



IFIN Commodities Ltd
(Subsidiary of IFCI Financial Services Ltd)

IFIN COMMODITIES LIMITED

12th ANNUAL REPORT

2019-20



IFIN COMMODITIES LIMITED

(A Subsidiary of IFCI Financial Services Limited)

12TH ANNUAL REPORT FOR THE FINANCIAL YEAR 2019-20

IFIN COMMODITIES LIMITED

Board of Directors (As on the date of this report)

Mr. Ramesh N G S	-	Director
Mr. O Ramesh Babu	-	Nominee Director
Mr. Sreekumaran V Nair	-	Nominee Director
Mr. M P Rege	-	Director

Chief Operating Officer

Ms. Meera Ranganathan

Statutory Auditors (2019-20)

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
E-mail- cs@ifinltd.in



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NOTICE

Notice is hereby given that the 12th Annual General Meeting of the shareholders of M/s. IFIN Commodities Limited will be held through video conferencing at Continental Chambers, 142, III Floor, Mahatma Gandhi Road, Nungambakkam, Chennai – 600034 on Tuesday, October 27th, 2020 at 11:30 A.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, 2020, together with the Board of Directors' Report and Auditors' Report thereon.
2. To appoint a director in place of Mr. Ramesh NGS 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 2020-21, as may be deemed fit.

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

Sd/-

**Aby Eapen
Company Secretary**

Place: Chennai

Date: 23.09.2020

**Important Notes:**

1. *In view of the massive outbreak of the COVID-19 pandemic, 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 issued by the Ministry of Corporate Affairs, permitted the holding of Annual General Meeting (AGM) through VC/ OAVM, without physical presence of the member at the AGM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.*
2. *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 Circular No. 20/2020 dated May 5th, 2020, 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 for the e-AGM those who are attending AGM through video conferencing.*
3. *However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. The body corporate are required to send a scanned copy of its board or governing body's resolution/authorisation etc. authorizing their representatives to attend the AGM.*
4. *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.*
5. *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.*



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6. *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.*
7. *The Members will be allowed to pose questions during the course of the Meeting. The questions/queries can also be given in advance at abyeapen@ifinltd.in*
8. *In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020 and MCA circular 20/2020 dated May 5th, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.ifinltd.in and the notice along with the Annual Report is being sent through electronic mode to the members.*
9. *All documents referred to in the Notice calling the AGM and the Explanatory Statement are available on the website of the Company for inspection by the Member and will also be send separately to all the shareholders through E-mail.*
10. *AGM will be convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020, MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 5th, 2020.*
11. *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. (This is not applicable for members attending AGM through VC/OAVM.)*
12. *Members should bring the attendance slip duly filled in for attending the meeting. (This is not applicable for members attending AGM through VC/OAVM)*
13. *Details of Directors seeking appointment or re-appointment at the Annual General Meeting of the Company to be held on Tuesday, October 27th, 2020 are provided in Annexure - A of this notice.*
14. *For any queries & clarifications, members can contact through e-mail on cs@ifinltd.in or 044- 2830 6607.*



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

1. Members whose email IDs are already registered with the Company and who are desirous to attend the AGM through VC/OAVM can apply at cs@ifinltd.in requesting for participation in the AGM, by giving their name as registered in the records of the Company, DPID/Client ID or Folio Number and the Registered email ID.
2. 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 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.
3. Members may send the above mentioned request at point no (2) latest by Tuesday, October 20 2020. In case of joint holding, the credentials of the first named holder shall be accepted.
4. The invitation to join the AGM will be sent to the Members on their registered email IDs latest by October 26th, 2020. This will be done on first come first served basis.
5. 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.
6. 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.
7. 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.
8. 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.
9. The helpline number for joining the Meeting through Electronic Mode will be provided in the Meeting Invitation which will be sent to the eligible applicants.
10. Institutional Shareholders are encouraged to participate at the AGM through VC/OAVM and vote thereat.



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Annexure – A

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

Name of the Director	Mr. Ramesh N G S
Date of Birth	October 14, 1961
Date of Appointment	June 17, 2019
Expertise in Specific functional area	Financial Services and Banking
Qualification	B.Sc., PGDIFM
Experience	30 plus years of experience in banking and Financial Services
Directorships in other Companies	1. Stockholding Securities IFSC Limited 2. SHCIL Services Limited 3. Wonder Home Finance Limited 4. Stockholding Corporation of India Limited 5. Stockholding Document Management Services Limited 6. IFCI Financial Services Limited 7. IFIN Securities Finance Limited 8. IFIN Credit Limited
Number of Board Meetings attended during the Year	5
Chairman/ Membership of the Committee across all Companies	Nil
Shareholding in the Company	Nil
Relationship with other Directors	Nil



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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 12th Annual General Meeting of the Company held on Tuesday, October 27th, 2020 at 11:30 A.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: i) Please fill the Attendance Slip and hand it over at the Entrance of the Meeting Hall.

ii) This is not applicable for members who are attending AGM through VC/OAVM.



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PROXY FORM
FORM NO MGT-11

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

IFIN Commodities Limited

CIN: U93000TN2009GOI070524

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

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



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(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 11th Annual General Meeting of the Company, to be held on Tuesday, October 27TH, 2020 at 11.30 A.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, 2020, together with the Board of Directors' Report and Auditors' Report thereon.		
2.	Appointment of director in place of Mr. Ramesh NGS 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 _____ 2020.

Signature of the Shareholder

Signature of Proxy holder(s)

Affix One
Rupee
Revenue
Stamp



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.*
7. *The facility of proxy is not available for the members who are attending AGM through VC/OAVM as per the MCA circulars.*



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BOARD'S REPORT

To
The Members of
IFIN Commodities Limited

The Board of Directors of your Company presents the 12th Annual Report of IFIN Commodities Limited, together with the Audited Financial Statement, for the year ended March 31, 2020.

1. Financial Performance

(Rs. in lakh)

Particulars	YE 31.03.2020	YE 31.03.2019
Revenue from operations	78.65	118.42
Other income	41.08	80.62
Total income	119.74	199.18
Employee Benefits Expenses	78.29	94.03
Finance Costs	2.54	3.85
Depreciation and amortization Expenses	0.09	0.21
Other expenses	65.62	68.37
Total expenses	146.55	166.46
Provision for Doubtful debts	-	(11.07)
Profit/ (loss) before tax	(26.81)	43.78
Tax	0.42	6.30
PAT	(27.23)	37.48

2. Operations

During the FY 2019-20, Brokerage income has decreased to Rs.78.65 lakh compared to the previous FY 2018-29 of Rs. 118.42 lakh. Other income consists of Interest income which amounts to Rs.28.60 lakh. Employee cost has decreased from Rs.94.03 lakh in FY 2018-19 to Rs.78.29 lakh in FY 2019-20. Other expenses include rent of Rs.22.98 lakh paid to IFIN, Commission of Rs. 8.20 lakh, Professional charges of Rs.15.71 lakh. The company incurred loss of Rs. 27.23 lakh for the financial year ending March 31, 2020

as against profit of Rs.37.48 lakh for the financial year ending March 31, 2019.

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 31st, 2020.

5. Transfer To Reserves

Since profits are inadequate for the FY 2019-20, no amount has been transferred to reserves.

6. Directors and Key Managerial person

Changes in Directors and KMP during the FY 2019-20

- i) Mr. Karra Visweswar Rao (DIN: 08111685), Director resigned from the Board with effect from June 1st, 2019 following the withdrawal of his nomination by IFCI. Your directors place on record their sincere appreciation for the significant contributions made by Mr. Karra Visweswar Rao, as director of the company.
- ii) Mr. Biswajit Banerjee ((DIN: 02602582), Director vacated his office as Director of the company with effect from May 23rd, 2019 following the withdrawal of his nomination by IFCI. Your directors place on record their sincere appreciation for the significant contributions made by Mr. Biswajit Banerjee, as Director of the company.
- iii) The Board of Directors appointed Mr. O Ramesh Babu (DIN: 05149448) as Nominee Director of the

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company with effect from April 2nd, 2019.

- iv) The Board of Directors appointed Mr. Ramesh NGS (DIN:06932731) as an Additional Director of the company with effect from June 17th, 2019 and was subsequently regularized as Director of the company at the 11th Annual General Meeting held on September 17th, 2019.
- v) Mr. M.P. Rege (DIN: 02247110) who retired by rotation at the Annual General meeting held on September 17th, 2019 was reappointed as the Director of the Company.
- vi) Ms. Meera Ranganathan was appointed as Chief Operating Officer of the company with effect from June 26th, 2019.

As at March 31, 2020, the Board consisted of 4 Directors comprising of 2 Directors and 2 Nominee Directors.

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 March 31st, 2020 is given below:-

S. No.	Name of Director	Attendance Particulars		No. of other Directorships as on 31 st March, 2020
		No. of Meetings during the tenure of respective directors in FY 2019-20		Other Director-ships (Including Private Limited Companies)
		Held	Attended	
1.	Mr. M P Rege	6	6	0
2.	Mr. Ramesh Babu Oggu	6	6	3
3.	Mr. Ramesh NGS	5	5	8
4.	Mr. Sreekumaran V Nair	6	4	3
5.	Mr. Biswajit Banerjee*	1	1	4
6.	Mr. Karra Visweswar Rao**	1	1	0

Notes:

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* Mr. Biswajit Banerjee (DIN: 02602582) had vacated his office as a Director of the Company with effect from May 23, 2019, as his nomination is withdrawn by IFCI Limited.

**Mr. Karra Visweswar Rao (DIN: 08111685) had vacated his office as a Director of the Company with effect from June 01, 2019, as his nomination is withdrawn by IFCI Limited.

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 2019-20 Six (6) Board Meetings were held on the following dates:

April 17 th , 2019	June 17 th , 2019	August 8 th , 2019
September 17 th , 2019	November 7 th , 2019	February 3 rd , 2020

Mr. Ramesh NGS, director 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, 2020 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/Aboutus/Financials
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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:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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;

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- 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. 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 2019-20. C&AG shall appoint Statutory Auditors for the Financial Year 2020-21.

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

The Comptroller and Auditor General of India (CAG) audit report on the accounts for the year ended 31st March, 2020 under Companies Act, 2013 is attached as Annexure-II to this report.

11. 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.

12. 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 2019-20 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.

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

During the Financial Year 2019-20, 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.

14. 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 i.e March 31, 2020 and the date of the report.

15. 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.

16. 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.

17. 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 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.

18. 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.

19. 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.

20. 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.

21. 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.

22. 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.

23. 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**

Place: Chennai

Date: 28.07.2020

**Sd/-
Sreekumaran V Nair
Nominee Director
(DIN: 02207516)**

**Sd/-
O Ramesh Babu
Nominee Director
(DIN: 05149448)**



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Annexure – I

Form No. MGT - 9

Extract of Annual Return for the financial year ended on 31.03.2020

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	99.89%

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	L74899DL1993GOI053677	Ultimate	Nil*	Section 2 (87) &



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	IFCI Towers, 61, Nehru Place, New Delhi – 110019		Holding Company		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 31.03.2019]				No. of Shares held at the end of the year [As on 31.03.2020]				% 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



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(A Subsidiary of IFCI Financial Services Limited)

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Category of Shareholders	No. of Shares held at the beginning of the year [As on 31.03.2019]				No. of Shares held at the end of the year [As on 31.03.2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
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	-	-	-	-	-	-	-	-	-



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Category of Shareholders	No. of Shares held at the beginning of the year [As on 31.03.2019]				No. of Shares held at the end of the year [As on 31.03.2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-



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Category of Shareholders	No. of Shares held at the beginning of the year [As on 31.03.2019]				No. of Shares held at the end of the year [As on 31.03.2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
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)	1	0.00	-	1	0.00	-	-



IFIN COMMODITIES LIMITED

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	Limited)							
3.	Mr. D. V. Ramesh (Nominee of IFCI Financial Services Limited)	1	0.00	-	1	0.00	-	-
4.	Mr. Sreekumaran V Nair (Nominee of IFCI Financial Services Limited)	1	0.00	-	1	0.00	-	-
5.	Mr. Ramkumar Srinivasan (Nominee of IFCI Financial Services Limited)	1	0.00	-	1	0.00	-	-
6.	Mr. R. Govindarajan (Nominee of IFCI Financial Services Limited)	1	0.00	-	1	0.00	-	-
7.	Mr. Karra Visweswar Rao (Nominee of IFCI Financial Services Limited)	1	0.00	-	0	0.00	-	-
8.	Mr. O Ramesh Babu (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.	Particulars	Shareholding at the beginning	Cumulative Shareholding
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IFIN COMMODITIES LIMITED

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No.		of the year		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



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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				
	- Mr. Sreekumaran V Nair (Nominee of IFCI Financial Services Limited)	1	0.00	1	0.00
	- Mr. Karra Visweswar Rao (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.):	*1	0.00	*1	0.00
3.	At the end of the year				
	- Mr. Sreekumaran V Nair (Nominee of IFCI Financial Services Limited)	1	0.00	1	0.00
	- Mr. O Ramesh Babu (Nominee of IFCI Financial Services Limited)	1	0.00	1	0.00

NOTE * : During the year under review, Mr. Karra Visweswar Rao vacated his office as director w.e.f. June 1st, 2020 and his shareholding (One Share) has been transferred to Mr. O Ramesh Babu with effect from June 17th, 2019.

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	-	-	-	-



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Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
* 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, Specify	-	-
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.)



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S. No.	Particulars of Remuneration	Name of the Director	Total Amount (Rs.)
1.	Independent Directors	-	-
	Fee for attending board/ committee meetings	-	-
	Commission	-	-
	Others, please specify	-	-
	Total (1)	-	-
2.	Other Non-Executive Directors	Mr. M P Rege	
	Fee for attending board/ committee meetings	54,000	54,000
	Commission	-	-
	Others, please specify	-	-
	Total (2)	54,000	54,000
	Total (B)=(1+2)	54,000	54,000
	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	-	-	-	-
	(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	-	-	-	-



IFIN COMMODITIES LIMITED

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S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
4.	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	-	-	-

VII. Penalties / Punishment/ Compounding of Offences:

There were no Penalty / Punishment/ Compounding under Companies Act during the year ended 31.03.2019.

By Order of the Board
For IFIN Commodities Limited

Sd/-	Sd/-
Sreekumaran V Nair	O Ramesh Babu
Nominee Director	Director
(DIN: 02207516)	(DIN: 05149448)

Place: Chennai

Date: 28.07.2020

Annexure- II

12TH ANNUAL REPORT FOR THE FINANCIAL YEAR 2019-20

भारतीय लेखा तथा लेखा परीक्षा विभाग
कार्यालय महानिदेशक वाणिज्यिक लेखा परीक्षा, चेन्नै
Indian Audit and Accounts Department
Office of the Director General of Commercial Audit, Chennai

27/08/20
AUP (PR.)

No: DGCA/CHENNAI/CA-II/2-179/2020-21/ 18

25.08.2020

The Managing Director,
IFIN Commodities Limited,
142, Continental Chambers,
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 2020.

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 Commodities Limited, Chennai for the year ended 31 March 2020.

Five copies of Printed Annual Report may be arranged to be forwarded to this office. The date of holding of Annual General Meeting may also intimated.

Receipt of this letter may be acknowledged.

Yours faithfully,



(R. AMBALAVANAN)
DIRECTOR GENERAL OF COMMERCIAL AUDIT, CHENNAI

Encl: Audit Certificate.

इंडियन ऑइल भवन, स्तर - २, १३९, महात्मा गाँधी मार्ग, चेन्नई - ६०००३४

Indian Oil Bhavan, Level- 2, 139, Mahatma Gandhi Road, Chennai - 600034
Tel: 044-28330147 Fax: 044-28330142/145 e-mail: mahchennai@oag.gov.in



**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 2020**

The preparation of financial statements of IFIN Commodities Limited for the year ended 31 March 2020 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 11 June 2020.

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 2020 under section 143 (6) (a) of the Act.

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

(R. AMBALAVANAN)

DIRECTOR GENERAL OF COMMERCIAL AUDIT, CHENNAI

Place: Chennai

Date: 25 August 2020



IFIN COMMODITIES LIMITED

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12TH ANNUAL REPORT FOR THE FINANCIAL YEAR 2019-20

Annexure – III

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

Sd/-

Sreekumaran V Nair

Nominee Director

(DIN: 02207516)

Sd/-

O Ramesh Babu

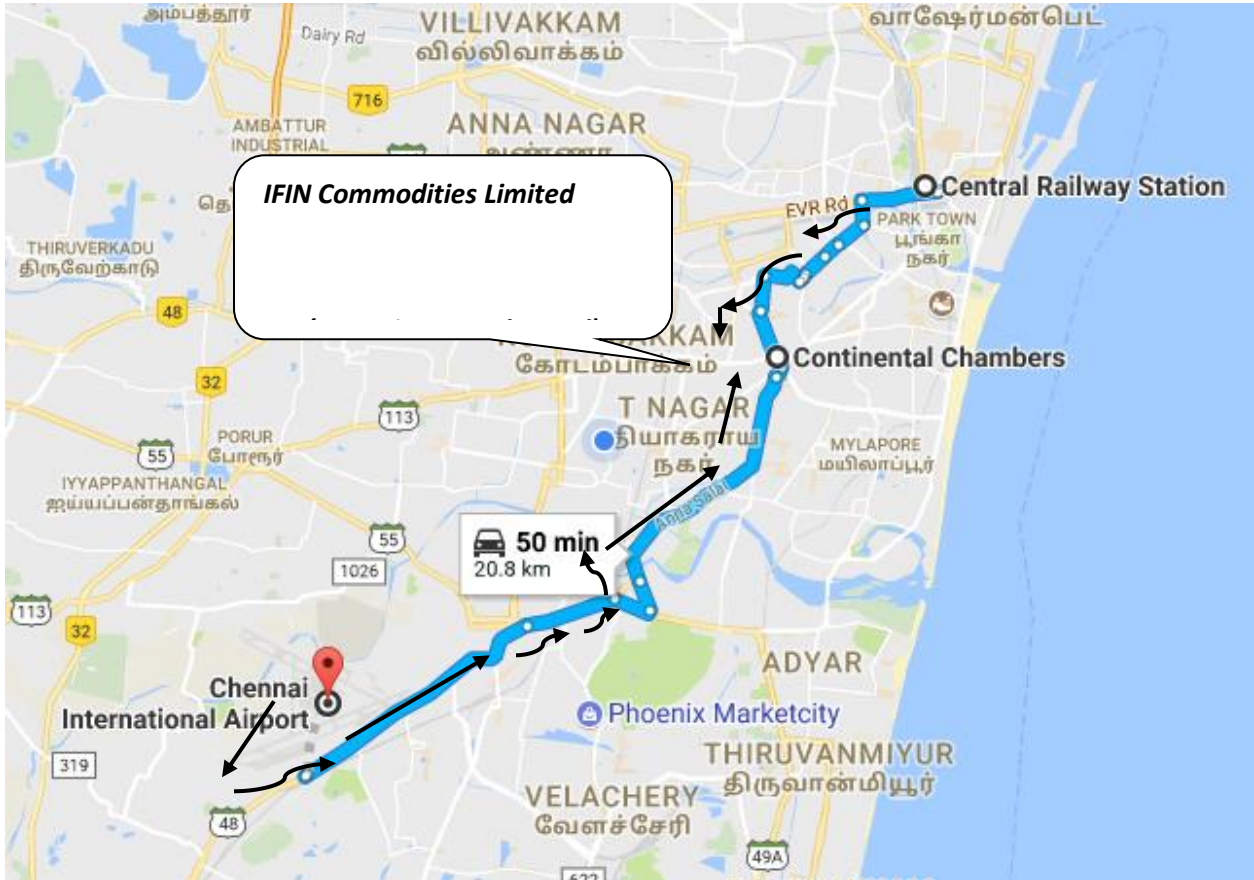
Nominee Director

(DIN: 05149448)

Place: Chennai

Date: 28.07.2020

Route map to the 12th AGM venue of IFIN Commodities Limited





GANESAN AND COMPANY

CHARTERED ACCOUNTANTS

Independent Auditor's Report

To the Members of M/s. IFIN COMMODITIES LIMITED
Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the standalone Ind AS financial statements of **IFIN COMMODITIES LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone Ind AS 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 standalone Ind AS 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 Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss, changes in equity and its cash flows for the year ended 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 the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Companies Act, 2013 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.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the *Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information*, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a

material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 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 are 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 standalone Ind AS 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 standalone Ind AS 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements 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 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 standalone Ind AS 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 and Regulatory Requirements

1. 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 Companies Act, 2013, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 purposes of our audit.



- b) In our opinion, proper books of account 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) 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, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer **Note XI** of the Notes forming part of standalone Ind AS financial statements;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. 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.

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

N. Venkatramani

N VENKATRAMANI
PARTNER

M.No. 215145

UDIN.: 20215145AAAABAA054

Place : Chennai
Date : 11.06.2020



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

REPORT ON THE COMPANY (AUDITOR'S REPORT) ORDER, 2016 ("THE ORDER"), UNDER CLAUSE (i) OF SUB-SECTION (11) OF SECTION 143 OF THE COMPANIES ACT, 2013 (the ACT)

(Referred to in **Paragraph 1** under '**Report on Other Legal and Regulatory Requirements**' of our report of even date to the members of **IFIN COMMODITIES LIMITED** on the standalone Ind AS financial statements for the year ended March 31, 2020)

- 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 standalone Ind AS financial statements as required under Indian Accounting Standard (Ind AS) 24, 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.

Place : Chennai
Date : 11.06.2020

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


N VENKATRAMANI
PARTNER.
M.No. 215145

UDIN.: 20215145AAAABA9054



“ANNEXURE B” to INDEPENDENT AUDITOR’S REPORT

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUBSECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (the ACT)

(Referred to **Point f** in **Paragraph 2** under ‘**Report on Other Legal and Regulatory Requirements**’ section of our report of even date to the members of **IFIN COMMODITIES LIMITED** on the standalone Ind AS financial statements for the year ended March 31, 2020.)

We have audited the internal financial controls over financial reporting of **IFIN COMMODITIES LIMITED** as of 31st March 2020 in conjunction with our audit of the standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 2020, 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 2020.

Place : Chennai
Date : 11.06.2020

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


N VENKATRAMANI

PARTNER

M.No. 215145

UDIN.: 20215145AAAABA9054



"ANNEXURE C" to INDEPENDENT AUDITOR'S REPORT

REPORT ON THE DIRECTIONS ISSUED BY THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(5) OF THE COMPANIES ACT, 2013

(Referred to in Paragraph 3 under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of IFIN COMMODITIES LIMITED on the standalone Ind AS financial statements for the year ended March 31, 2020)

S.No.	GENERAL DIRECTIONS	AUDITOR'S COMMENT
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 has in place adequate system to process all the accounting transactions through IT system with the support of accounting software – LIDHA DIDHA (LD). The main activity of the company is trading in derivatives which are updated on a daily basis on the basis of trades carried out through exchange with the support of file / data shared by the exchange. In respect of payroll related data, based on the files received from payroll department entries are uploaded periodically / monthly in the respective ledger accounts in the accounting software. Other administrative and routine entries are passed through the accounting software with appropriate menu based operations. There is no accounting transactions processed outside the IT systems except what has been stated above.
2.	Whether there is any restructuring of any existing loan or cases of waiver / write off of debts / loans / interest, etc. made by a lender to the company due to company's inability to repay the loan? If yes, the financial impact may be stated.	No such cases since there are no borrowings made by the company.
3.	Whether funds received / receivable for specific schemes from Central / State agencies were properly accounted for / utilized as per its terms and conditions? List the cases of deviation.	No such cases of funds received / receivable for any schemes from Central / State agencies.

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


N VENKATRAMANI
PARTNER.
M.No. 215145

Place : Chennai
Date : 11.06.2020

UDIN.: 20215145AAAABAA054



IFIN Commodities Limited
Balance Sheet as at 31st March 2020

(Amount in Rs.)

Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	1	67,517	67,517
(b) Other Intangible Assets	2	77,686	86,366
(c) Financial Assets			
(i) Other financial Assets	3	13,500,000	24,000,000
(2) Current Assets			
(a) Financial Assets			
(i) Trade receivables	4	50,758	364
(ii) Cash and Cash Equivalents	5	18,863,059	19,859,029
(iii) Bank balances other than (ii) above	6	37,481,570	39,028,293
(b) Current Tax Assets (Net)	7	1,884,825	1,535,990
(c) Other Current Assets	8	3,217,736	3,436,227
Total Assets		75,143,151	88,013,785
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	9	50,000,000	50,000,000
(b) Other Equity	10	1,493,306	4,216,312
LIABILITIES			
(1) Non-current liabilities			
(a) Deferred tax liabilities (Net)	11	19,135	19,135
(2) Current liabilities			
(a) Financial Liabilities			
(i) Trade payables			
(A) Dues to MSME		-	-
(B) Dues to other than MSME	12	21,381,731	26,076,087
(b) Other Current Liabilities	13	787,420	6,460,378
(c) Provisions	14	1,461,558	1,241,873
Total Equity and Liabilities		75,143,151	88,013,785

See accompanying notes to the standalone Ind AS financial statements

In terms of our report on even date attached herewith

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

W. Venkat Ramani
N Venkatramani

Partner
M. No. 215145



FOR AND ON BEHALF OF THE BOARD OF
IFIN COMMODITIES LIMITED

O. Ramesh Babu
O. Ramesh Babu
Director

Ramesh N.G.S
Ramesh N.G.S
Director

Aby Eapen
Aby Eapen
Company Secretary

Place : Chennai
Date : 11.06.2020

IFIN Commodities Limited
Statement of Profit and Loss for the year ended 31st March 2020

(Amount in Rs.)

Particulars		Note No.	As at 31st March 2020	As at 31st March 2019
I	Revenue From Operations	15	78,65,520	1,18,55,781
II	Other Income	16	41,08,933	80,61,901
III	Total Income (I+II)		1,19,74,453	1,99,17,681
IV	EXPENSES			
	Employee Benefit Expenses	17	78,29,810	94,03,098
	Finance Costs	18	2,54,076	3,85,457
	Depreciation and Amortization Expense	1&2	8,680	21,104
	Other Expenses	19	65,62,624	57,29,615
	Total Expenses (IV)		1,46,55,190	1,55,39,274
V	Profit / (Loss) before exceptional items and tax (III-IV)		(2,680,738)	4,378,408
VI	Exceptional Items		-	-
VII	Profit / (Loss) before tax		(2,680,738)	4,378,408
VIII	Tax expense:			
	(1) Current tax		-	633,570
	Tax of earlier years		42,269	-
	(2) Deferred tax		-	(2,870)
IX	Profit / (Loss) for the period		(2,723,007)	3,747,708
X	Earnings per Equity Share			
	Basic & Diluted		(0.54)	0.75

See accompanying notes to the standalone Ind AS financial statements

In terms of our report on even date attached herewith

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

N Venkatramani
 N Venkatramani

Partner

M. No. 215145



Place : Chennai

Date : 11.06.2020

FOR AND ON BEHALF OF THE BOARD OF
 IFIN COMMODITIES LIMITED

O. Ramesh Babu
 O. Ramesh Babu
 Director

Ramesh N.G.S
 Ramesh N.G.S
 Director

Aby Eapen
 Aby Eapen

Company Secretary

IFIN Commodities Limited

Cash Flow Statement for the year ended 31st March 2020

(Amount in Rs.)

Particulars	As at 31st March 2020		As at 31st March 2019	
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit after tax		(2,723,007)		3,747,708
Adjustments for				
Provision for Taxes (Incl Deferred tax)	73,124		630,700	
Depreciation / Amortisation on Fixed Assets	8,680		21,104	
Provision for Doubtful Debts	77,080		(1,107,250)	
Bad debts written off	91		1,014,226	
Provision for Expenses	1,461,558		1,241,873	
Interest income	(2,856,063)		(2,756,887)	
Interest Expenses	(1,254,065)	(2,489,596)	(5,305,014)	(6,261,248)
Operation Profit before Working Capital Changes		(5,212,603)		(2,513,540)
Adjustments for:				
(Increase) / Decrease in Trade Receivables	(50,394)		(5)	
(Increase) / Decrease in Other Current Assets	(351,156)		(311,765)	
Increase / (Decrease) in Trade Payable	(4,694,356)		1,489,638	
Increase / (Decrease) in Current Liabilities	(4,495,267)		1,015,645	
Increase / (Decrease) in Provisions	(1,241,873)	(10,833,046)	(1,003,613)	1,189,900
Cash Generated from Operation before tax		(16,045,648)		(1,323,641)
Direct taxes paid		(397,725)		153,121
Net cash inflow / (outflow) from Operating Activities - A		(16,443,373)		(1,170,520)
CASH FLOW FROM INVESTING ACTIVITIES				
(Increase) / Decrease in Fixed Deposits		3,046,723		3,600,108
Interest Received from Fixed Deposits		3,400,680		2,756,886
(Increase) / Decrease in Security Deposits		9,000,000		(10,836,031)
Net Cash used in / raised from Investing Activities - B		15,447,403		(4,479,037)
CASH FLOW FROM FINANCING ACTIVITIES - C				
Net increase / (decrease) in Cash & Cash Equivalent (A+B+C)		(995,970)		(5,649,557)
Cash and Cash Equivalents at the beginning of the period		19,859,029		25,508,586
Cash and Cash Equivalents at the end of the period		18,863,059		19,859,029

See accompanying notes to the standalone Ind AS financial statements

In terms of our report on even date attached herewith

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


N Venkatramani
Partner
M. No. 215145



Place : Chennai
Date : 11.06.2020

FOR AND ON BEHALF OF THE BOARD OF
IFIN COMMODITIES LIMITED


O. Ramesh Babu
Director


Ramesh N.G.S
Director


Aby Eapen
Company Secretary

IFIN Commodities Limited

Notes forming part of standalone Ind AS Financial Statements for the year ended 31.03.2020

Note 1 & 2 : Property, Plant and Equipment & Intangible Assets

	(Amount in Rs.)									
	Gross Block					Accumulated Depreciation			Net Block	
	As at 1st April 2019	Additions	Disposals	As at 31st March 2020	As at 1st April 2019	Depreciation for the year	On disposals	As at 31st March 2020	As at 31st March 2020	As at 31 March 2019
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Fixed Assets										
Tangible Assets										
Office Equipment	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	1,467,362	8,680	-	1,476,042	77,686	86,366
Intangible Membership Card	3,200,000	-	-	3,200,000	3,200,000	-	-	3,200,000	-	-
Total	4,753,728	-	-	4,753,728	4,667,362	8,680	-	4,676,042	77,686	86,366
Grand Total	6,106,401	-	-	6,106,401	5,952,518	8,680	-	5,961,198	145,204	153,883
Previous Year	6,106,401	-	-	6,106,401	5,931,414	21,104	-	5,952,518	153,883	174,986








IFIN Commodities Limited

Notes forming part of standalone Ind AS Financial Statements for the year ended 31.03.2020

(Amount in Rs.)

Note No	Particulars	As at 31st March 2020	As at 31st March 2019
3	Other Financial assets		
	Unsecured, considered good	13,500,000	24,000,000
		13,500,000	24,000,000
4	Trade Receivables		
	Unsecured, considered good	50,758	364
	Unsecured, considered doubtful	90,161	13,081
		140,918	13,445
	Less : Provision for Impairment loss	90,161	13,081
		50,758	364
5	Cash and Cash Equivalents		
	Balances with bank	18,859,868	19,855,486
	Cash on hand	3,191	3,543
		18,863,059	19,859,029
6	Bank balances other than (ii) above		
	Bank Deposits	37,481,570	39,028,293
		37,481,570	39,028,293
7	Current Tax Assets (Net)		
	Advance Tax (Net of provisions)	1,884,825	1,535,990
		1,884,825	1,535,990
8	Other current assets		
	Interest accrued on Deposits	1,498,182	2,067,828
	Receivable from Exchanges	1,045,369	-
	GST Input Tax Credit	405,099	851,780
	Other Current Assets	269,086	516,619
		3,217,736	3,436,227



IFIN Commodities Limited

Notes forming part of standalone Ind AS Financial Statements for the year ended 31.03.2020

Statement of Changes in Equity

Note 9 : Equity Share Capital

Particulars	(In Nos.)			In Amount (Rs.)		% of Share Holding
	Balance at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year	Balance at the end of the reporting year		
IFCI Financial Services Limited and Nominees	5,000,000	-	5,000,000	50,000,000	100	
Total	5,000,000	-	5,000,000	50,000,000	100	

Note 10 : Other Equity

Particulars	Reserves and Surplus							Total	
	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Statutory Reserves	General Reserve	Amalgamation Reserve		Retained Earnings
Balance at the beginning of the reporting period	-	-	-	-	-	-	-	42,16,313	42,16,313
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	(2,723,007)	(2,723,007)
Balance at the end of the reporting period	-	-	-	-	-	-	-	14,93,306	14,93,306






IFIN Commodities Limited

Notes forming part of standalone Ind AS Financial Statements for the year ended 31.03.2020

(Amount in Rs.)

Note No.	Particulars	As at 31st March 2020	As at 31st March 2019
11	Deferred Tax Liabilities		
	Deferred Tax Liabilities (Net)	19,135	19,135
		19,135	19,135
12	Trade Payables		
	Dues of Micro, Small and Medium Enterprises	-	-
	Dues to other than Micro, Small and Medium Enterprises	21,381,731	26,076,087
		21,381,731	26,076,087
13	Other current Liabilities		
	Security Deposits	230,162	184,962
	Statutory Dues Payable	102,415	381,280
	Payable to Exchanges	155,543	3,561,068
	Other Liabilities	299,301	2,333,068
		787,420	6,460,378
14	Provisions		
	Provision for Employee Benefits	1,152,579	922,865
	Provision for Expenses	308,979	319,008
		1,461,558	1,241,873



IFIN Commodities Limited

Notes forming part of standalone Ind AS Financial Statements for the year ended 31.03.2020

(Amount in Rs.)

Note No.	Particulars	As at 31st March 2020	As at 31st March 2019
15	Revenue From Operations		
	Brokerage	7,848,720	11,842,959
	Account Opening Charges	16,800	12,822
		7,865,520	11,855,781
16	Other Income		
	Interest Income	2,859,758	2,756,887
	Miscellaneous Income	1,249,175	5,305,014
		4,108,933	8,061,901
17	Employee Benefit Expenses		
	Salaries and Wages	6,973,837	8,383,731
	Contributions to Provident and Other Funds	554,226	617,849
	Staff Welfare Expenses	301,747	401,518
		7,829,810	9,403,098
18	Finance Costs		
	Bank Charges	223,221	363,652
	Interest on Income Tax	30,855	21,805
		254,076	385,457
19	Other Expenses		
	Insurance	334,356	66,794
	Auditors Remuneration	252,500	255,000
	Professional Charges	1,571,627	1,503,466
	Commission Paid	820,775	627,088
	Rent	2,297,928	2,297,928
	Membership & Subscription	261,001	160,069
	Rates And Taxes	442,756	8,000
	Penalty	29,100	-
	Postage & Telegram	90,435	171,681
	Printing & Stationery	24,530	151,910
	Bad debts written off	91	1,014,226
	Allowance for doubtful debts	77,080	(1,107,250)
	Other Expenses	360,445	580,703
		6,562,624	5,729,615



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IFIN COMMODITIES LIMITED

Notes forming part of Standalone Ind AS Financial Statements for the year ended 31.03.2020

I. Background:

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).

Decision to continue with the process of merger considered at the meeting of the Board of Directors held on 22.04.2015, between 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, vide company's letter dated 24.06.2016. The company is yet to receive any approval in this regard.

II. Basis of Preparation of Financial Statements:

The financial statements for the year ended March 31, 2020 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard. These are the Company's second Ind AS financial statements and the date of transition to Ind AS was April 1, 2017.

III. Functional and Presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency. All amounts have been denominated in Indian Rupees and rounded off to the nearest two decimal, except when otherwise indicated.

IV. Disclosure on Impact of Covid-19:

The Government of India had announced a Nation-wide lockdown on March 24, 2020 which led to Significant Volatility in the Indian Financial Markets and a decrease in economic activities.



B. Depreciation

Depreciation is provided using the straight line method over the useful life as prescribed under Schedule II to the Companies Act, 2013. Depreciation is calculated on pro-rata basis, including the month of addition and excluding the date of sale/disposal. Residual value in respect of depreciable value is considered as 5% of the cost.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

C. De-recognition

An item of property, plant and equipment or investment property is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment or investment property is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

VIII. Intangible assets

A. Recognition and measurement

Intangible assets are recognized at cost of acquisition which includes all expenditure that can be directly attributed or allocated on a reasonable and consistent basis, to create, produce or making the asset ready for its intended use.

B. Amortization

Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

C. De-recognition

An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss when the asset is de-recognized.



IX. Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amount of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Impairment losses are recognized in profit and loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

X. Employee benefits:

(a) Defined contribution plan:

The Company's Provident Fund Scheme and Employee State Insurance Scheme are defined contribution plan and companies contribution paid/ payable is recognized as expense in Statement of Profit & Loss during the period in which the employee renders the related service.

Gratuity expense for the year is recognized as and when contribution is deposited with LIC based on intimation received by the company.

(b) Compensated Absence-Leave Salary

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 (Calculated on the gross pay) This balance is allowed to be accumulated. The expenses arising therefrom are recognized in the statement of profit and loss.

XI. Income Taxes:

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of temporary differences between tax base and book base). It is recognized in profit or loss except to the extent that it relates to a business combination.

A. Current tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Minimum alternative tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognized as current tax in the statement of profit and loss.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognized amounts; and



b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

B. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if the Company:

- a) has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

The credit available under the Act in respect of MAT paid is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognized as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

XII. Provision , Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation.



(b) 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.

Particulars	Year 2019-20	Year 2018-19
Policy No	605000514	605000514
Date of Valuation	31/03/2020	31/03/2019
Membership Data		
Number of Members	19	23
Average age	37.53	36.13
Average Monthly Salary	13521.89	13490.91
Average past Service	7.42	5.78
Valuation Method	Projected unit credit method	Projected unit credit method
Results of Valuation		
Present value of Past Service Benefit	7,95,846	9,52,168
Service cost	1,00,966	1,59,134
Fund with LIC	9,17,603	7,57,188
Accrued Gratuity	11,38,979	10,38,746
Actuarial Assumptions		
Mortality Rate	LIC (2006-08) ultimate	LIC (2006-08) ultimate
Discount rate	7.25% p.a.	7.50% p.a.
Salary escalation rate	5%	7%
Withdrawal rate	1% to 3% depending on age	1% to 3% depending on age
Total Amount Payable	NIL	3,54,114

(c) Leave encashment as per policy allowed by the Company during the financial year and the amount charged to Statement of profit & Loss is Rs.4,65,807/- (Rs. 5,24,210/-)

XVII. The company is primarily engaged in the business of providing Commodity market related transaction services. As such there are no separate reportable segments as per Ind AS 108.



XVIII. Earnings Per Share:

The Earning per Share [EPS] has been computed in accordance with the Ind AS 33 issued by the Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016

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.

Particulars	As on 31-03-2020	As on 31-03-2019
Net Profit / (loss)for the year available for the equity share holders (Before & after extra-ordinary Item)	(27,23,007)	37,47,708
Nominal value per equity share	10	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)	0.75

XIX. Others:

- (i) The Company has furnished bank guarantee aggregating to Rs.300.00 lakhs to Multi Commodity Exchange Limited as on 31.03.2020 for meeting margin requirements. The Company has pledged fixed deposits upto 50% of the above deposits, i.e. Rs.150.00 lakhs for obtaining the above guarantee.
- (ii) Written back the accumulated unreconciled payables of Rs. 17.58 lakhs lying in the books of accounts for more than 3 years.

XX. 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 Securities Finance 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:

Shri.O.Ramesh Babu : Director (Since 02.04.2019)
 Relatives of Key Management Personnel : Nil

(e) Transaction with Related Parties:

(Amount in Rs.)

Sr.No	Particulars	Holding/ Subsidiary/ Fellow Subsidiary Companies		Key Managerial Personnel	
		2019-20	2018-19	2019-20	2018-19
1.	Rent to IFCI Financial Services ltd	22,97,928	22,97,928	-	-
2.	Corporate Guarantee Issued by IFCI Financial Services ltd	5,00,00,000	5,00,00,000	-	-

XX. Foreign Exchange Inflow and Outflow

During the year, the company has spent a sum of Rs.NIL (NIL) in foreign exchange, towards travelling and conveyance. There is no foreign exchange income during the year.

XXI. As per the information and explanation given to us, the Company does not deal with vendors covered under Micro, Small & Medium Enterprises Development Act, 2006. Hence compliance and reporting in this regard does not arise.

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



[Handwritten signatures]
 - Devaraj