

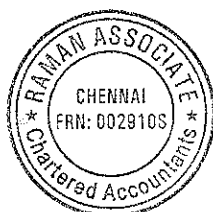
IFCI Financial Services Limited
Balance Sheet as at 31st March 2019

(Amount in Rs.)

| Particulars | Note No. | As at 31st March '19 | As at 31st March '18 | As at 01st April '17 |
|------------------------------------------------------|----------|----------------------|----------------------|----------------------|
| (1) ASSETS | | | | |
| Non-current assets | | | | |
| (a) Property, Plant and Equipment | 1 | 24,90,565 | 24,62,692 | 31,45,204 |
| (b) Capital work-in-progress | | - | - | - |
| (c) Investment Property | 2 | 38,52,23,063 | 38,52,23,063 | 38,52,23,063 |
| (d) Goodwill | | - | - | - |
| (e) Other Intangible assets | 3 | 15,77,216 | 17,56,008 | 19,75,375 |
| (f) Intangible assets under development | | - | - | - |
| (g) Financial Assets | | | | |
| (i) Investments | | - | - | - |
| (ii) Trade receivables | | - | - | - |
| (iii) Loans | | - | - | - |
| (h) Deferred tax assets (net) | | - | - | - |
| (i) Other non-current assets | 4 | 6,11,45,099 | 7,72,43,183 | 14,02,63,436 |
| (2) Current assets | | | | |
| (a) Inventories | | - | - | - |
| (b) Financial Assets | | | | |
| (i) Investments | 5 | - | 56,60,896 | 1,59,14,685 |
| (ii) Trade receivables | 6 | 13,01,23,978 | 8,93,08,388 | 7,50,56,628 |
| (iii) Cash and cash equivalents | 7 | 32,20,68,046 | 38,21,83,946 | 26,48,52,554 |
| (iv) Bank balances other than (iii) above | | - | - | - |
| (v) Loans | 8 | 4,35,69,902 | 4,48,86,324 | 7,34,27,071 |
| (vi) Others (to be specified) | | - | - | - |
| (c) Current Tax Assets (Net) | | - | - | - |
| (d) Other current assets | 9 | 51,33,783 | 31,74,631 | 96,59,818 |
| Total Assets | | 95,13,31,652 | 99,18,99,045 | 96,95,17,834 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| (a) Equity Share capital | SCE | 41,53,37,090 | 41,53,37,090 | 41,53,37,090 |
| (b) Other Equity | SCE | 30,18,92,206 | 29,88,63,499 | 28,83,97,884 |
| LIABILITIES | | | | |
| Non-current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | | - | - | - |
| (ii) Trade payables | | - | - | - |
| (b) Provisions | | - | - | - |
| (c) Deferred tax liabilities (Net) | 10 | 26,46,304 | 26,37,029 | 27,66,999 |
| (d) Other non-current liabilities | 11 | 69,02,487 | 68,52,327 | 66,26,724 |
| Current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | 12 | - | - | - |
| (ii) Trade payables | | 20,43,01,435 | 21,27,27,466 | 23,17,26,357 |
| (iii) Other financial liabilities (other than those) | | - | - | - |
| (b) Other current liabilities | 13 | 1,13,91,896 | 4,45,00,074 | 1,79,85,165 |
| (c) Provisions and Current Tax Liabilities | 14 | 88,60,234 | 1,09,81,560 | 66,77,614 |
| Total Equity and Liabilities | | 95,13,31,652 | 99,18,99,045 | 96,95,17,834 |

See accompanying notes to the financial statements

For Raman Associate
Chartered Accountants
FRN - 002910S



Dr. A.P Vijayendran
Partner, M. No. 215166

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

Karla Vigneswar Rao
Managing Director

Biswajit Banerjee
Chairman

Place : Chennai
Date : 17/04/2019

Aby Eapen
Company Secretary

A V Pushparaj
Chief Financial Officer

IFCI Financial Services Limited
Statement of Profit and Loss for the period ended 31st March 2019

(Amount in Rs.)

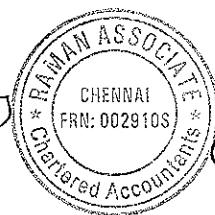
| | Particulars | Note No. | Y.E 31st March 2019 | Y.E 31st March 2018 |
|--------|------------------------------------------------------------------------------|----------|---------------------|---------------------|
| I | Revenue From Operations | 15 | 12,25,42,908 | 15,42,22,467 |
| II | Other Operating Income | 16 | 1,16,97,879 | 1,54,46,072 |
| II | Other Income | 17 | 4,44,95,988 | 3,74,71,424 |
| III | Total Income (I+II) | | 17,87,36,775 | 20,71,39,963 |
| IV | EXPENSES | | | |
| | Employee benefits expense | 18 | 8,51,68,569 | 9,64,77,719 |
| | Finance costs | 19 | 19,95,068 | 14,84,468 |
| | Depreciation and amortization expense | 1 | 5,60,512 | 10,41,057 |
| | Other expenses | 20 | 8,74,45,013 | 9,79,42,935 |
| | Total expenses (IV) | | 17,51,69,162 | 19,69,46,179 |
| V | Profit/(loss) before exceptional items and tax (I- IV) | | 35,67,613 | 1,01,93,784 |
| VI | Impairment on financial instrument | 21 | (29,242) | (27,89,875) |
| VII | Profit/(loss) before tax (V-VI) | | 35,96,855 | 1,29,83,658 |
| VIII | Tax expense: | | | |
| | (1) Current tax | | 6,75,546 | 26,48,015 |
| | (2) Deferred tax | | 9,275 | (1,29,970) |
| IX | Profit (Loss) for the period from continuing operations (VII-VIII) | | 29,12,034 | 1,04,65,614 |
| X | Profit/(loss) from discontinued operations | | - | - |
| XI | Tax expense of discontinued operations | | - | - |
| XII | Profit/(loss) from Discontinued operations (after tax) (X-XI) | | - | - |
| XIII | Profit/(loss) for the period (IX+XII) | | 29,12,034 | 1,04,65,614 |
| IX | Other Comprehensive Income | | | |
| a. (i) | Items that will not be reclassified to Profit or Loss | | - | - |
| (ii) | Income Tax relating to items that will not be reclassified to Profit or Loss | | - | - |
| b. (i) | Items that will be reclassified to Profit or Loss | | - | - |
| (ii) | Income Tax relating to items that will be reclassified to Profit or Loss | | - | - |
| XI | Total Other Comprehensive Income for the period | | - | - |
| XII | Earnings per Share (EPS) - not annualised | | - | - |
| | Basic & Diluted | | 0.07 | 0.25 |

See accompanying notes to the financial statements

For Raman Associate
Chartered Accountants
FRN - 002910S

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

Dr. A.P Vijayendran
Partner , M. No. 215166



Karra Visweswar Rao
Managing Director

Biswajit Banerjee
Chairman

Place : Chennai
Date : 17/04/2019

Aby Eapen
Company Secretary

A V Pushparaj
Chief Financial Officer

IFCI Financial Services Limited
Cash Flow Statement As on 31st March 2019

(Amount in Rs)

| | Particulars | Year ended 31.03.2019 | Year ended 31.03.2018 |
|----------|-----------------------------------------------------------------------------------|--------------------------|--------------------------|
| A | CASH FLOW FROM OPERATING ACTIVITIES | | |
| | Net Profit before tax | 35,96,855 | 1,29,83,659 |
| | Adjustments for: | | |
| | Depreciation / Amortisation on Fixed Assets | 5,60,512 | 10,41,057 |
| | Dividend Received (considered separately under Investment Activities) | (51,610) | (1,72,457) |
| | Profit on Sale of Investments (considered separately under Investment Activities) | - | (23,74,157) |
| | Finance Cost (considered separately under Finance Activities) | 19,95,068 | 14,84,468 |
| | Interest income | (1,73,59,457) | (1,84,29,674) |
| | Profit/(Loss) on Fixed Asset | - | (1,84,50,762) |
| A | Operation Profit before Working Capital Changes | (1,12,58,632) | (54,67,102) |
| | Adjustments for: | | |
| | (Increase) / Decrease in Current Investments | 56,60,806 | 1,02,53,879 |
| | (Increase) / Decrease in Trade Receivables | (4,06,98,922) | (1,42,51,760) |
| | (Increase) / Decrease in Loans & Advances | 1,74,14,511 | 9,15,60,996 |
| | (Increase) / Decrease in Other current Assets | (19,59,151) | 64,85,187 |
| | Increase / (Decrease) in Trade Payable | (84,26,031) | (1,89,98,891) |
| | Increase / (Decrease) in Provisions | (21,21,326) | 43,03,946 |
| | Increase / (Decrease) in Non - Current Liabilities | (3,30,58,017) | 2,67,40,511 |
| | Cash Generated from Operation before tax | (7,44,46,763) | 10,06,26,766 |
| | Direct taxes paid | 6,75,546 | 26,48,015 |
| | Net cash from Operating Activities | (7,51,22,309) | 9,79,78,751 |
| B | CASH FLOW FROM INVESTING ACTIVITIES | | |
| | Purchase of Fixed Assets | (4,09,593) | (1,39,178) |
| | Decrease in Capital advance | - | - |
| | (Increase) / Decrease in Fixed Deposits | 6,45,706 | (1,44,42,599) |
| | Dividend Received | 51,610 | 1,72,457 |
| | Profit on Sale of Investments | - | 23,74,157 |
| | Interest received | 1,73,59,457 | 1,84,29,674 |
| | Net Cash used in / raised from Investing Activities | 1,76,47,180 | 63,94,511 |
| C | CASH FLOW FROM FINANCING ACTIVITIES | | |
| | Dividend Received | - | - |
| | New Borrowings | - | - |
| | Deferred tax paid | - | - |
| | Issue of Share Capital | - | - |
| | Share Application Money Repaid | - | - |
| | Finance Cost | (19,95,068) | (14,84,468) |
| | Loan Proceeds Received | - | - |
| | Repayment of Loans | (19,95,068) | (14,84,468) |
| | Net Changes in Cash & Cash Equivalent (a+b+c) | (5,94,70,197) | 10,28,88,793 |
| | Opening Cash and Cash Equivalent | 14,86,68,508 | 4,57,79,715 |
| | Closing Cash and Cash Equivalent | 3,91,98,312 | 14,86,68,508 |
| | Increase / (Decrease) in Cash & Cash Equivalent | (5,94,70,197) | 10,28,88,793 |

Notes

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents

Effective April 1, 2018, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of the amendment did not have any material impact on the financial statements

For Raman Associate
Chartered Accountants
FRN - 002910S

Dr. A.P Vijayendran
Partner, M. No. 215166



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

Karra Visweswar Rao
Managing Director

Biswajit Banerjee
Chairman

Aby Eapen
Company Secretary

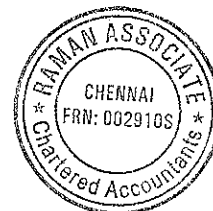
A V Pushparaj
Chief Financial Officer

Place : Chennai
Date : 17/04/2019

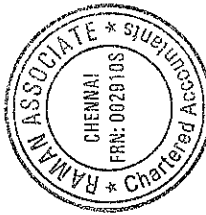
IFCI Financial Services Limited
Statement of Changes in Equity for the period ended 31st March 2019

| A. Equity Share Capital | | | | | |
|--------------------------------|---------------------------------------------------------|--------------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------|---------------------------|
| Particulars | Balance at the beginning of the reporting period | Changes in equity share capital during the year | Balance at the end of the reporting period (Qty) | Balance at the end of the reporting period (Rs.) | Units |
| | | | | | % of Share Holding |
| IFCI Limited and nominees | 3,93,63,809 | - | 3,93,63,809 | 39,36,38,090 | 94.78 |
| Ms. Chandra Ramesh | 17,57,619 | - | 17,57,619 | 1,75,76,190 | 4.23 |
| Mr. D V Ramesh | 4,12,281 | - | 4,12,281 | 41,22,810 | 0.99 |
| Total | 4,15,33,709 | - | 4,15,33,709 | 41,53,37,090 | 100 |

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| IFCI Financial Services Limited Statement of Changes in Equity for the period ended 31st March 2019 | | | | | | | | | |
|----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|-------------------------------------------|----------------------------------------------------|----------------------|----------------------------|--------------------|-----------------|----------------------|--------------|
| B. Other Equity | Particulars | Share application money pending allotment | Equity component of compound financial instruments | Reserves and Surplus | | | | | Total |
| | | | | Capital Reserve | Securities Premium Reserve | Statutory Reserves | General Reserve | Amalgamation Reserve | |
| | Balance at the beginning of the reporting period | - | - | - | 45,16,43,790 | - | 91,79,620 | 97,63,970 | 29,89,80,170 |
| | 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 | - | - | - | - | - | - | - | - |
| | Any other change (to be specified) | - | - | - | - | - | - | - | - |
| | Balance at the end of the reporting period | - | - | - | 45,16,43,790 | - | 91,79,620 | 97,63,970 | 29,12,034 |
| | | - | - | - | 45,16,43,790 | - | 91,79,620 | 97,63,970 | 30,18,92,206 |

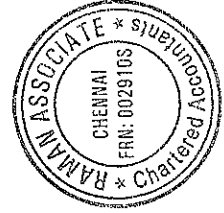


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IFCI FINANCIAL SERVICES LIMITED

Note No : 1,2,3

| | Amount In Rs. | | | | | | | | | | | | |
|---------------------------------------|-----------------------------------|--------------|-------------------------------|------------------------------|----------------------------------|-------------------------------|-------------------------------|-----------------------------|-----------------------------|--------------|--|--|--|
| | Gross Block | | | | Accumulated Depreciation | | | | Net Block | | | | |
| | Balance as at 1st April 2018 | Additions | Balance as at 31st March 2019 | Balance as at 1st April 2018 | Depreciation charge for the year | Balance as at 31st March 2019 | Balance as at 31st March 2019 | Balance as at 31 March 2018 | Balance as at 31 March 2017 | | | | |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | | | | |
| Fixed Assets | | | | | | | | | | | | | |
| | a Tangible Assets | | | | | | | | | | | | |
| | Furniture and Fixtures | 56,77,766 | - | 56,77,766 | 52,30,619 | 1,46,828 | 53,77,447 | 3,00,319 | 4,47,147 | 6,86,670 | | | |
| | Vehicles | 22,150 | - | 22,150 | 21,259 | 248 | 21,507 | 643 | 891 | 1,243 | | | |
| | Office equipment | 1,11,54,869 | 3,71,778 | 1,15,26,646 | 1,01,38,972 | 2,32,184 | 1,03,71,156 | 11,55,490 | 10,15,897 | 14,62,396 | | | |
| | computer hardware | 3,73,52,059 | 37,815 | 3,73,89,874 | 3,63,53,302 | 2,460 | 3,63,55,762 | 10,34,112 | 9,98,757 | 9,94,895 | | | |
| | Total | 5,42,06,844 | 4,09,593 | 5,46,16,437 | 5,17,44,152 | 3,81,720 | 5,21,25,872 | 24,90,565 | 24,62,692 | 31,45,204 | | | |
| | Investment Property | | | | | | | | | | | | |
| | Investments in Equity Instruments | 38,52,23,063 | - | 38,52,23,063 | - | - | - | 38,52,23,063 | 38,52,23,063 | 38,52,23,063 | | | |
| | Total | 38,52,23,063 | - | 38,52,23,063 | - | - | - | 38,52,23,063 | 38,52,23,063 | 38,52,23,063 | | | |
| b Intangible Assets | Computer software | 3,27,33,175 | - | 3,27,33,175 | 3,09,77,167 | 1,78,792 | 3,11,55,959 | 15,77,216 | 17,56,008 | 19,75,375 | | | |
| | Others - Non compete fees | 1,00,00,000 | - | 1,00,00,000 | 1,00,00,000 | - | 1,00,00,000 | - | - | - | | | |
| | Total | 4,27,33,175 | - | 4,27,33,175 | 4,09,77,167 | 1,78,792 | 4,11,55,959 | 15,77,216 | 17,56,008 | 19,75,375 | | | |
| | c Capital Work In Progress | | | | | | | | | | | | |
| Total | - | - | - | - | - | - | - | - | - | - | | | |
| d Intangible assets under Development | Total | 9,69,40,019 | 4,09,593 | 9,73,49,612 | 9,27,21,319 | 5,60,512 | 9,32,81,831 | 40,67,781 | 42,18,700 | 51,20,579 | | | |
| | Grand Total | | | | | | | | | | | | |
| | Grand Total | 9,69,40,019 | 4,09,593 | 9,73,49,612 | 9,27,21,319 | 5,60,512 | 9,32,81,831 | 40,67,781 | 42,18,700 | 51,20,579 | | | |
| | Previous Year | 9,68,00,841 | 1,39,178 | 9,69,40,019 | 9,16,80,263 | 10,41,057 | 9,27,21,319 | 42,18,700 | 51,20,579 | 64,22,942 | | | |



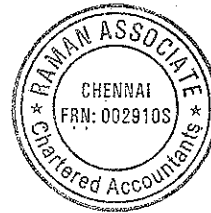
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IFCI Financial Services Limited

(Amount in Rs.)

| Note No. 4 | Particulars | As at 31st March 2019 | As at 31st March 2018 | As at 01st April 2017 |
|------------|---------------------------------|--------------------------|--------------------------|--------------------------|
| A | Security Deposits | | | |
| | Fixed Deposits | - | - | - |
| | Secured, considered good | 5,61,00,687 | 7,22,31,469 | 13,13,63,930 |
| | Unsecured, considered good * | - | - | - |
| | Doubtful | - | - | - |
| | Total | 5,61,00,687 | 7,22,31,469 | 13,13,63,930 |
| B | Other Loans and advances | | | |
| | Secured, considered good | 50,44,412 | 50,11,719 | 88,99,506 |
| | Unsecured, considered good * | - | - | - |
| | Doubtful | - | - | - |
| | Total | 50,44,412 | 50,11,719 | 88,99,506 |
| | Grand Total | 6,11,45,099 | 7,72,43,188 | 14,02,63,436 |

A

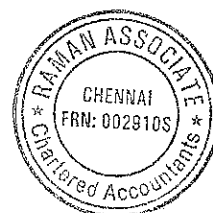


IFCI Financial Services Limited

(Amount in Rs.)

| Note No. | Particulars | As at 31st March 2019 | As at 31st March 2018 | As at 01st April 2017 |
|----------|------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|
| 5 | Current Investments | | | |
| | (a) Investment in Equity instruments | - | 2,32,33,773 | 3,39,71,809 |
| | (b) Investments in Others | - | - | - |
| | Total | - | 2,32,33,773 | 3,39,71,809 |
| | <u>Less:</u> | | | |
| | Provision for Impairment loss allowance | - | 1,75,72,967 | 1,80,57,124 |
| | Total | - | 56,60,806 | 1,59,14,685 |
| 6 | Trade receivables | | | |
| a | Trade receivables outstanding for a period less than six months from the date they are due for payment | | | |
| | Secured, considered good | 12,92,77,408 | 5,31,61,697 | 7,16,89,973 |
| | Unsecured, considered good | - | - | - |
| | Unsecured, considered doubtful | 2,38,214 | 3,84,570 | 8,96,432 |
| | Total | 12,95,15,622 | 5,35,46,267 | 7,25,86,405 |
| | <u>Less:</u> | | | |
| | Provision for Impairment loss | 2,38,214 | 3,84,570 | 8,96,432 |
| | Total | 12,92,77,408 | 5,31,61,697 | 7,16,89,973 |
| b | Trade receivables outstanding for a period greater than six months from the date they are due for payment | | | |
| | Secured, considered good | 8,46,571 | 3,61,46,691 | 33,66,654 |
| | Unsecured, considered good | - | - | - |
| | Unsecured, considered doubtful | 11,45,72,827 | 11,49,55,093 | 13,17,19,017 |
| | Total | 11,54,19,398 | 15,11,01,784 | 13,50,85,671 |
| | <u>Less:</u> | | | |
| | Provision for Impairment loss | 11,45,72,828 | 11,49,55,093 | 13,17,19,017 |
| | Total | 8,46,570 | 3,61,46,691 | 33,66,654 |
| | Grand Total | 13,01,23,978 | 8,93,08,388 | 7,50,56,628 |

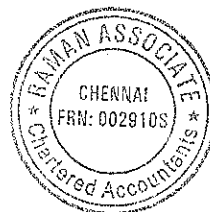
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IFCI Financial Services Limited

(Amount in Rs.)

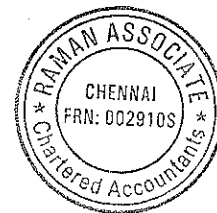
| Note No. | Particulars | As at 31st March 2019 | As at 31st March 2018 | As at 01st April 2017 |
|----------|-------------------------------------------------|--------------------------|--------------------------|--------------------------|
| 7 | Cash and cash equivalents | | | |
| | Bank Balances | | | |
| | a. Current Accounts | 8,91,97,471 | 14,86,66,860 | 4,57,79,096 |
| | b. Fixed Deposits | - | - | - |
| | Less than 3 Months | 2,81,70,218 | 2,35,13,889 | 2,17,73,799 |
| | Greater than 3 Months | 20,46,99,514 | 21,00,01,549 | 19,72,99,040 |
| | Total | 32,20,67,203 | 38,21,82,298 | 26,48,51,935 |
| | Cash Balances | | | |
| | Cash Balance | 843 | 1,648 | 619 |
| | Total | 32,20,68,046 | 38,21,83,946 | 26,48,52,554 |
| 8 | Short term loans and advances | | | |
| | a. Loans and advances to related parties | | | |
| | Secured, considered good | - | - | - |
| | Unsecured, considered good | 14,68,692 | 52,00,271 | 6,65,431 |
| | Unsecured, considered doubtful | - | - | - |
| | Total | 14,68,692 | 52,00,271 | 6,65,431 |
| | Less: | | | |
| | Provision for Impairment loss | - | - | - |
| | Total | 14,68,692 | 52,00,271 | 6,65,431 |
| | b. Others | | | |
| | Other Loans and Advances | 72,52,253 | 7,95,909 | 3,61,69,797 |
| | Advance Tax (net of provisions) | 2,93,52,236 | 3,42,52,792 | 3,34,61,617 |
| | Prepaid Expenses | 54,96,721 | 46,37,352 | 31,30,226 |
| | Sundry Deposits | - | - | - |
| | Total | 4,21,01,210 | 3,96,86,053 | 7,27,61,640 |
| | Less: | | | |
| | Provision for Impairment loss | - | - | - |
| | Total | 4,21,01,210 | 3,96,86,053 | 7,27,61,640 |
| | Grand Total | 4,35,69,902 | 4,48,86,324 | 7,34,27,071 |
| 9 | Other current assets | | | |
| | Interest accrued on Deposits | 51,33,783 | 31,74,631 | 96,59,818 |
| | Other Assets | - | - | - |
| | Interest Receivable | - | - | - |
| | Total | 51,33,783 | 31,74,631 | 96,59,818 |



IFCI Financial Services Limited

(Amount in Rs.)

| Note No. | Particulars | As at 31st March 2019 | As at 31st March 2018 | As at 01st April 2017 |
|----------|---------------------------------------|--------------------------|--------------------------|--------------------------|
| 10 | Deferred Tax Liabilities | | | |
| | Deferred Tax Liabilities (Net) | 26,46,304 | 26,37,029 | 27,66,999 |
| | Total | 26,46,304 | 26,37,029 | 27,66,999 |
| 11 | Other Non Current Liabilities | | | |
| | Security and Sundry Deposits | 69,02,487 | 68,52,327 | 66,26,724 |
| | Total | 69,02,487 | 68,52,327 | 66,26,724 |
| 12 | Borrowings | | | |
| | a. Borrowings from related parties | - | - | - |
| | b. Others | - | - | - |
| 13 | Other current Liabilities | | | |
| | Loans and advances to related parties | - | - | - |
| | Creditors for expenses | 60,62,657 | 78,09,829 | 25,69,605 |
| | Statutory dues | 45,96,143 | 1,56,29,572 | 1,35,95,553 |
| | Other liabilities | 7,33,096 | 2,10,60,674 | 18,20,008 |
| | Total | 1,13,91,896 | 4,45,00,074 | 1,79,85,165 |
| 14 | Short term provisions | | | |
| | Gratuity | 55,000 | 24,25,804 | - |
| | Leave Encashment | 81,15,599 | 82,03,952 | 58,81,595 |
| | Bonus | 6,89,635 | 3,51,804 | 7,96,019 |
| | Total | 88,60,234 | 1,09,81,560 | 66,77,614 |

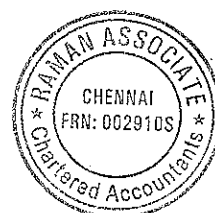


IFCI Financial Services Limited

(Amount in Rs.)

| Note No. | Particulars | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
|-----------------|------------------------------------|-----------------------------------------------|-----------------------------------------------|
| 15 | Revenue From Operations | | |
| | Brokerage On Stock Broking | 10,59,70,812 | 13,33,61,191 |
| | Commission On Mutual Fund | 1,21,39,789 | 91,29,693 |
| | Insurance Commission | 1,08,048 | 52,992 |
| | Loan Syndication Fee | 1,12,500 | 14,66,500 |
| | Valuation Fees | - | 16,78,478 |
| | Depository Income | 40,12,482 | 47,24,543 |
| | Commision From IPO / Bonds /Others | - | 28,97,581 |
| | Commision On Fixed deposits | - | 4,75,482 |
| | Account Opening Charges | 1,47,667 | 2,63,550 |
| | Dividend income | 51,610 | 1,72,457 |
| | | 12,25,42,908 | 15,42,22,467 |
| 16 | Other Operational Income | | |
| | Delayed Payment Interest | 1,16,97,879 | 1,54,46,072 |
| | Total | 1,16,97,879 | 1,54,46,072 |
| 17 | Other Income | | |
| | Rental Income | 22,63,458 | 22,97,928 |
| | Miscellaneous Income | 2,44,00,177 | 1,43,69,665 |
| | Interest Income | 1,73,59,457 | 1,84,29,674 |
| | Profit on Sale of Investments | - | 23,74,157 |
| | Interest Income on IT Refund | 4,72,896 | - |
| | Total | 4,44,95,988 | 3,74,71,424 |

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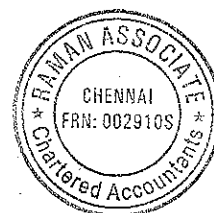


IFCI Financial Services Limited

(Amount in Rs.)

| Note No. | Particulars | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
|----------|----------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| 18 | Employee Benefit Expenditure | | |
| | (a) Salaries and incentives | 7,59,19,293 | 8,56,69,005 |
| | (b) Contributions to Provident fund & Employee State Insurance | 51,96,808 | 54,57,926 |
| | Gratuity fund contributions | 12,79,988 | 31,02,346 |
| | Staff Welfare | 27,72,480 | 22,48,442 |
| | Total | 8,51,68,569 | 9,64,77,719 |
| 19 | Finance Costs | | |
| | Bank Financial Costs | 19,95,068 | 14,84,468 |
| | Total | 19,95,068 | 14,84,468 |

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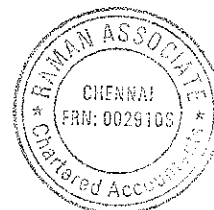


IFCI Financial Services Limited

(Amount in Rs.)

| Note No. | Particulars | For the year ended 31st March 2019 | For the year ended 31st March 2018 |
|-----------------|-----------------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| 20 | Other Expenses | | |
| | Fees To Clearing Member | 33,71,430 | 45,73,813 |
| | Information Technology Exp | 5,29,088 | 4,97,106 |
| | Data Feed Charges | 19,74,114 | 16,45,291 |
| | DP Expenses | 3,07,760 | 6,44,965 |
| | Broking Stamp Expenses | 6,400 | 19,200 |
| | Professional Charges | 2,32,78,015 | 3,00,32,683 |
| | Advertisement | 40,634 | - |
| | Audit Fees | 8,05,000 | 7,80,000 |
| | Electricity Charges | 40,59,233 | 40,15,839 |
| | Insurance Expenses | 18,31,016 | 16,28,327 |
| | Commission Paid | 75,73,879 | 95,38,848 |
| | Postage & Telegram | 7,48,352 | 10,34,891 |
| | Printing & Stationery | 11,56,415 | 14,76,450 |
| | Rent | 2,15,93,834 | 2,10,94,972 |
| | Rates & Taxes | 36,020 | 96,439 |
| | Repairs & Maintenance | 6,57,816 | 14,52,560 |
| | Sitting Fees | 2,02,500 | 3,87,000 |
| | Membership Fee | 62,80,209 | 64,87,917 |
| | Telephone Expenses | 57,88,140 | 61,79,687 |
| | Training Expenses | 1,24,118 | 1,12,917 |
| | Travelling & Conveyance Exp | 10,49,256 | 11,77,508 |
| | Office Maintenance | 36,25,290 | 31,53,791 |
| | Other Administrative Expenses | 24,06,494 | 19,12,732 |
| | Total | 8,74,45,013 | 9,79,42,935 |
| 21 | Impairment on financial instrument | | |
| | Provision for impairment in the value of investment | (1,75,72,967) | (4,84,157) |
| | Loss on sale of shares | 1,76,02,226 | - |
| | Bad debts written off | 4,70,120 | (23,05,718) |
| | Provision for Doubtful accounts | (5,28,621) | - |
| | Total | (29,242) | (27,89,875) |

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IFCI Financial Services Limited

Significant Accounting Policies & Notes to Accounts for the year ended March, 31 2019

I. Background

IFCI Financial Services Ltd (IFIN) was promoted in 1995, by IFCI Ltd., to provide a wide range of financial products and services to investors, institutional and retail. IFIN is primarily involved in Stock Broking, Investment Banking, Mutual Fund Distribution & Advisory Services, Depository Participant Services, Insurance Products Distribution and the like.

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

II. Basis of Preparation of Financial Statements:

The financial statements for the year ended March 31, 2019 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.

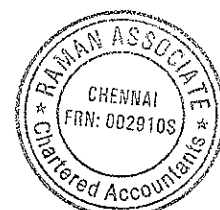
For periods up to and including the year ended March 31, 2018, the Company presented its financial statements on accrual basis under historical cost convention, and conform in all material aspects to the Generally Accepted Accounting Principles in India ('Indian GAAP' or 'previous GAAP') which encompasses applicable accounting standards relevant provisions of the Companies Act, 2013.

The financial statements for the year ended March 31, 2019 are the first financial statements of the Company prepared under Ind AS.

The financial statements were authorised for issue by the Company's Board of Directors on 18th April 2019.

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 are rounded off to the nearest two decimal, except when otherwise indicated.



IV. Use of judgments and estimates:

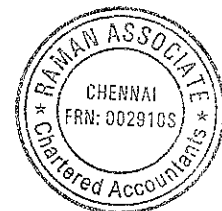
In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities as on the date of the financial statements and the reported income and expenses for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

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

V. Revenue recognition

- 1) Brokerage Income is recognised on the trade date of the transaction upon confirmation of the transactions by the exchanges.
- 2) Loan Syndication Fees are recognised when the right to receive the income is established.
- 3) Depository Services incomes are recognised on the basis of agreements entered into with clients and when the right to receive the income is established.
- 4) Insurance Commission from Agency business is booked upon actual receipt of commission from the principal.
- 5) Commission from selling of mutual funds is accounted on receipt basis.
- 6) Recovery from bad debts written off is recognised as income on the basis of actual realisation from customers.
- 7) Dividends declared by the respective Companies till the close of the accounting period are accounted for as income when the right to receive the dividend is established.
- 8) Interest income from financial assets is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

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V. Recognition of Financial Instruments

a) Trade Receivables & Trade Payables

The respective carrying values of certain on-balance sheet financial instruments approximated their fair value. These financial instruments include trade receivables, trade payables and certain other financial assets and liabilities. Carrying values were assumed to approximate fair values for these financial instruments as they are short-term in nature.

Management reviews the financial instruments on the reporting date and recognizes impairment losses, when the carrying amount is less than the recoverable amount.

b) Investment in equity instruments in subsidiaries

Ind AS 101 provides an exemption to the first-time adopter to measure an investment in subsidiaries and associates at:

- a) cost determined in accordance with Ind AS 27; or
- b) deemed cost, which shall be its:
 - i) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or
 - ii) previous GAAP carrying amount at that date.

A first-time adopter may elect the above option for each subsidiary, that it elects to measure using a deemed cost.

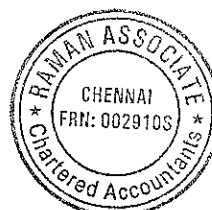
The Company has elected to apply the exemption available under Ind AS 101 to use the carrying value (measured as per the previous GAAP) for all its investments in subsidiaries as recognised in the financial statements as at the date of transition to Ind ASs, as deemed cost as at the date of transition (i.e. 1 April 2018).

c) Cash and cash equivalents

The Company holds cash and cash equivalents of Rs.3220.68 lacs at 31 March 2019 (31 March 2018: Rs.3821.84 lacs). The cash and cash equivalents are held with bank as current account balances and Fixed Deposit balances.

The Company considers that its cash and cash equivalents have low credit risk and thus no need for any impairment.

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VI. Investments:

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

VII. Property, plant and equipment and Investment property

Recognition and measurement

Property, plant and equipment held for use or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. The cost includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

Investment Property consists of building let out to earn rentals. The Company follows cost model for measurement of investment property.

Depreciation

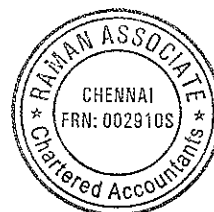
Depreciation is provided using the straight line method over the useful life as prescribed under Schedule II to the Companies Act, 2013. Depreciation is calculated on pro-rata basis, including the month of addition and excluding the date of sale/disposal. Residual value in respect of assets is considered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

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.

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 recognised in profit or loss.

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Transition to Ind AS

The Company has elected to continue with the carrying value of all of its property, plant and equipment and investment property recognised as of April 1, 2018 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

Intangible assets

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.

Amortisation

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation 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.

De-recognition

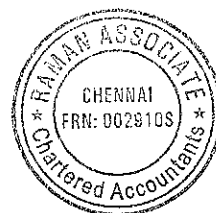
An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised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

Transition to Ind AS

The Company has elected to continue with the carrying value of all of its intangible asset recognised as of April 1, 2017 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

VIII. Impairment of Assets:

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



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.

The 'recoverable amount' of an asset is the greater of its value in use and its fair value less costs to sell.

Impairment losses are recognised 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 amortisation, if no impairment loss had been recognised.

X. Employee Benefits:

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

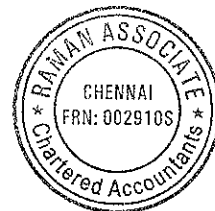
Defined contribution plan -

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

Defined Benefit Plan -Gratuity

- The Company's liability towards Gratuity is a Defined Benefit Plan. The liability towards Gratuity is determined using the Projected Unit Credit Method which recognizes each period of service as giving rise to additional unit of Employee benefit entitlement. The gratuity Scheme is operated through Group gratuity Scheme of LIC. The gratuity liabilities are provided based on Actuarial Valuation certified by LIC. Actuarial gains and losses are charged to Profit and Loss Account.

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▪ **Compensated Absence-Leave Salary**

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

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 recognised in profit or loss except to the extent that it relates to a business combination

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 or loss 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 recognised as current tax in the statement of profit and loss.

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

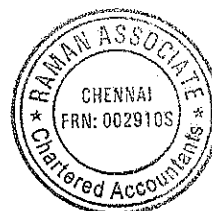
- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

A. Deferred tax

Deferred tax is recognised 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 realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised 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

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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 recognised 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 recognised 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

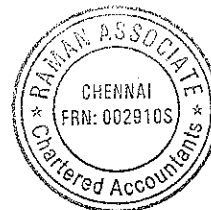
Provisions are recognised when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

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

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First time adoption of Ind AS

Explanation of transition to Ind AS

These financial statements for the year ended 31 March 2019, are the first financial statements, the Company has prepared in accordance with Ind AS. For the periods up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

Accordingly, the Company has prepared its financial statements to comply with Ind AS for the year ended 31 March 2019, together with comparative data as at and for the year ended 31 March 2018, as described in the summary of significant accounting policies. All applicable Ind AS have been applied consistently and retrospectively subject to Ind AS 101 exemptions and exceptions availed by the Company. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2017, the Company's date of transition to Ind AS.

In preparing its Ind AS balance sheet as at 1 April 2017 and in presenting the comparative information for the year ended 31 March 2018, the Company has availed the optional exemptions for the amounts reported previously in financial statements prepared in accordance with previous GAAP.

Optional exemptions availed and mandatory exceptions

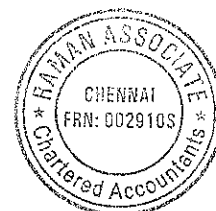
In preparing the financial statements, the company has option to avail the below mentioned exemptions and mandatory exceptions.

Optional exemptions:

As per Ind AS 101 an entity may elect to:

- a) measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date; or
- b) use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was, at the date of the revaluation, broadly comparable to:
 - fair value;
 - or cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index

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The elections under (a) and (b) above are also available for intangible assets that meets the recognition criteria in Ind AS 38, Intangible Assets, (including reliable measurement of original cost); and criteria in Ind AS 38 for revaluation (including the existence of an active market); or
(c) use carrying values of property, plant and equipment, intangible assets and investment properties as on the date of transition to Ind AS.

The Company has elected to apply the exemption available under Ind AS 101 to use the carrying value (measured as per the previous GAAP) for all of its property, plant and equipment, intangible assets and investment properties as recognised in the financial statements as at the date of transition to Ind ASs, as deemed cost as at the date of transition (i.e. 1 April 2017).

Investments in group companies

Ind AS 101 provides an exemption to the first-time adopter to measure an investment in subsidiaries and associates at:

- a) cost determined in accordance with Ind AS 27; or
- b) deemed cost, which shall be its:
 - i) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or
 - ii) previous GAAP carrying amount at that date.

A first-time adopter may elect the above option for each subsidiary that it elects to measure using a deemed cost.

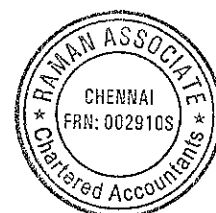
The Company has elected to apply the exemption available under Ind AS 101 to use the carrying value (measured as per the previous GAAP) for all its investments in subsidiaries and joint ventures as recognised in the financial statements as at the date of transition to Ind ASs, as deemed cost as at the date of transition (i.e. 1 April 2017).

'Mandatory exceptions:

Derecognition of financial assets and liabilities

'As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively for transactions occurring on or after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities

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derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the derecognition principles of Ind AS 109 prospectively from 01 April 2017.

Estimates

'As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS and at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

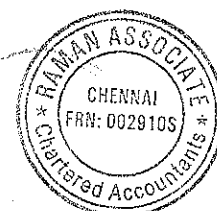
- Fair value of financial instruments carried at fair value through profit and loss and/ or fair value through other comprehensive income
- Impairment of financial assets based on the expected credit loss model.
- Determination of the discounted value for financial instruments carried at amortised cost

Classification and measurement of financial assets

'Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets bases on facts and circumstances that exist on the date of transition.

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XIII. Contingent Liabilities not provided for:

Bank guarantees aggregating to Rs. 25,23,75,000 (Previous Year – Rs. 25,00,00,000/-) to National Stock Exchange of India Limited, Rs.3,00,00,000/- (Previous Year – 3,00,00,000/-) to Bombay Stock Exchange, Rs. Nil (Previous Year – Nil)/- to MCX-SX Stock Exchange as on 31st March 2019 for meeting margin requirements.

The Company has pledged fixed deposits aggregating to Rs. 14,11,87,500/- (Previous Year – Rs. 14,00,00,000/-) with banks for obtaining the above bank guarantees.

Other Contingent liabilities in respect of claims against the company:

(Rupees in lakhs)

| Forum before which the case is pending | No. of cases | Amount |
|---------------------------------------------------------|--------------|--------|
| 14 th Additional City Civil Court, Bangalore | 1 | 127.45 |
| District Court, Patiala House, New Delhi | 1 | 1.43 |
| High Court of Madras | 1 | 5 |
| District & Sessions Judge, Chandigarh | 1 | 1.90 |

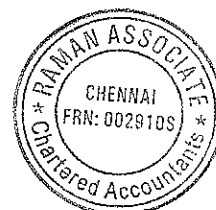
XIV. Earnings Per Share:

The Earning per Share [EPS] has been computed in accordance with the Indian Accounting Standard 33 issued by the Institute of Chartered Accountants of India. The numerators and denominators used to calculate the EPS are:

(Amounts in Rupees)

| Particulars | As on 31-03-2019 | As on 31-03-2018 |
|---------------------------------------------------------------------------------------------|---------------------|---------------------|
| Net Profit for the year available for the equity share holders (Before extra-ordinary Item) | 29,12,034 | 1,04,65,614 |
| Nominal value per equity share | 10 | 10 |
| Weighted Average No. of outstanding equity shares during the year – Basic & Diluted. | 4,15,33,709 | 4,15,33,709 |
| Basic & Diluted Earnings per Share (Before extra-ordinary Item) | 0.07 | 0.25 |

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XV. Current and Deferred Taxation:

- a. Provision for current tax amounting to Rs.6,75,546 has been provided.
- b. During the Year the tax effect on timing difference has resulted in Deferred Tax liability and the same has been duly accounted as under:

| Deferred Tax Asset / Liability | 2018-19 | 2017-18 |
|--------------------------------|---------------|-----------------|
| DTA / (DTL) | (9275) | 1,29,970 |
| Total | (9275) | 1,29,970 |

c. Managerial Remuneration:**(Amount in Rupees)**

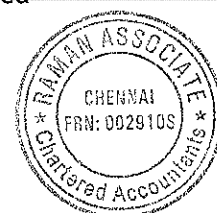
| Particulars | 2018-19 | 2017-18 |
|-----------------------------------------------------------|-----------------|------------------|
| To Managing Director (On deputation from IFCI Limited) | | |
| (a) Salary and Allowances | 8,66,835 | 35,04,429 |
| (b) Contribution to PF and other funds | - | - |
| Total | 8,66,835 | 35,04,429 |

d. Details of Auditors Remuneration (Excluding Service Tax / GST):

| Nature of Service | 2018-19 | 2017-18 |
|----------------------------------------------------------------|-----------------|-----------------|
| Statutory Audit Fee | 5,00,000 | 5,00,000 |
| Consolidation Fee | 75,000 | 75,000 |
| For Quarterly Reporting and Consolidating financial Statements | 1,80,000 | 1,80,000 |
| Tax Audit | 50,000 | 25,000 |
| Other Services | - | - |
| Total | 8,05,000 | 7,80,000 |

e. Related Party Disclosure :

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

b) IFCI Factors Limited

c) IFCI Infrastructure Development limit

d) Stock Holding Corporation of india Limited

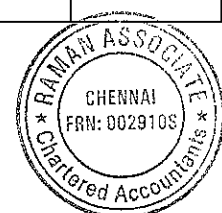
e) MPCON Limited

d) Transaction with Related Parties:

(Amount in Rupees)

| Sl. No. | Particulars | Holding /Subsidiary/ Fellow Subsidiary Companies | | Key Managerial Personnel | |
|---------|-------------------------------------------------------------|--------------------------------------------------|--------------|--------------------------|-----------|
| | | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| 1 | Rent Paid to IFCI Ltd. | 1,13,21,290 | 1,14,76,559 | - | - |
| 2 | Rent received from IFIN Commodities Ltd. | 22,63,458 | 22,97,928 | - | - |
| 3 | Brokerage Received from IFCI Ltd | 32,17,597 | 39,35,381 | - | - |
| 4 | Portfolio Management Services fees received | - | - | - | - |
| 5 | Depository Services Fees received from IFCI Limited | 10,67,833 | 8,61,310 | - | - |
| 6 | Reimbursement of Expenses to IFCI Limited. | 6,14,543 | 43,011 | - | - |
| 7 | Reimbursement of Exp received from IFIN Commodities Limited | - | - | - | - |
| 8 | Managerial Remuneration | - | - | 2,52,292 | 34,61,418 |
| 9 | Consultancy Fee received from IFIN Commodities Limited | - | - | - | - |
| 10 | Loan Availed from IFIN Securities Finance Limited | - | - | - | - |
| 11 | Loan Repaid to IFIN Securities Finance Limited | - | - | - | - |
| 12 | Corporate Guarantee Issued to IFIN Commodities Ltd | 5,00,00,000 | 5,00,00,000 | - | - |
| 13 | Interest Paid to IFIN Securities Finance Ltd | - | - | - | - |
| 14 | Equity contribution made in IFIN Securities Finance Limited | 30,01,00,000 | 30,01,00,000 | - | - |

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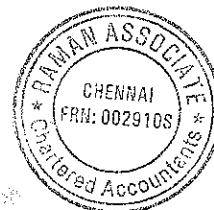
| | | | | | |
|----|-------------------------------------------------------------------|-------------|-------------|---|---|
| 15 | Equity contribution made in IFIN Commodity Limited | 5,00,00,000 | 5,00,00,000 | - | - |
| 16 | Brokerage received from IFCI Factors Ltd | 60,382 | 22,803 | - | - |
| 17 | DP income received from IFCI Factors Ltd | 12,733 | 2,84,063 | - | - |
| 18 | Reimbursement of Expenses from IFIN Securities Finance Limited | 1,25,00,000 | 1,25,00,000 | - | - |
| 19 | Amount Due from IFIN Securities Finance Limited | - | 35,62,500 | - | - |
| 20 | Brokerage Income received from IFIN Securities Finance Limited | 14,080 | 1,37,550 | - | - |
| 21 | Reimbursement of Expenses from IFIN Credit Limited | 12,60,000 | 14,40,000 | - | - |
| 22 | Amount Due from IFIN Credit Limited | 14,68,692 | 12,95,383 | - | - |
| 23 | Amount Due from IFIN Commodities Limited | - | 4,13,634 | - | - |
| 24 | DP income received from IFCI Ventures Capital Fund Limited | 47,000 | 87,425 | - | - |
| 25 | Brokerage income received from IFCI Ventures Capital Fund Limited | 24,824 | 1,74,037 | - | - |
| 26 | Amount Paid to IFCI Limited for Letter of Credit | 4,59,769 | 4,06,875 | - | - |

XVI. Employee Benefits

Provisions for employee benefits as per Ind AS:

- Defined Contribution plan: Provident and other statutory funds. The amount recognized as an expense during the year is Rs. 51,96,808/- (Previous Year – Rs. 54,57,926 /-) towards Provident fund.
- Defined Benefit plan-Liability on account of encashment of leave to employees is paid within one year from the end of the financial year.
- The Company has constituted The Employees Group Gratuity Fund under the Group Gratuity Assurance Scheme administered by the Life Insurance Corporation of India. The scheme provides for Lump sum payment to vested employees at retirement, death

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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. Vesting occurs on completion of 5 years of service.

XVII. Employee Benefits

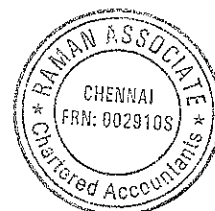
The following table sets out the Gratuity plan as per Ind AS:

| Particulars | Year 2018-19 | Year 2017-18 |
|---------------------------------------|------------------------------|------------------------------|
| Policy No | 605000538 | 605000538 |
| Date of Valuation | 31/03/2019 | 31/03/2018 |
| Membership Date | | |
| Number of Members | 150 | 155 |
| Average age | 39.73 | 39.04 |
| Average Monthly Salary | 20207.84 | 20007.33 |
| Average past Service | 7.13 | 6.25 |
| Valuation Method | Projected unit credit method | Projected unit credit method |
| Results of Valuation | | |
| Present value of Past Service Benefit | 1,31,28,064 | 89,08,516 |
| Service cost | 15,94,494 | 12,29,137 |
| Fund with LIC | 1,11,62,337 | 78,18,766 |
| Accrued Gratuity | 1,40,24,947 | 1,23,94,726 |
| Actuarial Assumptions | | |
| Mortality Rate | LIC (2006-08) ultimate | LIC (2006-08) ultimate |
| Discount rate | 7.50 % p.a. | 7.50 % p.a. |
| Salary escalation rate | 7% | 5% |
| Withdrawal rate | 1% to 3% depending on age | 1% to 3% depending on age |
| Total Amount Payable | 35,60,221 | 24,25,804 |

XVIII. Balances of Sundry Debtors, Advances recoverable are subject to confirmation from the respective parties. In the opinion of the management the same are good and recoverable, except for an amount of Rs. 11,48,11,042 /- which is provided for.

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

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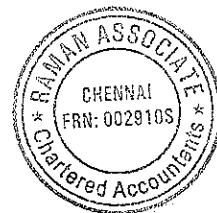
XX. Figures have been rounded off to the nearest Rupee. Figures in bracket represent previous year's figures. Figures of the previous year have been regrouped / rearranged wherever necessary to make them comparable with the current year figures.

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RAMAN ASSOCIATE
Chartered Accountants
H.O. : 13, Luz Avenue,
Mylapore, Chennai – 600 004

Telephone : 091 – 004 - 24996255
Mobile : 98403 60575
E-mail : ramanassociate@rediffmail.com
ramanassociate@yahoo.com

Independent Auditors' Certificate on Corporate Governance to The Members of IFCI Financial Services Limited

1. We, Raman Associate, Chartered Accountants, the Statutory Auditors of **IFCI Financial Services Limited** ["the Company"], have examined the compliance of Corporate Governance by the Company, for the year ended on **March 31, 2019**, as stipulated in regulations 17 to 27 and clauses [b] to [i] of regulation 46 [2] and para C and D of Schedule V of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 ["SEBI Listing Regulations"].

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

5. As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we state that as per the records maintained and certified by the Registrars of Company, there were no investors' grievances remaining unattended / pending for more than 30 days as at **31st March 2019**.
6. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses [b] to [i] of regulation 46 [2] and para C and D of Schedule V of the SEBI Listing Regulations during the year ended **March 31, 2019**.
7. We further state that such compliance is neither an assurance to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Raman Associate**
Chartered Accountants
FRN: 002910S

A.P. Vijayendran
Partner
M. No. 215166
Chennai,





RAMAN ASSOCIATE
Chartered Accountants
H.O. : 13, Luz Avenue,
Mylapore, Chennai – 600 004

Telephone : 091 – 004 - 24996255
Mobile : 98403 60575
E-mail : ramanassociate@rediffmail.com
ramanassociate@yahoo.com

**Independent Auditor's Report
To the Members of IFCI Financial Services Limited**

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **M/s. IFCI Financial Services Limited** [‘the Company’] which comprise the Balance Sheet as at **31st March 2019** and the Statement of Profit and Loss [including other comprehensive income], the statement of Cash Flows and the statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information [hereinafter referred to as “standalone Ind AS financial statements”].

Management's Responsibility 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 including other comprehensive income, cash flows and changes in equity 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 relevant rules issued in the Companies [Accounts] Rules, 2014.

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

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 [10] of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

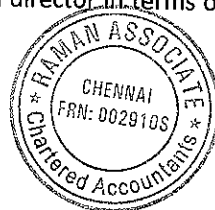
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the financial position of the Company as at **31st March 2019**, and its financial performance including other comprehensive income, its Cash Flows and the changes in equity for the year ended on that date.

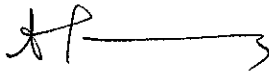
Report on other Legal and Regulatory Requirements

1. As required under Section 143 [5] of the Companies Act, 2013, we give in the "Annexure A" our report on the directions issued by the Comptroller and Auditor General of India.
2. As required by the Companies [Auditor's Report] Order, 2016 ["the Order"], issued by the Central Government of India in terms of Sub-section [11] of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. As required by Section 143 [3] of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Cash Flows and the Statement of changes in equity 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 Accounting Standards specified under Section 133 of the Act, read with relevant rule issued in the Companies [Accounts] Rules, 2014;
 - e) On the basis of written representations received from the directors as on 31st March 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019, from being appointed as a director in terms of Section 164 [2] of the Act and;

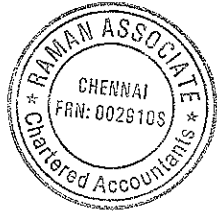


- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls as required under Clause [i] of Sub-section 3 of Section 143 of the Companies Act, 2013, we give in the "Annexure B" our report on Internal Financial Controls of the Company for the year ended 31st March 2019 and
- g) With respect to the other matters to be included in the Auditors' 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 as referred to in Notes 37 to the standalone Ind AS financial statements;
 - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts as referred to in Notes 39 to the standalone Ind AS financial statements;
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and

For Raman Associate
Chartered Accountants
FRN – 002910S

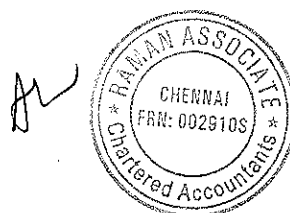


A.P. Vijayendran
Partner
M. No. 215166
Chennai,



"Annexure A" to the Independent Auditor's Report of even date on the Standalone Ind AS financial statements of M/s. IFCI Financial Services Limited

| No. | Compliance | Comments | |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------|
| 01 | If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets [including intangible assets and land] and Liabilities [including Committed & General Reserves] may be examined including the mode and present stage of disinvestment process | N-I-L | |
| 02 | Please report whether there are any cases of waiver / write-off of debts / loans / interest, etc. If yes, the reasons therefore and the amount involved | N-I-L | |
| 03 | Whether proper records are maintained for inventories lying with third parties and assets received as gift from Government or other authorities | N-I-L | |
| 04 | A report on age-wise analysis of pending legal / arbitration cases including the reasons of pendency and existence / effectiveness of a monitoring mechanism for expenditure on all legal cases [foreign and local] may be given | APPLICABLE | |
| | Sl. No. | Period | No. of Cases |
| | 01 | Less than 1 year | - |
| | 02 | 1 year to 3 years | 5 |
| | 03 | 3 years to 5 years | 7 |
| | 04 | 5 years to 10 years | 6 |
| | 05 | More than 10 years | - |
| | Total | | 18 |



| | | |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| 05 | Whether the Company's pricing policy absorbs all fixed and variable costs of production as well as the allocation of overheads? | N-I-L |
| 06 | Whether the Company has fixed norms for normal losses and a system for evaluation of abnormal losses for remedial action is in existence? | N-I-L |
| 07 | What is the system of valuation of by-products and finished products? List out the cases of deviation from its declared policy | N-I-L |
| 08 | State the extent of utilization of plant and machinery during the year vis-à-vis installed capacity | N-I-L |
| 09 | Whether the Company has effective system for physical verification, valuation of stock, treatment of non-moving items and accounting of effect of shortage / excess noticed during physical verification | N-I-L |

For Raman Associate
Chartered Accountants
FRN – 002910S

AP

A.P. Vijayendran
Partner
M. No. 215166



Chennai,

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statement of M/s. IFCI Financial Services Limited

Report on the Internal Financial Controls under Clause [i] of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of **M/s. IFCI Financial Services Limited** ["the Company"] as of **March 31, 2019** in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria that are established by the Company in their separate internal control manuals 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

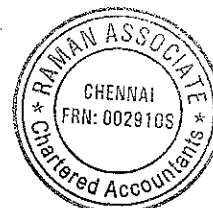
Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ["the Guidance Note"] and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and deemed to be prescribed under Section 143 [10] of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 included obtaining an understanding of internal financial controls over financial reporting assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS 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.

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Meaning of Internal Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that [1] *pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company*; [2] *provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company* and [3] *provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.*

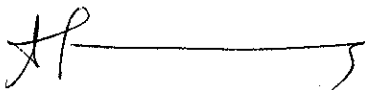
Inherent Limitations of Internal Financial Controls over Financial Reporting

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

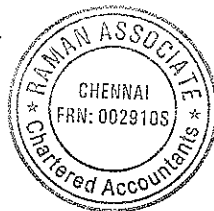
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operative effectively as at **March 31, 2019**, based on the internal control over financial reporting criteria that are established by the Company in their separate internal control manuals 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.

For Raman Associate
Chartered Accountants
FRN – 002910S



A.P. Vijayendran
Partner
M. No. 215166



Chennai,

Annexure to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statement for the year ended 31st March 2019, on the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we report that --

Fixed Assets

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) The fixed assets have been physically verified by the Management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- c) All title deeds of the immovable properties are held by the Company.
- d) Fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.

Inventory and its physical verification

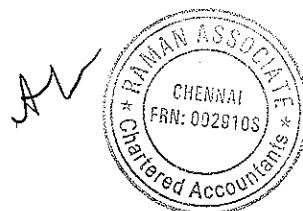
- a) The inventory has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.
- b) The procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company has maintained proper records of inventory and no material discrepancies were noticed on physical verifications.

Loans granted / taken from related Companies

- a) The Company has not granted any loans and advances, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- b) The Company has not taken any loans and advances, secured or unsecured from companies, firms or other parties covered in the register maintained under section 189 of the Act.

Guarantees given / acquired by the Company

- a) In our opinion and according to the information and explanation given to us and based on the records produced before us during the course of our audit, the Company has not given any guarantee or to provide security in connection with a loan or acquire by way of subscription, purchase or otherwise, the guarantees or securities during the year under review.



Public Deposits

- a) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year.

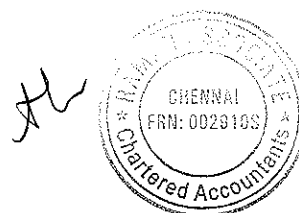
Cost Records

- a) The Central Government has prescribed the maintenance of cost records by the Company under Section 148 [1] of the Companies Act, 2013 and we are of the opinion that prima facie, the books of accounts have been maintained by the Company and the proforma specified therein for the year are under preparation. We have however not carried out a detailed verification of such records.

Statutory Dues

- a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax, Value Added Tax, Wealth Tax, Service Tax, Excise Duty, Customs Duty and Cess and any other statutory dues applicable to it with appropriate authorities.
- b) According to the information and explanations given to us, no undisputed amounts payable were in arrears as at 31st March 2019 for a period of more than six months from the date they became payable.
- c) According to the information and explanations given to us, there are no material dues of Sales Tax / Value Added Tax / Income Tax / Customs Duty / Wealth Tax / Service Tax / Excise Duty / Cess which have not been deposited on account of any dispute. However, according to information and explanations given to us, the following dues of statutory dues have not been deposited by the Company on account of disputes:

| Name of the Statute | Nature of Dues | Period to which the amount pertains | Amount [Rs. Lakhs] | Forum where the dispute is pending |
|---------------------|----------------|-------------------------------------|--------------------|------------------------------------|
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |



- d) According to the information and explanation given to us, the amount required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder have been transferred by the Company to the fund within time.

Term Loans

- a) The Company has obtained term loans during the year which were *prima facie*, applied for the purpose which they were obtained.
- b) On the basis of verification of records and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders during the year under review.
- c) The Company did not raise any monies by way of issue of debentures or further public offer including debt instruments during the year.

Frauds noticed

- a) During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India and to the best of our knowledge and according to the information and explanations given to us, no fraud of material nature on the Company by its officers or employees has been noticed or reported during the year nor have we been informed of any such case by the management.

Managerial Remuneration

- a) On the basis of verification of records and according to the information and explanations given to us and based on our examination of records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013 during the year under review.

Nidhi Company

- a) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and the provisions of the Nidhi Rules, 2014 are not applicable to the Company.

Related Party Transactions

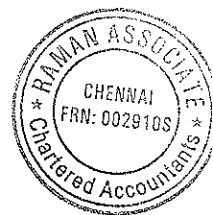
- a) On the basis of verification of records and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable and the details have been properly disclosed in the standalone Ind AS financial statements for the year under review.

Shares and Debentures

- a) On the basis of verification of records and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

Non-cash Transactions

- a) According to information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash



transactions with directors or persons connected with him / her during the year under review.

Registration under RBI Act, 1934

- a) In our opinion and according to the information and explanations given to us and in accordance with the nature of activity of the Company, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

As per our report of even date

For Raman Associate

Chartered Accountants

FRN – 002910S



A.P. Vijayendran

Partner

M. No. 215166

Chennai,

