company)	30,00,994	99.99	30,00,994	99.99

**IFIN SECURITIES FINANCE LIMITED****Note # 13 - Other Equity****(Amount in Rs. In Lakhs unless otherwise stated)**

<b>Particulars</b>	<b>Note No.</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
Capital Reserve	-	2.51	2.51
Securities Premium Reserve	-	-	-
Capital Redemption Reserve	-	4.50	4.50
Statutory Reserve	-	135.05	112.12
Debenture Redemption Reserve	-	-	-
Share Options Outstanding Account	-	-	-
General Reserve	-	25.16	25.16
Remeasurement Reserve -OCI	-	2.36	2.05
Impairment Reserve	-	4.27	-
Cash Flow Hedge Reserve	-	-	-
Foreign currency monetary item translation difference	-	-	-
Retained Earnings	-	(124.58)	(212.06)
<b>Total</b>		<b>49.27</b>	<b>(65.72)</b>

**IFIN SECURITIES FINANCE LIMITED**

**Note # 14 - Interest Income**

**(Amount in Rs. In Lakhs unless otherwise stated)**

Particulars	For the year ended 31.03.24				For the year ended 31.03.23			
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets classified at fair value through profit or loss	Total	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets classified at fair value through profit or loss	Total
<b>Interest income</b>								
(i) Interest on loans		145.85	-	145.85	-	106.55	-	106.55
(ii) Interest income from investments		-	-	-		-	-	-
(iii) Other interest income		-	-	-		-	-	-
<b>Total</b>		<b>145.85</b>	<b>-</b>	<b>145.85</b>		<b>106.55</b>	<b>-</b>	<b>106.55</b>

**IFIN SECURITIES FINANCE LIMITED****Note # 15 Net gain on fair value changes****(Amount in Rs. In Lakhs unless otherwise stated)**

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
<b>(A) Net gain on financial instruments at fair value through profit or loss</b>		
(i) On trading portfolio -		
-Investments	-	-
-Derivatives	-	-
-Others	-	-
(ii) On financial instruments at fair value through profit or loss	-	-
<b>(B) Others (to be specified)</b>	-	-
<b>Total Net gain/(loss) on fair value changes (C)</b>	-	-
Fair Value Changes :		
-Realised		
-Unrealised	-	-

**Note # 16 Net gain on derecognition of financial instruments under amortised cost category****(Amount in Rs. In Lakhs unless otherwise stated)**

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
Financial Instrument written off in earlier year now recovered	-	-
<b>Total</b>	-	-

**Note # 17 Others****(Amount in Rs. In Lakhs unless otherwise stated)**

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
Pre-closure Income	1.48	0.68
Other Income on Loans	1.57	1.57
Part Payment charges	0.10	0.00
<b>Total</b>	<b>3.15</b>	<b>2.25</b>

**Note # 18 Other Income****(Amount in Rs. In Lakhs unless otherwise stated)**

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
Interest on Income tax refund	0.62	0.43
Interest on Fixed Deposit with Banks	92.50	52.33
Profit on sale of Investments (Net)	24.55	62.14
Misc. Income	9.39	11.48
Interest income on Loans	0.17	0.27
<b>Total</b>	<b>127.23</b>	<b>126.65</b>



**Note # 19 - Finance Cost**

(Amount in Rs. In Lakhs unless otherwise stated)

Particulars	For the Year ended 31.03.2024			For the Year ended 31.03.2023		
	On Financial Liabilities measured at fair value through profit or loss	On Financial Liabilities measured at Amortised Cost	Total	On Financial Liabilities measured at fair value through profit or loss	On Financial Liabilities measured at Amortised Cost	Total
<b>Finance cost</b>						
(i) Interest on deposits	-	-	-	-	-	-
(ii) Interest on borrowings	-	-	-	-	-	-
(iii) Interest on debt securities	-	-	-	-	-	-
(iv) Interest on subordinated liabilities	-	-	-	-	-	-
(v) Other interest expenses	-	-	-	-	-	-
(vi) Bank charges	-	-	-	-	-	-
(vii) Other finance costs	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

**Note # 20 - Commission expenses**

(Amount in Rs. In Lakhs unless otherwise stated)

Particulars	For the Year ended 31.03.2024			For the Year ended 31.03.2023		
	On Financial Liabilities measured at fair value through profit or loss	On Financial Liabilities measured at Amortised Cost	Total	On Financial Liabilities measured at fair value through profit or loss	On Financial Liabilities measured at Amortised Cost	Total
(i) Commission to Stockholding Corporation of India (SHCIL)	-	2.03	-	-	3.31	-
(ii) Others	-	8.81	-	-	9.89	-
<b>Total</b>	-	<b>10.84</b>	-	-	<b>13.20</b>	-

**IFIN SECURITIES FINANCE LIMITED****Note # 21 - Net loss on fair value changes****(Amount in Rs. In Lakhs unless otherwise stated)**

<b>Particulars</b>	<b>For the Year Ended 31.03.2024</b>	<b>For the Year Ended 31.03.2023</b>
<b>(A) Net loss on financial instruments at fair value through profit or loss</b>		
(i) On trading portfolio -		
-Investments	11.98	18.89
-Derivatives	-	-
-Others	-	-
(ii) On financial instruments at fair value through profit or loss	-	-
<b>(B) Others (to be specified)</b>	-	-
Total Net loss on fair value changes (C )	11.98	18.89
Fair Value Changes :	-	-
-Realised	-	-
-Unrealised	11.98	18.89
<b>Total Net gain/(loss) on fair value changes</b>	<b>11.98</b>	<b>18.89</b>

**IFIN SECURITIES FINANCE LIMITED**

**Note # 22- Impairment on financial Instruments**

**(Amount in Rs. In Lakhs unless otherwise stated)**

Particulars	For the year ended 31.03.24			For the year ended 31.03.23		
	On Financial instruments measured at fair value through OCI	On Financial instruments measured at Amortised Cost	Total	On Financial instruments measured at fair value through OCI	On Financial instruments measured at Amortised Cost	Total
a. Loans	-	(28.80)	(28.80)	-	11.43	11.43
b. Investments	-	-	-	-	-	-
c. Others	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>(28.80)</b>	<b>(28.80)</b>	<b>-</b>	<b>11.43</b>	<b>11.43</b>

**IFIN SECURITIES FINANCE LIMITED**  
**Note # 23 Employee Benefit Expenses**

(Amount in Rs. In Lakhs unless otherwise stated)

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
(b) Salaries and incentives to other employees	31.12	36.78
(c) Contributions to -		
Provident fund & Employee State Insurance	1.33	1.43
Staff Welfare Expenditure	0.89	2.74
Provision for Gratuity	0.41	0.27
Provision for Leave Encashment	0.34	1.78
Labour welfare & Professional Tax	0.07	0.05
<b>Total</b>	<b>34.16</b>	<b>43.05</b>

**Note # 24 Other Expenses**

(Amount in Rs. In Lakhs unless otherwise stated)

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
Advertisement & Business promotion expenses	0.24	0.21
Annual maintenance charges	1.22	0.17
Auditor's fees and expenses	4.53	4.75
Bank Charges	0.03	0.12
Books & Periodicals	-	0.09
Depository charges	0.05	0.01
Directors Sitting Fees	1.45	1.48
Electricity Charges	-	-
Information technology expenses	3.41	4.61
Insurance Charges	1.94	2.36
Interest on TDS and Income tax	-	0.77
Legal and Professional Charges	5.75	5.52
Miscellaneous expenses	0.00	0.06
Postage & courier expenses	-	0.01
Pooja Expenses	-	0.15
Printing and Stationery	0.12	0.23
Professional & Consultation fees	10.58	8.02
Profit/loss on Sale of Investments	-	0.10
Rates And Taxes	0.92	0.31
Rent	-	-
Repairs and Office Maintenance	0.33	0.12
Sharing of expenses	72.95	72.95
Stamp Charges	-	-
Telephone expenses	-	-
Tour, travel & Conveyance	0.80	2.54
Training expenses	0.27	0.42
CGST & SGST ineligible ITC	10.37	8.67
Interest reversal of IT refund	0.48	-
Income Tax Expenses FY2022-23	1.22	-
Input Tax Credit Reversal	1.92	-
GSTR 9 Annual Return	0.36	-
IGST ineligible ITC	1.14	0.55
<b>Total</b>	<b>120.08</b>	<b>114.22</b>

**IFIN Securities Finance Limited \_FY23-24\_Q4**
**Deferred tax workings**
**(Amount in Rs. In Lakhs unless otherwise stated)**

<b>Particulars</b>	<b>31-Mar'2024</b>	<b>31-Mar'2023</b>	<b>FY 2023-24</b>
<b>Deferred Tax Asset</b>			
WDV as per companies Act	<b>10.13</b>	<b>8.11</b>	<b>2.01</b>
WDV as per Income Tax Act	<b>7.61</b>	<b>6.96</b>	<b>1.07</b>
	(2.51)	(1.16)	(0.94)
C/F Business Losses	-	-	
Interest on Borrowings	-	-	
Leave Encashment Provision	<b>1.99</b>	<b>2.23</b>	<b>0.34</b>
Provision for Bonus	<b>0.14</b>	<b>0.20</b>	<b>0.22</b>
Provision for Gratuity	<b>1.26</b>	<b>1.15</b>	<b>0.41</b>
Provision for ECL	-	<b>28.80</b>	<b>(28.80)</b>
24..hence no allowance claimed	<b>(1.23)</b>	<b>(1.63)</b>	-
Leave Encashment Paid (Allowed u/s 43B)			(0.58)
Gratuity Paid (Allowed u/s 43B)			-
Bonus Paid (Allowed u/s 43B)			<b>(0.28)</b>
OCI (Actuarial Gain/ Loss from Defined Benefit plan)			<b>(0.30)</b>
<b>IND AS Adjustment</b>			
Fair value changes through FVTPL	<b>(4.60)</b>	<b>(16.60)</b>	<b>11.99</b>
<b>Timing Difference (Liability)/Asset - Net</b>	<b>(4.95)</b>	<b>12.99</b>	<b>(17.94)</b>
Income Tax 25.00%	(1.24)	3.25	(4.49)
Surcharge 0.00%	-	-	-
Cess 4.00%	(0.05)	0.13	(0.18)
DTA on IND As March 17 & 18 26.100%	-		
<b>Net Deffered Tax (Liability)/Asset</b>	<b>(1.29)</b>	<b>3.38</b>	<b>(4.66)</b>
Previous Year DTA	-		
Opening impact	-		
<b>Net Deffered Tax (Liability)/Asset Before opening</b>			
Movement	<b>1.29</b>	<b>(3.38)</b>	<b>4.66</b>

**Through OCI**

4.66 (0.08)

Note No.V:

I. Earnings Per Share

The Earning per Share (EPS) has been computed in accordance with the IND AS 33.

(Amount in Rs. In Lakhs unless otherwise stated)		
P Particulars	For the year ended	For the year ended
	31/03/2024	31/03/2023
Net Profit / (loss) for the year available for the equity shareholders (Before & after extraordinary items)	114.70	39.01
Nominal value per equity share	100	100
Weighted Average No. of outstanding equity shares during the year – Basic & Diluted.	30,01,000	30,01,000
Basic & Diluted Earnings per Share (Before & after extraordinary items)	3.82	1.30

## IFIN Securities Finance Limited

### Note # 25

#### A. Company Background

IFIN Securities Finance Limited ("the Company") is a non-deposit taking Non-Banking Financial Services Company- (NBFC-LC) incorporated and domiciled in India and governed by the Companies Act, 2013 ("Act"). It is registered with the Reserve Bank of India as a Loan Company. The name of the company was changed to IFIN Securities Finance Limited vide Certificate of Registration dated 26th August 2013 from erstwhile name of Narayan Sriram Investments Private Limited. The Company's registered office is situated at Continental Chambers, 3<sup>rd</sup> Floor, 142, Mahatma Gandhi Road, Nungambakkam, Chennai 600034 Tamil Nadu, India.

The company is primarily engaged in the business of providing loans against shares and Mutual Funds.

#### B. Material Accounting Policy Information.

##### A. Basis of preparation and presentation

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for all the periods presented in these financial statements.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods or services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share- based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The financial statements for the year ended 31 March 2024 are presented in Indian Rupees and all values are rounded in Lakhs, except where otherwise indicated. The financial statements were authorised and approved for issue by the Board of Directors on April 20, 2024.

## **B. Use of estimates**

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

**Estimates** and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

**Judgements** are made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements.

**Assumptions** and estimation uncertainties that have a significant risk of resulting in a material adjustment are reviewed on an ongoing basis.



The areas involving critical estimates or judgements are:

S.No	Particulars	Note No.
1.	Revenue recognition using effective interest rate	25(C)
2.	Impairment of loans -Expected credit loss	25 (L)(i)

### C. Revenue recognition

#### Interest Income on Loan against shares

Interest earned on loans against shares (financial asset) is recognized based on the effective interest rate (EIR) method as per Ind AS 109 & 32, and is the rate that exactly discounts the estimated future repayments of principal and interest through the expected life of the financial asset to the gross carrying amount of a financial asset i.e the amortised cost of the financial asset, before adjusting for any credit loss allowance which are applicable for Stage 1 (Performing) and Stage 2 (Under-performing) assets. For Stage 3 (Non-performing) assets, expected interest rate is calculated on the amortized cost less expected credit loss adjustment. Refer note 22 for details on impairment.

Processing fee received by the company relating to the creation or acquisition of a financial asset is considered an integral part of the effective interest rate of a financial instrument and is treated as an adjustment to the effective interest rate or amortised uniformly over the lifetime of the financial instrument.

#### Interest income on Loan against mutual funds

Interest earned on loans against mutual funds (financial asset) is recognized based on the effective interest rate (EIR) method as per Ind AS 109 & 32, and is the rate that exactly discounts the estimated future repayments of principal and interest through the expected life of the financial asset to the gross carrying amount of a financial asset i.e the amortised cost of the financial asset, before adjusting for any credit loss allowance which are applicable for Stage 1 (Performing) and Stage 2 (Under-performing) assets. For Stage 3 (Non-performing) assets, expected interest rate is calculated on the amortized cost less expected credit loss adjustment. Refer note 22 for details on impairment.

Processing fee received by the company relating to the creation or acquisition of a financial asset is considered an integral part of the effective interest rate of a financial instrument and is treated as an adjustment to the effective interest rate or amortised uniformly over the lifetime of the financial instrument.

## **Dividend Income**

*Dividends* are recognised in profit or loss only when

- (a) The company's right to receive payment of the dividend is established;
- (b) It is probable that the economic benefits associated with the dividend will flow to the company; and
- (c) The amount of the dividend can be measured reliably.

## **Interest on fixed deposits**

Interest income on deposits with banks is recognized in time proportion basis taking into account the amount outstanding and the rate of interest.

## **Miscellaneous income**

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate measurability & its collection.

## **D. Employee benefits**

### **(a) Defined contribution plan:**

The Company's Provident Fund Scheme and other statutory funds are defined contribution plans and the company's contribution paid/payable is recognized as expense in Statement of Profit & Loss during the period in which the employee renders the related service.

### **(b) Defined benefit plan**

#### **(i) Gratuity**

The liability recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets (if any). The cost of providing benefits under the defined benefit plan is determined based on an actuarial valuation using the projected unit credit method.

Details of defined benefit plans as per actuarial valuation are as follows:

**Ind AS 19 Disclosures:**

(Amount in Rs. In Lakhs unless otherwise stated)

<b>Amounts in Balance sheet</b>	<b>31<sup>st</sup> March' 23</b>	<b>31<sup>st</sup> March' 24</b>
Defined Benefit Obligation (DBO)	1.15	1.26
Fair Value of Plan Assets	-	-
Funded Status - (Surplus)/Deficit	1.15	1.26
Unrecognized Past Service Cost / (Credit)	-	-
Unrecognised Asset due to Limit in Para 64(b)	-	-
Liability/(Asset) Recognised in the Balance Sheet	1.15	1.26

(Amount in Rs. In Lakhs unless otherwise stated)

<b>Amount recognized in the Statement of Profit and Loss</b>	<b>31-Mar-22 To 31-Mar-23</b>	<b>31-Mar-23 To 31-Mar-24</b>
Current Service Cost	0.23	0.33
Interest Cost	0.04	0.08
Expected Return on Plan Assets	-	-
Past Service Cost	-	-
(Gain)/Loss due to Settlements/		
Total Expense/(Income) included in "Employee Benefit Expense"	0.27	0.41

(Amount in Rs. In Lakhs unless otherwise stated)

<b>Amount recognised in Other Comprehensive Income (OCI)</b>	<b>31-Mar-22 To 31-Mar-23</b>	<b>31-Mar-23 To 31-Mar-24</b>
Amount recognized in OCI, Beginning of Period	(3.03)	(2.74)
Remeasurements due to :		
<i>Effect of Change in financial assumptions [C]</i>	0.03	0.02
<i>Effect of Change in demographic assumptions [D]</i>	0.36	(0.18)
<i>Effect of experience adjustments [E]</i>	(0.10)	(0.14)
Actuarial (Gains)/Losses ( C+ D +E )	0.29	(0.30)
Return on plan assets (excluding interest)	-	-
Total remeasurements recognized in OCI	0.29	(0.30)
Amount recognized in OCI, End of Period	(2.74)	(3.04)

(Amount in Rs. In Lakhs unless otherwise stated)

Change in Present Value of Benefit Obligation during the Period	31-Mar-22 To 31-Mar-23	31-Mar-23 To 31-Mar-24
Defined Benefit Obligation, Beginning of Period	0.59	1.15
Current Service Cost	0.22	0.33
Interest Cost	0.04	0.08
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	0.29	(0.30)
Acquisition/Business Combination/Divestiture	-	-
Actual Benefits Paid	-	-
Past Service Cost	-	-
Changes in Foreign Currency Exchange Rates	-	-
Loss / (Gains) on Curtailments	-	-
Liabilities Extinguished on Settlements	-	-
<b>Defined Benefit Obligation, End of Period</b>	<b>1.15</b>	<b>1.26</b>

#### Additional Disclosures (Cash Flows):

#### Sensitivity Analysis

(Amount in Rs. In Lakhs unless otherwise stated)

	31-Mar-24
<b>Defined Benefit Obligation (Base)</b>	<b>1.26</b>

Sensitivity Analysis	31-Mar-24	
	Decrease	Increase
<b>Discount Rate</b>	1.32	1.20
Impact of increase/decrease in 50 bps on DBO	4.94%	(4.59%)
<b>Salary Growth Rate</b>	1.20	1.33
Impact of increase/decrease in 50 bps on DBO	(4.79%)	5.11%

Expected Cash Flows	31-Mar-24
Year 1	0.07
Year 2	0.09
Year 3	0.09
Year 4	0.10
Year 5	0.10
Year 6 to 10	0.45

#### Actuarial Assumptions:

The principal assumptions used for reporting period 31 March, 2023 and 31 March, 2024 are summarized in the table below. The assumptions as at the balance sheet date are used to determine the defined benefit obligation & employee benefit expense.

Financial Assumptions	31-Mar-23	31-Mar-24
Discount Rate	7.15%	6.95%
Salary Escalation Rate	3.00%	3.00%
Expected Return on Assets	0.00%	0.00%
Demographic Assumptions	31-Mar-23	31-Mar-24
Mortality Table *	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Withdrawal Rate	12%	5.00%
Retirement Age	60 years	60 years

Timing Related Assumptions	
Time of Retirement	Immediately on achieving normal retirement
Salary Increase frequency	Once a year

\* Mortality Rates: Representative mortality rates from Indian Assured Lives Mortality (2012-14) Ult. are given in the table below.

Age	Rate	Age	Rate
20	0.0009240	50	0.0044360
25	0.0009310	55	0.0075130
30	0.0009770	60	0.0111620
35	0.0012020		
40	0.0016800		
45	0.0025790		

## (ii) Compensated Absences

The company employees are entitled to 24 days of earned leave per year, out of this 15 days leave standing to the credit of the employee at the end of the calendar year will be paid as leave salary and calculated on the gross pay. This balance is allowed to be accumulated.

The Company provides benefit of compensated absences under which unavailed leave are allowed to be accumulated to be availed in future. The compensated absences comprises of both vesting and non-vesting benefit. Long term compensated absence costs are provided for based on actuarial valuation using the project unit credit method.

Details of defined benefit plans as per actuarial valuation are as follows:

**Ind AS 19 disclosures**

**(Amount in Rs. In Lakhs unless otherwise stated)**

<b>Amounts in Balance Sheet</b>	<b>31-Mar-23</b>	<b>31-Mar-24</b>
Defined Benefit Obligation (DBO)	2.23	1.99
Fair value of plan Assets	-	-
Funded Status - (Surplus)/Deficit	2.23	1.99
Unrecognized Past Service Cost / (Credit)	-	-
Unrecognized Asset due to Limit in Para 64(B)	-	-
Liability/(Asset) Recognized in the Balance Sheet	2.23	1.99
<b>Amount Recognized in Statement of Profit &amp; Loss</b>	<b>31-Mar-22 To 31-Mar-23</b>	<b>31-Mar-23 To 31-Mar-24</b>
Current Service Cost	0.26	0.62
Interest Cost	0.05	0.14
Expected Return on Plan Assets	-	-
Past Service Cost	-	-
Net Actuarial Losses/(Gains)	1.47	(0.42)
(Gain)/Loss due to Settlements/Curtailments/ Acquisitions/Divestitures	-	-
Unrecognized Asset due to Limit in Para 64(B)	-	-
<b>Total Expense/(Income) included in "Employee Benefit Expense"</b>	<b>1.78</b>	<b>0.34</b>

(Amount in Rs. In Lakhs unless otherwise stated)

Change in Present value of Benefit Obligation during the Period	31-Mar-22 To 31-Mar-23	31-Mar-23 To 31-Mar-24
Defined Benefit Obligation, Beginning of Period	1.03	2.23
Current Service Cost	0.26	0.62
Interest Cost	0.05	0.14
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	1.47	(0.42)
Acquisition/Business Combination/Divestiture	-	-
Actual Benefits Paid	(0.58)	(0.58)
Past Service Cost	-	-
Changes in Foreign Currency Exchange Rates	-	-
Loss / (Gains) on Curtailments	-	-
Liabilities Extinguished on Settlements	-	-
<b>Defined Benefit Obligation, End of Period</b>	<b>2.23</b>	<b>1.99</b>

**Additional Disclosures (Cash Flows):**

(Amount in Rs. In Lakhs unless otherwise stated)

	<b>31-Mar-24</b>	
Defined Benefit Obligation (Base)	1.99	
Sensitivity Analysis	<b>31-Mar-24</b>	
	<b>Decrease</b>	<b>Increase</b>
Discount Rate	2.08	1.90
Impact of increase/decrease in 50 bps on DBO	4.78%	-4.45%
Salary Growth Rate	1.89	2.08
Impact of increase/decrease in 50 bps on DBO	-4.64%	4.95%

(Amount in Rs. In Lakhs unless otherwise stated)

Expected Cash Flows	<b>31-Mar-24</b>
Year 1	0.16
Year 2	0.15
Year 3	0.15
Year 4	0.15
Year 5	0.14
Year 6 to 10	0.69

### Actuarial Assumptions:

The principal assumptions used for reporting period 31 March, 2023 and 31 March, 2024 are summarized in the table below. The assumptions as at the balance sheet date are used to determine the defined benefit obligation & employee benefit expense.

Financial Assumptions	31-Mar-23	31-Mar-24
Discount Rate	7.15%	6.95%
Salary Escalation Rate	3.00%	3.00%
Expected Return on Assets	0.00%	0.00%
Demographic Assumptions	31-Mar-23	31-Mar-24
Mortality Table *	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Withdrawal Rate	12.00%	5.00%
Retirement Age	60 years	60 years

### Timing Related Assumptions:

Time of Retirement	Immediately on achieving normal retirement
Salary Increase frequency	Once a year

\* Mortality Rates: Representative mortality rates from Indian Assured Lives Mortality (2012-14) Ult. are given in the table below.

Age	Rate	Age	Rate
20	0.0009240	50	0.0044360
25	0.0009310	55	0.0075130
30	0.0009770	60	0.0111620
35	0.0012020		
40	0.0016800		
45	0.0025790		



## E. Income taxes

Income tax expense represents the sum of the tax payable on current year as per Income tax provision and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

*Current tax* is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted.

*Deferred tax* is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Movement of deferred tax liability from beginning to end of financial year is as follows:

(Amount in Rs. In Lakhs unless otherwise stated)

Particulars	As at April 01, 2022	Provided previous year	As at March 31, 2023	Provided current year	As at March 31, 2024
<b>Deferred tax Liability:</b>					
A. Relating to Property, Plant & Equipment	0.11	0.31	0.42	0.23	0.65
B. Relating to Actuarial Gain from defined benefit plan recognised in OCI	0.76	(0.07)	0.69	(0.08)	0.61
C. Relating to earlier years recognized during the year	16.27	-	16.27	-	16.27
<b>Total Deferred Tax Liability</b>	<b>17.15</b>	<b>0.23</b>	<b>17.38</b>	<b>0.15</b>	<b>17.53</b>

<b>Deferred Tax Asset:</b>					
A. Items disallowed u/s 43B of the Income Tax Act 1961	0.52	(0.39)	0.13	(0.75)	(0.88)
B. Investments carried at fair value through Profit or Loss	(13.67)	(4.77)	(18.45)	0.51	(17.94)
C. Provision for ECL	0.39	(2.83)	(2.44)	2.44	-
<b>Total Deferred Tax Asset</b>	<b>(12.76)</b>	<b>(2.32)</b>	<b>(20.76)</b>	<b>1.94</b>	<b>(18.82)</b>
<b>Deferred Tax Liabilities/ (Assets)(net)</b>	<b>4.38</b>	<b>-</b>	<b>(3.38)</b>	<b>-</b>	<b>(1.29)</b>
<b>Tax (Income)/Expense during the period recognized in:</b>					
i. Statement of Profit and Loss	-	(7.68)	-	(7.00)	-
ii. Other Comprehensive Income	-	(0.07)	-	(0.08)	-
iii. Retained Earnings	-	-	-	-	-

## F. Property plant & equipment

Property plant & equipment comprising of office equipment and computers are stated at historical cost less accumulated depreciation.

Residual value in respect of assets is considered as 5% of the cost for computing depreciation.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

<b>Asset</b>	<b>Useful life (in years)</b>
Computer equipment's and accessories	3
Office equipment's	5
Computer Software	10

### ***Depreciation/ amortisation:***

Depreciation is recognized so as to write off the cost of assets less their residual values over their useful lives, using the straight line method in the manner prescribed under Schedule II of the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and changes if any has been accounted on a prospective basis as changes in accounting estimates. In order to maintain uniformity in accounting policies adopted by group companies, the company has changed the depreciation method from written down value to straight line from FY 2020-21.

The depreciation calculated under straight line amounted to Rs.2.05 Lakhs which has been charged to the statement of profit and loss in the current financial year.

Items of Plant, Property and Equipment is fully depreciated where the management estimates the useful life is less than 12 months and charged to the statement of profit and loss.

### **G. Intangible assets – Computer software**

Intangible assets comprising of computer software is 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 statement of profit and loss.

### ***Amortisation:***

Amortization is recognized so as to write off the cost of intangible assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and amortization method are reviewed at the end of each reporting period, and changes if any has been accounted on a prospective basis as changes in accounting estimates.

### **H. Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

## **I. Cash and cash equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## **J. Bank balances other than above**

Bank balances other than cash and cash equivalents have a maturity of more than three months from the date of acquisition.

## **K. Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provision of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition.

Transactions costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### **(i) Financial assets**

#### *Classification of financial assets*

Financial assets are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss.

A financial asset is measured at amortised cost using effective interest rate method if both of the following conditions are met:

- (a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

(b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. Financial assets i.e. derivative instruments and investments in instruments other than equity of subsidiaries, joint ventures and associates) are subsequently measured at fair value. Such financial assets are measured at fair value at the end of each reporting period, with any gains (e.g. any dividend or interest earned on the financial asset) or losses arising on re-measurement recognised in profit or loss and included in the "Other Income". Investments in equity instruments & mutual funds are classified as fair value through profit or loss.

#### Impairment of financial assets:

A financial asset is regarded as credit impaired when one or more events that may have a detrimental effect on estimated future cash flows of the asset have occurred. The Company applies the expected credit loss model for recognising impairment loss on financial assets (i.e. the shortfall between the contractual cash flows that are due and all the cash flows (discounted) that the Company expects to receive.

#### Expected Credit Loss (ECL)

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of those financial instruments.

The Company measures the loss allowance for the financial instruments at an amount equal to the lifetime expected credit losses if the credit risk on those financial instruments has increased significantly since initial recognition. If the credit risk on financial instruments has not increased significantly since initial recognition, the Company measures the loss allowance for those financial instruments at an amount equal to 12 month expected credit losses. The twelve months expected credit losses are portion of the lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted beyond the 12 months.

If the Company measured loss allowance for the financial instruments at life time expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12 month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instruments instead of the change in the amount of expected credit losses. To make the assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

The company recognizes stages for recognition of expected credit loss on financial instruments for which there has been significant increase in credit risk since initial recognition. The probability of default and loss given default have been measured using past credit history, and forward looking credit risk estimations which may include external credit ratings and credit loss experiences of other peer companies wherever applicable.

*Loan Against Mutual Funds as on the reporting date*

Criteria 1	Criteria 2	Trigger	Classification
Interest Payment 0 - 7 Days Past Due	Security Value falls upto 9%	Whichever is earlier	Stage 1
Interest Payment >7 Days upto 15 Days Past Due	Security Value falls upto 10% to 25%	Whichever is earlier	Stage 2
Interest Payment > 15 Days Past Due	Security Value falls more than 25%	Whichever is earlier	Stage 3

*Loan Against Shares as on the reporting date*

Criteria 1	Criteria 2	Trigger	Classification
Interest Payment 0 - 7 Days Past Due	LTV Ratio Upto 55%	Whichever is earlier	Stage 1
Interest Payment >7 Days upto 15 Days Past Due	LTV Ratio > 55% upto 67%	Whichever is earlier	Stage 2
Interest Payment > 15 Days Past Due	LTV Ratio > 67%	Whichever is earlier	Stage 3



The Loss allowance will be considered as Provision calculations as per IRAC and Provision calculations as per ECL whichever is higher.

#### De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. The company directly reduces the gross carrying amount of a financial asset when it has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. A write-off constitutes a de-recognition event.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

#### **(ii) Financial liabilities**

All financial liabilities are initially measured at fair value and subsequently measured at amortised cost, if material.

#### De-recognition of financial liabilities

The company removes a financial liability or a part of a financial liability from its balance sheet when, and only when, it is extinguished—i.e when the obligation specified in the contract is discharged or cancelled or expires.

### **L. Earnings per share**

Basic earnings per share is calculated by dividing net profit after tax for the year attributable to equity shareholders of the company by the weighted average number of equity shares issued.

For the purpose of calculating diluted earnings per share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The Earning per Share (EPS) has been computed in accordance with the IND AS 33.

(Amount in Rs. In Lakhs unless otherwise stated)

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
Net Profit / (loss) for the year available for the equity shareholders (Before & after extraordinary items)	114.68	39.03
Nominal value per equity share	100	100
Weighted Average No. of outstanding equity shares during the year – Basic & Diluted.	30,01,000	30,01,000
Basic & Diluted Earnings per Share (Before & after extraordinary items) in INR	Rs. 3.82	Rs. 1.30

## M. Contingent liabilities

Contingent liabilities are disclosed for:

- Possible obligation which will be confirmed only by future events not wholly within the control of the Company; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

## Other Notes:

### I. Contingent liabilities:

- Estimated amount of contracts remaining to be executed on Capital account and not provided for: For FY 2023-24 is NIL (FY 2022-23 – Rs.Nil).
- Other Contingent liabilities: For FY 2023-24 is NIL (FY 2022-23 – Rs. Nil).

### II. Remuneration to Auditors

(Amount in Rs. In Lakhs unless otherwise stated)

Nature of Service	FY 2023-24	FY 2022-23
Statutory Audit Fee	2.00	2.00
For quarterly reporting	0.87	0.80
Tax Audit and Other Fees	0.20	0.10
GST	0.55	0.52
<b>Total</b>	<b>3.62</b>	<b>3.41</b>

- III. The Company shares certain costs/service charges on a mutually agreed basis with the holding company.
- IV. The company is primarily engaged in lending against equity share and mutual funds. As such there, are no separate reportable segments as per IND AS 108.

**V. Related Party Disclosure as per Ind AS 24**

- (a) Ultimate Holding Company: IFCI Limited
- (b) Holding Company: IFCI Financial Services Ltd
- (c) Fellow Subsidiaries:
- a) IFIN Commodities Limited
  - b) IFIN Credit Limited
  - c) IFCI Factors Limited
  - d) IFCI Venture Capital Funds Limited
  - e) IFCI Infrastructure Development Ltd
  - f) MPCON Limited
  - g) Stock Holding Corporation of India Limited

**Note:** Fellow Subsidiaries (c) to (g) given above are subsidiaries of ultimate Holding Company, IFCI Limited.

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

Mrs. S Karpagam	: Managing Director
Mr. A V Pushparaj	: Chief Financial Officer
Ms. Sanjana Chabra	: Company secretary (till June 12, 2023)
Mrs. J M Sathyavathi	: Company secretary (since Jan 12, 2024)

Relatives of Key Management Personnel: Nil

Continued...

(e) Transactions with Related Parties

(Amount in Rs. In Lakhs unless otherwise stated)

Sr. No.	Particulars	Holding/Subsidiary/ Fellow Subsidiary Companies	
		FY 2023-24	FY 2022-23
1	Managing Director's compensation, travel and other reimbursements paid / payable to Stockholding Corporation of India Ltd (SHCIL) including taxes	-	-
2	Shared office expenses reimbursed to IFCI Financial Services Ltd (IFIN) - Holding Company	72.95	72.95
3	Salary deputation reimbursed to IFCI Financial Services Ltd(IFIN) -Holding Company	12.48	15.74
4	Salary deputation reimbursed by IFCI Financial Services Ltd(IFIN) -Holding Company	3.74	8.36
5	Commission payable to IFIN for customer referrals (including taxes)	-	-
6	Commission payable to SHCIL for customer referrals	2.03	3.29
7	Sitting fees to Mr.Sanjay Tanksale	1.45	1.25
8	Salary to KMP:		
	Mr. Siddarth Diwedi	---	1.09
	Ms. Sanjana Chhabra	1.86	2.33

**Balance as at year end:**

**(Amount in Rs. In Lakhs unless otherwise stated)**

Nature	Name of the party	As at 31 March 2024	As at 31 March 2023
Commission Payable	IFCI financial services ltd	---	---
	Stock holding corporation of India ltd	0.08	0.53
Salary deputation Payable (Reimbursed)	IFCI financial services ltd	---	0.03
Professional and consultation fee	Stock holding corporation of India ltd	---	---

**Note:**

(a) The Company accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties.

(b) The Related Parties have confirmed to the Management that as at 31 March 2024 and 31 March 2023 there are no further amounts payable to / receivable from them, other than as disclosed above.

**VI. Foreign Exchange Inflow and Outflow**

During the year, the company has spent a sum of Rs. Nil (FY 2022-23 - Rs. Nil) in foreign exchange, towards expenses and asset purchases. There is no foreign exchange income during the year.

**VII. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

As per the information available with us, the Company deals with vendors covered under Micro, Small & Medium Enterprises Development Act, 2006. The compliance and reporting in this regard are complied.

**VIII. Capital Management**

The Company's capital management is intended to maximize the return to shareholders and benefits for other stakeholders for meeting the long-term and short-term goals of the Company. For the purpose of capital management, capital includes issued equity capital and all other reserves attributable to the equity shareholders of the Company.

## Categories of financial instruments

(Amount in Rs. In Lakhs unless otherwise stated)

Financial assets	31.03.2024	31.03.2023
<b>Measured at fair value through profit or loss (FVTPL)</b>		
(a) Mandatorily measured:		
(i) Equity & Mutual Fund investments	91.56	254.00
(ii) Derivative instruments designated in hedge accounting Relationship	-	-
<b>Measured at fair value through Other comprehensive income (FVTOCI)</b>		
(i) Equity investments	-	-
<b>Measured at amortized cost</b>		
(a) Cash and cash equivalents	10.31	35.08
(b) Bank balances (Fixed deposits with bank)	1,838.46	1,244.78
(c) Loans (Gross)	1,067.01	1,377.83
(d) Other financial assets	1.58	3.07

## Liquidity risk management

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities for funding the loans against shares, margin funding and mutual fund. The ultimate responsibility for liquidity risk management rests with the Board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short, medium and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities as at 31<sup>st</sup> March 2024:

(Amount in Rs. In Lakhs unless otherwise stated)

Particulars	Carrying amount	up to 1 year	1-3 Years	3-5 Years	More than 5 years
<b>Current financial liabilities:</b>					
Other payables	5.88	5.88	-	-	-

The table below provides details regarding the contractual maturities of financial liabilities as at 31<sup>st</sup> March 2023:

(Amount in Rs. In Lakhs unless otherwise stated)

Particulars	Carrying amount	up to 1 year	1-3 Years	3-5 Years	More than 5 years
<b>Current financial liabilities:</b>					
Other payables	5.97	5.97	-	-	-



The table below provides details regarding the contractual maturities of financial assets as at 31<sup>st</sup> March 2024:

(Amount in Rs. In Lakhs unless otherwise stated)

Particulars	Carrying amount	upto 1 year	1-3 years	3-5 Years	More than 5 years
<b>Current financial assets:</b>					
Cash and cash equivalents	10.31	10.31	-	-	-
Bank balances (Fixed deposits with bank)	1782.69	1137.69	645.00	-	-
Loans (Gross)	1067.01	786.88	280.13	-	-
Other Financial Assets	1.58	1.58	-	-	-

The table below provides details regarding the contractual maturities of financial assets as at 31<sup>st</sup> March 2023:

(Amount in Rs. In Lakhs unless otherwise stated)

Particulars	Carrying amount	upto 1 year	1-3 years	3-5 Years	More than 5 years
<b>Current financial assets:</b>					
Cash and cash equivalents	35.08	35.08	-	-	-
Bank balances (Fixed deposits with bank)	1,215.00	865.00	350.00	-	-
Loans (Gross)	1,377.83	622.01	755.82	-	-
Other Financial Assets	1.58	1.58	-	-	-

## IX. Statutory Reserve

As per Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to create a reserve fund at a rate of 20% of the net profit after tax of the Company every year. Considering the Profit after tax for the year ended 31 March 2024, Rs.22.94 Lakhs is transferred to the statutory reserve as required under Section 45-IC of Reserve Bank of India (RBI) Act, 1934.

**X Non- Current Asset:**

The company has taken efforts to clear the long pending Income Tax assessments for the below Assessment years.

Particulars	Amount
FY 2012-13	5,37,208
FY 2011-12	4,66,076
FY 2015-16	7,00,024

**XI. Analytical Ratios:**

- (a) Capital to risk-weighted assets ratio (CRAR)
- (b) Tier I CRAR
- (c) Tier II CRAR

(Amount in Rs. In Lakhs unless otherwise stated)

Ratio	Numerator	Denominator	Current period	Previous period	% variance	Reason for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)	3050.27	1170.83	260.52%	177.16%	83.36	Due to reduction in the loan book size of Rs.3.20 Cr.
Tier I CRAR	3046	1170.83	260.16%	175.44%	84.72	Reversing the loss allowance in consequent to reduction in the loan book size.
Tier II CRAR	4.27	1170.83	0.36%	1.72%	-1.36	-

**XII. Additional Regulatory Disclosures as per Schedule III of Companies Act, 2013**

1. No immovable property are held in the name of the company
2. The Company does not have any investment property.
3. As per the Company's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable
4. The Company has not granted Loans or Advances in the nature of loan to promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) which are repayable on demand or without specifying any terms or period of repayments.

5. No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
6. The Company has no sanctioned facilities from banks on the basis of security of current assets. Hence, no periodic returns required to be filed by the Company with such banks.
7. The Company has not been declared as a Willful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2024 & March 31, 2023
8. There are no transactions with the Companies whose name are struck off under Section 248 of The Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended March 31, 2024.
9. All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending for the year ended March 31, 2024.
10. No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.
11. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary.
12. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on
  - (b) behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
13. The Company has not operated in any crypto currency or Virtual Currency transactions

Previous Year Figures:

Previous year figures have been regrouped/reclassified/readjusted, wherever necessary, to conform to the current year's classification.

**XIII. Other Disclosure:**

- (a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) No funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**For K. Munusami & Co.**

Chartered Accountants

Firm Reg.No. 005602S

**For and on behalf of the Board of**

**Directors of IFIN Securities Finance Limited**

**-Sd-**

**CA S. Prabakar Pandidurai**

Partner

Membership No. 216328

**-Sd-**

**S Karpagam**

**Director**

DIN:09755388

**-Sd-**

**Ramkumar Srinivasan**

**Director**

DIN:01175498

**-Sd-**

**A V Pushparaj**

**Chief Financial Officer**

**-Sd-**

**Sathyavathi J M**

**Company Secretary**

Membership No.43618

Place: Chennai

Date: 20-04-2024

## Weighted Risk assets

(Amount in Rs.)

<b>Weighted risk assets - On-Balance Sheet</b>	<b>Percentage</b>	<b>Asset considered</b>	<b>Weighted Risk assets</b>
<b>items</b>	<b>weight</b>		
(i) Cash and bank balances including fixed deposits and certificates of deposits with banks	0	1,848.77	-
(ii) <u>Investments</u>			-
(a) Approved securities [Except at (c) below]	0		-
(b) Bonds of public sector banks	20		-
(c) Fixed deposits/certificates of deposits/ bonds of public financial institutions	100	-	-
(d) Shares of all companies and debentures/bonds/commercial papers of all companies and units of all mutual funds	100	91.56	91.56
(iii) <u>Current assets</u>			-
(a) Stock on hire (net book value)	100		-
(b) Intercompany loans/deposits	100		-
(c) Loans and advances fully secured against deposits held by the company itself	0		-
(d) Loans to staff	0		-
(e) Other secured loans and advances considered good (gross)	100	1,067.01	1,067.01
(f) Bills purchased/discounted	100		
(g) Others (To be specified)	100	1.58	1.58
(iv) <u>Fixed Assets (net of depreciation)</u>			
(a) Assets leased out (net book value)	100		
(b) Premises	100		
(c) Furniture & Fixtures	100		
(v) <u>Other assets</u>			
(a) Income tax deducted at source (net of provision)	0		
(b) Advance tax paid (net of provision)	0		
(c) Interest due on Government securities	0		
(d) Others (to be specified)	100		
<b>Total Weighted Risk Assets</b>			<b>1,160.15</b>
Tier I capital = Equity + reserves & surplus			3,046.00
<b>Tier II</b>			-
a. Provision on Standard Assets		4.27	
<b>Total of Tier II</b>			4.27
<b>Total Capital Funds</b>			<b>3,050.27</b>
<b>CRAR</b>			<b>262.92%</b>
	Tier I		262.55%
	Tier II		0.37%

### Notes:

Others excludes prepaid expenses as pointed by RBI in its inspection report of February 2020  
Loans and advances considered at Gross and ECL considered as Tier II

**Disclosure Pursuant to Reserve Bank of India Notification DNBS.200/CGM (PK)-2008 dated 1 August 2008**

**I. Capital**

(in %)

Particulars		As at 31 <sup>st</sup> Mar'2024	As at 31 <sup>st</sup> Mar'2023
i	CRAR (%)	260.52	177.16
ii	CRAR - Tier I Capital (%)	260.16	175.44
iii	CRAR - Tier II Capital (%)	0.36	1.72
iv	Amount of subordinated debt raised as Tier-II	-	-
v	Amount raised by issue of Perpetual Debt Instruments	-	-

**II. Asset Liability Management Maturity pattern of certain items of Assets and Liabilities**

(Amount in Lakhs)

Particular	Up to 30/31 Days	Over 1 Month & up to 2 Months	Over 2 Month & up to 3 Months	Over 3 Month & up to 6 Months	Over 6 Month & up to 1 Year	Over 1 Year & up to 3 Years	Over 3 years Month & up to 5 Years	Over 5 years	Total
Deposits	-	60.00	290.00	190.00	597.69	646.50	-	-	1784.19
Advances	32.48	3.92	12.80	188.91	548.77	280.13	-	-	1067.01
Investments**	-	-	-	-	91.56	-	0.05	-	91.61
Borrowings	-	-	-	-	-	-	-	-	-
Foreign Currency Assets	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-

**\*\* Investments are made in mutual funds which have been presented based on the budget loan requirement of the funds and will be liquidated based on the actual requirement of funds.**



### III. Exposures

#### Exposure to Real Estate Sector

Category			Current Year 2023-24	Previous Year 2022-23
a)	<b>Direct Exposure</b>			
	i	<b>Residential Mortgages</b>		
		Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	Nil	Nil
	ii	<b>Commercial Real Estate</b>		
		Lending secured by mortgages on commercial real estate ( Office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction.	Nil	Nil
	iii	Investments in Mortgage Backed Securities	Nil	Nil
		( MBS ) and other securitised exposures		
	A	Residential	Nil	Nil
	B	Commercial Real Estate	Nil	Nil
<b>Total Exposure to Real Estate Sector</b>			<b>Nil</b>	<b>Nil</b>

## Exposure to Capital Market

		(Amount in Lakhs)	
		Current Year 2023-24	Previous Year 2022-23
<b>I</b>	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	-	-
<b>II</b>	Advance against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOS/ESOPS), convertible bonds, convertible debentures and units of equity-oriented mutual funds	-	-
<b>III</b>	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	1067.01	1377.83
<b>IV-</b>	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds ie where the primary security other than shares/convertible bonds / convertible debentures / units of equity	-	-
<b>V</b>	Secured and unsecured advances to stock brokers and guarantees issued on behalf of stock brokers and markets makers	-	-
<b>VI</b>	Loans sanctioned to corporate against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
<b>VII</b>	Bridge loans to companies against expected equity flows/issues	-	-
<b>VIII</b>	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
<b>IX</b>	Financing to stockbrokers for margin trading	-	-
<b>X</b>	All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	-	-
<b>Total Exposure to Capital Market</b>		<b>1067.01</b>	<b>1377.83</b>

## Sectoral Exposure

(Amount in Lakhs)

Sectors	Current Year			Previous Year		
	Total Exposures (Incl on Balance Sheet and Off Balance Sheet)	Gross NPA's	Percentage of Gross NPA's to total exposure in that sector	Total Exposures (Incl on Balance Sheet and Off Balance Sheet)	Gross NPA's	Percentage of Gross NPA's to total exposure in that sector
Others						
Retail Loans	1067.01	-	-	1,377.83	-	-

## IV. Details of Single Borrower Limit (SBL)/Group Borrower Limit (GBL) exceeded by the NBFC

There are no instances of exceeding the single and group borrowing limit by the Company during the current year.

## V. Unsecured Advance

The Company has not advanced loan against intangible securities such as charge over the rights, licences, authority, etc., as collaterals.

Disclosure Pursuant to Reserve Bank of India Notification DNBR (PD) CC No. 002/03.10.001/2014 -15 dt. 10 November 2014

### I. Investments

(Amount in Lakhs)

Particulars		Current Year 2023-24	Previous Year 2022-23
1	Value of Investments		
I	Gross Value of Investments		
(a)	In India	91.61	254.05
(b)	Outside India,	-	-
Ii	Provisions for Depreciation		
(a)	In India	0.05	0.05
(b)	Outside India,	-	-
Iii	Net Value Of Investments		
(a)	In India	91.56	254.00
(b)	Outside India,		

2	Movement of provisions held towards depreciation on investments			
	I	Opening balance	0.05	0.05
	Ii	Add: Provisions made during the year	--	--
	Iii	Less : Write-off/write-back of excess provisions during the year	--	--
	Iv	Closing balance	0.05	0.05

## II. Derivatives

### Forward Rate Agreement/ Interest Rate Swap

The company does not deal in derivatives and accordingly disclosures is not required.

### Exchange Traded Interest Rate (IR) Derivatives

The company does not deal in derivatives and accordingly disclosures is not required.

### Disclosures on Risk Exposure in Derivatives

The company does not deal in derivatives and accordingly disclosures is not required.

## III. Disclosures relating to Securitisation

The company does not deal in the business of securitisation and accordingly disclosures is not required.

## IV. Details of Assignment transactions undertaken by NBFCs

The company has not entered into assignment transactions and accordingly disclosures is not required.

## V. Details of non-performing financial assets purchased/sold

The company has not purchased or sold any non-performing financial assets and accordingly disclosures is not required.

## VI Additional Disclosures.

### 1. Provisions and Contingencies

To facilitate easy reading of the financial statements and to make the information on all provisions and contingencies available at one place, NBFCs are required to disclose in the NTA the following information:

(Amount in Lakhs)		
Break up of "Provisions and Contingencies" show under the head Expenditure in Profit and Loss Account	Current Year 2023-24	Previous Year 2022-23
Provisions for depreciation on Investment	0.05	0.05
Provision towards NPA - Write off	--	--
Provision made towards Income Tax	6.55	10.13
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets	-	28.80

**\* Break-up of Expected Credit Loss (ECL) provision of FY 2023-24**

	In lakhs	In lakhs
Bad debts written off during the current year	--	
less: Provision written back during the current year	--	
Bad debts reflected in the profit and loss statement		--
ECL provision on Standard Assets		--
<b>Total ECL</b>		--

**2. Draw Down from Reserves**

Suitable disclosures are to be made regarding any draw down from reserves in the NTA -  
Not applicable

**3. Concentration of Deposits, Advances, Exposure and NPAs**

**Concentration of Deposits (for deposit taking NBFCs)**

(Amount in Lakhs)	
Total Deposits of twenty largest depositors	Nil
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	Nil

**Concentration of Advances**

(Amount in Lakhs)	
Total Advances to twenty largest borrowers	450.89
Percentage of Advances of twenty largest borrowers to Total Advance of the NBFC	42.26%

### Concentration of Exposures\*

(Amount in Lakhs)	
Total Exposure to twenty largest borrowers	450.89
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	42.26%

### 4. Sector-wise NPAS

S.No	Sector	Percentage of NPAs to Total Advances in that sector
1.	Agriculture & allied activities	NIL
2.	MSME	NIL
3.	Corporate borrowers	NIL
4.	Unsecured personal loans	NIL
5.	Auto loans	NIL
6.	Other personal loans *	NIL

There were no NPAs as on 31.03.2023 and all advances are Standard Assets.

### 5. Movement of NPAS

(Amount in Lakhs)			
Particulars		Current Year 2023-24	Previous Year 2022-23
I	Net NPAS to Net Advances		
ii	Movement of NPAs ( Gross)		
	(a) Opening balance	--	--
	(b) Additions during the year	--	--
	(c) Written off during the year	--	--
	(d) Closing balance	--	--
iii	Movement of Net NPAs		
	(a) Opening balance	--	--
	(b) Additions during the year	--	--
	(c) Written of Reductions during the year	--	--
	(d) Closing balance	--	--

Iv	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a)	Opening balance	--
	(b)	Provisions made during the year	--
	(c)	Write-off / write-back of excess provisions	--
	(d)	Closing balance	--

**6. Overseas Assets (for those with joint ventures and subsidiaries abroad)-**

The Company did not have any overseas assets during the current year.

**7. Off-balance sheet SPV sponsored (which are required to be consolidated as per accounting norms)**

Name of the SPV Sponsored	
Domestic	Overseas
NA	NA

**VII Miscellaneous:**

**1. Registration obtained from other financial sector regulators**

There is no registration which has been obtained from other financial sector regulators.

**2. Disclosure of Penalties imposed by RBI and other regulators**

There are no penalties imposed by Reserve Bank of India and other regulators during the financial year

**3. Ratings assigned by credit rating agencies and migration of ratings during the year**

Not applicable

**Details of registration with financial regulators**

Regulator	Registration No.
Ministry of Corporate Affairs	U65991TN1989GOI017792
Reserve Bank Of India	B-07-00672

**4. Related Party Transactions**

Details of all material related party transaction are disclosed in note VI.



## 5. Remuneration of directors

The company has not paid any remuneration to directors during the year.

## 6. Disclosure of Complaints

### Customer Complaints

(a)	No. of complaints pending at the beginning of the year	NIL
(b)	No. of complaints received during the year	NIL
(c)	No. of complaints redressed during the year	NIL
(d)	No. of complaints pending attend the year	NIL

### DISCLOSURE OF FRAUDS REPORTED VIDE DNBS. PD. CC NO. 256/ 03.10.042/ 2011-12 DATED MARCH 02, 2012

(a) Current Year 2023-24-NIL

(b) Previous Year 2022-23-NIL

### DISCLOSURE ON MORATORIUM - COVID 19 REGULATORY PACKAGE - ASSET CLASSIFICATION AND PROVISIONING FOR THE YEAR ENDED MARCH 31, 2021 IN PURSUANT TO THE NOTIFICATION VIDE: DOR.NO.BP.BC.63/21.04.048/2019-20 DATED APRIL 17, 2020

No moratorium requests relating to the COVID-19 regulatory package were received from the borrowers and there was no impact on asset classification and provisioning.

### DISCLOSURE OF COMPARISON OF PROVISION AS PER IRAC NORMS AND ECL PURSUANT TO RBI CIRCULAR, VIDE DNBS.PD.CC.NO.109/22.10.106/2019-20 DATED MARCH 13, 2020 FOR THE YEAR ENDED MARCH 31, 2024.

(Amount in Lakhs)

Asset Classification as per RBI	Asset Classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss Allowance as per Ind AS 109	Provisioning required as per IRAC norms	Difference between Ind AS 109 and IRAC norms provisioning
Standard	Stage 1	1067.01	-	4.27	4.27

## A) Corporate governance

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Paragraph C of Schedule V – Annual Report) as amended from time to time, specifies disclosures to be made in the section on the corporate governance of the Annual Report. With respect to the corporate governance report, non-listed NBFCs should also endeavour to make full disclosure in accordance with the requirement of SEBI (LODR) Regulation, 2015. Non-listed NBFCs at the minimum should disclose following under the corporate governance section of the annual report.

## B) Composition of the Board:

Sl. No	Name of Director	Direct or Since	Capacity (i.e. Executive/Non-Executive/Chairman/Promoter nominee/Independent	DIN	No. of Board Meetings		No. of other Directorships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee  Rs. In Lacs	Commission	
1	RAMKUMAR SRINIVASAN	15-06-2017	NON - EXECUTIVE DIRECTOR	01175498	8	8	1	NIL	NIL	NIL	1
2	SANJAY WASANTRAO TANKSALE	25-10-2019	INDEPENDENT DIRECTOR- NON - EXECUTIVE DIRECTOR	02414203	8	8	NIL	NIL	1.45	NIL	NIL
3	ALAN SAVIO PACHECO	30-03-2021	NOMINEE DIRECTOR- NON - EXECUTIVE DIRECTOR	03497265	8	8	3	NIL	NIL	NIL	1

4	RAMESH NARAYANASWAMI GOURI SANKARAN	17-06-2019	CHAIRMAN-NON-EXECUTIVE DIRECTOR	06932731	0	0	-	NIL	NIL	NIL	NIL
5	KARPAGAM SUNDARAMOORTHY	04-10-2022	MANAGING DIRECTOR-EXECUTIVE DIRECTOR	09755388	8	8	3	NIL	NIL	NIL	1

\*Mr. Ramesh Narayanaswami Gouri Sankaran Ceased to be associated with the company w.e.f 17.04.2023 on account of his resignation.

Details of change in composition of Board During the current and previous financial year.

#### F.Y 2023-2024

Sl.No	Name of Director	Capacity (i.e. Executive/Non-Executive/Chairman/ Promoter nominee/Independent	Nature of change (resignation, appointment)	Effective date
1	RAMESH NARAYANASWAMI GOURI SANKARAN	CHAIRMAN-NON - EXECUTIVE DIRECTOR	RESIGNATION	17-04-2023

#### F.Y 2022-2023

Sl.No.	Name of Director	Capacity (i.e. Executive/Non-Executive/ Chairman/Promoter nominee/Independent	Nature of change (resignation, appointment)	Effective date
1	KARRA VISWESWAR RAO	MANAGING DIRECTOR - EXECUTIVE DIRECTOR	RESIGNATION	04-10-2022
2	KARPAGAM SUNDARAMOORTHY	MANAGING DIRECTOR - EXECUTIVE DIRECTOR	APPOINTMENT	04-10-2022

Where an independent director resigns before expiry of her / his term, the reasons for resignation as given by her /him shall be disclosed.- NIL

Details of any relationship amongst the directors inter-se shall be disclosed.-NIL

# 1) Committees of the Board and their composition

(i) Mention the names of the committees of the Board.

1- AUDIT COMMITTEE

2- NOMINATION AND REMUNERATION COMMITTEE

3- ASSET LIABILITY MANAGEMENT COMMITTEE

4- RISK COMMITTEE

5- RISK AND ASSET LIABILITY MANAGEMENT COMMITTEE w.e.f  
02.11.2023

(ii) For each committee, mention the summarized terms of reference and provide the following details.

## AUDIT COMMITTEE

Sl. No.	Name of Director	Member of committee since	Capacity (i.e. Executive/Non-Executive/Chairman/Promoter nominee/Independent	No.of.Meetings of the Committee		No.of.share s held in the NBFC
				Held	Attended	
1	SANJAY WASANTRAO TANKSALE	25-10-2019	CHAIRMAN-INDEPENDENT DIRECTOR-NON - EXECUTIVE DIRECTOR	5	5	NIL
2.	RAMKUMAR SRINIVASAN	12-07-2018	NON - EXECUTIVE DIRECTOR	5	5	1
3.	KARPAGAM SUNDARAMOORTHY	04-10-2022	MANAGING DIRECTOR - EXECUTIVE DIRECTOR	5	5	1

### **NOMINATION AND REMUNERATION COMMITTEE**

Sl. No	Name of Director	Member of Committee since	Capacity (i.e. Executive/Non-Executive/Chairman/Promoter nominee/Independent)	No.of.Meetings of the committee		No.of.share s held in the NBFC
				Held	Attended	
1	SANJAY WASANTRAO TANKSALE	25-10-2019	CHAIRMAN-INDEPENDENT DIRECTOR-NON - EXECUTIVE DIRECTOR	6	6	NIL
2	RAMKUMAR SRINIVASAN	11-06-2021	NON - EXECUTIVE DIRECTOR	6	6	1
3.	KARPAGAM SUNDARAMOORTHY	04-10-2022	MANAGING DIRECTOR - EXECUTIVE DIRECTOR	6	6	1
4.	ALAN SAVIO PACHECO	02-08-2022	NOMINEE DIRECTOR- NON - EXECUTIVE DIRECTOR	6	6	1

### **RISK MANAGEMENT COMMITTEE**

Sl. No.	Name of Director	Member of committee since	Capacity (i.e. Executive/Non-Executive/Chairman/Promoter nominee/Independent)	No.of. Meetings of the committee		No.of. shares held in the NBFC
				Held	Attended	
1	RAMKUMAR SRINIVASAN	11-06-2021	NON - EXECUTIVE DIRECTOR	2	2	1
2.	KARPAGAM SUNDARAMOORTHY	04-10-2022	MANAGING DIRECTOR - EXECUTIVE DIRECTOR	2	2	1

### ALM COMMITTEE

Sl. No.	Name of Director	Member of committee since	Capacity (i.e. Executive/Non-Executive/Chairman/Promoter nominee/Independent	No.of.Meetings of the Committee		No.of.shares held in the NBFC
				Held	Attended	
1	RAMKUMAR SRINIVASAN	17-06-2019	NON - EXECUTIVE DIRECTOR	5	5	1
2.	KARPAGAM SUNDARAMOORTHY	04-10-2022	MANAGING DIRECTOR - EXECUTIVE DIRECTOR	5	5	1

### RISK AND ASSET LIABILITY MANAGEMENT COMMITTEE

Sl. No.	Name of Director	Member of committee since	Capacity (i.e. Executive/Non-Executive/Chairman/Promoter nominee/Independent	No.of.Meetings of the Committee		No.of.shares held in the NBFC
				Held	Attended	
1	SANJAY WASANTRAO TANKSALE	25-10-2019	CHAIRMAN-INDEPENDENT DIRECTOR-NON - EXECUTIVE DIRECTOR	1	1	NIL
2	RAMKUMAR SRINIVASAN	17-06-2019	NON - EXECUTIVE DIRECTOR	1	1	1
3	KARPAGAM SUNDARAMOORTHY	04-10-2022	MANAGING DIRECTOR - EXECUTIVE DIRECTOR	1	1	1

## 2) General Body Meetings

Give details of the date, place and special resolutions passed at the General Body Meetings.

Sl.No.	Type of Meeting (Annual/Extra- Ordinary)	Date and Place	Special resolutions passed
1	AGM	29.09.2023	No special resolution passed, only ordinary resolution passed.

## Statutory Reserve

Details of Creation of reserve fund as per Sec 45-IC of RBI Act, 1934 are disclosed in note XIII

-Sd-

**S Karpagam**  
Managing Director  
DIN: 09755388

-Sd-

**Ramkumar Srinivasan**  
Director  
DIN:01175498

-Sd-

**A V Pushparaj**  
Chief Financial Officer

-Sd-

**J M Sathyavathi**  
Company Secretary  
Membership No. 43618

Place: Chennai

Date: 20-04-2024