



IFIN COMMODITIES LIMITED

ANNUAL REPORT 2017 - 18

IFIN COMMODITIES LIMITED

Board of Directors

Shri Biswajit Banerjee	-	Nominee Director
Shri Sreekumaran V Nair	-	Nominee Director
Shri M. P. Rege	-	Independent Director
Shri Karra Visweswar Rao	-	Director

Statutory Auditors (2017-18)

M/s. Ganesan & Co.,
Chartered accountants
FRN 000859S
N. Venkatramani
M. No: 215145
Partner

Registered Office

Continental Chambers, 3rd Floor
142, Mahatma Gandhi Road
Nungambakkam, Chennai - 600 034
Ph: 044 2830 6600

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NOTICE

NOTICE is hereby given that the 10th Annual General Meeting of the shareholders of M/s. IFIN COMMODITIES LIMITED will be held at Continental Chambers, 142, III Floor, Mahatma Gandhi Road, Nungambakkam, Chennai – 600034 on Monday, September 24, 2018 at 02:00 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Financial Statements of the Company for the year ended on March 31, 2018, together with the Board of Directors' Report and Auditors' Report thereon.
2. To appoint a director in place of Shri Karra Visweswar Rao (DIN: 08111685), who retires by rotation and being eligible, offers himself for re-appointment.
3. 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 pass the following resolution, with or without modification(s), as an Ordinary resolution:.

"RESOLVED THAT pursuant to the provisions of Section 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 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 appointed by Comptroller and Auditor General of India (CAG) for the Financial Year 2018-19, as may be deemed fit."

By Order of the Board
For IFIN Commodities Limited


Aby Eapen

Company Secretary

Place: Chennai

Date: August 30, 2018

Regd. & Corp. Office : 'Continental Chambers', 3rd Floor, 142, Mahatma Gandhi Road, Nungambakkam, Chennai - 600 034. Tel : +91 (044) 2830 6600, Fax : +91 (044) 2830 6650

Notes:

1. *A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. Proxy forms should be submitted to the Company 48 Hours before the commencement of the Meeting.*
2. *Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of board resolution authorizing their representative to attend and vote on their behalf at the meeting.*
3. *Members should bring the attendance slip duly filled in for attending the meeting.*
4. *All documents referred to in the accompanying Notice and the explanatory statement shall be open for inspection at the registered office of the Company during Business Hours except on Holidays, up to and including the date of the Annual General Meeting of the Company.*
5. *Details of Directors seeking appointment or re-appointment at the Annual General Meeting of the Company to be held on Monday, September 24, 2018 are provided in Annexure - A of this notice.*

Annexure – A

Details of the Directors seeking Re-Appointment in the forthcoming Annual General Meeting

Name of the Director	Shri Karra Visweswar Rao
Date of Birth	April 15, 1977
Date of Appointment	May 16, 2018
Expertise in Specific functional area	Financial Services and Banking
Qualification	B.Com., CA, CMA
Experience	15 plus years of experience in banking and Financial Services
Directorships in other Companies	1. IFCI Financial Services Limited 2. IFIN Securities Finance Limited 3. IFIN Credit Limited
Number of Board Meetings attended during the Year	Nil
Chairman/ Membership of the Committee across all Companies	Member of Audit Committee 1. IFIN Securities Finance Limited Member of Credit Committee 1. IFIN Securities Finance Limited
Shareholding in the Company	Nil
Relationship with other Directors	Nil

ATTENDANCE SLIP

IFIN Commodities Limited

CIN: U93000TN2009GOI070524

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

Registered Folio No. : _____
Number of Shares held : _____

I certify that I am a registered shareholder/ proxy for the registered shareholder of the Company.

I hereby record my presence at the 10th Annual General Meeting of the Company held on Monday, September 24, 2018 at 02:00 P.M. at Continental Chambers, 142, III Floor, Mahatma Gandhi Road, Nungambakkam, Chennai – 600034.

Name of the Member

Signature of the Member

Name of the Proxy

Signature of the Member

Note: Please fill the Attendance Slip and hand it over at the Entrance of the Meeting Hall.

PROXY FORM

FORM NO MGT-11

IFIN Commodities Limited

CIN: U93000TN2009GOI070524

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

*(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014)*

CIN : U93000TN2009GOI070524
Name of the Company : IFIN Commodities Limited
Registered Office : Continental Chambers, 3rd Floor, 142, Mahatma Gandhi Road,
Nungambakkam, Chennai – 600034
Email : cs@ifinltd.in
Telephone : 044 2830 6613

Name of the Member(s) :	
Registered Address :	
E mail Id :	
Folio No. / Client ID:	
DP ID :	

I / We, being the member(s) of _____ shares of the above named company, hereby appoint:

(1) Name: _____
Address: _____
Email ID: _____
Signature: _____, or failing him/her

(2) Name: _____
Address: _____
Email ID: _____
Signature: _____, or failing him/her

(3) Name: _____
Address: _____
Email ID: _____
Signature: _____, or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 10th Annual General Meeting of the Company, to be held on Monday, September 24, 2018 at 02:00 P.M. at Continental Chambers, 142, III Floor, Mahatma Gandhi Road, Nungambakkam, Chennai – 600034 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolutions	For	Against
Ordinary Business			
1.	Adoption of the audited Financial Statements of the Company for the year ended on March 31, 2018, together with the Board of Directors' Report and Auditors' Report thereon.		
2.	Appointment of director in place of Shri Karra Visweswar Rao (DIN: 08111685), who retires by rotation and being eligible, offers himself for re-appointment.		
3.	Fixing of remuneration of the Statutory Auditor of the Company in terms of the provisions of Section 139(5) and 142 of the Companies Act, 2013.		

Signed this _____ day of _____ 2018.

Signature of the Shareholder

Signature of Proxy holder(s)

<p>Affix One Rupee Revenue Stamp</p>
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Notes:

1. *The form of Proxy, in order to be effective, should be duly completed and deposited at the registered office of the company not less than 48 Hours before the commencement of the Meeting.*
2. *A Proxy need not be a member of the Company.*
3. *In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.*
4. *The form of Proxy confers authority to demand or join in demanding a poll.*
5. *The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.*
6. *In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the columns "For" or "Against" as appropriate.*

BOARD'S REPORT

To
The Members of
IFIN Commodities Limited

The Board of Directors of your Company presents the 10th Annual Report of IFIN Commodities Limited, together with the Audited Financial Statement, for the year ended on 31st March 2018.

1. Financial Performance

(Rs. in lakh)

Particulars	YE 31.03.2018	YE 31.03.2017
Revenue from operations	69.09	114.17
Other income	31.65	37.04
Total income	100.74	151.21
Employee Benefits Expenses	80.90	98.02
Finance Costs	3.16	3.28
Depreciation and amortization Expenses	0.26	0.33
Other expenses	46.76	62.13
Total expenses	131.08	163.76
Provision for Doubtful debts	(0.55)	0.31
Prior period expenses	(3.02)	1.40
Profit/ (loss) before tax	(26.77)	(14.27)
Tax	0.04	5.85
PAT	(26.81)	(8.42)

2. Operations

During the FY 2017-18, Brokerage income has substantially reduced to Rs.68.95 lakh compared to the previous FY 2016-17 of Rs.113.89 lakh due to stringent exposure norms adopted. Most of the clients who suffered losses have refrained from further trading in commodity market. Other income consists of Interest income which amounts to Rs.31.29 lakh. Employee cost has

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decreased from Rs.98.02 lakh in FY 2016-17 to Rs.80.90 lakh in FY 2017-18. Other expenses include rent of Rs.22.98 lakh paid to IFIN, Commission of Rs. 4.01 lakh, Professional and Consultancy charges of Rs.9.34 lakh. The loss after tax is Rs.26.81 lakh for the financial year ending March 31, 2018 as against loss of Rs.8.42 lakh for the financial year ending March 31, 2017.

3. Business Environment

Investors who want to diversify their portfolios beyond shares, bonds and real estate; commodities are possibly the best option. Commodities actually offer immense potential to become a separate asset class for market-savvy investors, arbitrageurs and speculators. Retail investors, who claim to understand the equity markets, may find commodities an unfathomable market. But commodities are relatively easy to understand as far as fundamentals of demand and supply are concerned. Well-established physical commodities have been actively traded in spot and derivative markets. Generally, these are basic resources, apart from agricultural products such as crude oil, zinc, aluminum, copper, gold and silver.

4. Dividend

No dividend is being recommended by the Directors for the year ended March 31, 2018.

5. Transfer To Reserves

Since there are no profits for the FY 2017-18, amounts has not been transferred to reserves.

6. Directors and Key Managerial person

Changes in Directors and KMP during the FY 2017-18

Smt. S. Usha (DIN: 03567757), who retired by rotation at the Annual General meeting held on September 29, 2017, was reappointed as the Director of the Company.

Shri Rajesh Kumar Gupta (DIN: 07188093) had resigned as a Director of the Company with effect from June 14, 2017.

Shri Sreekumaran V Nair (DIN: 02207516) was appointed as Nominee Director of the Company with effect from June 21, 2017.

Ms. L Sheetal, Company Secretary resigned from the services of the Company with effect from June 21, 2017.

The Company has received declaration made by Shri M P Rege under section 149(6) of the Companies Act, 2013.

As at March 31, 2018, the Board consisted of four (4) Directors comprising of one (1) Independent Director, two (2) Nominee Directors and one (1) Director.

The composition of the Board, number of meetings held, attendance of the Directors at the Board Meeting and the number of the Directorship in other companies in respect of each Director who was on Board as on 31.03.2018 is given below:-

S. No.	Name of Director	Attendance Particulars		No. of other Directorships as on 31 st March, 2018
		No. of Meetings during the tenure of respective directors in FY 2017 - 18		Other Director-ships (Including Private Limited Companies)
		Held	Attended	
1.	Shri M P Rege	5	5	0
2.	Shri Biswajit Banerjee	5	4	2
3.	Shri Sreekumaran V Nair	4	4	4
4.	Smt. S Usha*	5	5	3

Notes:

**Smt. S. Usha (DIN: 03567757) had vacated her office as a Director of the Company with effect from April 27, 2018, due to completion of her tenure with IFCI Limited.*

#Shri Karra Visweswar Rao (DIN: 08111685) was appointed as Additional Director with effect from 16.05.2018 and was subsequently regularized as Director of the Company at the Extraordinary General Meeting of the members held on July 31, 2018.

The Board wishes to place on record its gratitude and appreciation for the valuable contributions made by all the Directors who have resigned from their respective offices during their tenure in the Company.

During the Financial Year 2017-18, five (5) Board Meetings were held on 05.05.2017, 03.08.2017, 07.09.2017, 06.11.2017 and 31.01.2018.

Shri Karra Visweswar Rao (DIN: 08111685) will retire by rotation at the conclusion of the forthcoming Annual General Meeting and being eligible has offered himself for re-appointment.

7. Extract of Annual Return as provided under sub-section (3) of Section 92

An extract of Annual Return as provided under sub-section (3) of section 92 in Form MGT-9 as on March 31, 2018 is attached as Annexure-I. The copy of the Annual Return is also available at the website of the Company. The link is provided below:

URL:	http://www.ifinltd.in/Financialspdf/ICOM%20-%20MGT-9%20-%202017-18.pdf
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8. 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 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.

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

The Independent Directors of the company have declared that they meet the criteria of independence in terms of sub-section (6) of section 149 of the Companies Act, 2013 and there is no change in their status of independence.

10. Auditors

M/s. Ganesan & Co, Chartered Accountant, (Firm Reg. No. 000859S) was appointed by the Comptroller & Auditor General of India (C&AG) as Statutory Auditor of your Company for FY 2017-18. C&AG shall appoint Statutory Auditors for the Financial Year 2018-19.

11. Explanations/ Comments on the report of Comptroller & Auditor General of India

The explanations/comments of the Board on the report of Comptroller & Auditor General of India on the accounts for the year ended 31st March, 2018 under Companies Act, 2013 are attached as Annexure-II to this report.

12. 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.

13. Related Party Transactions

All transactions entered by the Company with Related Parties were in the ordinary course of business and at Arm's Length pricing basis.

There were no materially significant transactions with Related Parties during the financial year 2017-18 which were in 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-III in Form AOC-2.

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

During the Financial Year 2017-18, your 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.

15. Material changes and commitments

There were no material changes and commitments affecting the financial position of the company between the end of the financial year (March 31, 2018) and the date of the report.

16. 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.

17. Risk Management

The Company has formulated and put in place Risk Management and Surveillance Policy in order to mitigate risk related to the business of the Company. The Risk Management team of the Company takes effective measures in order to protect the interest of the Company and investors as per the policy of the Company.

18. Internal Financial Control

The Company has put in place adequate Internal Financial Control commensurate with the size of the Company and nature of its business. The Company has appointed M/s. KPMG as single Advisor-cum-Implementation Partner (Advisor), for implementation of Internal Financial Control framework in the Company

The Company has also appointed M/s. Chenthilkumar & Co., as Internal Auditors to conduct internal audit of the functions and the activities of the Company.

The findings and recommendations of the Internal Auditors are reviewed by the Board of Directors on a periodical basis and necessary corrective actions are being undertaken.

19. Vigil Mechanism/ Whistle Blower Policy

Pursuant to Section 177(9) & Section 177(10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has voluntarily established a vigil mechanism which is overseen through the Board. Adequate safeguards against victimization of employees and directors who express their concerns, forms part of the mechanism.

Your Company hereby affirms that no Director/ employee have denied access to the Chairman of the Board of Directors and that no complaints were received during the year.

20. Anti - Sexual Harassment Policy

There Company has in place 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 and that all employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year under review, the company has not received any complaint pursuant to the provisions of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

21. Formal Annual Evaluation of Board and Directors

The Board has made formal annual evaluation of its own performance and individual directors taking into consideration the evaluation criteria set out in Nomination and Remuneration policy of IFCI Financial Services Limited being its immediate Holding Company.

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

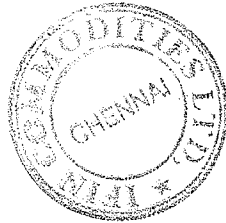
There are no significant and material orders passed by the regulators or courts or Tribunals which would impact the going concern status of the Company.

23. 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 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is required to be given.

24. 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, Clients of the Company, Commercial Banks, Regulators, Statutory Authorities, Multi Commodity Exchange of India Ltd (MCX), National Commodity and Derivatives Exchange Ltd (NCDEX) and other stakeholders of the Company.



**By Order of the Board
For IFIN Commodities Limited**


Sreekumaran V Nair

Nominee Director

(DIN: 02207516)


K V Rao

Director

(DIN: 08111685)

Place: Chennai

Date: August 07, 2018

Form No. MGT - 9

Extract of Annual Return for the financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. Registration & Other Details

1.	CIN	U93000TN2009GOI070524
2.	Registration Date	21/01/2009
3.	Name of the Company	IFIN Commodities Limited
4.	Category of the Company	Company Limited by shares
5.	Sub-category of the Company	Union Government Company
6.	Address of the Registered Office & Contact Details	No. 142, Mahatma Gandhi Road, Nungambakkam, Chennai – 600034. Email: cs@ifinltd.in Telephone: 044 2830 6613
7.	Whether listed company	No
8.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Nil

II. Principal Business Activities of the Company (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the company
1.	Security and commodity contracts brokerage	6612	68.44%

III. Particulars of Holding, Subsidiary and Associate Companies

S. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	IFCI Limited IFCI Towers, 61, Nehru Place, New Delhi – 110019	L74899DL1993GOI053677	Ultimate Holding Company	Nil*	Section 2 (87) & Section 2 (46)
2.	IFCI Financial Services Limited IFCI Towers, 61, Nehru Place, New Delhi – 110019	U74899DL1995GOI064034	Holding Company	100%	Section 2 (87) & Section 2 (46)

* Direct holding is NIL

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31.03.2017]				No. of Shares held at the end of the year [As on 31.03.2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/ HUF*	-	6	6	0.00	-	6	6	0.00	0
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	49,99,994	49,99,994	100.00	-	49,99,994	49,99,994	100.00	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	50,00,000	50,00,000	100.00	-	50,00,000	50,00,000	100.00	0
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31.03.2017]				No. of Shares held at the end of the year [As on 31.03.2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	50,00,000	50,00,000	100.00	-	50,00,000	50,00,000	100.00	0

*Beneficial interest are held by IFCI Financial Services Limited

B) Shareholding of Promoter

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1.	IFCI Financial Services Limited	49,99,994	100.00	-	49,99,994	100.00	-	-
2.	Smt. Chandra Ramesh (Nominee of IFCI Financial Services Limited)	1	0.00	-	1	0.00	-	-
3.	Shri D. V. Ramesh (Nominee of IFCI Financial Services Limited)	1	0.00	-	1	0.00	-	-
4.	Smt. Rajesh Kumar Gupta (Nominee of IFCI Financial Services Limited)	1	0.00	-	1	0.00	-	-
5.	Shri Sreekumaran V Nair (Nominee of IFCI Financial Services Limited)	1	0.00	-	1	0.00	-	-
6.	Shri K Janarthanan (Nominee of IFCI Financial Services Limited)	1	0.00	-	0	0.00	-	-
7.	Shri Ramkumar Srinivasan (Nominee of IFCI Financial Services Limited)	1	0.00	-	1	0.00	-	-
8.	Shri R. Govindarajan (Nominee of IFCI Financial Services Limited)	0	0.00	-	1	0.00	-	-
	Total	50,00,000	100.00	-	50,00,000	100.00	-	-

C) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	50,00,000	100.00	50,00,000	100.00
2.	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
3.	At the end of the year	50,00,000	100.00	50,00,000	100.00

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	-	-	-	-
2.	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
3.	At the end of the year	-	-	-	-

E) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year				
	- Shri Sreekumaran V Nair (Nominee of IFCI Financial Services Limited)	1	0.00	1	0.00
	- Shri Rajesh Kumar Gupta (Nominee of IFCI Financial Services Limited)	1	0.00	1	0.00
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
3.	At the end of the year				
	- Shri Sreekumaran V Nair (Nominee of IFCI Financial Services Limited)	1	0.00	1	0.00

V. Indebtedness - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
a) Principal Amount	-	-	-	-
b) Interest due but not paid	-	-	-	-
c) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
a) Principal Amount	-	-	-	-
b) Interest due but not paid	-	-	-	-
c) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Amount in Rs.)

S. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
1.	Gross salary	-	-
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	a) As % of profit	-	-
	b) Others, Sepsify	-	-
5.	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act		@5% of profits calculated under Section 198 of the Companies Act, 2013

B. Remuneration to other directors (Amount in Rs.)

S. No.	Particulars of Remuneration	Name of the Director	Total Amount (Rs.)
1.	Independent Directors	Shri M P Rege	
	Fee for attending board/ committee meetings	50,000	50,000
	Commission	-	-
	Others, please specify	-	-
	Total (1)	50,000	50,000
2.	Other Non-Executive Directors		
	Fee for attending board/ committee meetings	-	
	Commission	-	
	Others, please specify	-	
	Total (2)	-	
	Total (B)=(1+2)	50,000	50,000
	Total Managerial Remuneration*	-	-
	Overall Ceiling as per the Act		@1% of profits calculated under Section 198 of the Companies Act, 2013

*Excluding sitting fees under Section 197 (5) of the Companies Act, 2013 and as per Schedule V of the Companies Act, 2013

C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD

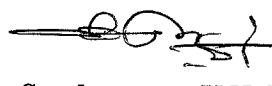


S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	1,02,575	-	1,02,575
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	1,02,575	-	1,02,575

VII. Penalties / Punishment/ Compounding of Offences:

There were no Penalty / Punishment/ Compounding under Companies Act during the year ended 31.03.2018.



**By Order of the Board
For IFIN Commodities Limited**

Sreekumaran V Nair

K V Rao

Director

Director

(DIN: 02207516)

(DIN: 08111685)

Place: Chennai

Date: August 07, 2018



भारतीय लेखा तथा लेखा परीक्षा विभाग
कार्यालय प्रधान निदेशक वाणिज्यिक लेखा परीक्षा
तथा पदेन सदस्य लेखा परीक्षा बोर्ड, चेन्नै

*Indian Audit and Accounts Department
Office of the Principal Director of Commercial Audit
and ex-officio Member Audit Board, Chennai*

No: PDCA/CHENNAI/CA-II/2-141/2018-19/134

10.07.2018

The Chairman,
IFIN Commodities Limited,
Continental Chambers, Third Floor,
142, Mahathma Gandhi Road,
Nungambakkam, Chennai-34.


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 Commodities Limited, Chennai for the year ended 31 March 2018.

I forward herewith 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 Commodities Limited, Chennai for the year ended 31 March 2018.

Receipt of this letter may be acknowledged.

Yours faithfully,


(R. AMBALAVANAN)
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT AND
EX-OFFICIO MEMBER, AUDIT BOARD, CHENNAI

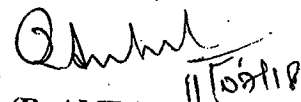
Encl: Audit Certificate.

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 COMMODITIES LIMITED FOR THE YEAR ENDED 31 MARCH 2018

The preparation of financial statements of IFIN Commodities Limited for the year ended 31 March 2018 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 auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are 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 26 April 2018.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of IFIN Commodities Limited for the year ended 31 March 2018 under section 143(6)(a) of the Act.

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


11/07/18

**(R. AMBALAVANAN)
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT &
EX-OFFICIO MEMBER, AUDIT BOARD, CHENNAI**

Place: Chennai
Date: 10 July 2018

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 material contracts or arrangements or transactions 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)	Date of approval by the Board	Nil
f)	Amount paid as advances, if any	Nil



By Order of the Board

For IFIN Commodities Limited


Sreekumaran V Nair

Director

(DIN: 02207516)


K V Rao

Director

(DIN: 08111685)

Place: Chennai

Date: August 07, 2018



GANESAN AND COMPANY

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To The Members of IFIN Commodities limited

We have audited the accompanying financial statements of IFIN Commodities limited ("the Company"), which comprises the balance sheet as at 31st March 2018, the statement of profit and loss, the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management responsibility for the financial statements:

The company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of financial position, financial performance and cash flow of company in accordance with the accounting principles generally accepted in India. Including the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made there under.

We conducted our audit in accordance with the standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of financial

statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

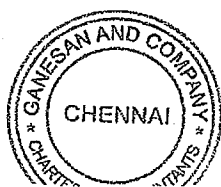
Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a. In the case of the Balance Sheet of the state of affairs of the Company as at March 31,2018;
- b. In the case of the statement of Profit and Loss, of the Loss for the year ended on that date; and
- c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by section 143(5) of the Companies Act, 2013, we give in the "Annexure C" to our report on the directions issued by the Comptroller and Auditor General of India.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such check we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order
3. As required by section 143(3) of the Act, 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.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The accounts of the branch offices of the Company have been audited by us under Section 143 (8) of the Act and have been properly dealt with by us in preparing this report.
 - d) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



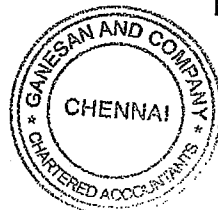
- f) On the basis of written representation received from the directors as on 31 March 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- g) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company had disclosed the impact of pending litigations as at March 31, 2018 on its financial position in its financial statements. (Refer Note 18)
 - ii) The Company does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.

for GANESAN AND COMPANY
CHARTERED ACCOUNTANTS
Firm Regn No.: 000859S

N Venkatraman

N VENKATRAMAN
PARTNER.
M.No. 215145

Place : Chennai
Date : 26.04.2018

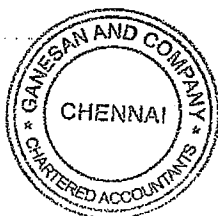


ANNEXURE A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE ACCOUNTS OF IFIN COMMODITIES LIMITED FOR THE YEAR ENDED MARCH 31, 2018

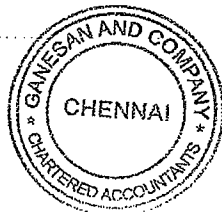
- i) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The physical verification of fixed assets is being done by the company once in a year which in our opinion is reasonable having regard to the size of the company and nature of business. During the year the assets have been physically verified by the management and no material discrepancies have been noticed on such verification.

(c) The Company does not own any immovable properties. Therefore, provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.
- ii) The Company is in the business of rendering services and consequently do not hold any inventory. Therefore, the provisions of clause 3(ii) of the Order are not applicable to the Company.
- iii) The Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv) The company has not granted any loans, investments, guarantees and securities to which provisions of section 185 and 186 of the Act applies. Therefore, the provisions of clause 3(iv) of the said Order with respect of Section 185 are not applicable to the Company.
- v) The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, wherever applicable. Therefore the provisions of clause 3(v) of the Order are not applicable to the Company.
- vi) The Central Government of India has not prescribed the maintenance of cost records under Section 148(1) of the Act for any of the services rendered by the company.
- vii) a) According to the information and explanations given to us and the records produced before us for verification, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.



- b) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- viii) According to the records of the Company examined by us and the information and explanation provided to us, the company has not defaulted any repayment of loans or borrowings to any financial institutions or bank or Government or dues to debenture holders as at the balance sheet date. The Company has also not taken any loan from financial institutions, banks or government. The Company has no debenture holders.
- ix) The company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly the provisions of clause 3(ix) of the Order are not applicable to the Company.
- x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi) The Company has not paid / provided any managerial remuneration. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.
- xii) The Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv) The Company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under audit. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- xv) The company has not entered into any non cash transactions with directors or persons connected with them within the meaning of Section 192 of the Act. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.



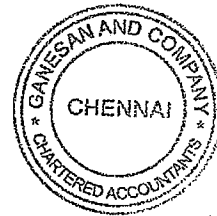
- xvi) The company is not required to be registered under Section 45 - IA of Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

for GANESAN AND COMPANY
CHARTERED ACCOUNTANTS
Firm Regn No.: 000859S

N Venkatramani

N VENKATRAMANI
PARTNER.
M.No. 215145

Place : Chennai
Date : 26.04.2018



“Annexure B” to Independent Auditor’s Report

(Referred to Point f in paragraph 3 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of **IFIN COMMODITIES LIMITED** on the financial statements for the year ended March 31, 2018.)

Report on the Internal Financial Controls under Clause (i) of Sub Section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

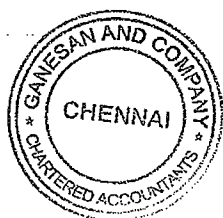
We have audited the internal financial controls over financial reporting of **IFIN COMMODITIES LIMITED** as of 31st March 2018 in conjunction with our audit of the financial statements for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company are 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 Controls over Financial Reporting issued by Institute of Chartered Accountants of India. 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 Act.

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 Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act and the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”), to the extent applicable to an audit of internal financial controls over financial reporting. 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 was 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 includes 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's internal financial controls system over financial reporting.

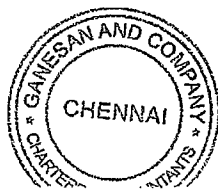
Meaning of Internal Financial Controls over Financial Reporting

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 and 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 authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised 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

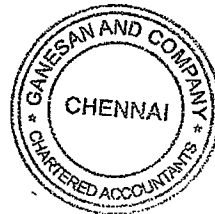
In our opinion, the Company has, in all material respects, maintained adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting as at 31 March 2018, based on the internal control over financial reporting criteria established by 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, the Company's internal financial controls over financial reporting were operating effectively as of 31st March 2018.

for GANESAN AND COMPANY
CHARTERED ACCOUNTANTS
Firm Regn No.: 000859S

N. Venkatramani

N VENKATRAMANI
PARTNER.
M.No. 215145

Place : Chennai
Date : 26.04.2018



ANNEXURE C REFERRED TO IN PARAGRAPH 3 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE ACCOUNTS OF IFIN COMMODITIES LIMITED FOR THE YEAR ENDED MARCH 31, 2018

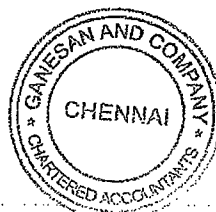
S.No.	GENERAL DIRECTIONS	AUDITOR'S COMMENT
1.	Whether the company has clear title / lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold land for which title/lease deeds are not available.	The company does not hold any freehold or leasehold land. Hence reporting under this sub-direction does not arise.
2.	Whether there are any cases of waiver / write off of debts / loans / interest, etc. If yes, the reasons therefor and the amount involved.	According to the information and explanation given to us and on the basis of audit carried out by us, we note that there are no cases of waiver / write off of debts during the year.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift / grants from the government or other authorities?	The company does not hold any inventory and have not received any assets as gift / grants from the Government or other authorities. Hence, reporting under this sub-direction does not arise.

for **GANESAN AND COMPANY**
CHARTERED ACCOUNTANTS
Firm Regn No.: 000859S

N Venkatramani

N VENKATRAMANI
PARTNER.
M.No. 215145

Place : Chennai
Date : 26.04.2018



IFIN COMMODITIES LIMITED
Balance Sheet as at 31st March 2018

(Amount in Rs.)

Particulars	Note No.	For the Year ended 31st March 2018	For the Year ended 31st March 2017
I. EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2	5,00,00,000	5,00,00,000
(b) Reserves and surplus	3	4,68,605	31,49,588
2 Share application money pending allotment		-	-
3 Non-current liabilities			
Deferred tax liabilities (Net)		22,005	18,188
4 Current liabilities			
(a) Trade payables			
(i) Dues of Micro and Small Enterprises		-	-
(ii) Dues of creditors other than Micro and Small Enterprises		2,35,72,223	5,04,83,099
(b) Other current liabilities	4	1,10,70,302	79,04,719
(c) Short - term provisions	5	10,03,613	9,73,549
TOTAL		8,61,36,748	11,25,29,143
II. ASSETS			
Non-current assets			
1 (a) Fixed assets	6		
(i) Tangible assets		67,517	67,517
(ii) Intangible assets		1,07,468	1,33,904
(b) Long-term loans and advances	7	1,18,00,000	1,18,00,000
2 Current assets			
(a) Trade receivables	8	359	353
(b) Cash and cash equivalents	9	6,95,00,953	9,55,13,520
(c) Short-term loans and advances	10	26,21,385	27,09,831
(d) Other current assets	11	20,39,066	23,04,016
TOTAL		8,61,36,748	11,25,29,143

The Notes No. 1 to 11 form an integral part of Balance Sheet
This is the balance Sheet referred to in our Report of even date

**FOR AND ON BEHALF OF THE BOARD OF
IFIN COMMODITIES LIMITED**

For GANESAN AND COMPANY
CHARTERED ACCOUNTANTS
FIRM REGN No. 000859S

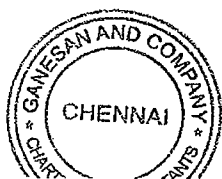
N. Venkatramani
N. VENKATRAMANI
PARTNER
M. No. 215145

S. Usha
S. Usha
Director

M P Rege
M P Rege
Director

Abyeapen
Abyeapen
Company Secretary

Place : Chennai
Date : 26-04-2018



IFIN Commodities Limited
Statement of Profit and loss for the period ended 31st March 2018

(Amount in Rs.)

Particulars		Note No.	For the Year ended 31st March 2018	For the Year ended 31st March 2017
I.	Revenue from operations	12	69,09,368	1,14,17,043
II.	Other income	13	31,65,410	37,03,786
III.	Total Revenue (I + II)		1,00,74,778	1,51,20,829
IV.	Expenses:			
	Employee benefits expense	14	80,90,452	98,01,517
	Finance costs	15	3,15,654	3,27,857
	Depreciation and amortization expense		26,436	33,117
	Other expenses	16	46,75,933	62,13,374
	Total expenses		1,31,08,475	1,63,75,865
V.	Profit (Loss) before Provisions and extraordinary items and tax (III-IV)		(30,33,697)	(12,55,036)
VI.	Provision for Doubtful debts		(54,706)	31,343
	Prior period Expenses /(Income)		(3,01,825)	1,40,450
VII.	Profit (Loss) before extraordinary items and tax (V - VI)		(26,77,165)	(14,26,829)
VIII.	Extraordinary Items		-	-
IX.	Profit (Loss) before tax (VII- VIII)		(26,77,165)	(14,26,829)
X	Tax expense:			
	- Deferred Tax Charge (Net)		3,817	(1,64,542)
	- Relating to Earlier Years		-	(4,20,536)
XI	Profit (Loss) for the period (IX - X)		(26,80,982)	(8,41,751)

The Notes 1 & 12 to 16 form an integral part of Statement of Profit and Loss

This is the Statement of profit and Loss referred to in our report of even date.

**FOR AND ON BEHALF OF THE BOARD OF
IFIN COMMODITIES LIMITED**

For GANESAN AND COMPANY
 CHARTERED ACCOUNTANTS
 FIRM REGN No. 000859S

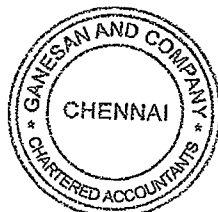
N. Venkatramani
 N. VENKATRAMANI
 PARTNER
 M. No. 215145

S. Usha
 S. Usha
 Director

M P Rege
 M P Rege
 Director

Abyeapen
 Abyeapen
 Company Secretary

Place : Chennai
 Date : 26-04-2018



CASH FLOW STATEMENT AS ON 31ST MARCH 2018

(Amount in Rs.)

	Particulars	Year ended	
		Year ended 31.03.2018	Year ended 31.03.2017
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax as per P&L a/c	(26,80,982)	(14,26,829)
	Adjustments for:		
	Depreciation / Amortisation on Fixed Assets	26,436	33,117
	Provision for Doubtful Debts	-	31,343
	Prior period Expenses	-	1,40,450
	Interest income	(31,28,690)	(36,36,857)
	Interest Expenses	3,15,654	3,27,857
	Operation Profit before Working Capital Changes	(54,67,583)	(45,30,920)
	Adjustments for:		
	(Increase) / Decrease in Trade Receivables	(6)	13,53,549
	(Increase) / Decrease in short term Loans & Advances	88,446	(5,61,652)
	(Increase) / Decrease in other Current Assets	2,64,950	8,17,686
	(Increase) / Decrease in loans & Advances	-	50,000
	Increase / (Decrease) in Trade Payable	(2,69,10,877)	1,95,06,445
	Increase / (Decrease) in Current Liabilities	31,65,584	(26,14,152)
	Increase / (Decrease) in Provisions	30,064	2,50,257
		(2,33,61,839)	1,88,02,134
	Cash Generated from Operation before tax	(2,88,29,422)	1,42,71,214
	Deferred tax liabilities (Net)	3,817	(1,64,542)
	Direct taxes paid	-	4,20,536
	Net cash from Operating Activities	(2,88,25,605)	1,45,27,208
B	CASH FLOW FROM INVESTING ACTIVITIES		
	(Increase) / Decrease in Fixed Deposits	51,07,124	6,93,717
	Interest Received	31,28,690	36,36,857
	Sale of Fixed Assets	-	-
	Net Cash used in / raised from Investing Activities	82,35,814	43,30,575
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Dividend Received	-	-
	Equity Capital Infused	-	-
	Corporate Dividend Tax	-	-
	Interest Paid	(3,15,654)	(3,27,857)
	Deferred tax paid	-	-
		(3,15,654)	(3,27,857)
	Net Changes in Cash & Cash Equivalent (a+b+c)	(2,09,05,443)	1,85,29,926
	Opening Cash and Cash Equivalent	4,64,14,026	2,78,84,100
	Closing Cash and Cash Equivalent	2,55,08,584	4,64,14,026
	Increase / Decrease in Cash & Cash Equivalent	(2,09,05,443)	1,85,29,926

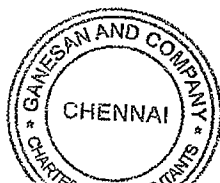
The above cash flow statement has been prepared under the "indirect method" set out in Accounting Standard-3 on Cash Flow Statement issued as per Company's Accounting Standard Rules, 2006.

For GANESAN AND COMPANY
CHARTERED ACCOUNTANTS
FIRM REGN No. 000859S

N. Venkatraman
N. VENKATRAMAN
PARTNER

Place : Chennai
Date : 26-04-2018

M. No. 215145



FOR AND ON BEHALF OF THE BOARD OF
IFIN COMMODITIES LIMITED

S. Usha

S. Usha
Director

Abyeapen
Abyeapen
Company Secretary

M P Rege

M P Rege
Director

IFIN Commodities Limited

Note 2 Share Capital

(Amount in Rs.)

Particulars	As at 31st Mar 2018		As at 31st Mar 2017	
	Number	Rs.	Number	Rs.
Authorised				
Equity Shares of Rs.10/- each	5,000,000	50,00,00,00	5,000,000	50,00,00,00
Issued				
Equity Shares of Rs.10/- each	5,000,000	50,000,000	5,000,000	50,000,000
Subscribed & Paid up				
Equity Shares of Rs.10/- each	5,000,000	50,000,000	5,000,000	50,000,000
Total	5,000,000	50,000,000	5,000,000	50,000,000

Particulars	As at 31st Mar 2018		As at 31st Mar 2017	
	Number	Rs	Number	Rs
Shares outstanding at the beginning of the year	5,000,000	50,000,000	5,000,000	50,000,000
Add: Shares Issued during the year			-	-
Shares outstanding at the end of the year	5,000,000	50,000,000	5,000,000	50,000,000

Rights, Preferences and restrictions attaching to each class of shares:

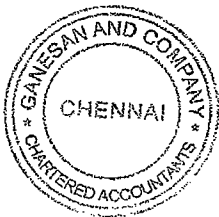
The Company has only one class of equity share, i.e. equity shares having face value of Rs.10/- per share. Each shareholder is entitled to one vote per share held. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except in case of Interim Dividend. In the event of liquidation of company, the holders of the equity shares will be entitled to receive any of the remaining assets if the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of shares held by the shareholders.

Shares held by Holding Company:

5000000 Equity Shares (Previous year - 5000000 equity shares) are held by IFCI Financial Services Limited, the holding company and its nominees.

Details of shares held by the shareholders holding more than 5% of the aggregate shares in the company:

Name of Shareholder	As at 31st Mar 2018		As at 31st Mar 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares IFCI Financial Services Limited and nominees	5,000,000	100	5,000,000	100

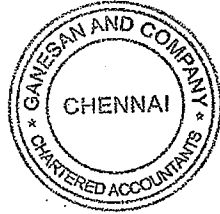


IFIN Commodities Limited

Note 3 Reserves and Surplus

(Amount in Rs.)

Particulars	As at 31st March 2018	As at 31st March 2017
a. Surplus:		
Opening balance	3,149,588	3,991,339
(+) Profit / (Loss) For the current year	(2,680,982)	(841,751)
Closing Balance	468,605	3,149,588
Total	468,605	3,149,588



IFIN Commodities Limited**Note 4 Other Current Liabilities****(Amount in Rs.)**

Particulars	As at 31st March 2018	As at 31st March 2017
Security Deposits	2,02,962	2,29,086
Creditors for expenses	8,22,151	1,24,964
Other Payables - Statutory Payment to Government Authorities	9,13,219	9,64,298
Payable to Exchanges	75,42,089	50,92,761
Other Liabilities	14,27,576	12,30,451
Provision for expenses	1,62,306	2,63,159
Total	1,10,70,302	79,04,719

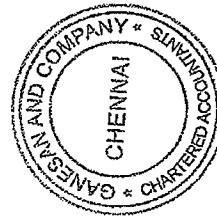
Note 5 Short-term Provisions

Particulars	As at 31st March 2018	As at 31st March 2017
(a) Provision for employee benefits		
Gratuity	2,04,935	2,06,949
Leave Encashment	6,63,084	5,96,760
(b) Others		
Provision for Bonus	1,35,594	1,69,840
Total	10,03,613	9,73,549



IFIN COMMODITIES LIMITED
Note 6 Fixed Assets

Description	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 1st April 2017	Addition/ Deletion	Balance as at 31st Mar 2018	Balance as at 1st April 2017	Depreciation charge for the year	Balance as at 31st Mar 2018	Balance as at 31st March 2017	Balance as at 31st March 2018
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Tangible Assets								
Office Equipments	138,400	-	138,400	131,596	-	131,596	6,804	6,804
Computer Hardware	1,214,273	-	1,214,273	1,153,560	-	1,153,560	60,713	60,713
Total	1,352,673	-	1,352,673	1,285,156	-	1,285,156	67,517	67,517
Intangible Assets								
Computer Software	1,553,728	-	1,553,728	1,419,824	26,436	1,446,260	107,468	133,904
Intangible-Membership Card	3,200,000	-	3,200,000	3,200,000	-	3,200,000	(0.00)	1
Total	4,753,728	-	4,753,728	4,619,824	26,436	4,646,260	107,468	133,905
Grand Total	6,106,401	-	6,106,401	5,904,980	26,436	5,931,416	174,986	201,422
Previous Year	6,106,401	-	6,106,401	5,871,863	33,117	5,904,980	201,422	234,538



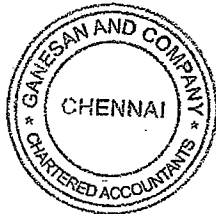
IFIN Commodities Limited

Note 7. Long Term Loans and Advances

(Amount in Rs.)

Particulars	As at 31st March 2018	As at 31st March 2017
A. Security Deposits		
Secured, considered good		-
Unsecured, considered good	1,18,00,000	1,18,00,000
Doubtful		-
Less: Provision for doubtful deposits		-
	1,18,00,000	1,18,00,000
B. Other loans and advances		
Advance tax and Tax deducted at Source	-	-
Less Provision for Tax	-	-
TOTAL	1,18,00,000	1,18,00,000

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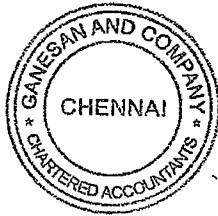
IFIN Commodities Limited

Note 8 Trade receivable

mount in Rs.)

Particulars	As at 31st March 2018	As at 31st March 2017
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	359	353
	359	353
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered doubtful	(11,20,331)	27,95,219
Less: Provision for doubtful debts	(11,20,331)	27,95,219
	-	-
Total	359	353

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IFIN Commodities Limited

Note 9 Cash and cash equivalents

(Amount in Rs.)

Particulars	As at 31st March 2018		As at 31st March 2017	
a. Balances with banks				
This includes:				
Current Accounts with Schedule Banks	2,55,01,425		4,64,02,114	
Bank deposits	4,39,92,370		4,90,99,494	
b. Cheques, drafts on hand	-		-	
c. Cash on hand	7,159		11,912	
		6,95,00,953		9,55,13,520
*Includes bank deposits with more than 12 months having maturity		6,95,00,953		9,55,13,520

Note 10 Short term loans and advances

Particulars	As at 31st March 2018		As at 31st March 2017	
a. Loans and advances to related parties				
Unsecured, considered good	-		-	
Doubtful	-		-	
Others	-		-	
b. Other loans and advances				
Advance tax and Tax deducted at Source	23,19,610		19,69,024	
Less: Provision for Tax	-	23,19,610	-	19,69,024
Other Loans and Advances		1,77,125		5,68,695
Prepaid Expenses		1,24,650		1,72,112
		26,21,385		27,09,831
Total		26,21,385		27,09,831

Note 11 Other current assets

Particulars	As at 31st March 2018		As at 31st Mar 17	
Interest accrued on Deposits	20,39,066		23,04,016	
		20,39,066		23,04,016
Total		20,39,066		23,04,016



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IFIN Commodities Limited

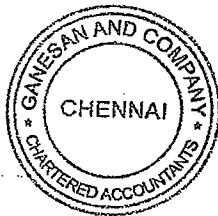
Note 12 Revenue from Operations

(Amount in Rs.)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Operating revenues:		
Brokerage	68,95,268	1,13,88,693
Account Opening Charges	14,100	28,350
Total	69,09,368	1,14,17,043

Note 13 Other Income

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Interest	31,28,690	36,36,857
Miscellaneous Income	36,720	66,929
Total	31,65,410	37,03,786



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IFIN Commodities Limited

Note 14 Employee Benefits expense

(Amount in Rs.)

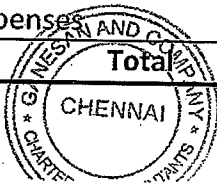
Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Salaries and incentives	72,17,569	87,31,088
Contributions to -		
(i) Provident fund	5,25,614	5,88,717
(ii) Employee State Insurance	1,23,550	75,950
Staff welfare expenses	2,23,719	4,05,761
Total	80,90,452	98,01,517

Note 15 Finance Cost

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Bank Charges	3,15,654	3,27,857
Total	3,15,654	3,27,857

Note 16 Other Expenses

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Insurance	31,396	53,493
Auditors Remuneration	2,52,240	2,46,000
Professional And Consultancy Charges	9,33,532	2,94,457
Commission Paid	4,01,381	22,99,590
Rent	22,97,928	26,27,949
Membership & Subscription	1,50,000	80,000
Annual Maintenance chrgs	1,36,766	39,260
Rates And Taxes	11,400	10,109
Penalty	3,987	40,057
Postage & Telegram	1,21,021	1,74,087
Printing & Stationary	1,09,618	1,53,954
Other Expenses	2,26,664	1,94,418
Total	46,75,933	62,13,374



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IFIN COMMODITIES LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

1.1 OVERVIEW

IFIN Commodities Limited or ICOM (the Company) is a subsidiary of IFCI Financial Services Limited. It was set up to spearhead exchange based Commodity trading. ICOM was incorporated on 21st January 2009.

The company is primarily engaged in the business of providing Commodity market related transaction services. It is a registered member of the Multi Commodity Exchange Ltd (MCX) and National Commodity and Derivatives Exchange (NCDEX).

1.2 SIGNIFICANT ACCOUNTING POLICIES:

I. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated March 30, 2016. The said notification read with rule 3(2) of the Companies (Accounting Standards) Rules, 2006, is applicable to accounting period commencing on or after the date of notification i.e. 1st April 2016.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing, rendering of services and their realisation in cash and cash equivalents, the Company has ascertained its operating

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cycle as 12 months for the purpose of current-non current classification of assets and liabilities.

II. USE OF ESTIMATES:

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

III. REVENUE RECOGNITION:

a. BROKERAGE INCOME

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

b. INTEREST INCOME

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

c. COMMODITY FUTURES – DERIVATIVES

Commodity Futures are marked to market on daily basis. Debit or Credit Balances disclosed under Current Assets or Current liabilities respectively represent the net amount paid or received on the basis of movement of prices in the Commodity Index Futures till the Balance sheet date.

IV. TANGIBLE ASSETS

Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Costs for this purpose includes purchase price, non-refundable taxes or levies and other directly attributable costs of bringing the assets to its working condition for its intended use. Subsequent expenditure related to an item of tangible asset is added to its book value only if it increase the future benefits from the existing asset beyond its previously assessed standard of performance. Losses arising from the retirement of, and gains or losses arising from

82 de 53

disposal of tangible assets which are carried at cost less depreciation are recognized in the Statement of profit and Loss.

V. INTANGIBLE ASSETS

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to assets will flow to the enterprise and cost of the assets can be measured reliably. Intangible assets are stated at acquisition cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any. Gains or losses arising from the retirement or disposal of intangible assets are determined as the difference between net disposal proceeds and the carrying amount of the assets and recognized as income or expenses in the statement of profit or Loss.

Computer software which is not an integral part of the related hardware is classified as an Intangible asset and is being amortized over the estimated useful life.

VI. DEPRECIATION AND AMORTISATION

Depreciation is provided on Written Down Value method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

VII. IMPAIRMENT OF ASSETS:

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

VIII. EMPLOYEE BENEFITS:

Defined contribution plan:

- (a) The Company's Provident Fund Scheme and Employee State insurance scheme are defined contribution plan and company's contribution paid/payable is recognized as expense in Profit & Loss account during the period in which the employee renders the related service.
- (b) The Company's liability towards Gratuity is a Defined Benefit Plan. The liability towards Gratuity is determined using the Projected Unit Credit Method which recognizes each period of service as giving rise to additional unit of Employee benefit entitlement. The gratuity Scheme is operated through Group gratuity Scheme of LIC. The gratuity liabilities are provided based on Actuarial Valuation

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certified by LIC. Actuarial gains and losses are charged to Profit and Loss Account.

(c) Compensated Absence-Leave Salary

The policy provides for an employee to be entitled to 24 days of earned leave per year and maximum of 15 days leave standing to the credit of the employee at the end of the calendar year will be paid as leave salary calculated on the monthly gross component. The expenses on this account thus arising are recognized in the profit and loss account.

IX. TAXATION:

Income Tax expense comprises current tax as determined in accordance with the income tax laws and deferred tax reflecting the tax effect of the timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the corresponding deferred tax liability / assets are recognized applying the tax rates that have been enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty that such assets can be realized in future. Further deferred tax assets arising mainly on account of carry forward loss and unabsorbed depreciation under the tax laws are recognized, only if there is virtual certainty, supported by convincing evidence of its realization.

X. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

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

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

Contingent assets are not recognized/ disclosed in the financial statements.

XI. EARNINGS PER SHARE

Basic earnings per share are computed by dividing the net profit or loss for the year attributable to the equity shareholders by the weighted number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share the net profit or loss for the year attributable to equity shareholders and weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

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IFIN COMMODITIES LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
MARCH 31, 2018

17. Decision to continue with the process of merger considered at the meeting of the Board of Directors held on 22.04.2015, with IFIN Commodities Limited and IFIN Credit Limited, (subsidiaries of IFCI Financial Services Limited) was put on hold vide letter dated 13.06.2016 from IFCI Limited (ultimate holding company), as they are in the process of obtaining approval in this regard from Government of India. The same had been intimated to the office of the Regional Director, Southern Region, Minister of Corporate affairs vide company's letter dated 24.06.2016. The company is yet to receive any approval in this regard.
18. Claims in respect of legal case pending against the company not acknowledged as debts – Rs.954.95 lakhs (including an interest of Rs.489.12 lakhs upto 31.03.2018) (previous year figure – Rs.465.33 lakhs). The Company is confident of expecting a favorable decision against these claims which are pending before Appellate Authorities.
19. The Company has furnished bank guarantee aggregating to Rs.400.00 lakhs to Multi Commodity Exchange Limited as on 31.03.2018 for meeting margin requirements. The Company has pledged fixed deposits upto 50% of the above deposits, i.e. Rs.200.00 lakhs for obtaining the above guarantee.
20. Cash and Bank includes bank deposits of Rs 439.10 lakhs with more than 12 months remaining maturity and this has been disclosed vide directions from the Holding Company.
21. MANAGERIAL REMUNERATION: Nil (Previous Year – Nil)
22. EARNINGS PER SHARE:
The Earning per Share [EPS] has been computed in accordance with the Accounting Standard 20 issued by the Institute of Chartered Accountants of India. The numerators and denominators used to calculate the EPS are:



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(Amount in Rs.)

Particulars	As on 31-03-2018	As on 31-03-2017
Net Profit for the year available for the equity shareholders (Before extra-ordinary Item)	(26,80,982)	(8,41,751)
Nominal value per equity share	Rs.10	Rs.10
Weighted Average No. of outstanding equity shares during the year – Basic & Diluted.	50,00,000	50,00,000
Basic & Diluted Earnings Per Share (Before & After extra- ordinary Item)	(0.54)	(0.17)

23. CURRENT AND DEFERRED TAX:

(a) Current Tax

The company has provided Rs. Nil/- (Previous Year – Rs. Nil) as per the provisions of Income Tax Act,1961 in view of current year loss.

(b) Deferred Tax

Tax effect on timing difference has been recognized as deferred tax during the year as under:

- i. WDV of Fixed Assets under Companies Act, 2013 as at 31.03.2018 -
Rs.1,74,986 (Rs.2,01,421)
 - ii. WDV of Fixed Assets under Income Tax Act, 1961 as at 31.03.2018 -
Rs.1,03,770 (Rs.1,40,532)
- Deferred Tax as on 31.03.2018 - Rs.22,005/-.(Rs.18,188)

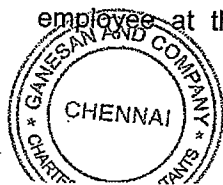
24. EMPLOYEE BENEFITS

Provisions for employee benefits under revised AS 15:

(a) Defined Contribution plan: Provident and other statutory funds. The amount recognized as an expense during the year is Rs.5,25,614/- (Previous Year – Rs. 5,88,717/-) .

(b) Defined Benefit plan-Compensated Absence-Leave Salary

The policy provides for that an employee is entitled to 24 days of earned leave per year and maximum of 15 days leave standing to the credit of the employee at the end of the calendar year will be paid as leave salary



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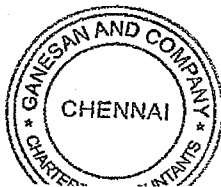
calculated on the monthly gross component. The expenses recognized in the profit and loss account is Rs.4,27,966/- (previous year Rs. Rs.6,81,409/-)

- (c) Defined Benefit plan-The Company operates Gratuity plan under the Group Gratuity Assurance Scheme administered by the Life Insurance Corporation of India. The scheme provides for Lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each year of completed service or part thereof in excess of 6 months subject to a maximum of Rs. 20, 00, 000. Vesting occurs on completion of 5 years of service.

The following table sets out the Gratuity plan as provided by LIC.

(Amount in Rs.)

Particulars	Year 2017-18	Year 2016-17
Policy No	605000514	605000514
Date of Valuation	31/03/2018	31/03/2017
Membership Date		
Number of Members	27	27
Average age	34.96	34.11
Average Monthly Salary	14126.51	11366.03
Average past Service	4.93	5.11
Valuation Method	Projected unit credit method	Projected unit credit method
Results of Valuation		
Present value of Past Service Benefit	7,00,267	5,28,442
Service cost	1,37,228	99,273
Fund with LIC	6,43,283	6,94,081
Accrued Gratuity	10,77,563	9,01,030
Actuarial Assumptions		
Mortality Rate	LIC (2006-08) ultimate	LIC (2006-08) ultimate
Discount rate	7.50% p.a.	8.00% p.a.
Salary escalation rate	5%	5%
Withdrawal rate	1% to 3% depending on age	1% to 3% depending on age
Total Amount Payable	2,04,935	2,06,949



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25. DETAILS OF AUDITORS REMUNERATION (EXCLUDING SERVICE TAX):

Nature of Service	2017-18	2016-17
Statutory Audit Fee	1,55,000	1,55,000
Quarterly Limited Review	75,000	75,000
Tax Audit and Other Certification	15,000	16,000
Total	2,45,000	2,46,000

26. RELATED PARTY DISCLOSURE:

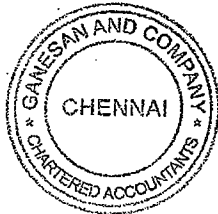
- a) Ultimate Holding Company : IFCI Limited
- b) Holding Company : IFCI Financial Services Limited
- c) Fellow Subsidiaries : i) IFIN Securities Finance Limited
ii) IFIN Credit Limited
iii) IFCI Factors Limited
iv) IFCI Venture Capital Funds Limited
v) IFCI Infrastructure Development Ltd
vi) MPCON Limited
vii) Stock Holding Corporation of India Limited


Note: Fellow Subsidiaries (iii) to (vii) given above are subsidiaries of ultimate Holding Company, IFCI Limited.

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

Smt.S.Usha : Director

Relatives of Key Management Personnel : Nil



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e) Transaction with related parties:

(Amount in Rs.)

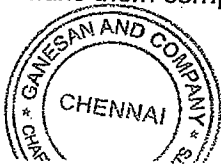
Sr.No	Particulars	Holding Fellow Companies	/Subsidiary/ Subsidiary	Key Managerial Personnel	
		2017-18	2016-17	2017-18	2016-17
1.	Rent to IFCI Financial Services Ltd	22,97,928	26,27,949	-	-
2.	Corporate Guarantee Issued by IFCI Financial Services Ltd	5,00,00,000	5,00,00,000	-	-
3.	Reimbursement of Expenses – Salary – IFCI Financial Services Limited	-	-	-	3,05,465
4.	Amount Payable to IFCI Financial Services Ltd	3,42,387	-	-	-
5	Amount Receivable from IFCI Financial Services Ltd		66,546		

27. FOREIGN EXCHANGE INFLOW AND OUTFLOW

The company has not incurred any expenditure in foreign currency during the year ended 31st March 2018. Also, the company does not have any foreign currency exposure as at 31st March 2018.

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

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



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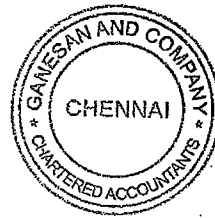
The accompanying notes are an integral part of financial statements
Signature to Note No.1 to 29 forming part of financial statements
For and on behalf of the Board of Directors

For GANESAN AND COMPANY
FIRM REGN NO.: 000859S
CHARTERED ACCOUNTANTS

S. Usha
S.Usha
DIRECTOR
DIN: 03567757

N Venkatramani

N VENKATRAMANI
PARTNER
M.No.215145



N Venkatramani

Route map to the 10th AGM venue of IFIN Commodities Limited

